THE SECRETARY OF DEFENSE



WASHINGTON, THE DISTRICT OF COLUMBIA

27 JAN 1982

MEMORANDUM FOR THE ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS

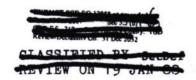
SUBJECT: West Siberian Pipeline Project (U)

(%) The events in Poland have created our best opportunity for derailing the West Siberia to Western Europe national gas pipeline project since this Administration came to office. The state of t Europeans, with the Italians in the lead, are finally awakening to the dangers this project poses for the West's energy security and the financial bonanza it represents to Moscow. themselves have helped to tear the scales from the eves of the West Europeans by threatening trade reprisals against our Allies if they support our sanctions policy. They singled out the gas pipeline project as a trade benefit and even named West German firms committed to this project in a recent thinly veiled warning.

(%) I believe that this is the time to mount a major effort to dismantle the project. The President's embargo on U.S. oil and gas equipment and technology going to the U.S.S.R. was a major step in this direction. But a policy of denial is not enough. We must also convince the Europeans that we have a strong and positive interest in their energy security. I support Ambassador Rabb's wise recommendation that we present a cogent, persuasive and economically viable package of alternatives for our Allies to reliance on Soviet energy.

We need to move quickly before the lessons of Poland fade from memory. The interagency process has thus far failed to come up with the necessary package of alternatives. Indeed. this was one of the key European criticisms of Myer Rashish's mission to Europe last October. I suggest that your staff take the lead in developing such a package, using detailees from Commerce, Defense, State, and the intelligence agencies. Defense would be willing to provide space and clerical support on a temporary basis.

The slowness with which we have responded to the challenge of the West Siberian project and the difficulties we have had in framing an international economic strategy on an interagency basic suggest the need for a more focused approach to such problems. We need to think more creatively about how to correct these shortcomings in our policy development process. I welcome your thoughts in this area, as well as any recommendations as to how we might contribute to a solution.



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INTERNATIONAL SECURITY POLICY

ASSISTANT SECRETARY OF DEFENSE WASHINGTON, D.C. 20301

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OFFICE OF THE SECRETARY OF DEFENSE

SEC DEF HAS SEEN

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In reply refer to: JAN 27 1982

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MEMORANDUM FOR THE SECRETARY OF DEFENSE

Office of the Secretary of Defense

Date: 12 FEB 2018 Authority: EO 13526

Chief, RDD, ESD, WHS

MDR: 18 -M- 0435

Declassify in Part:

THROUGH: USD(P) RF

Reason:

DEP SEC HAS SEEN

SUBJECT: West Siberian Pipeline Alternatives (U)

The momentum of events surrounding the Polish crisis provides us the best chance to impede the pipeline project we have had in a long time. We need to develop a convincing set of alternatives, however. I'd like to see Norm Bailey at the NSC head this effort -- State and Energy have failed miserably in this regard. Bailey is trying to set up an international economic strategic group within the White House to provide a national security perspective on policies such as Polish debt, East-West trade, and economic sanctions. We should support this move. In your memorandum, you offer to support an ad hoc group to frame Yamal pipeline alternatives.

(U) I recommend you sign the memorandum to Judge Clark, next under.

Richard Perle

Attachment a/s

Richard Perle

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MIRE! BAILEY, WILD HAY BOTH WITH US ON THIS, HAS ASKED FOR THE SURT OF SUPPORT THE MEMORANDUM ROPRESONAS.

> **DECLASSIFIED IN FULL** Authority: EO 13526

Chief, Records & Declass Div, WHS

Date: FEB 1 2 2018