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TAB

A-58

Central No. 461800

EIC-A-56

30 January 1957

ECONOMIC INTELLIGENCE COMMITTEEAGENDARoom 1121, Temporary "W" Building20th Street and Constitution Avenue, N.W.Thursday, 7 February 1957, at 1000

1. Approval of minutes of 23 November 1956 meeting. (TAB A (no comments expected))
2. Consideration of EIC-R14-54, "Sino-Soviet Bloc Economic Activities in Underdeveloped Areas." (TAB B)  
Copies will be hand carried to members following approval by the Working Group.
  - (1) Approval of report.
  - (2) Commendation of principal participants.
  - (3) Future issues on semi-annual basis?
3. Procedure for review of EIC Subcommittees. (TAB C)
  - (1) Outline of introductory remarks.
  - (2) Chart and accompanying notes to EIC Members.
4. Other business.

/S/

  
 Executive Secretary

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~~SECRET~~

7 February 1957

PROPOSED CHANGES IN RL4-B.

1. You should mention that the Secretariat should again have the liberty to make minor editorial corrections before printing. It is not anticipated, however, that it will be necessary--this time--for the Secretariat to work out compromise language with the officers of the Working Group, as on the last occasion. Therefore you should avoid, if possible, an explicit statement that editorial changes would be "checked out" with the officers of the Working Group. In practice, nevertheless, we expect to give Doris Whitnack every opportunity to see precisely how the final copy has been edited.

2. Page 1, "Introduction" - line 3-- [REDACTED] has expressed dissatisfaction with the awkward wording of the third line, i.e.:

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"Developments . . . have had some minor perceptible impact. . . ."

If this point is raised and there is any problem in the new language suggested, you might propose:

"Developments . . . have already had perceptible, though minor, impact . . . ."

3. Page 3, last sentence, change to:

"In June, however, it made a grant of \$22.4 million to Cambodia, and in October it made a further grant of \$12.6 million to Nepal."

4. Page 4, first line, insert a footnote after the figure \$1400 for Eloc specialists in underdeveloped areas, as follows:

"In this report the numbers given for Eloc specialists in underdeveloped areas and for trainees from underdeveloped areas who have gone to the Eloc have been computed in terms of individuals involved for at least one month in 1956. These numbers, particularly totals, should ~~be~~ generally be considered as minimum estimates."

Proposed Changes in E14-82 (contd.)

5. Page 44. The second paragraph included a number of trade figures from a source inconsistent with other figures in the paper. Therefore Page 44 has been recut and the corrected copy should be inserted in all existing copies. [REDACTED] to hand out proper number of copies of the new page to the members present.)
6. Page 45. Insert the following paragraph after the first full paragraph (i.e., toward the bottom of the page).

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"Burma's 1956 trade with the Bloc, which consisted primarily of exports of rice and imports of consumer goods, is estimated to have been considerably above the 1955 total of \$47 million, because of a sharp rise in imports. Communist China remained Burma's major Bloc trading partner."

7 February 1957

INTRODUCTION TO EIC CONSIDERATION OF ITS PROCEDURE FOR REVIEWING  
EIC SUBCOMMITTEES

1. MEMO FROM CHAIRMAN has been distributed to EIC Members (EIC-D-201 dated 20 January 1957--TAB C(2) attached). Emphasize following points:

- a. Principal emphasis in review should be on special problems and inactive subcommittees.
- b. For majority of subcommittees review should be only an oral report from SC officers, with an opportunity for EIC Members to raise questions.
- c. Proposed order for considering SCs:

Electronics and Telecommunications  
International Trade and Finance  
General Economic Analysis  
Chemicals  
Electric Power and Solid Fuels  
Minerals and Metals  
Agriculture  
Industrial Machinery and Equipment  
Petroleum  
Population and Manpower  
Shipbuilding  
Transportation  
Requirements and Facilities for Collection

(Subject to change as new situations develop.)

- d. Attached chart was prepared by Secretariat--to bring out certain over-all comparisons. In addition, Chairman has asked the Secretariat to circulate single briefing material on activities and problems of individual SCs, prior to meeting at which SC will be discussed.

