

TOP SECRET

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NSC REVIEW
COMPLETED,
8/19/2003

NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

as of

September 17, 1951

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September 17, 1951

TOP SECRET

Approved For Release 2003/09/29 : CIA-RDP80R01731R003700030012-0

NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

1. COMPLETED PROJECTS
(September 10, 1951 - September 17, 1951)

THE SITUATION IN THE FAR EAST
(NSC Action No. 547)

TRADE OF SWEDEN WITH THE SOVIET BLOC IN THE LIGHT
OF SECTION 1302 OF THE THIRD SUPPLEMENTAL APPRO-
PRIATION ACT, 1951
(Memo for NSC from Executive Secretary, same
subject, dated September 6, 1951; NSC Action
No. 550)

NSC 106/2 THE POSSIBILITIES OF REDUCING THE UNITED STATES
CIVILIAN POPULATION IN SENSITIVE AREAS ABROAD
(NSC Action No. 551)

NSC DETERMINATIONS UNDER SECTION 1302, PUBLIC
LAW 45 (THIRD SUPPLEMENTAL APPROPRIATION ACT,
1951) (Israel) (NSC DETERMINATION NO. 12)
(Memo for NSC from Executive Secretary, same
subject, dated August 27, 1951; NSC Action No. 553)

NSC DETERMINATIONS UNDER SECTION 1302, PUBLIC
LAW 45 (THIRD SUPPLEMENTAL APPROPRIATION ACT,
1951) (Indonesia) (NSC DETERMINATION NO. 13)
(Memo for NSC from Executive Secretary, same
subject, dated August 27, 1951; NSC Action No. 554)

NSC DETERMINATIONS UNDER SECTION 1302, PUBLIC
LAW 45 (THIRD SUPPLEMENTAL APPROPRIATION ACT,
1951) (Iran) (NSC DETERMINATION NO. 14)
(Memo for NSC from Executive Secretary, same
subject, dated August 27, 1951; NSC Action No. 555)

COMPLETED PROJECTS (Cont'd)

NSC DETERMINATIONS UNDER SECTION 1302, PUBLIC
LAW 45 (THIRD SUPPLEMENTAL APPROPRIATION ACT,
1951) (Egypt) (NSC DETERMINATION NO. 15)
(Memo for NSC from Executive Secretary, same
subject, dated August 27, 1951; NSC Action No. 556)

NSC DETERMINATIONS UNDER SECTION 1302, PUBLIC
LAW 45 (THIRD SUPPLEMENTAL APPROPRIATION ACT,
1951) (Libya) (NSC DETERMINATION NO. 16)
(Memo for NSC from Executive Secretary, same
subject, dated August 27, 1951; NSC Action No. 557)

2. PROJECTS UNDER CONSIDERATION BY THE NSC

A. NSC MEETING

At the direction of the President, the regular Council meeting scheduled for September 19 has been cancelled.

PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

B. ITEMS UNDER CONSIDERATION BY MEMORANDUM ACTION

NSC DETERMINATIONS UNDER SECTION 1302, PUBLIC LAW 45 (THIRD SUPPLEMENTAL APPROPRIATION ACT, 1951) (Pakistan)

(Memo for NSC from Executive Secretary, same subject, dated August 31, 1951)

Draft report on trade between the Soviet Bloc and Pakistan, prepared by the Special Committee on East-West Trade in accordance with "Instructions" contained in NSC Determination No. 1, was submitted by the reference memorandum for consideration by the Council, the Secretaries of the Treasury and Commerce, the Director of Defense Mobilization, the Economic Cooperation Administrator and the Chairman, Export-Import Bank. Approved by Treasury and Export-Import Bank, September 5; by NSRB, Commerce and ODM, September 7; by State, September 11; by Defense, September 14. Awaiting action by others concerned. (See also related projects in Sections 1 and 3C and 4.)



