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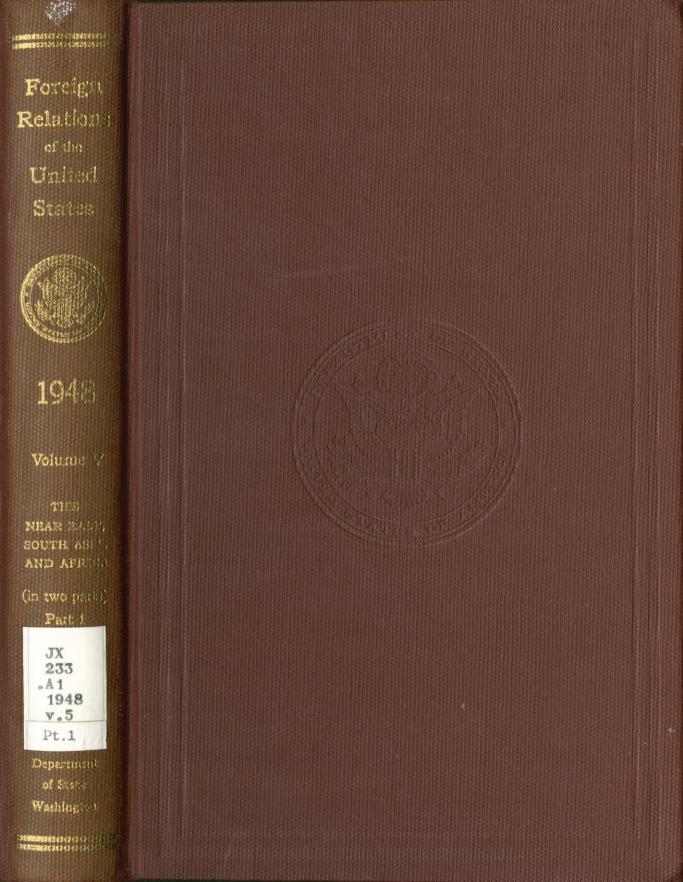
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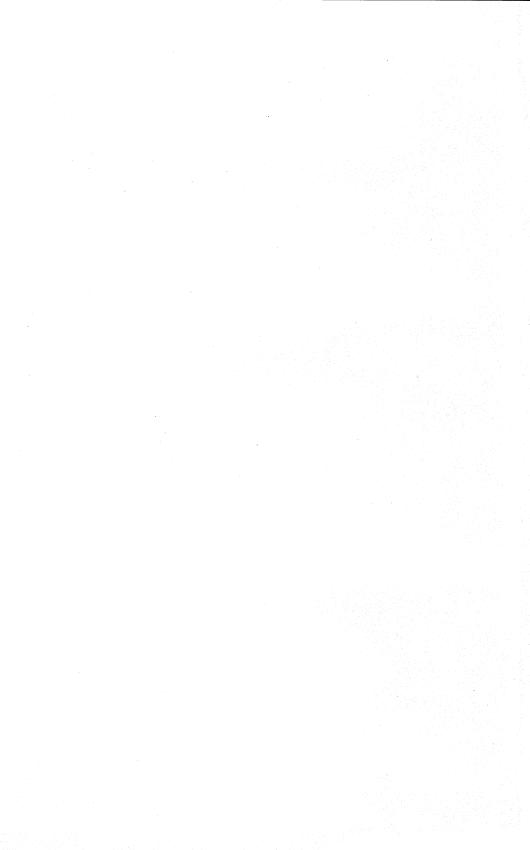
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Foreign Relations of the United States 1948

Volume V The Near East, South Asia, and Africa

(in two parts) Part 1



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PREFACE

Part 1 of this volume was prepared under the direct supervision of the late S. Everett Gleason, Chief of the Foreign Relations Division, with additional review by Richardson Dougall.

Herbert A. Fine prepared the sections on the Near East, and David H. Stauffer those on South Asia and Africa. Paul Claussen, Margaret G. Martin, and Ruth M. Worthing provided editorial and research assistance.

The editors acknowledge with appreciation the assistance provided them by the historians of the Department of Defense, including the Joint Chiefs of Staff. They are also grateful for the cooperation of the National Security Council, the Department of Defense, and the Central Intelligence Agency, which concurred in the declassification of various papers for release herein.

The technical editing of this volume was done by Helen V. Gilbert of the Publishing and Reproduction Division, headed by Willard M. McLaughlin. The index for part 1 was prepared by Francis C. Prescott.

Part 2 will contain documentation on the problem of Palestine and the creation of the state of Israel in 1948.

