A REPORT
TO THE
NATIONAL SECURITY COUNCIL
by
THE EXECUTIVE SECRETARY
on
U.S. ACTION TO COUNTER CHINESE COMMUNIST AGGRESSION

January 15, 1951

WASHINGTON
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NOTE BY THE EXECUTIVE SECRETARY
to the
NATIONAL SECURITY COUNCIL
on
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Reference: NSC 101

The enclosed report on the subject, prepared by the NSC Staff at the direction of the President and in the light of a memorandum by the Joint Chiefs of Staff contained in NSC 101, is submitted herewith for consideration by the National Security Council at its meeting on January 17.

It is recommended that, in the form adopted by the Council, the enclosure be submitted to the President for consideration with the recommendation that he approve it and direct its implementation by all appropriate departments and agencies of the U. S. Government.

JAMES S. LAY, JR.
Executive Secretary

cc: The Secretary of the Treasury
    The Director of Defense Mobilization
DRAFT
REPORT BY THE NATIONAL SECURITY COUNCIL
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The United States should:

1. Limit major U. S. ground forces in the Far East to those now committed, unless the outcome of the present Chinese offensive should indicate that we can profitably remain in Korea with the number of U. S. divisions now committed. In that event, not to exceed two partly trained divisions might be deployed to Japan to increase its security if the Army could provide them and at the same time meet our commitments in Europe.

2. With the preservation of the combat effectiveness of our forces as an overriding consideration, stabilize the situation in Korea or evacuate them to Japan if forced out of Korea.

3. Perfect plans for the evacuation of ROK and other UN forces.

4. Expedite the build-up of internal security and police forces in Japan pending the early conclusion of the Japanese Peace Treaty (Proposed by the Senior Members from State, Defense, NSRB and Mr. Harriman's office.)

5. Expedite the build-up of Japanese defense forces (Proposed by the Senior JCS Member.)

6. Move troops to Japan from Korea as necessary to defend Japan.
6. Continue our political and economic sanctions against Communist China and press other members of the UN to adopt similar sanctions.

7. Prepare now to impose a naval blockade of China and place it into effect as soon as our position in Korea is stabilized, or when we have evacuated Korea, and depending upon circumstances then obtaining. (Proposed by Senior Members from JCS, NSRB and Mr. Harriman's office.)

8. Prepare plans for a naval blockade of China for possible use only in cooperation with other friendly nations. (Proposed by Senior Members from State, Defense, Treasury, and Office of Defense Mobilization.)

9. Remove now restrictions on air reconnaissance of China coastal areas and of Manchuria. (The Senior State Member reserves his position on this paragraph.)

10. Remove now the restrictions on operations of anti-communist Chinese forces and give such logistic support to those forces as will contribute to effective operations against the Communists, concurrently endeavoring to secure the agreement of our principal allies to this course of action. (Proposed by the Senior JCS and NSRB Members.)

11. Press its principal allies to agree that (a) present restrictions should be removed on operations of the anti-communist Chinese forces, under Chiang or some other leader who might emerge, and (b) such logistic support should be given to
those forces as will contribute to effective operations against
the Communists. If unable to obtain such agreement, consider
taking these actions unilaterally.\footnote{Proposed by Senior Members
from State, Defense and Mr. Harriman's office.)}

10. Continue air and naval action against appropriate
military targets in Korea.

11. Press for immediate UN action branding Communist China
as an aggressor, following the rejection of a cease-fire.

12. Send a military training mission and increase MDAP to
the Chinese on Formosa.

13. Furnish now all practicable covert aid to effective
anti-communist guerrilla forces in China.

\footnote{Prepare plans for initiating damaging naval and air
attacks on objectives in Communist China at such time as the
Chinese Communists attack any of our forces outside of Korea,
including troops in transit to or from Korea.\footnote{Proposed by all
Senior Members except NSRB.)}

\footnote{Launch an open and sustained attack upon lines of
communications in China and Korea; and also upon aggression-
supporting industries in Manchuria as considered militarily
advisable.\footnote{Proposed by Senior NSRB Member.)}

15. In the event of a serious air attack on UN forces in
Korea or in transit to or from Korea, authorize air and naval
action against the sources of such attack.

16. Increase existing MDAP to Indochina and assist
training of the forces of the Associated States if requested by French and local authorities.

17. Consult with Siamse authorities and, if requested, furnish a military mission and increase MDAP aid to Siam.

18. Expedite the program relating to the Philippines set forth in NSC 84/2.