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WASHINGTON, D.C. 20301

July 28, 1981

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: Caterpiller Pipelayer Export

DECLASSIFIED IN FULL Authority: EO 13526 Chief, Records & Declass Div. W FEB 1 2 2018

Bd Meese asked Allen's office to prepare the decision for permitting the export of the Caterpiller Pipelayers to the Soviet Union. If this decision is irreversible, we will have to confine ourselves to damage limiting. Approval of the export in the wake of the President's efforts at Ottawa to dissuade our Allies might raise questions about US sincerity, hurt the President's credibility, and undermine our continuing effort to halt the Siberian Pipeline project.

If the decision to permit the export is no longer irreversible, we might at least require the Soviets to accept clearly spelled-out restrictions on the use of the pipelayers to exclude (1) the pipeline project from Siberia to Western Europe and (2) any "military" projects. An Interagency Group, if so instructed, could quickly work out the precise formulations of these restrictions and the public announcement of permitting the sale could be accompanied or followed up by a statement to the effect that restrictions will be imposed.

In addition, we should place national security controls on the export of all equipment and technology from the US to the Soviet Union for use on the Western Siberian gas pipeline project.

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Office of the	Secretary of	Defense
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Chief, RDD, ESD, WHS

Date: 12 Feb 2018 Authority: EO 13526

Deny in Full: Declassify: X

Declassify in Part:

Reason: MDR: 18 -M- 0479

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ENTIRE TEXT

Sec Def Cont Mr. x1547