> WILLIAM M. FRANKLIN Director, Historical Office Bureau of Public Affairs

PRINCIPLES FOR THE COMPILATION AND EDITING OF "FOREIGN RELATIONS"

The principles which guide the compilation and editing of *Foreign Relations* are stated in Department of State Regulation 2 FAM 1350 of June 15, 1961, a revision of the order approved on March 26, 1925, by Mr. Frank B. Kellogg, then Secretary of State. The text of the regulation, as further amended, is printed below:

1350 DOCUMENTARY RECORD OF AMERICAN DIPLOMACY

1351 Scope of Documentation

The publication Foreign Relations of the United States constitutes the official record of the foreign policy of the United States. These volumes include, subject to necessary security considerations, all documents needed to give a comprehensive record of the major foreign

PREFACE

policy decisions within the range of the Department of State's responsibilities, together with appropriate materials concerning the facts which contributed to the formulation of policies. When further material is needed to supplement the documentation in the Department's files for a proper understanding of the relevant policies of the United States, such papers should be obtained from other Government agencies.

1352 Editorial Preparation

The basic documentary diplomatic record to be printed in *Foreign Relations of the United States* is edited by the Historical Office, Bureau of Public Affairs of the Department of State. The editing of the record is guided by the principles of historical objectivity. There may be no alteration of the text, no deletions without indicating where in the text the deletion is made, and no omission of facts which were of major importance in reaching a decision. Nothing may be omitted for the purpose of concealing or glossing over what might be regarded by some as a defect of policy. However, certain omissions of documents are permissible for the following reasons:

- a. To avoid publication of matters which would tend to impede current diplomatic negotiations or other business.
- b. To condense the record and avoid repetition of needless details.
- c. To preserve the confidence reposed in the Department by individuals and by foreign governments.
- d. To avoid giving needless offense to other nationalities or individuals.
- e. To eliminate personal opinions presented in despatches and not acted upon by the Department. To this consideration there is one qualification—in connection with major decisions it is desirable, where possible, to show the alternative presented to the Department before the decision was made.

1353 Clearance

To obtain appropriate clearances of material to be published in Foreign Relations of the United States, the Historical Office:

- a. Refers to the appropriate policy offices of the Department and of other agencies of the Government such papers as appear to require policy clearance.
- b. Refers to the appropriate foreign governments requests for permission to print as part of the diplomatic correspondence of the United States those previously unpublished documents which were originated by the foreign governments.

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LIST OF ABBREVIATIONS AND SYMBOLS

EDITOR'S NOTE.—This list does not include standard abbreviations in common usage; unusual abbreviations of rare occurrence which are clarified at appropriate points; and those abbreviations and contractions which, although uncommon, are understandable from the context.

A-A, Assistant Secretary of State for Political Affairs (Armour)

- AAUN, American Association for the United Nations
- AGP, Arab Government of Palestine (at Gaza)
- AHC, Arab Higher Committee
- AHE, Arab Higher (Committee) Executive
- AIOC, Anglo-Iranian Oil Company
- AIT, Anglo-Iraqi Treaty (1948)

AL, Arab League

- AL, Arab Legion (Transjordan)
- American Red Cross
- AmExp, American Export Lines
- Aminco, American Independent Oil Company
- AMMIA, American Military Mission with the Iranian Army
- AMVat, series indicator for telegrams from the American Mission at the Vatican

AP, Associated Press

- Aramco, Arabian American Oil Company
- ARMISH, American Military Mission with the Iranian Army
- ATC, Air Transport Command
- BC, Division of British Commonwealth Affairs, Department of State
- Black, series indicator for certain telegrams sent by the White House to the Department of State
- Blue, series indicator for certain telegrams sent by the White House to the Department of State
 BMEO, British Middle East Office
 CAA, Civil Aeronautics Administration
 CAB, Civil Aeronautics Board

CC, Conciliation Commission (for Palestine)

CEEC, Committee for European Economic Cooperation

CFP, Compagnie Française des Pétroles

- CG, Consulate General
- CIA, Central Intelligence Agency
- CICR, International Committee of the Red Cross
- CINC, Commander in Chief
- cirtel, circular telegram
- CNO, Chief of Naval Operations
 - CO, Commanding Officer
 - Comkas, series indicator for telegrams from the United States Representative on the United Nations Commission for India and Pakistan
 - COMMIN, Indian delegation to the United Nations Commission on India and Pakistan
 - Contel. Consulate telegram
 - CP, Division of Commercial Policy, Department of State

CPS, Communist parties

- CRL, Consolidated Refineries, Ltd.
- CRO, Commonwealth Relations Office (British)

CRYPTO, military message indicator

- CSGID, Ground Intelligence Division, General Staff, Office of the Chief of Staff, United States Army
- DA, Division of Dependent Area Affairs, Department of State

Del, Delegation, Delegate

Delga, series indicator for telegrams from the United States Delegation at the United Nations General Assembly