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PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

NSC DETERMINATIONS UNDER SECTION 1302, PUBLIC LAW 45 (THIRD SUPPLEMENTAL APPROPRIATION ACT, 1951) (Certain Latin American Republics)

(Memos for NSC from Acting Executive Secretary, same subject, dated June 27, and September 6, 1951)

Draft report on trade between certain Latin American Republics and the Soviet Bloc, prepared by the Special Committee on East-West Trade in accordance with the "Instructions" contained in NSC Determination No. 1, submitted by the reference memo of June 27 for consideration by the Council, the Secretaries of the Treasury and Commerce, the Director of Defense Mobilization, the Economic Cooperation Administrator, and the Chairman, Export-Import Bank.

At the request of the Secretary of State action was delayed on this report pending efforts to obtain certificates from the countries involved. Revised draft report which takes account of certifications received was prepared by the Special Committee on East-West Trade and submitted by the reference memo of September 6 for consideration by the Council, the Secretaries of the Treasury and Commerce, the Director of Defense Mobilization, the Economic Cooperation Administrator and the Chairman, Export-Import Bank. Approved by Export-Import Bank, September 11. Awaiting action by others concerned. (See also related projects in Sections 1 and 3C and 4.)

CHANNELS FOR TRANSMISSION OF WARNING OF ATTACK

(NSC 116; Memo for NSC from Executive Secretary, same subject, dated August 31, 1951)

Report by the Joint Chiefs of Staff on the subject was transmitted to the Council, the Secretary of the Treasury, the Director of Defense Mobilization and the Federal Civil Defense Administrator for consideration as NSC 116. In view of the cancellation of the Council meeting scheduled for September 5, the report was submitted by the reference memorandum to the Council, the Secretary of the Treasury, the Director of Defense Mobilization and the Federal Civil Defense Administrator for memorandum action. Approved by FCDA, September 4; by Treasury, September 5; by Defense, NSRB and ODM, September 6. Awaiting action by other Council members.

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PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

C. ITEMS AWAITING SUBSEQUENT NSC CONSIDERATION

CONGRESSIONAL PUBLICATION OF INFORMATION OF ADVANTAGE TO FOREIGN GOVERNMENTS

(Memos for NSC from Executive Secretary, same subject, dated May 16, and June 15, 1951; NSC Action No. 478)

Memorandum on the subject by the NSC Representative on internal security, transmitted by the reference memo of May 16, was discussed at the 92nd NSC Meeting. The Council directed the Senior NSC Staff, by the reference action, with the assistance of the Interdepartmental Committee on Internal Security (ICIS), to prepare recommendations on the subject for Council consideration in the light of the discussion.

Recommendations by the Senior NSC Staff, prepared with the assistance of representatives of the White House Staff and ICIS, were submitted by the reference memo of June 15 for consideration by the Council, the Secretary of the Treasury, the Attorney General and the Director of Defense Mobilization. On July 5 the Senior NSC Staff agreed that Council consideration of this memorandum should be deferred. Awaiting further consideration by the Senior NSC Staff.

UNITED STATES OBJECTIVES, POLICIES AND COURSES OF ACTION IN ASIA

(NSC Action No. 420-d)

Upon consideration of NSC 101/1, on "U. S. Action to Counter Chinese Communist Aggression", the Council requested the Department of State to prepare a study of the effect upon China and other Eastern countries of continued U. S. support of Chiang Kai-shek. (NSC Action No. 420-d) On July 10, the Senior NSC Staff agreed to recommend to the Council for its consideration cancellation of the study on the effect upon China and other Eastern countries of continued U. S. support of Chiang Kai-shek. Awaiting Council action on the above recommendation by the Senior NSC Staff.

PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

UNITED STATES POLICY TOWARD SPAIN

(Progress Report, dated September 7, 1951, by the Acting Secretary of State on NSC 72/6)

The reference Progress Report by the Acting Secretary of State on the subject has been circulated for the information of the Council and will be scheduled on the agenda of an early Council meeting.

UNITED STATES POLICY TOWARD INTER-AMERICAN MILITARY COLLABORATION

(Progress Report, dated September 13, 1951, by the Acting Secretary of State on NSC 56/2)

The reference Progress Report by the Acting Secretary of State on the subject has been circulated for the information of the Council and will be scheduled on the agenda of an early Council meeting.

