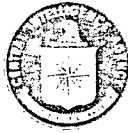


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Washington, D.C. 20505

3 NOV 1982

MEMORANDUM FOR: Bohdan Denysyk
Deputy Assistant Secretary for Export
Administration
Department of Commerce

SUBJECT : Microelectronics Case Study on USSR [redacted] 25X1

REFERENCE : Your Memorandum Concerning the USSR
Microelectronics Case Study, dated 7 October
1982

1. Thank you for your remarks concerning the Microelec-
tronics Case Study. I am pleased that the Scientific and
Technical Intelligence Committee's working group was able to
satisfy your needs in this area. The members of the working
group have been informed of your comments. They worked hard on
this study and they are pleased to have direct feedback from
you. The Microelectronic Case Study will be published by the
STIC in the near future for a wider, but still limited, circula-
tion within government circles. I hope your colleagues find this
study as useful as you have. [redacted] 25X1

2. The microelectronics study benefited from unique in-
formation and a continuing analytic effort by the CIA and other
Community members over the past two decades. Unfortunately,
Community resources are not as well-positioned to support the
other country studies cited in your memorandum to the same depth
as the USSR study. However, we have completed a study on [redacted] 25X1

Diversions of Western Technology to the USSR and Eastern
Europe" that covers your concerns in the computer area. I have
asked TTAC to forward a copy to you. Diversions of computer and
microelectronics equipment [redacted] to the PRC will be 25X1
treated in a current interagency study under TTIC auspices that
is looking at Western technology acquisition by the PRC. TTAC is
currently studying trade diversions of Western technology to the
USSR and EE through third countries. [redacted] 25X1

[redacted]

[redacted]

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SUBJECT: Microelectronics Case Study on USSR []

25X1

3. CIA is examining the feasibility of doing a study concerning the transfer of numerically controlled machine tools and related equipment to the Soviet Union. We will advise you of the possibility of doing a study in this area. The STIC and the TTIC are also exploring ways of identifying specific examples of Western technology used in Soviet weapons, military systems, and defense-related R&D and manufacturing facilities. This effort may result in several specific case studies of Western-USSR technology transfer that may be of interest to you. []

25X1

~~/S/ John N. McMahon~~

John N. McMahon
Deputy Director of Central Intelligence

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