AA, anti-aircraft

- Depcirtel, Department of State circular telegram
- Depintel, Department of State circular information telegram
- Deptel, Department of State telegram
- Deptreftel, Department of State reference telegram
- dipcorps, diplomatic corps
- DP, displaced person
- DRN, Division of Research for Near East and Africa, Department of State
- E, Office of the Assistant Secretary of State for Economic Affairs
- EAD, External Affairs Department (India)
- ECA, Economic Cooperation Administration
- ECME, Economic Commission for the Middle East (United Nations)
- ECOSOC, Economic and Social Council of the United Nations
- ED, Division of Investment and Economic Development, Department of State
- Emdesp, Embassy despatch
- Embtel, Embassy telegram
- ERP, European Recovery Program
- EUCOM, European Command, United States Army
- EUR, Office of European Affairs, Department of State
- FAO, Food and Agriculture Organization
- FBI, Federal Bureau of Investigation, Department of Justice
- FLC, Foreign Liquidation Commissioner, Department of State
- FN, Division of Financial Affairs, Department of State
- FO, Foreign Office
- FonOff, Foreign Office
- FoSec, Foreign Secretary
- FSO, Foreign Service Officer
- GA, General Assembly of the United Nations
- GADel, General Assembly Delegation (United States); also Gadel, series indicator for telegrams to the United States Delegation at the United Nations General Assembly
- GATT, General Agreement on Tariffs and Trade

- GAUN, General Assembly of the United Nations
- GMT, Greenwich Mean Time
- GOC, General Officer Commanding
- GOI, Government of India
- GOP, Government of Pakistan
- GTI, Division of Greek, Turkish, and Iranian Affairs, Department of State
- HE, His Excellency
- HMG, His Majesty's Government
- HQ, Headquarters
- HRH, His Royal Highness
- HSO, Highest staff officer
- Hydel, Hyderabad delegation
- IC, Interim Committee of the General Assembly of the United Nations
- ICEF, International Children's Emergency Fund
- ICJ, International Court of Justice
- ICRC, International Committee of the Red Cross
- INA, Indian Army
- INDel, Indian Delegation
- infotel, information telegram
- 10, Reference and Documents Section, Bureau of International Organization Affairs, Department of State
- IPC, Iraq Petroleum Company, Ltd.
- IR, International Resources Division, Department of State
- IRC, International Red Cross
- IRO, International Refugee Organization
- **IS**, Division of International Security Affairs, Department of State
- ITO, International Trade Organization

IZL, Irgun Zvai Leumi

- JA, Jewish Agency for Palestine
- JCS. Joint Chiefs of Staff
- JTA, Jewish Telegraphic Agency
- Kascom, series indicator for telegrams to the United States Representative on the United Nations Commission for India and Pakistan
- L (Le), Office of the Legal Adviser, Department of State
- L/P (Le/P), Assistant Legal Adviser for Political Affairs (Snow), Department of State

- MA, Military Attaché; also series indicator for telegrams from Military Attachés to the War Department
- Martel, series indicator for telegrams from Secretary of State Marshall while away from Washington
- MD, Munitions Division, Department of State

ME, Middle East

Mistel, Mission telegram

- mytel, my telegram
- NE, Division of Near Eastern Affairs, Department of State; also Near Eastern or Near East
- NEA, Office of Near Eastern and African Affairs, Department of State
- NEDC, Near East Development Corporation
- niact, night action, communications indicator requiring attention by the recipient at any hour of the day or night
- NME, National Military Establishment
- NSC, National Security Council
- NWFP, North-West Frontier Province
- OFD, Office of Financial and Develop-
- ment Policy, Department of State OIE, Office of Information and Edu-
- cational Exchange, Department of State
- **OIR/GE,** Special Adviser on Geography in the Office of Intelligence Research, Department of State
- PA, Plebiscite Administrator (Kashmir boundary question)

PAK, Pakistan

- PCG, Provisional Councils of Government (Palestine)
- PCIRO, Preparatory Commission for the International Refugee Organization
- PD, Passport Division, Department of State
- PED, Petroleum Division, Department of State
- PG, Persian Gulf

PGI, Provisional Government of Israel

PM, Prime Minister

PPS, designation for documents by the Policy Planning Staff, Department of State

- PriMin, Prime Minister
- RAF, Royal Air Force (British)
- RC, Red Cross
- reDeptel, regarding Department of State telegram

reEmbtel, regarding Embassy telegram reftel, reference telegram

- remytel, regarding my telegram
- reurtel, regarding your telegram
- RIAF, Royal Indian Air Force
- **RSFS**R, Russian Socialist Federated Soviet Republic
- S/, designation for documents issued by the Security Council
- S/P, Policy Planning Staff, Department of State
- S/P.V., Plenary verbatim records of the Security Council
- S/S, Executive Secretariat, Department of State
- SAG, Saudi Arabian Government
- SC, Security Council of the United Nations
- SCTC, United Nations Security Council Truce Commission
- SD, Shipping Division, Department of State
- Sec. Gen., Secretary-General
- SGUN, Secretary-General of the United Nations
- SOA, Division of South Asian Affairs, Department of State
- Socony, Standard Oil Company of New York
- SPA, Office of Special Political Affairs, Department of State
- SWNCC, State-War-Navy Coordinating Committee
- SYG, Secretary-General
- Tapline, Trans-Arabian Pipeline Company
- TC, United Nations Security Council Truce Commission
- TC, Trusteeship Council of the United Nations
- **Telmar,** series indicator for telegrams to Secretary of State Marshall while away from Washington
- TJ, Transjordan
- TS, Top Secret
- TVA, Tennessee Valley Authority
- U, Under Secretary of State (Lovett)
- UKDel, United Kingdom Delegation

