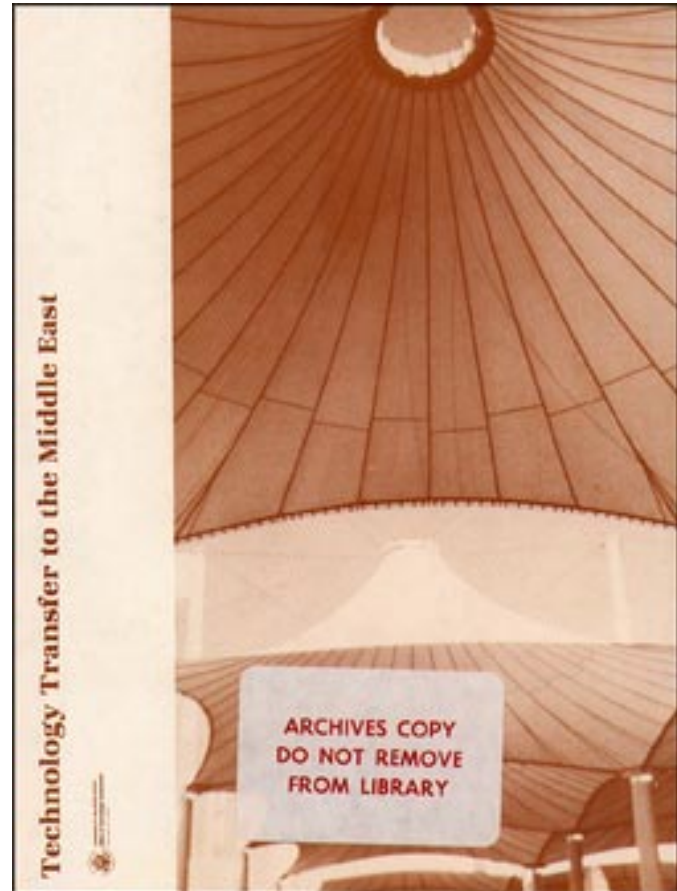


Technology Transfer to the Middle East

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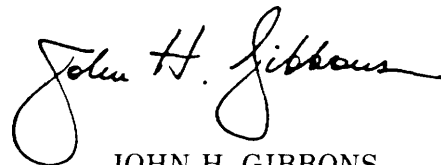
Foreword

This assessment was undertaken in response to requests of the House Committee on Science and Technology and the Senate Committee on Banking, Housing, and Urban Affairs to examine technology trade and transfer to developing countries in the Middle East. In addition, the Subcommittee on Energy, Nuclear Nonproliferation, and Governmental Processes of the Senate Committee on Governmental Affairs requested that the assessment examine transfers of nuclear technology.

This report clarifies the policy issues surrounding technology transfer to developing countries, by highlighting tradeoffs among various commercial, political, and development assistance policy goals, and by suggesting options for more consistent policies affecting technology transfer to developing countries. It follows earlier OTA work dealing with East-West technology transfer, including assessments of *East-West Technology Trade* and *Technology and Soviet Energy Availability*.

The study focuses on a region of great strategic importance, one where significant development efforts during the past decade have involved the introduction of technology from the United States and other supplier countries. It examines in detail competition among suppliers of technology, and problems the recipients face in effectively utilizing advanced civilian technologies in five sectors: petrochemical production, telecommunications systems, commercial aircraft support systems, medical services, and nuclear power. The policy perspectives of the recipient as well as other supplier countries are evaluated. The report identifies U.S. policy options in light of an evaluation of future prospects for Middle East technology trade.

OTA is grateful for the assistance of its distinguished project advisory panel chaired by George Bugliarello, and for the assistance and advice of numerous Middle Eastern policy makers, agencies of the U.S. Government, and individuals from academia and industry. It should be understood, however, that OTA assumes full responsibility for the report, which does not necessarily represent the views of individual members of the advisory panel.



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