

TOP SECRET

COPY NO. 11

NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

as of

February 26, 1951

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February 26, 1951

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NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

1. COMPLETED PROJECTS

(February 19, 1951-February 26, 1951)

THE SITUATION IN THE FAR EAST
(NSC Action No. 441)

DEFENSE PRODUCTION POLICY
(NSC Action No. 442)

NSC 104/1 U. S. POLICIES AND PROGRAMS IN THE ECONOMIC FIELD WHICH
MAY AFFECT THE WAR POTENTIAL OF THE SOVIET BLOC
(NSC Action No. 443; see also Sections 3-C and 5)

NSC DETERMINATIONS UNDER PUBLIC LAW 843, SECTION 1304
(THE CANNON AMENDMENT)
(NSC Action No. 444; see also Section 3-C)

2. PROJECTS UNDER CONSIDERATION BY THE NSC

- A. In view of the absence of any items requiring a meeting of the Council this week, the meeting scheduled for Wednesday, February 28 has been cancelled.

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PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

B. ITEMS UNDER CONSIDERATION BY MEMORANDUM ACTION

SUPPORT FOR THE VOICE OF AMERICA IN THE FIELDS OF INTELLIGENCE AND OF RESEARCH AND DEVELOPMENT

(NSC 66; NSC 66/1; Memos for NSC from Executive Secretary, same subject, dated April 4, May 11, and September 11, 1950; and January 25, 1951)

In accordance with NSC 66 the Secretaries of State and Defense, the Chairman, FCC, and the Director of Central Intelligence, were requested to designate representatives to prepare a report for consideration by the Council, the Secretary of the Treasury, and the Chairman, FCC, in the event that the recommendations in NSC 66 were approved. Comments by Defense, FCC and CIA were transmitted by the reference memo of May 11 and, in the light of the Defense comment that further Council action should be deferred until an ad hoc committee of the IAC completed its investigation of the problem, the departments and agencies concerned agreed informally that this item should not be scheduled for Council consideration until the Director of Central Intelligence and the IAC had submitted a report.

Report by the Acting Director of Central Intelligence enclosing a report by USCIB submitted for Council consideration as NSC 66/1. Request for memorandum action transmitted by the reference memo of January 25. Approved by the Director of Defense Mobilization, January 31; approved with comments by Chairman, FCC, January 31; approved by Treasury, February 6; by State, February 21; by Defense with comment, February 21; by NSRB, February 26. Awaiting action by other council members.

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PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

C. ITEMS AWAITING SUBSEQUENT NSC CONSIDERATION

CONVERSATIONS BETWEEN THE PRESIDENT AND PRIME MINISTER PLEVEN
(NSC 105)

The President directed that the Department of State prepare for the information of the Council a statement of the results of the recent conversations between the President and Prime Minister Plevan. Report by the Secretary of State (NSC 105) circulated for the information of the NSC, the Secretary of the Treasury, the Director of Defense Mobilization, and the Economic Cooperation Administration. To be scheduled on the agenda of a later Council meeting.

THE POSITION OF THE UNITED STATES TOWARD YUGOSLAVIA
(NSC 18/5; NSC 18/4; NSC 18/2; NSC 73/4, par. 37-a-(2); Memo for NSC from Executive Secretary, subject: "United States Policy Toward Yugoslavia and the Furnishing of Military Assistance to Yugoslavia in Case of Aggression," dated September 5, 1950)

JCS memo circulated by the reference memo of September 5 for Council information and referred to the Staff for use in connection with studies being prepared pursuant to NSC Action No. 348-b, with particular reference to the review of NSC 18/4.

Draft statement of policy by the Senior NSC Staff on the subject submitted for Council consideration as NSC 18/5. An NSC Staff study on the subject now being completed will be circulated before the end of this week subsequently for council information in this connection. NSC 18/5 and NSC Staff study on the subject to be scheduled on the agenda of the next regular Council meeting on Wednesday, March 7.