- UKUN, United Kingdom Delegation at the United Nations
- UNA. Office of United Nations Affairs, Department of State
- UNCIP, United Nations Commission for India and Pakistan
- UNESCO. United Nations Educational, Scientific and Cultural Organization
- UNGA, United Nations General Assembly
- UNICEF, United Nations International Children's Emergency Fund
- UNMis. United States Mission at the United Nations
- UNO, United Nations Organization
- UNS. Division of International Security Affairs, Department of State
- UNSC, United Nations Security Council
- UNSCOB, United Nations Special Committee on the Balkans
- UNSCOP, United Nations Special Committee on Palestine

- UNTC, United Nations Security Truce Commission
- **UP.** United Press
- urdes, your despatch
- urtel, your telegram
- USAF. United States Air Force
- USDel. United States Delegation
- **USG.** United States Government
- USGADel, United States Delegation at the United Nations General Assembly
- USIE, United States Information and Educational Exchange Program
- **USMC**, United States Marine Corps
- USUN, United States Mission at the United Nations
- WARX, series indicator for telegrams sent overseas by the Department of the Army or by Army Headquarters, Washington
- Weeka, weekly, inter-agency, summary analysis from United States diplomatic missions
- White, series indicator for certain telegrams sent by the Department of State to the White House

WHO, World Health Organization

THE NEAR EAST

INTEREST OF THE UNITED STATES IN THE ARAB-ZION-IST CONTROVERSY OVER THE FUTURE STATUS OF PALESTINE; THE ISSUE AT THE UNITED NATIONS; CREATION OF THE STATE OF ISRAEL; ENTRY OF ARAB FORCES INTO PALESTINE

[The interest of the United States in the Arab-Zionist controversy and related matters was treated in *Foreign Relations*, 1947, volume V, in the section on Palestine, pages 999–1328. In 1948, the controversy continued as an issue at the United Nations, and it grew to larger proportions with the creation of the state of Israel and the entry of Arab forces into Palestine. Documentation on these matters is included in part 2 of this volume.]

UNITED STATES ECONOMIC AND MILITARY AID TO GREECE AND TURKEY

[Documentation on American aid to Greece and Turkey under the Truman Doctrine is printed in volume IV, pages 1-221. The subject of military aid to these countries as it related to their interest in possible participation in Western European collective defense arrangements is treated in volume III, pages 1-351.]

रुवेदी राज्येहरण गणवत् वर्षांचर्त

1

INTEREST OF THE UNITED STATES IN THE SECURITY OF THE EASTERN MEDITERRANEAN AND OF THE MIDDLE EAST

Editorial Note

On November 24, 1947, President Truman approved a paper stating that the security of the Eastern Mediterranean and of the Middle East was "vital to the security of the United States" and that it should be the policy of the United States Government "to make evident in a firm but non-provocative manner the extent of the determination of the United States to assist in preserving in the interest of world peace the security of the area." For the text of this paper, and for related information, see *Foreign Relations*, 1947, volume V, pages 575 and 623. The policy was subsequently included as paragraph 2 of document NSC 5/2, February 12, 1948, "The Position of the United States with Respect to Greece", *ibid.*, 1948, volume IV, page 47.

On August 2 Secretary of Defense Forrestal concurred in the following views of the Joint Chiefs of Staff:

For the purpose of this memorandum the "Eastern Mediterranean and Middle East Area" is viewed as being two separate areas. The first, referred to as the "Eastern Mediterranean area", includes the landed areas of Egypt, the Levant States and Turkey. The other, referred to as the "Middle East Area", is comprised of the land areas of Iraq, Iran and Arabian peninsula.

Short-range emergency plans approved for planning purposes within the military establishment and other studies in process of development consider holding the Cairo-Suez-Khartoum area in the Eastern Mediterranean as a minimum. This area would be used initially as a base for air offensive action and, in later phases, as a base for further operations to regain Middle East oil resources. The possibilities of success in these operations cannot be accurately forecast at this time. In addition to retaining this minimum base area, such plans provide for retention of as much of the Middle East oil resources as allied capability will permit.

