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SUBCOMMITTEE ON ECONOMIC DEFENSE

DRAFT COPY

of the

ECONOMIC INTELLIGENCE COMMITTEE

14 JUL 1960

MEMORANDUM FOR: The Executive Secretary, EIC

SUBJECT: Annual Report of the Economic Defense Subcommittee
(EDSC) for Fiscal Year 1960

REFERENCE: EIC-D-435, 31 May 1960

A. Activities of the Subcommittee During the Fiscal Year

1. The Subcommittee did not meet nor engage in any ad hoc activities during Fiscal Year 1960. The Subcommittee has held only two meetings since its formation. One was held in 1958 to organize the Subcommittee and the other in 1959 to approve the annual report for Fiscal Year 1959.

2. Intelligence support for Economic Defense is presently being carried on within the EDAC/ACEP structures and to some degree within other Subcommittees and Working Groups of the EIC. In addition, almost continuous ad hoc contacts take place within the intelligence community on Economic Defense matters. Thus, the need for the Subcommittee as a medium for interagency review and coordination is extremely limited.

3. As to the "minimum" functions required of an EIC Subcommittee most have little or no applicability to the EDSC. The review of those research and collection deficiencies which have a bearing on economic defense matters is best accomplished not by members of the EDSC but by specialists in the various commodity fields working through their respective EIC Subcommittees. The same is true of substantive papers. Proposals for external research are more properly discussed in EDAC than the EDSC. There is no body of statistics which are identified solely with economic defense. Such data falls under the purview of intelligence analysts in commodity and foreign trade fields.

B. Future Program of the Subcommittee

In light of the above discussion it is evident that there is little current prospect for a meaningful future program for the Subcommittee. It is therefore recommended that the Subcommittee be placed on a stand-by basis until such time as a real need for such an organization is manifested.

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Chairman