THE PRESIDENT asked Secretary Acheson if he had any comments to make.

SECRETARY ACHESON said he had been on the Hill all day and would rather hear about the military situation first from General Marshall and General Bradley.

GENERAL BRADLEY sketched the military situation on the map. He said
that the questions which were now before us involved MacArthur's
message that we were now facing a new war and whether a new directive should be
issued to him. The JCS think no new directive is needed now although it
may be after 48 or 72 hours had elapsed. MacArthur will be taking a
defensive position pending UN action. It is desirable to wait for
clarification. The country from which the enemy is launching its present
attack is extremely mountainous with few roads and they may have trans-
portation difficulties in sustaining it. Perhaps a little later we may
wish to issue a new directive as executive agent or secure one from the
UN.

There are some 300 aircraft back in Manchuria, including 200 two-engine
bombers. They could strike a severe blow. The JCS do not think we should
violate the border pending developments. Our airfields, both in Korea and
Japan, are crowded and we are depending heavily on an airlift. Our fields
are therefore very vulnerable. So are our road convoys. One enemy plane
dropped
dropped a few bombs on one field and damaged six of our planes.*

THE PRESIDENT asked whether we had any defense against such air attacks.

GENERAL VANDERHED said not without bombing their airfields or without pulling back some of our planes to Japan to get them out of danger.

GENERAL MARSHALL referred to the meeting this morning of their Policy Committee which was attended by Dean Acheson and Averell Harriman. He had asked each of the three secretaries and the JCS to state their individual views. He had then asked the three secretaries and the JCS separately to formulate their views. He read a memorandum prepared by the three secretaries. This memorandum proceeds on the following assumptions. We are engaged with other members of the UN in suppressing a Korean aggression. We are now faced by a new Chinese aggression. We should act through the UN and not individually. It is possible to hold a line. While the Chinese Communist action is dictated in large measure by the Politburo we should not publicly hold the USSR responsible now. Our purposes are to fulfill our UN obligations but not to become individually or as a member of the UN involved in general war in China with the Chinese Communists. To do this would be to fall into a carefully laid Russian trap. We should use all available political, economic and psychological action to limit the war. Strong military support is needed for the localized action. We should not go into Chinese Communist territory and we should not use Chinese Nationalist forces. To do either of these things would increase the danger of war with the Chinese Communists. We need a more rapid build-up in the West. We should increase the number of UN troops, other than US and have them available in Korea regardless of whether we have to pay for them. We should press for the second supplemental 1951 appropriation at once and give Congress notice we will need more. The 1950 budget should be revised. We should accelerate instead of decelerate, accelerating production and production facilities as a matter of special emphasis.

GENERAL MARSHALL made comments on this paper as follows: There should be no cuts in the estimates of personnel and material needed. In the next two weeks we should work in the UN and maintain our position in Korea. We should not try to change our budgetary figures. We should find a way to go along with the UN approach without involving injury to our troops. A very difficult question is the danger of Chinese aerial bombardment to which our troops are not accustomed. This would pose a very difficult question. The question on how to line up our allies in the UN is for the State Department. He stressed once more the view of the three secretaries that we should not get into war with the Chinese Communists. He suggested that the general attitude in the UN would probably not complicate our decisions in that respect.

[Signature]

GENERAL
GENERAL DEWALD said we should not call out more National Guard or other units at this time. There are no more ground troops which we could now send. MacArthur has enough there and Navy. The situation may change in one or two weeks. The JCS feel just as strongly as the three secretaries that we should not be pulled into a war with the Chinese. Regarding extra UN forces, the JCS want them to be militarily effective if possible but could take them on a less satisfactory basis if the State Department thinks this is desirable for political reasons.

GENERAL MARSHALL referred to the situation in the Northeast part of Korea. One question was how the gap in the line could be filled in at its eastern end. This is a problem for General MacArthur. GENERAL MARSHALL assumes that he will withdraw his advanced forces. It is a problem to be considered here in Washington regarding involvement in a general conflict with the Chinese Communists but it would not be helpful to interfere in MacArthur's operations on the spot.

SECRETARY PAX spoke of the status of replacements in the United States. The only unit which would be available is the 392nd Airborne. The National Guard would not be ready until March 15th. Filter replacements will not be available until after January. The first new divisions could be ready to move March 1st which would give four months training of selectees.

