MEMORANDUM FOR FILE:

August 26, 1950

At 9 A.M., Saturday, August 26, Averill Harriman took the
President a copy of a press release containing the text of General
MacArthur's message to the 65th Regiment Encampment of the Veterans
of Foreign Wars. This press release related to the foreign policy
of the United States, with particular reference to Formosa.

The President read the release and discussed it with Mr.
Harriman.

At 9:30 A.M., Secretary of Defense Johnson, the Joint Chiefs
of Staff, the Secretary of State, Mr. Harriman, Mr. Ross, Mr. Elsey,
General Vaughan, and Admiral Donelson met with the President for
General Bradley's customary morning briefing on the military situation
in Korea. After General Bradley had concluded his short presentation,
General Collins and Admiral Sherman in turn gave an account of their
recent visit to Japan and Korea.

Following their remarks, the President said that he wished to
read a statement from General MacArthur. The President then read a
copy of the attached 7-page release. Upon concluding the reading, the
President turned to Secretary Johnson and stated that he decisively re-
pudiated the statements MacArthur had made, that MacArthur had made
statements in direct contradiction of the foreign policy of the United
States, and that the President wished the MacArthur statement cancelled.

In obvious consternation, Secretary Johnson rose to his feet
and stated that he had had no previous knowledge of the MacArthur
statement and that he would call MacArthur immediately and request him
to cancel the statement in question. The President swung his chair around, and facing General Collins directly, he asked the General if he had had any knowledge of MacArthur's statements. General Collins replied that he had not. Averill Harriman spoke up in emphatic tones about the catastrophes that would attend the release of MacArthur's statement. The President concurred. Secretary Acheson then spoke very briefly, stating that he concurred in Mr. Harriman's views, and that the MacArthur statement on Far Eastern Policy was in complete variance with the position of the United States Government as expressed by Ambassador Warren Austin at the United Nations meeting in New York on Friday, August 25.

The meeting broke up with the promise by Secretary Johnson that he would instruct MacArthur to cancel the message.

A half-hour later, Mr. Ross, Admiral Strauss, and Mr. Elsey, went in to see the President to explain to him the conviction that MacArthur should be ordered in writing, and not simply orally as Johnson proposed to do, that the statement on Formosa should be withdrawn.

About 12 noon, Mr. Ross called Steve Early to find out what had transpired. Early admitted that nothing had been done about the MacArthur statement and that he and Johnson were trying to draft a statement on the following lines: That if any question arose in Washington about MacArthur's statement to the Veterans of Foreign Wars, the reply would be that the Administration had no prior knowledge of it.

Ross told Early that was emphatically not enough, and that it was not in accord with what Johnson had promised the President to do.
Ross sent out an alarm for Averill Harriman, and Harriman and Ross together went in to see the President. Ross told the President that Defense seemed to be weak and indecisive. Upon hearing this, the President called Secretary Johnson on the phone and told him that he wished MacArthur "ordered" in writing to withdraw his statement to the Veterans of Foreign Wars. The President told Johnson exactly what he wanted inserted in the message.

The balance of the morning was spent in routine checks by Ross and Harriman in making sure that Johnson had carried out the President's orders.

From one to three o'clock (P.M.), Ross, Harriman, Ayers and Elsey discussed the manner in which this episode should be treated with the