3. CURRENT NSC STAFF PROJECTSA. SENIOR NSC STAFF

THE EASTERN MEDITERRANEAN AND MIDDLE EAST
(Memo for Senior NSC Staff from Executive Secretary, same subject, dated December 12, 1950)

/ PRIORITY PROJECT

Memo by the Senior State Member on the subject transmitted by the reference memo and considered by the Senior Staff on December 29, when it was agreed that an initial draft report should be prepared by State; and that CIA should furnish an intelligence estimate on local attitudes and conditions which affect protection of our interests and the realization of our objectives. On February 23 the Senior NSC Staff agreed that this project should be completed as a matter of priority. Awaiting intelligence estimate from CIA and initial draft report from State. (See also related area projects below and in Sections 3B.)

U. S. POLICY TOWARD THE FAR EAST/ PRIORITY PROJECT

(NSC 101; NSC 101/1 NSC Action No. 420; Memo for Senior NSC Staff from Executive Secretary, subject: "The Position of the United States with Respect to Communist China", dated November 22, 1950; Memo for Senior NSC Staff from Executive Secretary, subject: "United States Policy Toward Asia in General and Toward China in Particular", dated December 14, 1950; checklist of possible U. S. actions, dated January 11; NIE-10; Memo for Senior NSC Staff from Executive Secretary, subject, "U. S. Action to Counter Chinese Communist Aggression," dated January 22, 1951)

Recommendations by Senior State Member on the subject circulated by the reference memo of November 22 and discussed on December 12. Memo by Senior State Member transmitting correspondence between the Departments of State and Defense on the question of Formosa circulated by the reference memo dated December 14, for Senior Staff use in connection with its discussion of the subject. CIA report on the five points listed in Part II of the reference memo of November 22, circulated as NIE 10, January 17.

A checklist of possible U. S. action to counter Chinese Communist aggression for the use of the respective departments and agencies, prepared by the Senior Staff, was considered on January 15 in the light of a memorandum by the JCS (NSC 101), and a report on courses of action prepared for Council consideration (NSC 101/1).

At its 80th meeting, the NSC discussed NSC 101/1 in the light of NSC 101, referred NSC 101/1 to the NSC Staff for revision in the light of the discussion, and agreed that the revised study should concern itself with U. S. objectives as well as U. S. courses of action on the reference problem. (NSC Action No. 420b.)

CURRENT NSC STAFF PROJECTS (Cont'd)

U. S. POLICY TOWARD THE FAR EAST (cont'd)

/PRIORITY PROJECT/

The "Objectives" section of a State draft revision was amended by the Senior Staff on January 22, subject to further consideration at a later meeting. The revised objectives were circulated by the reference memo of January 22.

The Council also requested the JCS to prepare a detailed study of the military effectiveness of the possible use of Chinese forces on Formosa against the mainland of China, including consideration of the effect of such use upon the defense of Formosa. (NSC Action No. 420c.)

The Department of State was also requested by the Council to prepare a study on the effect upon China and other Eastern countries of continued U. S. support of Chiang Kai-shek. (NSC Action No. 420d.)

On February 12 the Senior Staff discussed the status of this project in the light of current developments and noted that the State and JCS studies requested by NSC Action 420, together with a draft report on U. S. Policy Toward the Far East prepared in the Department of State, would be transmitted in the next few days. On February 23 the Senior NSC Staff agreed that this project should be completed as a matter of priority. Awaiting above studies from State and JCS. (See also related project in Section 3-B entitled "U. S. Action to Counter Chinese Communist Aggression")

CONDITIONS FOR A PEACEFUL SETTLEMENT WITH THE USSR

/PRIORITY PROJECT/

(Record of Senior NSC Staff meeting, February 23; NSC 79; Memo for NSC from Executive Secretary, subject, "United States and Allied Objectives in the Event of Global War," dated September 6, 1950)

On February 23 the Senior NSC Staff agreed that the NSC 79 project on United States and allied war objectives should be completed in two sections and that the section on the above subject, including a plan for the reduction and regulation of armaments and armed forces, should be completed as a matter of priority. Awaiting report by the State, Defense and JCS members. (See also NSC 79 project below and related "Joint Review" in Section 4.)

