

28 July 1966

MEMORANDUM FOR: Executive Secretary, EIC

SUBJECT: Report for FY 1966 of the EIC Subcommittee on International Trade and Finance

A. Activities of the Subcommittee During Fiscal Year 1966

1. Review of the Intelligence Product in the Subcommittee's Field of Competence

Through its long-established channels of communication, both formal and informal, Subcommittee members maintain a continuing critical review of intelligence needs and intelligence research on Sino-Soviet Bloc trade.

2. Research and Collection Deficiencies

The Subcommittee took no action.

3. Priority National Economic Intelligence Objectives

The PNEIO's serve as no more than an adjunct to the complex and comprehensive system through which priority intelligence objectives in the field of Bloc trade are identified and pursued.

4. Review of Substantive Papers

The comprehensive annual study of China's trade and transport in 1964 was published in December 1965 as EIC-R16-86.

5. Review of Proposals for External Research

The Subcommittee took no action.

6. Maintenance of Agreed Basic Statistics

The CIA/ORR program to code and store basic Soviet trade data in an IBM system has been continued.

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GROUP I
Excluded from automatic
downgrading and declassification

7. Projects Undertaken at the Request of the EIC or Proposed to the EIC

In response to EIC request a preliminary analysis of Communist China's foreign trade in 1965 was published in June 1966 as CIA/RR EM 66-20.

In addition the second in a series of papers on Soviet foreign trade entitled Soviet Foreign Trade: Continued Sluggishness which was requested by the EIC, was drafted by CIA in consultation with the State and Commerce members of the Subcommittee. This paper was published as an ORR Economic Intelligence Report in December 1965. Also, in accordance with a request by EIC, a preliminary analysis of Soviet foreign trade and payments in 1965 was published in May 1966 as a memorandum entitled Recent Developments in the Soviet Foreign Exchange Position.

8. Intelligence Research Techniques

The Subcommittee took no action.

9. Special Coordination Functions of the Subcommittee

Nothing to report.

10. Evaluation of the Role of the Subcommittee

Because of the open channels of communication that have been established among Subcommittee members in past years, an effective and harmonious system exists for coordinating intelligence on matters of mutual interest concerning international trade of the Sino-Soviet group. These channels are used as needed, with resulting benefits to all the participating agencies.

B. Future Program of the Subcommittee

The Subcommittee plans to maintain its role in discussing, supporting, reviewing, and coordinating selected intelligence research on the foreign trade of Communist Bloc countries.



Executive Secretary

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