Other plans are under consideration which involve the employment of bases other than the Cairo-Suez area. Implementation of the latter plans would not permit augmenting forces already deployed in the Eastern Mediterranean area or the Middle East area at the outbreak of war sufficiently to assure retention of either after the initial stages. The forces deployed in these two areas would operate there as long as feasible in support of the over-all plan. These plans provide for the regaining of a portion of the Middle East oil resources prior to the

U.S. STRATEGIC INTEREST IN THE NEAR EAST

end of the second year of war. The possibilities of success in these operations depend to some extent upon the development of the political situation in this area.

Realistic appraisal of the military capabilities of the USSR, the geographical locations of the Middle East oil resources with respect to the USSR, and consideration of the probable early objectives of Soviet military operations in the event of war in the near future lead to the conclusion that United States and Allied forces presently available probably could not retain the major portion of the oil-producing areas from the outset. However, Allied forces can deny the enemy use of oil-producing facilities in the area. (S/P–NSC Files, Lot 61D167, File "Eastern Mediterranean and Middle East")

In a memorandum of August 5, 1948, subsequently circulated as document NSC 19/3, the Joint Chiefs of Staff further appraised the position and security interest of the United States in the Mediterranean and Middle East area. For the text of NSC 19/3, see volume III, page 933, and for related expressions of the views of the Joint Chiefs of Staff, see *post* page 244, and volume IV, page 191.

PARTICIPATION OF THE UNITED STATES IN THE DE-VELOPMENT OF THE PETROLEUM RESOURCES OF THE NEAR EAST¹

890F.6363/1-2648

Memorandum of Conversation, by Mr. Herbert A. Breakey of the Petroleum Division

[WASHINGTON,] January 28, 1948.

Participants: Messrs. [James] Terry Duce and [Philip C.] Kidd, Arabian American Oil Company

Colonel [William A.] Eddy, Arabian American Oil Company

Mr. Sanger, NE Mr. Jenkins, NE Mr. Breakey, PED

Mr. Terry Duce, of the Arabian American Oil Company, being in the city for a few days, was invited to meet with some of the State Department officials to inform them of the last developments regarding the Trans-Arabian pipe line.

[Here follow four paragraphs of observations by Mr. Duce.] Mr. Duce summarized the situation as follows:

1. The company is going ahead with the pipe line as planned.²

2. This winter it is proceeding with the line in the south.

3. The company is not at the present time interested in an alternative route, but it may investigate such possibilities.

4. The company, however, will consult with the governments at present concerned before attempting any alternative routes.

5. If war develops in Palestine,3 new plans will have to be considered.

¹ Continued from Foreign Relations, 1947, vol. v, pp. 627-668.

² Cairo, on January 26, had advised that Aramco was giving consideration to abandoning the Tapline project for six years and to negotiating transit rights in Egypt (telegram 75, 883.6363/1-2648).

³ Documentation on Palestine is scheduled for publication in part 2 of the present volume.

U.S. PETROLEUM POLICY IN THE NEAR EAST

891.6363 AIOC/1-2948

Memorandum by the Director of the Office of Near Eastern and African Affairs (Henderson) to the Secretary of State¹

CONFIDENTIAL

[WASHINGTON,] February 10, 1948.

Discussion:

Mr. George Koegler, Counsel for Standard Oil Company (N.J.), with Socony Vacuum Oil Company concurring, left with me the enclosed letter dated January 29² indicating that the refusal early in January of the Prime Minister of Iraq to grant a pipeline right of way to Standard and its associates will probably necessitate the abandonment of the proposed pipeline project. The Prime Minister took the position that Iraq would not grant a pipeline right of way to any company in which any American capital participates because of the United States position regarding the Palestine question.

The project, if completed, would transport from 400,000 to 500,000 barrels daily of crude oil from Kuwait and Iran to the Eastern Mediterranean; would be owned 50% by Anglo-Iranian, 40% by Standard, 10% by Socony, and would be constructed of pipe 32" to 34" in size.³ The pipe would be manufactured by Consolidated ⁴ beginning not later than fulfillment of orders for the Aramco pipeline. Standard's participation is indispensable to the project because of financial arrangements whereunder Standard is to be the principal source of dollars needed for the purchase of the pipe.

Standard feels it is impracticable to undertake construction of some 80 to 90 tankers required to move a volume of oil at the rate of 400,000 barrels daily, a distance by water approximating 4,000 miles as compared to some 900 miles by pipeline because of excessive expenditures in money, steel and power machinery involved in the use of tankers as compared with the pipeline.

Although there has been a change in government since Standard was rebuffed early in January, it is believed that the new government in Iraq would be even less likely to grant a pipeline right of way than its predecessor and accordingly an approach under the present circumstances would serve no useful purpose. Thus if the United States or United Nations position regarding the Palestine question and the decision of the Government of Iraq based thereon remain unchanged,

⁴ The Consolidated Steel Company, a California corporation.