CURRENT NSC STAFF PROJECTS (Cont'd)

UNITED STATES AND ALLIED WAR OBJECTIVES IN THE EVENT OF GLOBAL WAR
(NSC 79; Memo for NSC from Executive Secretary, same subject, dated September 6, 1950)

JCS memo (NSC 79) circulated for Council information and referred to the Staff for use in the preparation of a report.

The Senior Staff designated an ad hoc group to draft a report to include both a statement of war objectives in the event of global war, and such related questions as a statement of the conditions that the U. S. would be willing to accept for a peaceful settlement with the USSR and its satellites. At the initial meeting of the ad hoc group under the chairmanship of the State member on October 6, the form and content of a response to the problems posed by NSC 79 were discussed and agreed upon.

On February 23 the Senior Staff agreed that this project should be divided as follows: (1) a statement of U. S. and allied war objectives in the event of a global war; and (2) a statement of the conditions the U. S. would be willing to accept for a peaceful settlement with the USSR, including a plan for the reduction and regulation of armaments and armed forces. Awaiting initial draft by the State Policy Planning Staff of the project listed under (1) above. (See also related project above and "Joint Review" in Section 4.)

UNITED STATES POLICY WITH RESPECT TO BERLIN AND EASTERN GERMANY
(NSC 89; NSC 73/4, par. 42; Memos for NSC from Executive Secretary, subject: "Additional Airlift to Support the Far East", dated September 27 and November 20, 1950; NSC Action No. 368; Memo for Senior NSC Staff from Executive Secretary, subject: "United States Policy with Respect to Berlin and Eastern Germany", dated October 31, 1950; Memo for Senior NSC Staff from Executive Secretary, subject: "Course of Action in the Event East Germany Imposes a Blockade in Berlin", dated February 16, 1951)

At its 69th Meeting, the Council noted the reference memo of September 27, and the fact that the situation presented therein would be taken into consideration in the studies on the Berlin blockade referred to in par. 42 of NSC 73/4. Memoranda on the subject by the Deputy Under Secretary of State and the Secretary of Defense were circulated for Council information as NSC 89, and referred to the NSC Staff for use in connection with this staff project. JCS study on airlift capabilities circulated to Senior Staff by the reference memo of October 31. Subsequent memo by the Deputy Secretary of Defense (reference memo of November 20) circulated for Council information and referred to the Staff for consideration in connection with this project. Views of the JCS on "Courses of Action in the

CURRENT NSC STAFF PROJECTS (Cont'd)

UNITED STATES POLICY WITH RESPECT TO BERLIN AND EASTERN GERMANY
(Cont'd)

Event "East Germany Imposes a Blockade in Berlin" circulated by the reference memo of February 16 to the Senior Staff for consideration in connection with this project upon the recommendation of the Secretary of Defense.

On February 23 the Senior Staff noted that the JCS views would be taken into account in the early completion of a draft report on "U. S. Policy with Respect to Berlin and Eastern Germany" now under preparation in the Department of State in collaboration with the Department of Defense. Awaiting report by State in collaboration with Defense.

THE POSITION OF THE UNITED STATES WITH RESPECT TO INDOCHINA
(NSC 64/1; Memo to Senior NSC Staff from Executive Secretary, same subject, dated January 4, 1951)

At the request of the Secretary of Defense the views of the JCS on the subject (NSC 64/1) were circulated for Council information and referred to the NSC Staff for use in the preparation of a report for Council consideration. On December 27, the Senior Staff directed the Staff Assistants to prepare, as a matter of urgency, a draft report on the immediate steps the United States should take to meet the critical situation in Indochina. Draft report by Staff Assistants submitted to Senior Staff by the reference memo. On January 8, the Senior Staff discussed the subject in the light of the importance of Indochina to the security of Southeast Asia and the security of the United States. To be considered further at a later Senior Staff meeting. (See also related area projects in this Section and in Section 4.)

