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July 27, 1950.

NSC MEETING

At the meeting this afternoon, with the President presiding, the NSC approved Item I on the motion of the Secretary of Defense without further discussion.

In the discussion of Item II the Secretary of Defense stated that the points raised in the State Department's paper were well taken. He agreed that the decisions contemplated in paragraph 2 of our paper should only be taken by the President after consultation.

It was agreed in regard to paragraph 3 that the phrase, "prepare to minimize its commitments in Korea", had to be interpreted in the light of the military situation at the time the contingency contemplated existed. Efforts should be made, as indicated below, to be more specific if that was possible.

It was clearly understood that the phrase, "prepare to execute war plans," meant only preparation and, of course, contemplated that no decision should be taken until the President was satisfied as to the various items mentioned by us in paragraph 3, the Congress had been consulted, etc.

It was agreed that our representatives on the staff should put this paper in the proper form for Presidential approval.

Under Item III I made the suggestion that reconnaissance should be undertaken on the Yalu River bridges in order to ascertain, by photographic proof if possible, if supplies and men were coming into North Korea from Manchuria; also that reconnaissance be taken on the railroad and road in North Korea on the East coast below the 41st parallel. This was agreed to and Secretary Johnson said that appropriate instructions would be issued.

Secretary Johnson's memorandum to the President on the Formosa matter was discussed briefly and it was decided that this would be worked out by representatives of the two Departments as quickly as possible.

In general, the following points were agreed to, subject to the proper paper being written for the President:

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First. Grant aid was approved in principle.

Second: It was agreed that a military survey team under General MacArthur's command should be sent.

Third. It was agreed that, before the military survey went, proper instructions should be given along the following lines:--first, the aid should be controlled and issued by a high-ranking officer, representing the United States; second, we should consider whether the command relationship was possible and whether arrangements should not be made for Admiral Struble to assume command in event of attack.

Fourth. It was agreed that the Erskine-Melby mission should not go to Formosa, and that proper economic and political follow-ups should be taken through our Consul General Rankin (change) and through the ECA Administrator Mayer.

I inquired particularly about the paragraph in which some phrase, such as "the positive resistance might not be enough and that forces in being should be put into position," saying that this should be very much clarified.

The question was also raised whether the Defense Establishment now took the position that the Seventh Fleet was not able to do this job. I gathered from General Bradley that a paper was in preparation by the Joint Chiefs along this line. Mr. Symington believed that if this was the Military Departments' view, then the entire Formosa position would have to be reviewed. I stated that, in our opinion, if it were not for the Seventh Fleet, no amount of military assistance and supplies could possibly result in the holding of Formosa. Please determine by whom this should be taken up with the Defense Department.

The President brought up three matters:

First. He said that in regard to NSC 68 the responses to that paper, as he called them, were of increased importance, and he asked that they be finished and laid before him by September 1. Secretary Johnson said that he would do this, and I said that we would. Please see that work is initiated on this matter.

Second. The President asked that we immediately nominate Mr. Jessup. I should like a letter to go over today or be taken over by me tomorrow, complying with this instruction.

Three. The President also referred to conversations which he was having with Mr. Edward Pauley on Mr. Pauley's visits in 1945 to Korea and Moscow. Mr. Pauley had talked with Stalin on several occasions, on which occasions Stalin spoke of the Soviet Union's deficiency in oil to mount any offensive in the



Far East or indeed elsewhere. The President asked us to give special consideration to the possibility that deficiency in oil supplies might direct Soviet plans in the direction of the Persian Gulf.

Mr. Harriman also spoke of the work of a military mission in 1944 in Moscow, which led to the conclusion that a build-up of a million tons of supplies would only permit the Soviet Army to deal with the Japanese Army four months.

The President asked that we talk with Mr. Pauley and Mr. Harriman and develop ~~point~~ the points made above and also work up the steps which came from Mr. Pauley's report and Mr. Hildring's recommendations of 1947, and have our records in order to show what we had recommended and the President had approved in regard to Korea - steps which had been rejected by the 80th Congress.

