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TO



DATE: 4 Sept. 1951

FROM

SUBJECT:

Comments on "Draft Annex A of 1 October Review of NSC 68 Programs."

Your draft is an excellent one; I am especially pleased with the "conclusive nature" of your Conclusions (Sed IV). The single major change which I would like for you to consider, if at this late hour you are able to render changes to the draft, pertains to the section on MATO (Sec II).

In evaluating NATO strength and will to fight you refer only to the European situation. You make no reference to US rearmament. The latter is undoubtedly of greater significance in evaluating power position of the West vis-a-vis the Communist orbit than is the European situation.

I recommend that an additional paragraph, perhaps following par. 27, be included to cover the US position in 1953. Since, as an intelligence study, your draft should be concerned with foreign affairs, you would probably only very briefly consider trends in US armaments production and military strength. importance of these trends to the total Western position should then be emphasized. The influence of the US program upon the European programs might also be included, along with the adverse consequences of a US inflation upon European stability.

By such inclusion, we might render an additional impetus to speeding the domestic rearmament program. The speed of US rearrament seems to me equally as important as pushing US foreign aid programs. I note that the second sentence of par. IV, 1, in effect, summarizes what I have in mind. The body of your discussion, however, overlooks this all-important factor.

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