UNITED STATES COURSES OF ACTION IN KOREA

(Memo for NSC from Acting Executive Secretary, same subject, dated September 5, 1951; NSC 48/5)

Memorandum by the Secretary of Defense on the subject was transmitted by the reference memo and will be scheduled for consideration on the agenda of an early Council meeting.

UNITED STATES OBJECTIVES, POLICIES AND COURSES OF ACTION IN ASIA

(Memo for NSC from Executive Secretary, same subject, dated September 11, 1951; NSC 48/5)

Joint memorandum by the Secretary of State and the Acting Secretary of Defense with respect to the implementation of NSC 48/5 on the subject was transmitted by the reference memorandum for Council information, and will be scheduled on the agenda of an early meeting.

3. CURRENT NSC STAFF PROJECTS

A. SENIOR NSC STAFF

PROPOSED TRANSFER OF THE POINT IV PROGRAM FROM THE DEPARTMENT OF STATE TO THE ECONOMIC COOPERATION ADMINISTRATION
(NSC 110; Memos for Senior NSC Staff from Executive Secretary, same subject, dated June 18 and August 9, 1951)

Memorandum on the subject from the Bureau of the Budget (NSC 110) was referred by the President to the NSC with the request that the Senior NSC Staff prepare a recommendation on the subject for Council consideration as advice to the President. At the direction of the President, the Secretaries of the Interior, Agriculture, and Commerce, the Federal Security Administrator and the Economic Cooperation Administrator will participate in this Council project and have been requested to designate representatives to join with the Senior NSC Staff for this purpose. The President also expressed the desire that the views of the Rockefeller Committee be obtained in connection with the preparation of the above report. The following officials have been designated: Interior, Joseph C. McCaskill; Agriculture, Stanley Andrews; Commerce, R. C. Miller; FSA, Mrs. Gertrude Gates; and ECA, Alvin J. Roseman.

By the reference memo dated June 18 background material on current State and ECA programs of the Point IV type was circulated for the information of the Senior NSC Staff, augmented as indicated above, together with a copy of the Rockefeller Committee report, dated March, 1951.

On June 28, the Senior NSC Staff together with representatives from Interior, Agriculture, Commerce, FSA, and ECA, discussed the reference reports and referred them to the Staff Assistants augmented by representatives of the above-mentioned agencies, to prepare a draft report to the Council for Senior Staff consideration.

Draft report dated July 18, revised by Staff Assistants and representatives of the agencies indicated above circulated to the Senior Staff by reference memo dated August 9. To be scheduled for consideration by the Senior NSC Staff, augmented by representatives from Interior, Agriculture, Commerce, FSA, and ECA, at an early meeting.

THE EASTERN MEDITERRANEAN AND MIDDLE EAST ✓ PRIORITY PROJECT
(Memo for Senior NSC Staff from Executive Secretary, same subject dated December 12, 1950; NIE-14 and 26; Memo for Senior NSC Staff from Executive Secretary, subject: "World-Wide Demand and Supply of Petroleum in Event of a Major War," dated August 3, 1951)

CURRENT NSC STAFF PROJECTS (Cont'd)

THE EASTERN MEDITERRANEAN AND MIDDLE EAST (Cont'd)

Memorandum by the Senior State Member on the subject transmitted by the reference memo of December 12 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 of 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. CIA estimate circulated as NIE-26.

On July 10, the Senior Staff agreed that this report should proceed without awaiting completion of the related project on a national petroleum program (NSC 97, see below), but that the report should not be submitted for NSC consideration until the information being developed in connection with the petroleum report could be taken into account. On August 16 the Senior Staff discussed the report prepared by the Petroleum Administrator for Defense and transmitted by the reference memo of August 3, and agreed that this report should be studied further by the Senior Staff before finally completing a report on the Eastern Mediterranean and the Middle East, a draft of which is in preparation by the Department of State. Awaiting report from State.