¹Addressed also to Under Secretary of State Robert A. Lovett.

² Not printed.

³ Mr. Koegler informed Mr. Henderson on March 10 that AIOC desired to enlarge the size of the proposed pipeline and that the American partners did not wish to increase their share of the oil flow. Since it was necessary to reconcile the partners' percentages of stock ownership with percentages of pipeline capacity, it had been tentatively agreed that ownership would be divided as follows: AIOC 60.9%; Jersey Standard 24.7%; and Socony 14.4% (memorandum of conversations, by David A. Robertson of the Office of Near Eastern and African Affairs, 891.6363 AIOC/3-1048).

it appears that during a period of global oil shortage a pipeline project probably will be abandoned which would otherwise make available some 400,000 to 500,000 barrels of oil daily. The impact of this loss in oil supply will be felt primarily in Western Europe, the normal consumption area of oil from the Middle East. According to the Harriman, Krug and Herter reports the European Recovery Program may be seriously retarded without Middle East oil.

The Department's proposed reply states that the oil of the Middle East is an important factor in the success of the European Recovery Program, in the continued recovery of Europe and in our own national interest. It is suggested that the company take no action at this time which would result in the abandonment of the project.

Recommendation:

It is recommended that the Department's proposed reply to Standard be approved.⁵

Concurrences:

PED A-A

L[OY] W. H[ENDERSON]

⁵ Mr. Henderson's proposed reply of January 30 not printed. The Secretary of State, in a memorandum of February 19 to Mr. Lovett, noted the desirability of coordinating closely with the Departments of Defense and of the Interior. The memorandum concluded with the query: "Why shouldn't the letter be stronger and point out the national interest of taking no action which would lead to abandonment of the project at this time?" For the reply acually sent to Mr. Koegler on March 8, see p. 7.

890F.6363/2-2548: Telegram

The Ambassador in Egypt (Tuck) to the Secretary of State

CONFIDENTIAL

CAIRO, February 25, 1948-5 p. m.

191. Naim Antaki, former Syrian Foreign Minister and legal counselor Tapline, told Ireland ¹ today that his recent high hopes of Syrian ratification Tapline concessions had been shattered for time being by Arab League action on new facilities and concessions revealed by Azzam Pasha² in his recent statement regarding petroleum facilities and concessions (mytel 184, February 23³). Azzam has confirmed to Ireland this statement represents attitude of Arab League. Arab policy

¹ Philip W. Ireland, First Secretary of Embassy in Egypt.

² Secretary-General of the Arab League.

⁸ Not printed; it reported that the Arab League had agreed that no petroleum facilities or concessions would be considered by member states until the Palestine situation had been clarified (890B.00/2-2348). Cairo advised, on February 29, of further information from Azzam Pasha that new construction of pipelines under concessions recently signed would not be permitted (telegram 206, 890F.6363/2-2948).

on existing concessions will depend on future action by US and UN. His personal attitude was that concessions should not be touched since they provided dollars essential to Arab economy and Palestine defense but that trend of public opinion Iraq and Saudi Arabia might alter picture. He was certain that Syria would not ratify Tapline and that as long as Nokrashy Pasha was Prime Minister, Egypt would not grant Egyptian terminus. Said Arab League thinking had not gone as far as planning operation of refineries and installations in Arab states should UN sanctions be applied.

Sent Department 191; repeated Jidda 19. Paraphrase to Arab capitals by pouch.

TUCK

891.6363 AIOC/1-2948

The Secretary of State to Mr. George Koegler of the Standard Oil Company of Jersey

WASHINGTON, March 8, 1948.

DEAR MR. KOEGLER: I am writing with reference to your letter dated January 29¹ regarding the probable need to abandon the proposed pipeline project designed to transport oil from Iran and Kuwait to the Eastern Mediterranean unless the Government of Iraq changes its attitude in refusing to grant the necessary pipeline right of way.

I note your statement that the Prime Minister of Iraq has communicated to a representative of your company and to the Chairman of Anglo-Iranian the refusal of his government to issue any pipeline right of way to any company in which any American capital participates because of the position taken by the United States with respect to the Palestine question.

As you are no doubt aware, it is my strong feeling, in which the Secretaries of Defense and the Interior concur, that the oil of the Middle East is an important factor in the success of the European Recovery Program and in the continued prosperity of Europe. It is also an important factor in the more immediate sense of our own national interest. It is hoped, therefore, that your company will not find it necessary to take any action at this time which would result in the abandonment of the project described in your letter. It would be unfortunate for your company to allow current international political complications to cause the abandonment of long-range plans which may have beneficial effects on the Middle East, Europe and the United States.