The VICE PRESIDENT spoke of General MacArthur's statement about getting the troops home by Christmas. He wanted to know whether he did make the statement and, if so, did he know what was happening and if he did know, why did he make it.

The PRESIDENT said that MacArthur did make the statement and the Vice President would have to draw his own conclusions as to why.

The VICE PRESIDENT said that he couldn't have known about the Chinese Communists if he made the statement in good faith. He couldn't have gotten the boys home anyway.

The PRESIDENT inquired whether anyone could help supply an answer to the Vice President's questions.

SECRETARY PAX said he understood General MacArthur officially denied the statements.

MR. LOYD said that they had the transcript of his statement but the General said there had been some misinterpretation of it. The statement was however made.

GENERAL BRADLEY suggested that General MacArthur might have had in mind making the statement for the effect it would have on the Chinese in order to make it clear to them that we would get out after the attack.

The PRESIDENT said we could not cause the Commanding General in the field to lose face before the enemy. Loads of questions will be asked about this and he was glad that the Vice President had brought it up.
The VICE PRESIDENT said that the statement was causing much speculation as to whether it was a hoax. He said, of course, the discussion of this matter here was strictly confidential in the room. He had great respect for General MacArthur's ability.

GENERAL BRADLEY said that General MacArthur had full confidence in the success of his attacks. He had no inking of the strength of the concentration in the high mountains on the right of his position. He had not supposed that so strong a force could be mounted from that area. It certainly was no hoax.

GENERAL MARSHALL said we would regard the statement as an embarrassment which we must get around in some manner. The present report of 200,000 Chinese was very much in excess of previous estimates but they are skillful in concealing themselves in that terrain. He referred to the meeting with the Secretary of State a few days ago in which, while he was present, they discussed plans on the basis of the assumption that General MacArthur would be successful. At that time he had considered it much harder to decide what should be done if he was not successful. The answer was not clear to him.

The VICE PRESIDENT said that it was possible that they might put in even more than now estimated. The prospect was very gloomy unless we could get more men in.

GENERAL MARSHALL said that this was a gloomy possibility and that he did not know the answer. We want to avoid getting caught up in Korea and how could we get out with honor?

The VICE PRESIDENT pointed to the difference between war with the Chinese Communists and the problem of holding Korea.

GENERAL BRADLEY read the directive to MacArthur based on NSC 61/2, explaining that this authorized him under the present circumstances to go on the defensive.

GENERAL COLLINS said we can get individual replacements after January 1 but no new units until March 1. A rather steady flow of replacements to meet losses could begin after the first of the year. These would fill the shortage in present units now in Korea which are short by thirty or forty percent. He thought that we could hold the line in the narrow neck unless the 7th Corps is cut off.

The PRESIDENT said he thought we could hold the line.

GENERAL GEORGE SMITH said that we had known for some time the size of the Chinese Communist forces in Manchuria which totalled about 300,000 men.
SECRETARY ADKINS said we were much closer to the danger of general war. He pointed out the need for understanding that there had always been a Chinese Communist involvement in Korea. There had been a progressive unleashing of the extent of this involvement until now there was a full-scale attack. Behind this was always the Soviet Union which was a more sober consideration. We must consider Korea not in isolation but in the worldwide problem of confronting the Soviet Union as an antagonist. There were certain objectives to reach and dangers to avoid. He thought the memorandum of the three secretaries and the comments by General Marshall were very wise. Our political purpose must include going forward in the UN to unblock the Chinese Communist aggression. He agreed entirely that we would not, at this time, say the USSR is responsible because we could not do anything about following such a charge against the Soviet Union due to the attitude of our allies. It is clear, however, that we should charge the Chinese Communists with aggression. We should see what pressures we can put on the Chinese Communists to make life harder for them. He agreed with the three secretaries that it was not advantageous to involve the use of the Chinese Nationalists on Formosa. He had been asked about this on the Hill today. This question raised the problem of who would take them to China and who would bring them back if they ran into trouble.

General MacArthur has a new situation. We should be sure he understands his directive. He seems to have thought he had to occupy the northeast part of Korea. Perhaps we should tell him that from the UN and US point of view he need not occupy that territory. We want to achieve a termination of this involvement. We can't defeat the Chinese in Korea if they can put in more than we can. We should give very, very careful thought regarding his action in Manchuria. If this is essential to save our troops, it must be done. If we enter Manchuria it would be very hard to stop and very easy to extend the conflict. If we were successful in Manchuria, the Russians would probably enter to aid their Chinese ally without considering it war with us. We would get more deeply involved. One imperative step is to find a line that we can hold and hold it. This would help meet the view of our allies and show them we are not aggressive and we want the next Communist move. We should know what General MacArthur thinks he can hold and we should press forward in the UN. We might consider the question of a cease in North Korea. We should not say that we must push forward. We should hold the line and turn it over to the EOK as soon as we can. Outside of Korea we must press faster to build our strength. We must liquidate the French objection to the development of the European Army.

