

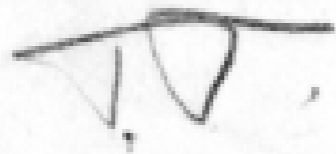
THE WHITE HOUSE
WASHINGTON

December 4, 1950

To: Mr. George Elsey

From: Theodore Tannenwald, Jr.

I have had my secretary type up the rough notes about the things I mentioned yesterday and am sending you two copies for such use as you care to make of them.

A handwritten mark consisting of two stylized, overlapping 'V' or 'W' shapes, possibly initials or a signature, located below the main text.

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DECLASSIFIED
E. O. 11652, Sec. 3(E) and 5(D) or (B)
Dept. of State letter, Aug. 3, 1973
By NLT-HC, NARS Date 4-23-75

December 4, 1950

Problems Which Need to be Considered in Developing the Program to Deal With the Present Situation

1. The military and foreign policy aspects of the present situation in Korea.
 - a. Use of Chinese Nationalists.
 - b. Bombing of Manchuria and China.
 - c. Withdrawal from Korea.
 - d. Admission of the Chinese to the U.N.
 - e. Formosa.
 - f. Appropriate action in the U.N.
 - g. Most importantly, where do we go from here vis-a-vis the U.S.S.R.
2. Declaration of an unlimited national emergency.
3. Measures to deal with the domestic situation in regard to defense production and manpower.
 - a. Expansion of existing facilities for military end items and components -- reclaiming of industrial reserve -- getting new plants into operation.
 - b. Expediting existing production programs.
 - c. Increasing manpower requirements of the Armed Forces -- renewing or modifying limit on term of service, calling up more National Guard units, lowering physical draft standards, increasing age limit, changing statutory exemptions (for example - veterans).
 - d. Obtaining strategic materials abroad -- how much more can we get, when and from whom. Development of alternative sources of supply in light of being deprived of access to present sources of supply.
4. Measures to deal with the international defense production and manpower situation.
 - a. Set up integrating ^{ed} force in Europe and appoint a Supreme Commander.
 - b. Get a defense production board operating.
 - c. The German situation both as to use of manpower and as to use of industrial capacity for military purposes.
 - d. Further increased effort on the part of the Europeans.
 - e. International allocation of raw materials and shipping.

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5. Domestic controls in the U.S.

- a. Price controls -- can we afford to wait any longer? Should we put on a general freeze and worry later about inforcement and relaxation to cover particular situations?
- b. Wage controls and no strike pledge.
- c. Lengthen the hours of work.
- d. Further cutbacks in existing production of civilian goods -- how much and how soon.
- e. Tighten fiscal controls -- increase credit restrictions on purchase of consumer goods and construction.
- f. Savings program both from compulsory and voluntary aspects.
- g. Increase taxes.

6. Economic warfare.

- a. Blocking.
- b. Export controls.
- c. Preclusive buying.

7. Civilian defense.

8. Morale and information.

9. Organization.

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