CONDITIONS FOR A PEACEFUL SETTLEMENT
WITH THE USSR

✓PRIORITY PROJECT✓

(Records of Senior NSC Staff Meeting
February 23 and May 24; NSC 79; NSC 112;
NSC Action No. 511; 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 reduction and regulation of armaments and armed forces, should be completed as a matter of priority. On May 24 the Senior Staff agreed that the completion of this project would provide an important background for obtaining popular support for U. S. national security policies.

Report by the Secretaries of State and Defense in connection with the plan referred to above, adopted by the Council (NSC Action No. 511) and approved by the President as NSC 112. On

CURRENT NSC STAFF PROJECTS (Cont'd)

PROPOSED NSC STUDY OF USE OF CIVILIAN MANPOWER OF NON-SOVIET NATIONS FOR PRODUCTION OF GOODS AND SERVICES (Cont'd)

to the reference memo of April 19. The staff further agreed to the inclusion of NSRB and Mr. Harriman's Office among the agencies to be consulted by ODM. Awaiting report from Senior ODM Member. (See related project in Section 3-B.)

UNITED STATES PROGRAMS FOR NATIONAL SECURITY

(NSC 114/1 and Annexes to NSC 114/1; NSC Actions Nos. 393, 487-a and 523; Memo for NSC from Executive Secretary, subject: "Review of the Current World Situation and Ability of the Force Being Maintained to Meet United States Commitments," dated April 26, 1951; Memo for NSC from Executive Secretary, subject: "United States Objectives and Programs for National Security," dated July 12, 1951; Record of Meeting of Steering Committee for Review of NSC 68, of August 9, 1951; Memo for Senior NSC Staff from Executive Secretary, same subject, dated August 15, 1951; Memo for Steering Committee on the review of NSC 68 from Executive Secretary, same subject, dated August 30, 1951; Memo for Senior NSC Staff, from Executive Secretary, subject: "The Federal Civil Defense Program," dated September 12, 1951; Memo for Senior NSC Staff, from Executive Secretary, subject: "Foreign Aid Programs for Non-European Areas," dated September 13, 1951; Memo for Senior NSC Staff, from Executive Secretary, subject: "The Information Program," dated September 13, 1951)

By NSC Action No. 487-a the Council directed the Senior NSC Staff to prepare, with the assistance of appropriate executive departments and agencies, the following reports for Council consideration: (1) A review of the status of the programs described in NSC 68/4, including an analysis of any difficulties which may be impeding or preventing their successful execution; and (2) Recommendations regarding any revisions or modifications of the policies and programs contained in NSC 68/4.

On June 14 the Senior NSC Staff designated a Steering Committee, composed of the Senior State, Defense and ODM Members, to coordinate the preparation of reports called for by NSC Action No. 487-a.

Supplementary to NSC Action No. 487-a, the President issued a directive to the NSC with respect to the review of the NSC 68 programs, which was transmitted by the reference memo of July 12 and referred to the Senior NSC Staff. The directive called

CURRENT NSC STAFF PROJECTS (Cont'd)

UNITED STATES PROGRAMS FOR NATIONAL SECURITY (Cont'd)

for completion of the first report mentioned above by August 1, and the second by October 1.

The first report, on the "Status and Timing of Current U. S. Programs for National Security" was submitted to the President by the Council (NSC Action No. 523) as NSC 114/1 and Annexes to NSC 114/1 on August 8, 1951.

On August 9 the Steering Committee agreed on the procedure and tentative schedules for the preparation of the report due October 1 as set forth in the reference record of meeting. An outline for the report, prepared by the Steering Committee, was transmitted by the reference memo of August 15 for the information of the Senior Staff.

On August 16 the Senior NSC Staff, in connection with its discussion of a report on "World-Wide Demand and Supply of Petroleum in Event of a Major War," (See NSC 97 project below) agreed that the need for expansion of petroleum production, refining and storage facilities which would require use of materials in short supply that are essential to other parts of the military and mobilization program, should be considered in the preparation of the October 1 report on "United States Programs for National Security."