UNITED STATES POLICY WITH RESPECT TO TURKEY
(NSC Action No. 366c)

In accordance with the reference Council action, the Senior NSC Staff discussed the subject on November 8 and agreed that State, in consultation with Defense, would prepare a draft report. Awaiting State report. (See also related area projects in this Section and in Section 3B.)

COLLABORATION WITH FRIENDLY GOVERNMENTS ON OPERATIONS AGAINST GUERRILLAS
(NSC 90)

NSC 90 was circulated for Council information and referred to the Senior NSC Staff for use in the preparation of a report. On October 30 the Senior State and JCS Members undertook to collaborate in the

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CURRENT NSC STAFF PROJECTS (Cont'd)

COLLABORATION WITH FRIENDLY GOVERNMENTS ON OPERATIONS AGAINST GUERRILLAS (Cont'd)

Preparation of a draft paper covering both the political and military aspects of the problem; and the Senior CIA Member agreed to prepare an intelligence estimate on current and probable areas and characteristics of guerrilla warfare. Awaiting joint report by State, JCS, and CIA Members.

JAPANESE PEACE TREATY
(NSC 60/1)

On September 15 the Senior Staff agreed that this subject should be a continuing project and that accordingly the Senior State Member should keep the Senior Staff informed of any security policy issues which may arise, with a view to further consideration of the subject. (See also related area projects above and in Section 4.)

UNITED STATES OBJECTIVES AND PROGRAMS FOR NATIONAL SECURITY
(NSC 68 Series; Annex No. 8, Long-term Political and Economic Framework)

Awaiting revision of Annex No. 8 by State. (See also related projects in Section 4.)

GENERAL STATEMENTS OF PRINCIPLE DERIVED FROM NSC POLICY REPORTS
(Records of Senior NSC Staff Meetings, September 6, 1950, and January 25, 1951; Memo for Senior NSC Staff from Executive Secretary, same subject, dated January 15, 1951)

On September 6 the Senior Staff agreed that the Staff Assistants should examine existing NSC policy reports with a view to deriving therefrom any general statements of principle. General statements of principle derived from NSC policies circulated January 3 to the Senior Staff by the reference memo. Considered by the Senior Staff on January 25 and referred to the Executive Secretary for revision in the light of the discussion. Awaiting revision by the Executive Secretary.

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CURRENT NSC STAFF PROJECTS (Cont'd)B. NSC STAFF ASSISTANTSU.S. ACTION TO COUNTER CHINESE COMMUNIST
AGGRESSIONPRIORITY PROJECT

(Memo for Senior NSC Staff from Executive Secretary, same subject, dated January 22, 1951; and related papers under Senior Staff project on "U. S. Policy Toward the Far East" in Section 3-A)

Preliminary drafting of an analysis in support of the objectives attached to the reference memo has been undertaken by the NSC Staff Assistants on an urgent basis for consideration by the Senior NSC Staff at an early meeting. Awaiting initial draft from Staff Assistants. Draft analysis in support of the objectives listed in paragraphs 1-a, -b, f, and -g of the reference memo, presented by the JCS Staff Assistant, was circulated February 6. Awaiting draft analysis by State in support of the objectives listed in paragraphs 1-a, -c, -d, -e, and -g. (See also Senior Staff project, subject, "U. S. Policy Toward the Far East," in Section 3-A.)

