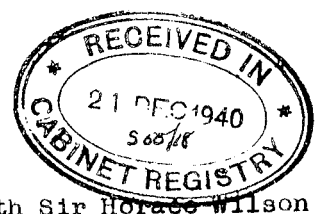


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*Mr*

GENERAL ISMAY.

I had a word with Sir Horace Wilson about this.

It is, of course, most desirable that the Chiefs of Staff Committee and its Sub-Committees should not work in a watertight compartment and should keep a liaison with Civil Departments. At the same time, I think it is doubtful whether the Joint Planning Committee could get very much out of liaison with the Treasury on such an extremely wide and yet at the same time intangible question as the Relative Financial Strengths of the Allies and Germany. If such a liaison were established, they could really only produce what was given to them and could not, so to speak, make it their own.

There is the further point that, if the J.P.C. did as they suggested, no provision has yet been made to enable the Chiefs of Staff to appreciate the financial problem in question at their own level. To put it bluntly, the issue is such a big and complicated one that it seems more appropriate that it should be raised at the Chiefs of Staff level than at the J.P.C. level.

I gather that Sir Horace Wilson would probably rather welcome an opportunity of coming and sitting in with the Chiefs of Staff if they wished to concern themselves with the issue of the Relative Financial Strength of the Allies and Germany.

I would suggest, therefore, that the J.P.C. should be tactfully warned off the pitch and told that this particular factor is one which should be brought into the picture at the Chiefs of Staff level.

*ECB*

*C. H. Wilson*

*For necessary action please*

*Mr*

18th March, 1940.