White House computer briefing reveals Commerce-Defense rift

Commerce Department efforts to foster trade in electronics are being thwarted by Defense Department's efforts to halt technology and science leaks to Eastern Bloc countries. This opposition surfaced during a recent briefing held in the Executive Office Building for computer industry journalists.

Citing the country’s technological expansion and the increasing trade imbalances, Lionel H. Olmer, Commerce Undersecretary for International Trade, spoke of electronics as a major trade commodity. High-tech electronics industries showed a greater growth rate and provided more new jobs than any other segment of the economy, he observed.

Although military purchases stimulated early electronic development, only three weapons systems now use technologies as sophisticated as the 64K RAM chip, according to Olmer. From this observation, he concluded that industry growth is the product of free market exchange and owes little to defense sources. America’s economic interest are best served when markets for its technologies are available to producers, he added.

The Department of Commerce has sought to open overseas markets through multilateral trade agreements with Japan and Western European trading partners. However, a major obstacle to international trade in electronics has been the Department of Defense, which has adopted a policy of restricting the flow of technology to Eastern European countries, Olmer stated. (The DoD retains the right to review trade export licenses.)

Undersecretary of Commerce Lionel H. Olmer identified the DoD-Commerce trade impasse at White House press briefing.

Acknowledging the security requirement to maintain a military edge over Iron Curtain countries, Olmer noted that the DoD has identified over 200,000 control items, at least half of which have no strategic value. He also estimated that less than 10 percent of Soviet strategic intelligence comes from the back-engineering of technology in international trade. The remainder comes from espionage and the scientific data openly disseminated through science seminars and through provisions of the Freedom of Information Act—areas that can be controlled without restricting commerce.

Following Olmer to the rostrum, Assistant Defense Secretary Richard N. Perle defended DoD trade control. Admitting that back-engineering of items in international trade provided only limited strategic intelligence, Perle insisted that, in the interests of national security, all technology and science leaks should be plugged. He advocated greater controls on visas to identified Eastern Bloc scientists and agents and expressed the hope for more voluntary restraint on the part American researchers working in sensitive technologies.

Perle also indicated his intention to impose further restrictions on trade with the East and to enlist the assistance of the customs service. He added that, over a year ago, he and Olmer had shaken hands on an informal agreement to extend DoD control on sensitive technology. According to Perle, Secretary of Commerce Malcolm Baldridge rejected the agreement in favor of extending international trade. In Perle’s view, the goals of the two departments are clearly in opposition, and only the president can set the priorities to resolve the conflict.

During a luncheon talk to journalists at the Department of Commerce, Baldridge endorsed Olmer’s view on the primacy of expanded international trade and expressed his own resentment of DoD controls of technological exchange. He added that the conflict with the DoD dates from over two years ago and that interdepartmental negotiations have led to a stalemate. The president is now aware of the impasse, Baldridge explained, and is expected to resolve the issue shortly.

Errata

The following references were omitted from the C.-V. Ramamoorthy et al. article, “Software Engineering,” which appeared in the October Computer, pp. 191-209:


A production error altered a section entitled “Software Testing,” p. 198, changing it to “Software Maintenance.” It should have read

“Software testing is the process of systematic, controlled execution of a program to verify its quality. The basic steps are requirement analysis, program analysis, test-data selection, formulation of testing strategy, actual execution of the program, and checking that results are as expected.”

In “Software Maintenance,” p. 199, Figure 3 (not Figure 2) should be referenced. Table 2, cited in “Testing Strategies,” p. 203, should be cited in the section “Human Intervention,” p. 204; the reference to Table 3 should appear in the concluding paragraph, p. 207.