Faithfully yours,

G. C. MARSHALL

¹ Not printed. 429–027–75–2

Editorial Note

The question of offshore oil in the Persian Gulf, discussed in the March 18 memorandum of conversation printed infra, received scant attention during the high-level "Pentagon Talks of 1947" between the United States and the United Kingdom on the Middle East. Denis Greenhill, who represented the British Foreign Office in the economic aspects of these talks, discussed the matter of "Persian Gulf and Boundary Questions" with officers of the Department on October 31, 1947. The memorandum of that conversation, prepared by David A. Robertson of the Office of Near Eastern and African Affairs, notes that views were exchanged on the "continental shelf and territorial water principles". The memorandum records that "none of the Persian Gulf countries have specifically declared their position as regards these principles, that claims and counterclaims once embarked on might lead to considerable confusion and that at some future appropriate date when other issues in the area, including the Palestine question, are less active, it might be advisable to suggest a general conference of the countries concerned and attempt to work out the various boundary questions." (890.0145/10-347) For documentation on the "Pentagon Talks of 1947", see Foreign Relations, 1947, volume V, pages 485 ff.

890F.6363/2-1948

Memorandum of Conversation, by the Chief of the Division of Near Eastern Affairs (Merriam)

SECRET

Participants:

[WASHINGTON,] March 18, 1948. Mr. E. E. Jones, [Petroleum] Attaché, British Embassy Mr. T. E. Bromley, First Secretary, British Embassy Mr. Eakens, PED

Mr. Breakey, PED

Mr. Robertson, NEA

Mr. Sanger, NE Mr. Merriam, NE

Mr. Merriam referred to Mr. Bromley's letter of February 19 and the memorandum enclosed therewith (copies are attached hereto) on the subject of offshore oil in the Persian Gulf.¹ These had been circulated to and discussed by interested officers of the Department who felt

¹Neither printed. The letter, addressed to Merriam, informed him that the British Embassy had received instructions from the Foreign Office to take up with him the subject of the development of offshore oil beyond the territorial waters of the Persian Gulf littoral. The memorandum dated February 4, enclosed in Bromley's letter to Merriam, was a statement of Foreign Office views on the subject which had not yet received Ministerial aproval in London but which was designed to help the British Embassy evolve a common approach with the Department of State which could then be considered by higher authorities on both sides. (890F. 6363/2-1948)

that the preliminary work done by the British side constituted a promising and helpful approach to the problem.

As we understood it the British discussion of the matter raised the following points:

1. Do existing concessions include subsea rights outside territorial waters?

2. Should the declarations of sovereignty include both seabed and subsoil rights, or only the latter?

3. Would it be better not to have assertions of sovereignty but merely agreements to confine the granting of oil concessions within defined areas?

4. Is the median line basis a good one? If so, how in working it out, would certain obvious difficulties such as the following be dealt with:

a. Projection of frontier lines in cases of disputed frontiers?

b. What should be the angle of intersection with the coast?

c. Islands, especially those, such as Bahrein, constituting sovereign units?

d. Possibility of Iranian cooperation and likelihood of Iran reasserting claims to Bahrein, et cetera.

5. Procedure.

The U.S. side would like to add another item: secrecy of handling, particularly vis-à-vis oil companies.

The subject was then discussed under the above headings.

1. It was the view of those present that existing concessions do not include rights to the seabed or subsoil in the Persian Gulf, in the absence of specific provisions to that effect. None of those present was aware of the existence of any such provisions. Mr. Bromley said the Foreign Office had pointed out that provisions do exist under which additions to the territory of a country would be included in existing concessions, and that conceivably such provisions could be held to apply to subsea areas. It was considered by those present, however, that the intent of such provisions was directed solely to possible extensions of the land area of a country as normally defined, and not to subsea areas, apart from land under territorial waters.

2. The question of whether the declarations should include seabed and subsoil, or only subsoil, arose from the complication resulting from pearl fishery rights. Mr. Merriam said that in theory the matter could be handled in one of two ways. One way was to include both seabed and subsoil rights in the declarations but to make exception of existing fishery rights. The difficulty with this method would be in defining the pearling rights and establishing priority as between, say, pearling rights and oil rights. The pearling rights appeared to be largely a matter of custom and had not been reduced to writing. To endeavor to do so would be a difficult task leading to dispute, delay and, doubtless, acrimony. Therefore, since we were now interested primarily in oil, it would seem simpler to confine the declarations of sovereignty to the subsoil. When a conflict of rights resulted, as by contamination of fisheries by oil, damages would be paid. 3. It was agreed that an assertion of sovereignty would be necessary, otherwise there would be no basis on which to grant concessions.

