

March 25, 1955

407367

MEMORANDUM

SUBJECT: Discussion at the 242nd Meeting
of the National Security Council,
Thursday, March 24, 1955

Present at the 242nd Council meeting were: The President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General (Items 1 and 2); the Acting Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (Items 3, 5 and 8); the Director, U. S. Information Agency; the Chief of Staff, U. S. Air Force (Item 8); Col. Lucius D. Clay, Jr., Lt. Col. R. W. Strong, and Maj. R. E. Shearer, Department of Defense (Item 8); Assistant Attorney General Barnes (Item 1); Robert R. Bowie, Department of State; Charles E. Nelson, Atomic Energy Commission (Item 3); the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Assistant to the President; Robert Cutler, Joseph M. Dodge and Nelson A. Rockefeller, Special Assistants to the President; the Deputy Assistant to the President; the NSC Representative on Internal Security (Items 1 and 2); the White House Staff Secretary; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

- 1. ANTI-TRUST LAWS AFFECTING ACTIVITIES OUTSIDE THE U. S.
(NSC Actions Nos. 766-c, 1200 and 1263; Memos for NSC from Executive Secretary, same subject, dated November 1, 1954 and March 16, 1955)

Mr. Cutler briefed the Council on the background of the problem, and said he would call first on the Attorney General for comment.

The Attorney General alluded to the fact that a trial run as to the effect of the anti-trust laws on U. S. commercial activities outside the United States had been provided by the Iranian case. He reminded the Council that the Justice Department had withdrawn its criminal action against the American oil companies who had participated in the alleged Iranian oil cartel. Meanwhile, the civil case

DECLASSIFIED

PORTIONS EXEMPTED
E.O. 12356, SEC. 1.3 (2)(1)(4)(5)
NSC Letter 12/2/85
NLE DATE 2/6/86

Authority MR 81-431 #3
by bc NLE Date 2/11/86

~~TOP SECRET~~

Mr. Allen Dulles then commented briefly on reports from General Collins respecting the difficulties which Prime Minister Diem had been experiencing in recent days with the sects in South Vietnam.

Mr. Dulles said that for a considerable time he had regarded the so-called Poujade movement against collection of taxes in France as something of a joke. Recently, however, this movement appeared to pose a genuine threat to the stability of the Faure regime, and might even succeed in overthrowing that regime after the ratification of the Paris pacts by the French Senate.

Mr. Cutler then called on Admiral Radford for any remarks he wished to make on the military situation in the Formosa area.

Admiral Radford expressed the opinion that the fact that we have so little operational intelligence regarding the Chinese Communist build-up for an assault on the offshore islands, should not be taken to mean that such a build-up is not going on. For example, the mainland airfields could be made ready for use in a very few days in so far as the runways are concerned. Admiral Radford thought that the Chinese Communists were moving in jet fuel and other supplies to these bases, even though such activities were not actually revealed by photo reconnaissance. Accordingly, he concluded, we must assume that the Chinese Communists are getting ready just as fast as they can.

The National Security Council:

- a. Noted and discussed an oral briefing on the subject by the Director of Central Intelligence, with specific reference to (1) NIE 100-4-55, "Communist Capabilities and Intentions with Respect to the Offshore Islands and Taiwan through 1955, and Communist and Non-Communist Reactions with Respect to the Defense of Taiwan"; (2) petroleum shipments to Communist China; (3) General Collins' difficulties with sects in South Vietnam; and (4) the anti-tax (Poujade) movement in France.
- b. Noted an oral briefing by the Chairman, Joint Chiefs of Staff, on the military situation in the Formosa area.

5. OFFICIAL STATEMENTS REGARDING NUCLEAR WEAPONS

(NSC Action No. 1344-c; Memo for NSC from Executive Secretary, same subject, dated March 5, 1955)

The National Security Council:

Noted that the President has approved the following revision of NSC Action No. 1344-c:

"c. Noted the President's directive that, in lieu of NSC Action No. 925 as transmitted by the reference memorandum of October 8, 1953, oral or written statements to be made public by Government officials regarding nuclear weapons, which contain information not previously made public officially, must be checked in advance with the Chairman, Atomic Energy Commission, who will coordinate the intelligence aspects with the Director of Central Intelligence and the foreign climate of opinion aspects with the Operations Coordinating Board."

NOTE: The above revision of NSC Action No. 1344-c, as approved by the President, subsequently transmitted to all recipients of the reference memorandum.

6. REVIEW OF POLICIES IN THE FAR EAST

(NSC 166/1; NSC 152/3; NSC 146/2; NSC 125/2; NSC 125/6; NSC 171/1; NSC 5405; NSC 5409; NSC 5413/1; NSC 5429/5; NSC 5501; NSC 5506; NSC Actions Nos. 256, 1250 and 1312; Memo for NSC from Executive Secretary, same subject, dated March 4, 1955)

The National Security Council:

- a. Noted the Planning Board report on the subject contained in the reference memorandum of March 4.
- b. Agreed that:
 - (1) The statement of policy on Communist China in NSC 166/1 be regarded as superseded by the approval of NSC 5429/5.
 - (2) The South Asia (NSC 5409) and Philippines (NSC 5413/1) policy papers do not require revision at this time; but that all holders of these papers should be appropriately informed that the policies therein are to be implemented with due regard to the applicable and appropriate provisions of NSC 5501, NSC 5506 and NSC 5429/5.
 - (3) Pending further study, NSC Action No. 256 relating to Hong Kong, should not be superseded or amended.

NOTE: The action in b above, as approved by the President, subsequently circulated to all holders of the appropriate reports referred to therein.

Name of Researcher Demarre Card No. D3701 Page Number 1

Collection and/or Series (e.g. OF; PPF; Mitchell Papers)	Box No.	File No. and/or Folder Title (e.g. 41-A; 62-B; 'Civil Rights')	Correspondents and/or Subject (e.g. Memo, Smith to Jones)	Date of Docs.	Number of Pages
NSC Subject Series	6	"Nuclear Testing (1) November 1955 - Oct 56	Draft - Directive for a study of the human effects of nuclear warfare	ND	18 ✓
	"	"Nuclear Testing (2) Nov 1956 - June 1957	Memorandum for Human Effects	6/19/57	8 ✓
	"	"	"	1/29/57	7 ✓
	"	"	Human effects of Nuclear weapons development	11/21/56	21
	"	Nuclear Testing (6) March 1958	Memorandum for w/attach. Technical...	3/28/58	19 ✓
	"	Nuclear Testing (8) March 1958 - July 1960	appendix B Detection of high alt.	ND	4 ✓
	"	"	appendix C Development...	ND	7 ✓
	"	"	appendix E Impact of a Sept	3/18/58	13 ✓
"	"	Memorandum to Chairman, AD Hoc	3/21/58	5 ✓	
"	"	Memorandum for Defense Re Nuclear Test	3/13/58	3 ✓	