Assessment of "Probable Developments in World Situations Through Mid-1953" prepared by the Central Intelligence Agency as a basis for Part I of the October 1 report was transmitted to the Steering Committee by the reference memo of August 30 for information and referred to the Drafting Team for use in the preparation of a draft report. State Draft of Parts I and II of the October 1 report was circulated at a meeting of the Drafting Team on September 11. Draft Annex No. 3, prepared by the Federal Civil Defense Administration, was transmitted for the information of the Senior Staff by the reference memo of September 12. Draft Annexes Nos. 2 and 5, prepared by the International Security Affairs Committee and the State Department respectively, were transmitted for the information of the Senior Staff by the reference memos of September 13. Awaiting initial draft by the Steering Committee of the report due October 1. (See also related projects above and below).

CURRENT NSC STAFF PROJECTS (Cont'd)

UNITED STATES OBJECTIVES AND PROGRAMS FOR NATIONAL SECURITY
(NSC 68 Series: Annex No. 8 of NSC 68/1, Long-term Political and Economic Framework)

Awaiting revision of Annex No. 8 of NSC 68/1 by State. On July 10, in connection with a review of the status of NSC Staff projects, the Senior NSC Staff agreed to review a draft report prepared in the Department of State on the subject with a view to discussing the future disposition of the project at a subsequent meeting. To be scheduled for discussion on the agenda of a later Senior Staff meeting. (See also related project above.)

NATIONAL PETROLEUM PROGRAM

(NSC 97; Memo for Senior NSC Staff from Executive Secretary, subject: "World-Wide Demand and Supply of Petroleum in Event of a Major War," dated August 3, 1951; Record of Meeting of Senior NSC Staff of August 16, 1951)

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. On July 10, the Senior NSC Staff agreed that information being developed in connection with this project which relates to the project on the Eastern Mediterranean and the Middle East (see above) should be available when the Council considers a report on the Eastern Mediterranean and the Middle East. At the request of the Senior ODM member of the NSC Staff, a report on the subject, "World-Wide Demand and Supply of Petroleum in Event of Major War," prepared by the Petroleum Administrator for Defense was transmitted to the Senior NSC Staff for information by reference memo. On August 16 the Senior Staff discussed this report and agreed upon a division of responsibility for studying and reporting on the several issues raised by the report as these issues related to projects under consideration by the Senior Staff. Assignment of responsibilities are set forth in the reference record of the meeting of the Senior Staff. Awaiting presentations and reports to the Senior Staff by those departments and agencies concerned, and the development of a national petroleum program by the Director of Defense Mobilization.

CURRENT NSC STAFF PROJECTS (Cont'd)

SECURITY OF STRATEGICALLY IMPORTANT INDUSTRIAL OPERATIONS IN FOREIGN COUNTRIES

(Progress Report, dated July 24, 1951 by the Department of State on NSC 29; NSC Action No. 531)

By NSC Action No. 531 the Council referred the reference Progress Report to the Senior NSC Staff for recommendations regarding the desirability of a revision of the list of operations contained therein and the frequency of future progress reports by the Department of State. To be scheduled for discussion on the agenda of an early Senior Staff meeting.

CURRENT NSC STAFF PROJECTS (Cont'd)

B. NSC STAFF ASSISTANTS

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 29, 1950; NSC Action No. 368; Memo for Senior NSC Staff from Executive Secretary, same subject, dated October 31, 1950; Memo for Senior NSC Staff from Executive Secretary, subject: "Courses of Action in the Event East Germany Imposes a Blockade in Berlin", dated February 16, 1951; Memo for Senior NSC Staff from Executive Secretary, subject: "United States Policy With Regard to a Possible New Berlin Blockade," dated March 27, 1951; NIE-4)

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 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. NIE-4, issued by CIA, relates to the above subject.

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. Report by State circulated by reference memo dated March 27, considered by the Senior Staff on April 3 and referred to the Staff Assistants for revision in the light of the discussion. Awaiting initial draft by ad hoc group of Staff Assistants.

