

SECRET

7 June 1954

MEMORANDUM FOR: [REDACTED]

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SUBJECT: Draft of Remarks by Mr. Dulles before
Governors on 27 April 1954.

1. From the GCI standpoint, there is no objection to the publication of subject remarks. However, the following changes are suggested in the interests of security and factual accuracy:

-p. 4, para 2: Change first sentence to read, "An order must have gone out some time back...."

-p. 5, middle of page: Change first sentence after Governor Thornton's statement to read: "It appears that, if Malenkov had not made his move when he did,..." Delete the following sentence and the last sentence of the paragraph.

-p. 5, last para: Change second sentence to read: "Moscow may be a little apprehensive about the possibilities of action by Communist China--that Communist China, being a new revolutionary power,..."

-p. 6, middle of page: Delete portion of sentence underlined in red.

-p. 7, para 1: Delete portion of sentence underlined in blue.

-p. 7, para 2: Delete sentence underlined in red.

-p. 8, para 1: Change first two sentences to read: "The Soviet Union has also been using a substantial amount of gold over recent months to replenish its bank balances in foreign countries. The trade deficit had resulted from the fact that Soviet imports increased more rapidly than exports during the past year."

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-p. 8, para 2: Change first sentence to read: "The apparent stabilization of their budgetary allocations for military procurement may well mean...." Delete sentences underlined in red.

-p. 8, last two paras: Delete sentences underlined in red.

-p. 9, para 2: Portion underlined in red is classified **SECRET** but has appeared in the press.

-p. 9, last para: Change underlined sentence to read: "They are apparently working on jet bombers that would be somewhere between...."

-p. 10, top of page: Delete the phrase "in any large numbers" from sentence underlined in blue.

-p. 10, paras 1 and 2: The information is classified **SECRET** but has appeared in the press.

-p. 10, para 3: Delete portion of first sentence underlined in blue and sentence crossed out in black.


-p. 11, para 3: Delete portion of last sentence underlined in blue.

-p. 12, para 1: Delete portion underlined in blue.

-p. 14, para 1: Change first sentence to read: "Now, to conclude, it is my view that the Soviets...."

-p. 15, para 1: Change first sentence to read: "While it appears, therefore, that the Soviets will not...." Delete portion underlined in blue.

2. We have not commented on the "question and answer" section, (i) on the assumption that it will not be published, and (ii) in view of the fact that the security aspects concern DD/P rather than OCI.

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Chief, Soviet Staff
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