

19 July 1961

SUBCOMMITTEE ON ECONOMIC DEFENSE
of the
ECONOMIC INTELLIGENCE COMMITTEE

MEMORANDUM FOR: The Executive Secretary, EIC

SUBJECT: Annual Report of the Economic Defense Subcommittee
(EDSC) for Fiscal Year 1961

REFERENCE: EIC-D-479, 6 June 1961

A. Activities of the Subcommittee During the Fiscal Year

1. The Subcommittee met only once during Fiscal Year 1961. The meeting was held to approve the Annual Report of the EDSC for Fiscal Year 1960 and to discuss the future activities of the Subcommittee.

2. Because intelligence support and coordination of intelligence pertaining to economic defense is carried on within working groups of the EDAC/ACEP structure and to some degree within other subcommittees of the EIC, the need for the Subcommittee on Economic Defense as a medium for interagency review and coordination is extremely limited. The Subcommittee has, however, received a request from MDAI Working Group No. 1 to prepare a research report on the strategic impact of the international embargo program on the Sino-Soviet Bloc. This study is currently underway. In addition, the Subcommittee secretariat has been investigating the need for compiling a list of priority research deficiencies in the field of general economic defense matters.

3. As to the "minimum" functions required of an EIC Subcommittee, most have little or no applicability to the EDSC.

B. Future Program of the Subcommittee

With the exception of the activities described in A.2. above, there is little prospect that the Subcommittee will be more active in Fiscal Year 1962 than in past years. Nevertheless, it is recommended that the Subcommittee remain in existence, though virtually inactive, in order to provide a coordinating mechanism for such occasional requests as the study on the strategic impact described above.

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Chairman