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OLC #78-1480

Mid-East

11 April 1978

MEMORANDUM FOR THE RECORD

SUBJECT: Conversation with Richard Kaufman, General Council Joint,Economic Committee, 11 June 1978

1. I spoke to Richard Kaufman about: (1) the unclassified information we could provide the JEC about the CIA research effort on the Soviet economy and; (2) our participation in a forthcoming JEC study on the Middle East.

2. Senator Proxmire has requested information from the DCI on the personnel and programs CIA devotes to the study of the Soviet economy. This information would be part of a government-wide survey undertaken by the JEC as a service to Congress and the public. Last year we gave classified data on the number of personnel and on expenditures. Kaufman indicated that this information is of no use to the JEC and would much prefer to have less information, but in unclassified form. STAT

3. I agreed to give him a brief description of the major reserach functions performed in CIA on the Soviet economy together with lists of some of the specific topics on which CIA has specialized expertize [redacted] We will also provide a listing of CIA's unclassified studies on the Soviet economy and military expenditures published during the past six years.

4. The JEC is planning to publish a compendium of articles on the economies of the Middle East early next year. Drafts should be ready by October or so of this year. Kaufman and Rex Preiss, of the Library of Congress, will organize the effort.

5. The volume will contain articles written both by academics and government employees. At this very early stage of planning Kaufman is just beginning to talk to experts in the field. He expects articles for the most part to be rather basic, containing background information on geography, natural resources, trade with the region and outside, and economic development. He does not want to focus on the oil problem, nor on the Arab/Israeli

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problem, although these obviously cannot be ignored. The principal theme will be the use of oil money since 1973 by the Middle East countries to develop their economies.

6. I promised two papers: one on the Soviet and East European economic role in the Middle East. The other on the changing international trade patterns of the Middle East countries since 1973.

[redacted]

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