

~~CONFIDENTIAL~~

EDAC D-112

March 5, 1956

ECONOMIC DEFENSE ADVISORY COMMITTEE

Credit in East-West Trade

To: EDAC
From: Chairman, EDAC Executive Committee
Subject: Credit in East-West Trade

The EC has approved the attached paper prepared in EDAC WG I, and has agreed that it should be transmitted to the members of EDAC as representing our current findings and thinking on the above subject.

The EC has also approved the following statement on the study:

"We do not think credit has thus far been significant in strategic trade, nor do we believe it has thus far been a major factor in East-West trade as a whole. We do think it bears close watching, that it has been given inadequate attention in the past, that it should be an active subject of study, that responsibility for continuing compilation and analysis of data should be clearly fixed, that developments of any consequence should be reported to the EDAC community. We have sketched the areas of special EDAC interest. We believe analysis may over the long run prove more useful in terms of broad trends in East-West economic relationships, perhaps political as well, than in terms of levels of 'strategic' trade or levels of East-West trade as a whole."

Attached also is a copy of a memorandum to the Chairman of WG III, which refers future work on this problem to that Group and its Research Planning Panel.

Attachments: WGI D-25:1/2, January 31, 1956
Memo to WG III (ED/EC D-92/3)

Distribution:

ED List Parts I & II
WG I (limited)