THE POSITION OF THE UNITED STATES WITH RESPECT TO IRAN

(Memos for Senior NSC Staff from Executive Secretary, same subject, dated October 24 and 26, 1950; NIE-14; Memo for Senior NSC Staff from Executive Secretary, subject: "Worldwide Appraisal of Petroleum Supply vs. Requirements for a Major War", dated January 24, 1951)

On October 25 the Senior Staff considered a draft report by the Staff Assistants on the subject (reference memo of October 24), and agreed that a draft report on the subject should be based upon a complete reassessment of the U. S. position toward Iran, including a review of the applicability to Iran of the basic U. S. position relating to the Eastern Mediterranean and the Middle East, approved in 1947, and of current British thinking regarding this area.

On October 30 the CIA Member was requested, with assistance from appropriate departments and agencies, to prepare an intelligence estimate of the extent to which the Western European economy is dependent upon Middle Eastern oil, and of the related problems involved in alternate sources of supply. CIA estimate (NIE-14) circulated January 8, 1951.

On January 18 the Senior Staff discussed the subject in the light of NIE-14 and referred the draft Statement of Policy and Staff Study circulated by the reference memos, to the Staff Assistants for revision in the light of the discussion. A study, prepared in the NSRB on world petroleum supply and requirements for a major war, was circulated by the reference memo of January 24 for the information of the NSC Staff in connection with this project. Draft report by State circulated February 26 for consideration by the Staff Assistants. (See related area project in Section 3-A).

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CURRENT NSC STAFF PROJECTS (Cont'd)U. S. COURSES OF ACTION IN THE EVENT THE SOVIETS ATTEMPT TO CLOSE THE BALTIC

(NSC 88; Memo for Senior NSC Staff from Executive Secretary, same subject, dated January 2, 1951)

NSC 88 circulated for information and referred to the NSC Staff for use in the preparation of a report for Council consideration. At its meeting on October 19 the Senior NSC Staff agreed that State should prepare for Staff consideration a draft report on the subject taking into account the views of the JCS in NSC 88. Draft report from State circulated by the reference memo.

On January 18 the Senior NSC Staff referred the State draft report to the Staff Assistants for revision in the light of the discussion with particular reference to taking paragraph 5 of NSC 88 into account. Draft report by Defense, circulated February 15, to be considered concurrently with an alternate report by State, circulated February 19.

POSITION OF THE UNITED STATES WITH RESPECT TO SCANDINAVIA

(Ref. NSC 28/1; Progress Report, dated November 14, 1950, on NSC 28/1 and NSC 32/1)

On December 13 the Senior NSC Staff directed the Staff Assistants to prepare a draft revision of NSC 28/1 for consideration by the Senior Staff. Awaiting initial draft report by State.

ISSUES RELATING TO THE COMMITMENT OF U. S. ARMED FORCES TO COUNTER COMMUNIST SUBVERSION

(Record of Senior Staff Meeting January 18, par. 5)

On January 18 the Senior Staff agreed that the Staff Assistants should prepare for the information of the Senior Staff a draft report stating: (1) the issues which have arisen in a number of NSC projects relating to the commitment of U. S. forces in various areas to counter Communist subversion short of the overt use of Soviet forces; and (2) the divergent points of view and supporting arguments relating to such issues. Awaiting draft by Staff Assistants.

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CURRENT NSC STAFF PROJECTS (Cont'd)C. OTHER CURRENT NSC STAFF PROJECTSU.S. POLICIES AND PROGRAMS IN THE ECONOMIC FIELD WHICH MAY AFFECT THE WAR POTENTIAL OF THE SOVIET BLOC PRIORITY PROJECT

(NSC 104; NSC 104/1; NSC Action No. 443; Memos for the NSC from the Executive Secretary, same subject, dated February 12, 20, and 21, 1951; NIE-22)

At its 84th meeting the Council, the Secretaries of the Interior, Agriculture and Commerce, the Economic Cooperation Administrator, and the Director, Bureau of the Budget noted the President's approval of an amended par. 2 of the revision of the "Recommendations on Substantive Measures" (Part II of NSC 104) attached to the reference memo dated February 20 (issued as NSC 104/1). At the same meeting the Council referred NSC 104 to the Special Committee on East West Trade for further study and revision in the light of the discussion at the meeting. On February 23 the Senior NSC Staff agreed that this project should be completed as a matter of urgency. The reference papers are scheduled for reconsideration by the Special Committee on February 27 in the light of the discussion and action at the 84th NSC meeting. (See also related projects in Sections 1 and 5.)