SECRETARY NIXON referred to the ticker item that the French Cabinet had just resigned.

MR. MATTHEWS
MR. MATTHEWS reported that President Aurial had refused to accept
Pleven's resignation.

Secretary Smith said that on the fiscal side everything was arranged
for any action that was necessary.

MR. HARRIDOON called attention to the recent article in Pravda quoting
from various papers in the United States. He urged that the President
strongly assert his leadership in the United States and that the United States
assert its leadership in the United Nations. He also urged that we move as
rapidly as possible in our plans under the UN.

The President referred to the campaign of vilification and character
assassination which has been going on in this country and that would constitute
the best asset of the Soviet Union. He pointed out that he had made this
remark at Kow West some months ago. During the recent campaign, the Hearst,
McCormick and other papers had fed that fight. We are confronted by certain
facts and conditions and must meet them. The question was just how this should be done. In regard to sending a special message to
Congress, he thought this was not desirable now. He did not think it desirable
to have an individual approach to the problem sending UN action. We should,
however, meet the campaign of vilification and lies in the United States.

The Vice President said the situation was the same as he had found on
his campaign tour. It was a diabolical attempt to poison the minds of the
American people. We are in for a lot of trouble.

The President repeated that we must meet it. He said that some would
rather see the country go down than for the Administration to succeed.
This was not true of all but it was of some.

Mr. Harridoon said he was not sure that we will be able to rally our
friends in the UN and in the NATO until the President asserts his leadership
here in the United States.

The President said that was a point which should be discussed.

Mr. Stimson said the most important thing was to get out of Korea as
fast as possible. He said that labor and industry in this country don't know
how serious the situation is. It was important for us to get strong as fast
as we can even though we have to give up such things as refrigerators and
television.

General Medei-Smith said the CIA did not wish to make any revision now
in its intelligence estimate.

Mr. Finletter said that we had had a surprise on the ground and might
got it in the air. Both Chinese and Russian units are available. A Chinese air
attack alone would be very serious.

General Marshall said the Inchon offensive was necessary in order to
find out
Find out what the Communists were up to. How we know.

The VICE PRESIDENT inquired whether there were any indications that the Chinese were willing to consider a peaceful settlement.

SECRETARY AHChIN said there is no indication now that any arrangement could be made. He thought it would be disastrous for us simply to pull out of Korea at this stage.

ADMIRAL SHINNIN said if there is an air attack from across the border we must hit back or we cannot stay there.

The PRESIDENT said he agreed and that we will meet that when it comes.

ADMIRAL SHINNIN said we must face the fact that we cannot stay in the neck of Korea if we are under air attack.

The PRESIDENT asked what his estimate was about possible attacks on the Navy in Korean waters.

ADMIRAL SHINNIN said they had 70 submarines in that vicinity.

MR. JESSUP noted the possibility that the Indian Delegation in the UN or some other delegation might come forward with a proposal for a cease-fire. If such a cease-fire proposal does not prevent the re-grouping of our forces, he wondered whether from the military point of view it would not be advantageous for us to agree.

The PRESIDENT said that that should be settled with the military.

(After the meeting GENERAL COLLINS expressed some doubt about such a cease-fire plan but said he wanted to think about it.)

MR. JOYCE said he wished to speak about NSC 68 and the contemplated buildup. He said this might be the last warning for an increase of the rate of preparation and readiness. He thought the approach to the 1952 budget should be that we must get the most in the fastest way even if this results in "peaking" and dropping back later. He didn't want to do this but we may have to.

The VICE PRESIDENT said he should get what he needs now.

The PRESIDENT said the Vice President would sit up and take notice when he saw the proposals which were going to be submitted. They were getting these in shape.
The VISE PRESIDENT said that it ought to be ready; they had over two months to work on it since Congress adjourned.

The PRESIDENT said they actually had only two weeks for various reasons which he would not go into.

MR. LAY inquired whether the President wished to have any decisions recorded and THE PRESIDENT said no.