CURRENT NSC STAFF PROJECTS (Cont'd)

POSITION OF THE UNITED STATES WITH RESPECT TO SCANDINAVIA
(Progress Report, dated November 14, 1950, on NSC 28/1 and NSC 32/1; NSC 88; Memo for Senior NSC Staff from Executive Secretary, subject "U. S. Courses of Action in the Event the Soviets Attempt to Close the Baltic", dated March 26, 1951; Record of Senior Staff Meeting on April 3, par. 3; Memo for Senior NSC Staff from Executive Secretary, same subject, dated August 2, 1951)

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.

On October 17, 1950, NSC 88, "U. S. Courses of Action in the Event the Soviets Attempt to Close the Baltic," was circulated for Council information and referred to the NSC Staff for preparation of a report for Council consideration. In view of recommendations made by the Staff Assistants in the reference memo of March 26, the Senior Staff agreed on April 3 that a statement of policy and a staff study on the subject of NSC 88 should be incorporated in the draft report on "The Position of the United States With Respect to Scandinavia," and that completion of this project should be expedited.

At its meeting on August 7 the Senior Staff with Mr. W. Walton Butterworth, United States Ambassador to Sweden, participating, discussed an initial draft report prepared by State and circulated by the reference memo of August 2. The Senior Staff referred the draft report to the Staff Assistants for revision in the light of the Senior Staff discussion and agreed that this revision should be a complete report which, if adopted, could supersede previous reports on the subject and should apply to Finland and the Baltic as well as to Denmark, Norway and Sweden.

Awaiting initial revised draft report by State.

UTILIZATION OF MANPOWER OF OTHER NATIONS FOR MILITARY PURPOSES

(NSC 108 and memo for all holders of NSC 108, dated April 24, 1951; Memo for NSC from Executive Secretary, same subject, dated May 8, 1951; NSC Action No. 472)

At the suggestion of the Senior State Member, the Senior NSC Staff on December 12 agreed to designate an ad hoc

CURRENT NSC STAFF PROJECTS (Cont'd)UTILIZATION OF MANPOWER OF OTHER NATIONS FOR MILITARY PURPOSES (Cont'd)

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 on the subject.

The report by the ad hoc committee was considered and amended by the NSC Staff for submission to the NSC as NSC 108. JCS views circulated by the reference memo. At its 91st Meeting the NSC referred NSC 108 to the NSC Staff for reconsideration. On May 17 the Senior Staff referred NSC 108 to the Staff Assistants for revision in the light of the discussion.

On June 13 the Staff Assistants agreed that an initial draft on the subject of civilian manpower should be completed with a view to the subsequent preparation of a report combining the civilian and military aspects of the subject for Senior Staff consideration. Awaiting the initial draft of the report on civilian manpower. (See project in Section 3-A).

CURRENT NSC STAFF PROJECTS (Cont'd)

C. OTHER CURRENT NSC STAFF PROJECTS

NSC DETERMINATIONS UNDER SECTION 1302, PUBLIC LAW 45 (THIRD SUPPLEMENTAL APPROPRIATION ACT, 1951)

(Memo for Senior NSC Staff from Acting Executive Secretary, same subject, dated September 10, 1951)

Draft reports on trade between the Soviet Bloc and Argentina and Guatemala respectively prepared by State were considered at the meeting of the Special Committee on East-West Trade on September 10 and subsequently transmitted by the reference memo to the Senior NSC Staff for its information in connection with its consideration of a draft report on trade of Sweden with the Soviet Bloc (see Section 1). The Senior Staff at its meeting on September 11 discussed the reports and agreed that the Special Committee should prepare appropriate reports along the lines of that for Sweden, for Argentina, Ceylon, Guatemala and Spain. At its meeting on September 14 the Special Committee discussed the reports on Argentina, and Guatemala and referred them to the drafting group for revision together with reports on Spain and Jordan submitted at the meeting by the State member. It was further agreed that action on Ceylon should be deferred pending outcome of current conversations with respect to rubber shipments. Awaiting revised reports by the drafting group. (See also related projects above and below)

NSC DETERMINATIONS UNDER SECTION 1302, PUBLIC LAW 45 (THIRD SUPPLEMENTAL APPROPRIATION ACT, 1951) (WESTERN EUROPEAN MEMBERS OF NATO)

(Memo for NSC from Acting Executive Secretary, same subject, dated September 6, 1951; NSC Action No. 549)

Draft report on trade between the Western European Members of the North Atlantic Treaty Organization and the Soviet Bloc, prepared by the Special Committee on East-West Trade in accordance with NSC Determination No. 1 and transmitted by the reference memorandum of September 6, was adopted by the Council at its meeting on September 12 (NSC Action No. 549) subject to revision by the Senior NSC Staff and the Special Committee on East-West Trade in order to declassify it, if possible, for transmittal to the appropriate Committees of Congress. Awaiting revisions by the Special Committee.

