The President has directed that a study be undertaken of U.S. Naval Forces. The study should be conducted in two parts:

Part I will be a comparative analysis of U.S., Soviet, other NATO, and other Warsaw Pact naval forces from 1961 to the present. This analysis should include a comparison, to the extent possible, of numbers, types, capabilities, ages, unit costs (for those built since 1961 in U.S. dollars), and deployments of naval forces by major mission, including strategic forces. Projections of this information into the foreseeable future should be made to the extent possible. Part I should be completed and forwarded to the President by June 1, 1969.

Part II will consist of an analysis of U.S. requirements for naval forces in the 1970s, including the overseas bases necessary to support them. This analysis should be related to the extent appropriate to the results of the U.S. military posture review being conducted under NSSM 3 and should reflect decisions that may result from NSC discussion of the NSSM 3 study. Part II should be completed and forwarded to the President by September 1, 1969.

NSC discussion of the results of the overall study effort will be scheduled at a later date.
This study will be conducted under the direction of the Secretary of Defense. He will be assisted as appropriate by the Secretary of State, the Director of Central Intelligence, the Director of the Bureau of the Budget, and other agencies whose assistance he may need. Close liaison should be maintained in all phases of the study with the office of the Assistant to the President for National Security Affairs.

Henry A. Kissinger

cc: The Secretary of State
    The Director of Central Intelligence
    The Director of the Bureau of the Budget