

DECLASSIFIED

E.O. 12958, as amended, Sect 3.5

NSA/Soubers to Smith 09/06/2002
By hjr Date 02/13/07

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

SECRET

October 13, 1971

National Security Decision Memorandum 138

TO: The Secretary of State
The Secretary of Defense
Administrator, Agency for International
Development
Director, Office of Management and Budget

SUBJECT: Policy Toward Malta

After reviewing the response to NSSM 135 and having considered the issues raised during the SRG meeting of October 5, the President has made the following decisions.

U.S. policy toward Malta shall have as its principal objective the successful renegotiation of the United Kingdom-Malta defense and financial agreement, so as to:

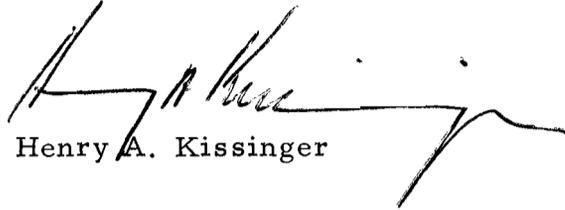
- safeguard U.S. strategic interests;
- deny Malta's military facilities to the Soviet Union and Warsaw Pact nations;
- retain use of the UK's military facilities by NATO forces;
- keep Malta from becoming dependent on Libya for financial assistance.

The President has approved provision from resources available to the Agency for International Development of the funds pledged by the United States to the UK for the Malta negotiations. The Administrator, AID, should arrange with the Department of State for the transfer of these funds.

The President has directed that the Under Secretaries Committee should monitor the UK-Malta negotiations and make timely recommendations on such actions as may be required to ensure an outcome satisfactory to the United States.

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The President wishes to consider all options open to him to prevent the possible breakdown of UK-Malta negotiations in order that he can decide on the future U.S. course of action before any such breakdown might occur. The Under Secretaries Committee is charged with the development by November 1, 1971 of alternative levels and packages of possible U.S. assistance to Malta for his consideration. These recommendations should be so formulated as to provide the President with the option of bridging any funding/assistance gap which may exist between the United Kingdom and Malta in the negotiations.



Henry A. Kissinger

cc: Director, Central Intelligence Agency
Chairman, Joint Chiefs of Staff
Secretary of the Treasury