EAST-WEST TRADE

(Memos for NSC from Executive Secretary, same subject, dated January 29 and February 19, 1951; NSC 91/1; NSC Action No. 443)

A report of progress in export control negotiations with reference to paragraph 2 (f) of NSC 91/1 was circulated for Council information by the reference memo of January 29 at the request of the Secretary of State. A supplementary report by the Department of State on this same subject was circulated for Council information in this connection by the reference memo of February 19.

At its 84th meeting the Council referred the reference reports to the Special Committee on East-West Trade for further study in the light of the discussion at the meeting. The memorandum reports of progress are scheduled for consideration by the East-West Trade Committee on February 27 in the light of the discussion and action at the 84th NSC meeting.

NSC DETERMINATIONS ON EAST-WEST TRADE

(Memos for Special Committee on East-West Trade from Assistant Executive Secretary, same subject, dated January 15 and 21, and February 8, 9, 12 and 13, 1951; Memo for Special Committee from Assistant Executive Secretary, subject: "Agenda for Next Special Committee Meeting", dated January 22, 1951; memos for NSC from Executive Secretary, same subject, dated February 8 and 23, 1951.)

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CURRENT NSC STAFF PROJECTS (Cont'd)

NSC DETERMINATIONS ON EAST-WEST TRADE (Cont'd)

On December 6 the Special Committee on East-West Trade agreed that the Department of Commerce, with the assistance of representatives from State, Defense, NSRB, Treasury, ECA and CIA, would coordinate the preparation of statistical studies on the subject and submit those studies to the Special Committee for evaluation.

Initial country studies on Latin America, the Near East, and Africa, approved by the Council (reference memos of February 8 and 23). Accordingly, the Special Committee on East-West Trade was directed to continue its examination of trade between the Soviet bloc and the countries of Latin America, the Near East and Africa, and to scrutinize particularly certain aspects thereof.

List of countries receiving U. S. aid, prepared by the Department of State, circulated for information by the reference memo of January 22.

Preliminary studies of trade between the Soviet bloc and Formosa, the Philippines, Burma and Thailand, circulated by the reference memo of January 25, were referred by the Special Committee to a drafting group designated on February 7 to prepare an appropriate draft report. Awaiting draft report from the drafting group.

Preliminary studies of trade between the Soviet bloc and South Korea, Malaya, Pakistan, India, Ceylon, and Afghanistan, circulated by the reference memo of February 8, are to be scheduled for Committee consideration at a later date. Copy of ECA "Far East Data Book" circulated for information by the reference memo of February 9 at the request of the ECA member. Tables of Ceylon imports, transmitted by the Department of Commerce, were circulated by the reference memo of February 13 as a supplement to the Ceylon trade study attached to the reference memo of February 8.

Preliminary studies of trade between the Soviet bloc and certain Western European countries, circulated by the reference memo of February 12, are to be scheduled for Committee consideration at a later date.

RELEASE OF INFORMATION REGARDING NEW WEAPONS

(Memo for NSC Consultants and AEC Representative, from Executive Secretary, same subject, dated July 5, 1950)

At the direction of the President, the Council and the Chairman, Atomic Energy Commission, undertook a consideration of the general problem of weapons information, including atomic weapons, in order

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CURRENT NSC STAFF PROJECTS (Cont'd)RELEASE OF INFORMATION REGARDING NEW WEAPONS (Cont'd)

to make appropriate recommendations to the President on the subject. A draft report, prepared by the Executive Secretary in accordance with the discussion at a meeting on June 22, has been circulated to the NSC Staff and a representative of the AEC by the reference memo. Awaiting redraft of this report by Defense.

