

**CONFIDENTIAL**

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14 February 1973

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MEMORANDUM FOR THE RECORD

SUBJECT: Reaction to OER Report

1. Paul Walsh phoned to say that he had read the OER report and was quite pleased with it. He said that Maurice Ernst would doubtless be pleased as well. I said that Ernst had seen the draft report and had reservations about the recommendations. In response to the first he had indicated the intention of assigning LDC trade accounts to African analysts, to broaden their exposure and give them more work, but that he still intended to reduce the numbers assigned there. Ernst had reservations about our proposal for experimenting with elicitation of evaluations of OER production. We felt that we should make the effort in hopes that we would discover something, and that if it proved unproductive drop it.

2. Walsh said that he noted our reference to production quotas, and said that some analysts did work under quotas. I said that the problem was real only in the quieter areas, where there was not much to write about. A man could be a competent economist, but not very inventive, which might make him look badly. We understood that the weaker analysts were assigned to the less active accounts, but this tended to place them at an extra disadvantage in competing against other analysts for promotion. Analysts did have something of a party line on this, but our feeling was that the real spots of unhappiness on this were in the less active areas.

[Redacted Signature Box]

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S. D. Breckinridge

Distribution:

- Original - Green Folder/OER Survey
- 1 - [Redacted]
- 1 - SDB Chrono

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