CURRENT NSC STAFF PROJECTS (Cont'd)

DECREASING RELIANCE ON TRADE WITH THE SOVIET BLOC

(Memo for Special Committee from Assistant Executive Secretary, subject: "Problems Associated with the Extension of Security Control in Trade with the Soviet Bloc", dated July 3, 1951; Memo for State Member from Assistant Executive Secretary, same subject, dated July 13, 1951; Memo for Special Committee from Deputy Executive Secretary, same subject dated August 23, 1951; NSC 104/2, paragraphs 21, 22, 23)

Preliminary ECA study on the subject, transmitted by the reference memo of July 3, was discussed by the Special Committee on East-West Trade on July 11, when it was agreed that a special interdepartmental group, under State leadership, should prepare appropriate reports, in accordance with NSC 104/2, on (1) proposals with respect to current individual problems such as Polish coal and UK coarse grain imports; and (2) proposals with respect to the over-all problem of reducing reliance of the free world upon Soviet Bloc trade.

Preliminary draft report, "Coal in East-West Trade," prepared by the ECA member of the special interdepartmental group and a progress report prepared by the State member and transmitted by the reference memo of August 23 were discussed at the meeting of the Special Committee on August 24. Preliminary draft reports, "Lumber in East-West Trade" and "Bread Grains and Coarse Grains in East-West Trade," prepared by the ECA member of the special interdepartmental group were distributed for the information of the Committee at its meetings on August 31 and September 10 respectively. Awaiting reports by State. (See also related projects above.)

EXPORT CONTROL POLICY FOLLOWING THE TERMINATION OF SECTION 1302 OF THE THIRD SUPPLEMENTAL APPROPRIATION ACT, 1951

(Memo for Special Committee from Assistant Executive Secretary, same subject, dated July 9, 1951)

Draft report on the subject, prepared by the State member and transmitted by the reference memo, was considered by the Special Committee on July 11 and referred to the drafting group for revision. Awaiting revision by drafting group. (See related projects above.)

CURRENT NSC STAFF PROJECTS (Cont'd)

PROVISION FOR STATE INTERNAL SECURITY FORCES

(NSC 96/1 and NSC 96; NSC Action No. 409; Memo for members of Staff group from Executive Secretary, subject: "Provision for State Guard Forces", dated May 7, 1951)

At the request of the Secretary of Defense, NSC 96 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.

Report by the Chairman, NSRB, circulated for Council information as NSC 96/1 and referred to the NSC Staff for use in the preparation of a report for Council consideration. On April 12, the Senior Staff discussed NSC 96/1 and referred it to the Defense, JCS and NSRB Staff members together with officials from the Department of Justice, the Bureau of the Budget, and the Federal Civil Defense Administration, for use in the preparation of a report for Senior Staff consideration.

Draft outline, prepared by the Executive Secretary, transmitted to the above staff group by the reference memo, and discussed at a meeting on May 14. With some modifications, the outline was adopted as a working guide and the proposed assignments were accepted. A new draft report is now being prepared on the basis of material submitted by Defense, Justice and Civil Defense, in accordance with the agreed outline.

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 of the Atomic Energy Commission undertook a consideration of the general problem of weapons information, including atomic weapons, in order 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, 1950, has been circulated to the NSC Staff and a representative of the AEC by the reference memo. Awaiting redraft of this report by Defense.