Comment that if members find this helpful it seems a good idea to you.

- e. Officers of each SC (plus individual SC members with particular concerns on their mind) will be asked to be present during part (at least) of the EIC discussion--and would be encouraged to contribute their views about their SC's activities and problems.
2. OVER-VIEW OF CHART (by Vice Chairman).
- a. Chart was constructed in terms of "General Concept and Functions of EIC Subcommittees" adopted on 20 December 1955 (EIC-D-123/2).

Introduction to EIC Consideration of Its Procedure for Reviewing  
EIC Subcommittees (contd.)

Active programs in BROWN

Relatively inactive SCs and programs in BLUE-GREEN

Incomplete actions cross-hatched (in BROWN or GREEN--  
depending on whether they are proceeding to  
completion or appeared to have been left "up in  
the air.")

Numbers shown reflect actual meetings, or specific  
formal publications or activities.

The large red dot shows additional informal activity  
of real significance. For example,

Both the Agriculture and Population SCs maintain  
continuing contact among members--usually  
channeled through the SC Chairman--which effectively  
serves certain SC purposes.

- b. You should emphasize that inactivity is not necessarily  
inappropriate. For example,

The members may decide that the Minerals and Metals  
SC is actually wise in meeting only "on call" when  
there is a specific problem requiring community  
coordination. Research on Soviet Bloc minerals and  
metals has recently been virtually confined to CIA  
and Air Force--and Air Force has increasingly relied  
on CIA for its basic capacity and production estimates.  
Members of the SC are, therefore, largely "consumers"  
of CIA research; and there are few problems of analysis,  
collection, etc., which the SC as a whole can profitably  
discuss. On the other hand the SC has functioned  
promptly and effectively on specific assignments, such  
as for the review of proposed External Research, and  
of Exchange Proposals.

3. SOME DETAILS BROUGHT OUT BY THE CHART (EIC Secretariat).

- a. Differences among SCs in use of Working Groups.
- b. " " " " Review of Substantive Intelligence.
- c. " " " " Agreement of Basic Statistics.
- d. " " " " Publication of Reports, Contributions,  
and Research Aids.

4. GENERAL EIC DISCUSSION.



Agreed Basic Statistics

|                                    |  |
|------------------------------------|--|
| Agriculture                        | Acres and production figures agreed <u>outside</u> SC. Will be approved by SC hereafter.   |
| Chemicals                          | Secretary distributed CIA estimates and requested concurrence or proposed changes. Several changes were agreed.  |
| Electric Power                     | Soviet electric power accepted by community. Future estimates (for NATO, etc.) informally coordinated.   |
| Electronics and Telecommunications | SC has discussed <u>which</u> statistics are most important. Future discussion to be based on ORR Handbook, to be published immediate future.  |
| General Economic Analysis          | SC discussion was difficult because few members had estimates. Bilateral discussions are progressing between CIA and State.  |
| Industrial Machinery               | Estimates for principal commodities were approved FY 55. Informal discussion of new figures since.   |
| International Trade                | Preliminary discussion as to what trade statistics should be maintained on East-West and Intra-Bloc movements. Plan to proceed at next meeting.  |
| Minerals and Metals                | Only preliminary discussions. CIA only agency presently publishing estimates. Some vague expectation of arranging for review of CIA figures.   |
| Petroleum                          | Thorough job on agreement of statistics for entire Bloc 1950-54. Annually updated.   |
| Population and Manpower            | Principal activity of SC is in coordinating the community's development of statistics. <u>All</u> Bloc population estimates regularly discussed prior to publication.  |
| Shipbuilding                       | SC actively developing methodology for shipyard capacity estimates. Agreed statistics to be based on this methodology.   |
| Transportation                     | Despite active disagreement on certain rail estimates — particularly for China and Trans-Sib — SC actively seeking agreement. A number of WGs developing <u>methodologies</u> . Many statistics for rail and highway already agreed. NIE contributions usually discussed to coordinate magnitudes. |