MEMORANDUM FOR THE HONORABLE ROBERT M. GATES
Deputy Director for Intelligence
Central Intelligence Agency

SUBJECT: CIA Research on Soviet Energy Development

Members of my staff met October 15 with your staff to refine the Terms of Reference Bud recently sent to the Director on Soviet energy development and its strategic implications for East-West relations. It is my understanding that an agreed timetable and procedural approach have been established as follows:

1. The four principal subject areas identified in the Terms of Reference will first be researched and analyzed individually with a completion deadline date of November 30 and will include finished graphics as appropriate.

2. CIA will then meld these separate reports into a unified assessment of the policy-relevant East-West energy issues as characterized in Bud's September 10 memo.

3. The analysis undertaken by your staff will take the form of scenario building to depict the possible parameters of outcomes under varying circumstances (e.g. Soviet energy development capabilities, production efficiency, etc. under a total cutoff of industrial Western technology on one hand, and given a maximum flow of Western technology on the other, with perhaps two intermediate scenarios as well).

Per Bud's October 12 memo to Secretaries Shultz and Baldrige and Ambassador Brock, this research effort should follow the NSC Terms of Reference as submitted to the Director and should not be blended with other research requests. We will, however, pass along comments from other interested agencies as deemed appropriate.
I am sure you agree that the importance of this undertaking cannot be overemphasized. The CIA findings will help lay the groundwork for future U.S. policies in three areas of vital importance to U.S. strategic interests -- international energy trade, development, and Western energy security. Thank you for your timely cooperation in this important effort. (§)

J. M. Poindexter
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