MEMORANDUM

INFORMATION - 4281

NATIONAL SECURITY COUNCIL

CONFIDENTIAL

September 23, 1974

MEMORANDUM FOR: GENERAL SCOWCROFT

FROM: DAVID ELLIOTT

SUBJECT: Technology Exports to
                    the Soviet Union

DOD has established an advisory committee of outside consultants to
recommend policy guidelines on which U.S. technology can and cannot
be exported to Communist countries without serious security risk. To
begin with, they will focus on aircraft and engines, semiconductor
devices, computers, and instrumentation.

The experts are drawn from the relevant industries. They will supplement
the in-house effort within DDR&E, ISA, and the DOD Labs to deal with
the difficult question of the military significance of technology exports.
However, one problem with using industrial advice has already surfaced:
Fairchild Semiconductor claims their export request to Poland was dis-
approved based on guidelines and advice fed to DOD by its competitor,
Texas Instruments (TI). They say, further, that TI's Vice President,
Fred Bucy, who heads the DOD advisory committee, has been cultivating
business in Eastern Europe (including Poland) and the whole deal looks
unhealthy.

Beyond general considerations, the reason for keeping you informed of
these matters is that the Jackson Amendments to the 1975 Military
Authorization Act and the Export Administration Act vests substantial new
responsibilities regarding technology trade with Communist countries in
the hands of the Secretary of Defense. As the tempo of this trade increases,
there certainly are going to be cases of disagreement between DOD,
Commerce, and State which we will have to adjudicate adroitly, otherwise
Congress will exercise its new authority and make specific decisions on
individual cases.

cc: Denis Clift

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