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SUBCOMMITTEE ON ECONOMIC DEFENSE
of the
ECONOMIC INTELLIGENCE COMMITTEE

9 June 1959

MEMORANDUM FOR: The Executive Secretary, EIC

SUBJECT : Annual Report of the Economic Defense Subcommittee
(EDSC) for Fiscal Year 1959

REFERENCE : EIC-D-371, 13 May 1959

A. Activities of the Subcommittee During the Fiscal Year

1. In view of the current nature of the intelligence required for Economic Defense, intelligence in this field is constantly reviewed and evaluated by continuous but ad hoc contacts within the intelligence community. Therefore, the Subcommittee was not required to review or evaluate the state of intelligence under its purview.
2. The Subcommittee plans to examine priority deficiencies of research in its field during the next fiscal year. There is currently no statement of research deficiencies in this field.
3. For the reasons mentioned in paragraph 1 above, substantive papers relating to this field were not reviewed by the Subcommittee.
4. No agency presented proposals for external research directly related to the field under the Subcommittee's purview.
5. The broad scope of EDSC's field, which encompasses the individual fields covered by the other EIC Subcommittees, makes the development and maintenance of a file of basic data by EDSC duplicative. The statistics developed by other EIC Subcommittees are utilized by the Economic Defense community through mechanisms other than the EIC. The membership of the other EIC Subcommittees is representative of the Economic Defense community and specific needs in this field can be channeled through such representation. For these reasons agreed basic statistics have not been developed by EDSC.
6. The EIC made no request for the Subcommittee to undertake projects. The Subcommittee made no proposal for projects to the EIC.

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7. For reasons discussed in the paragraphs above the Subcommittee had no discussions on intelligence research techniques.

8. The Subcommittee received no request for special coordination in this field. Adequate facilities are available in the Economic Defense community for normal coordination functions.

9. The EDSC currently has no active program for improving economic intelligence research and collection within its field of interest nor has it realized its full potential as a medium for interagency review and coordination. To some extent this has been due to the participation of member departments and agencies on other EIC Subcommittees concerned with more limited fields which reduces the need for such activity. The Subcommittee feels that it should identify research and collection deficiencies in its field and examine its potential for developing a program to reduce such deficiencies as exist. It believes that it has a potential as an interagency medium for review and coordination of the intelligence product dealing with Economic Defense and the membership will endeavor to have its individual departments or agencies utilize the Subcommittee for these purposes to the fullest useful extent.

B. Future Programs of the Subcommittee

The Subcommittee plans to review research and collection deficiencies in its field during the coming fiscal year and if requested by the EIC will participate in emergency planning for economic Warfare. Further program planning is contingent on the results of a current examination by the Subcommittee of areas in which the EDSC possibly can efficiently supplement the program of the Economic Defense community.

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Executive Secretary

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