4. OTHER CURRENT COUNCIL PROJECTS

GOVERNMENT EMPLOYEE SECURITY PROGRAM
(NSC 113)

A letter by the President on the subject was transmitted as NSC 113 for the information of the Council, and is being referred to the ICIS for preparation of a response for Council consideration, as directed by the President in the fourth paragraph thereof. As further directed by the President, the Chairman, Civil Service Commission, is being requested to participate with the Council, the Secretary of the Treasury, the Attorney General and the Director of Defense Mobilization in this project. Awaiting report by the ICIS.

ELIGIBILITY OF FOREIGN REPRESENTATIVES TO RECEIVE CLASSIFIED INFORMATION

(Memo for NSC from Executive Secretary, same subject, dated June 14, 1951; NSC Action No. 507)

Memorandum by the Chairman, Interdepartmental Committee on Internal Security (ICIS) and attached draft Presidential directive together with a report and proposed regulations on the subject, were transmitted by the reference memo for consideration by the Council, the Secretary of the Treasury, the Attorney General, the Director of Defense Mobilization and the Chairman, Atomic Energy Commission. Approved by ODM, June 19; by Justice, June 21; by State, June 28; by Treasury, June 29; by NSRB, July 2; by AEC, July 9.

The Acting Secretary of Defense on July 2 recommended that the Council defer action on this memorandum until the Standing Group of the NATO has had an opportunity to examine the proposed regulations. On July 11 the NSC agreed that further consideration should be deferred, pending the outcome of the NATO negotiations, as recommended by the Acting Secretary of Defense. Awaiting further action by the Secretary of Defense.

OTHER CURRENT COUNCIL PROJECTS (Cont'd)

A PROJECT TO PROVIDE A MORE ADEQUATE BASIS FOR PLANNING FOR THE SECURITY OF THE UNITED STATES

(Memos for NSC from Executive Secretary, same subject, dated June 5, July 17 and 30 and August 7, 1951; NSC Action No. 519; NSC Action No. 543)

Memorandum by the Chairman, Interdepartmental Committee on Internal Security, and its attached report by the ICIS on the subject, were transmitted by the reference memo of June 5 for Council consideration of the "Recommendations" contained in Part VII thereof and of the proposed National Security Council Directive. Prior to Council action at the direction of the President, the views of the Director of Central Intelligence were requested with respect to the report and transmitted by the reference memo of July 17 for consideration by the Council concurrently with the ICIS report. JCS views submitted by the reference memo of July 30.

The Council at its meeting on August 1, 1951 agreed to the four steps proposed by JCS in paragraph 3 of reference memo of July 30 subject to the assignment of paragraph 3-b to the Interdepartmental Intelligence Conference. The Council also agreed that the resulting reports should be integrated into a single report to it under the coordination of the Director of Central Intelligence with the assistance of representatives of the appropriate departments and agencies. The Director of Central Intelligence undertook to prepare a directive along these lines for consideration by the Council.

Draft directive on the subject prepared by the Director of Central Intelligence. Approved by the Council, the Secretary of the Treasury, the Attorney General and the Director of Defense Mobilization (NSC Action No. 543). Awaiting report by the Director of Central Intelligence.

PORT SECURITY

(NSC 78/1 and NSC 78/2; NSC Action No. 428; Memos for NSC from Executive Secretary, same subject, dated January 31 and February 1, 1951)

Report by the Under Secretary of the Treasury and the Acting Secretary of the Navy, which presents a revision and refinement of NSC 78/1 on the subject, was submitted as NSC 78/2 for the consideration of the Council. At its meeting on September 13 the Senior NSC Staff considered the report and agreed that the Navy and the Coast Guard should, in coordination with other interested departments and agencies arranged through the Interdepartmental Committee on Internal Security, prepare a revised report on the subject for submission to the President pursuant to NSC Action No. 428.

OTHER CURRENT COUNCIL PROJECTS (Cont'd)

PORT SECURITY (Cont'd)

The Senior Staff agreed further that, pending submission of the revised report, NSC 78/2 should not be scheduled on the agenda of a Council meeting. Accordingly, Council action on NSC 78/2 is being deferred pending submission to the President of the revised report by the Navy and the Coast Guard.

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