UNITED STATES POLICY ON DEFECTORS

(NSC 86; NSC Action No. 364; Memo for Ad Hoc Committee on NSC 86, from Executive Secretary, same subject, dated December 5, 1950; Memo for Ad Hoc Committee on NSC 86, from Acting Executive Secretary same subject, dated February 8, 1951)

At its 69th Meeting the Council referred NSC 86, without endorsement of the proposals contained therein, to the Staff for the preparation of a report. The Senior Staff subsequently designated an ad hoc committee, including a representative from the Department of Justice, to prepare a draft report.

On October 26 the ad hoc committee agreed that initial studies would be prepared by State and CIA, with appropriate advice and assistance from the other departments and agencies represented on the committee. CIA report circulated by the reference memo dated December 5; State report circulated by the reference memo dated February 8.

On February 20, the ad hoc committee discussed the reports referred to above and agreed that State should redraft the Conclusions in the light of the discussion, and that the Executive Secretary should then revise the Recommendations in light of the revised Conclusions for reconsideration by the ad hoc committee. Awaiting revised Conclusions from State.

UTILIZATION OF FOREIGN MILITARY MANPOWER

(Memo for Senior NSC Staff from Executive Secretary, subject: "Proposed NSC Study of Manpower", dated December 4, 1950)

Memorandum by the Senior State Member on the subject circulated by the reference memo. On December 12 the Senior Staff agreed to designate an ad hoc group under the chairmanship of a JCS official and with officials from State, NSRB, Mr. Harriman's office, and CIA, to prepare a draft report.

Background study has been completed and a draft report is in preparation by the ad hoc committee. Awaiting report by ad hoc committee.

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4. OTHER CURRENT COUNCIL PROJECTSAPPRAISAL OF FOREIGN ECONOMIC INTELLIGENCE REQUIREMENTS, FACILITIES AND ARRANGEMENTS RELATED TO THE NATIONAL SECURITY

(Memo for NSC from Executive Secretary, same subject, dated February 7, 1950; NSC Action No. 282)

In approving the proposal by the Acting Chairman, NSRB, in the reference memo, the NSC directed (NSC Action No. 282) the CIA, in collaboration with the Government agencies concerned, to organize and conduct a study of foreign economic intelligence requirements, facilities and arrangements related to the national security, and based on the findings of this study, to prepare for Council consideration and action a comprehensive plan for satisfying the foreign economic intelligence requirements of the national security and for a coordinated interagency effort to this end based on a definite allocation of responsibilities among the agencies concerned.

Interim reports by the CIA on September 8, October 4, and November 7, and January 9, concerning the status of this project, indicate that the surveys of governmental facilities for the production of economic intelligence are scheduled for completion by January 15, and that a coordinated draft statement of requirements for foreign economic intelligence is scheduled for completion by CIA by March 31. Awaiting report by CIA.

THE POSITION OF THE UNITED STATES WITH RESPECT TO ASIA

(NSC 48/2; Memo for NSC from Executive Secretary, same subject, dated November 20, 1950)

Memo by the Deputy Secretary of Defense on the subject, circulated for Council information by the reference memo and referred to the Secretary of State for consideration of the action proposed in the second paragraph thereof. Awaiting response by the Secretary of State. (See related project in Section 3-A.)

JOINT REVIEW OF POLITICO-MILITARY STRATEGY

(NSC Actions Nos. 393-b and 424; NSC 68/4; NSC 100; Memo for NSC from Executive Secretary, subject: "Recommended Policies and Actions in Light of the Grave World Situation", dated January 16, 1951)

The President directed (NSC Action No. 393-b) the Secretaries of State and Defense to undertake a joint review of the politico-military strategy of this Government with a view to increasing and speeding up the programs outlined in NSC 68/4 in the light of the present critical situation, and to submit to the President as soon as possible appropriate recommendations through the NSC.

OTHER CURRENT COUNCIL PROJECTS (Cont'd)JOINT REVIEW OF POLITICO-MILITARY STRATEGY (Cont'd)

At its 81st Meeting the Council discussed a report by the Chairman, NSRB, on "Recommended Policies and Actions in Light of the Grave World Situation" (NSC 100) and noted the reference by the President of NSC 100 to the Secretaries of State and Defense for consideration in connection with the joint review of the politico-military strategy of this Government.

Awaiting joint report by the Secretaries of State and Defense.
(See also related projects in Section 3-C.)

PROVISION FOR STATE INTERNAL SECURITY FORCES
(NSC 96; NSC Action No. 409)

At the request of the Secretary of Defense the reference report was submitted for Council consideration. At its 77th Meeting, by the reference action, the Council agreed to request the Chairman, NSRB, to develop, in consultation with other interested agencies, a plan for the provision of essential Federal guidance and assistance to the States in organizing reserves to perform State and local security functions when the National Guard is ordered into active military service, this plan to include any necessary Federal legislation. A preliminary meeting of representatives of the interested Federal agencies has been held and observers attended a discussion of the general question by the Executive Committee of the Council of State Governors at Chicago on January 26. Awaiting report by the Chairman, NSRB.

A NATIONAL PETROLEUM PROGRAM
(NSC 97)

At the direction of the President, a letter from the Acting Secretary of Defense on the subject (NSC 97) was referred to the Director of Defense Mobilization to develop a national petroleum program leading to the complete supply of allied requirements, for consideration by the NSC. Awaiting report by Director of Defense Mobilization

5. CANCELLED PROJECTS

COORDINATION OF U. S. AID PROGRAMS FOR FAR EASTERN AREAS
(NSC 61/1; NSC 61; Memos for NSC from Executive Secretary, same subject, dated May 16 and August 14, 1950 and February 26, 1951)

Pursuant to NSC 61, a report by the Under Secretaries of State and the Army, and with the concurrence of the President, representatives for a Working Group were designated by the Secretaries of State, Defense, the Treasury, and Commerce, and the Economic Cooperation Administrator, to prepare a report looking to closer coordination of economic and military aid programs generally for Far Eastern areas. The report, prepared by the Working Group with the assistance of a representative of the Bureau of the Budget, was submitted for consideration by the reference memo of May 16 as NSC 61/1. Approved by the Secretaries of the Treasury and Commerce; disapproved by the Economic Cooperation Administrator, with comment. Reply of the Secretary of Defense with the views of the JCS were circulated by the reference memo of August 14, which summarizes the above replies and suggests an appropriate Council action in the light thereof. Approved by Defense and Treasury, August 17; by NSRB and ECA, August 18; by Commerce, with comments, August 19.

At the direction of the President, by the reference memo of February 26, 1951, the NSC 61 project was referred to the Director, Bureau of the Budget for consideration and recommendation with respect thereto. Accordingly, the NSC 61 project is discontinued herewith.

EXPORT CONTROL POLICY TOWARD THE SOVIET BLOC
(NSC 102; NSC Action No. 443; Memo for NSC from Executive Secretary, same subject, dated February 26, 1951)

The reference report by the Secretary of Commerce was scheduled for Council consideration on February 14 together with NSC 104, "U.S. Policies and Programs in the Economic Field which may affect the War Potential of the Soviet Bloc." After action on NSC 104, the Council referred NSC 102 to the Special Committee on East-West Trade for further study and revision in the light of the discussion at the meeting (NSC Action No. 443).

A letter by the Secretary of Commerce on the subject was circulated for Council information by the reference memorandum of February 26; and, in accordance with the statement contained in the second paragraph thereof, the NSC 102 project was cancelled.

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