4. The median line principle seems sound. Whatever the difficulties in applying it in practice, it was a simple, reasonable concept, easy to understand. Moreover it derived a certain sanction in that it might be considered an extension of the *thalweg* principle of international law, the difference being that in this case there is no channel, so the middle of the Gulf itself would be chosen.

a. In the case of disputed frontier lines, it might be necessary and practicable to handle the corresponding subsea extensions as neutral zones, i.e. on the basis of joint and undivided sovereignty.

b. The precise angle of intersection of frontiers with shoreline might, if projected, give unfair results. It would seem better to establish perpendiculars to the general trend of the shoreline. However, it was felt that it would be desirable to prepare a map showing how the various principles which could be applied would actually work out.

c. Here again it would be desirable to see what a map would look like.

d. The American side said that it had given the Iranian aspect of the matter a good deal of thought. It was very probable, as suggested by the British, that the Iranians would utilize the occasion to reassert their alleged claims to Bahrein, etc. On the other hand, if the Iranians were not approached on the matter at the same time as the countries on the west side of the Gulf, it would look to the Iranians very much like a conspiracy from the west side backed by U.S. and UK. This would give a handle to the Russian propaganda machine and to pro-Soviet elements in Iran. In consequence, for reasons of principle and also as the lesser of two evils, the American side felt that it would be better to approach the Iranians on the matter at the same time and on the same footing as the countries on the western side of the Gulf. We visualized that in the end the matter might shake down by the Iranians including in their declarations something to the effect that nothing therein derogated from their claims. The other parties might respond by inserting in or amending their declarations to the effect that nothing therein constituted in any way a recognition of Iranian claims. Since these would all be unilateral declarations, and not agreements, the matter might go at that, the important thing being that the Iranians agree to the median line for the purposes of oil concessions. The British side took note of these observations, but pointed out that London appeared to be anxious not to give rise to a renewal of Iranian claims to Bahrein, etc.

5. Mr. Merriam said that we thought that, once US and UK had agreed on the essential aspects of the problem, the UK would make appropriate suggestions to the principalities with which UK had a protection relationship, and US and UK would make a concerted approach to the others: Iran, Iraq and Saudi Arabia.

Since both US and UK are more or less in the Arab doghouse on account of Palestine, it will be necessary to keep an eye cocked on that matter in deciding the timing of an approach. However, US and UK should continue to work in order to get their views lined up.

6. The American side raised an additional point, that of secrecy in relation to oil companies. Once the new subsea areas were staked out they would be open to concession-hunting by any oil company. So far as US was concerned, we felt that our handling of the matter should not give any American company an advantage over any other American company. Thus far we had discouraged all American companies who had inquired, from seeking subsea oil concessions in the Gulf. In order to give all companies an even start, we felt that when US and UK made their approaches to the Persian Gulf governments, press releases should be issued simultaneously in Washington and London. Until then, we felt that strict secrecy vis-à-vis all oil companies should be preserved, otherwise companies on the ground and in close relations with the Persian Gulf governments would have an advantage over other companies. Mr. Jones said that maintenance of secrecy vis-à-vis British oil companies would be somewhat difficult owing to the relationships existing between the Government and some of the companies. Up to the present, however, the Government had put the companies off by saying that it was a complicated matter which was being studied.

In concluding, Mr. Merriam said that the foregoing represented informal reactions on the working level to Mr. Bromley's letter and memorandum. The British had already let us have a map showing how the median line principle might be applied to the sea areas in the neighborhood of Bahrein. It would be most helpful if as the next step the British could let us have a map showing the application of the principle to the whole Persian Gulf, so that we could take such a concrete suggestion for applying the principle into account in working up a written reply to Mr. Bromley's letter and enclosed memorandum. G[ORDON] P. M[ERRIAM]

890F.6363/3-2948: Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

TOP SECRET

JIDDA, March 29, 1948-noon.

164. While in Riyadh March 27 King informed me most confidentially SAG had been approached by foreign company having British participation through Central Mining Company, London and American participation through Superior Oil Company of Los Angeles seeking oil exploration and concessionary rights in the off-shore area of Saudi Arabia in Persian Gulf. His Majesty sent word to me upon my arrival and said it would be appreciated if US Government would give him its opinion concerning participation British capital in proposed oil concession as he had hitherto reserved oil concessions to purely American capital.

Later, when I had my final audience with King, he asked my personal opinion. I replied that since His Majesty in my last visit Riyadh had himself expressed desire we, British and Saudi Arabians work together in closest concert in maintaining peace and security Middle East, I saw no objection admittance British capital in oil ventures. I added that by strengthening Britain economically we were in effect strengthening those forces best adapted to working with US. His Majesty stated that such being my opinion he would give orders to Finance Minister to begin discussion at once.

I observed that unless the question were pressing I would much prefer him delay action until my government could give its opinion as it might have altogether different views and in any case was able see problem in much broader perspective than I was.

His Majesty accepted suggestion and said he would order Finance Minister delay discussions for 30 days while awaiting answer from Washington.

King was insistent matter be treated with utmost discretion and asked in particular no word of subject be conveyed to Aramco.

Sent Department 164, repeated London 45.

question granting concession to Anglo-US group.

<u></u>.

CHILDS

890F.6363/3-2948: Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

TOP SECRET

JIDDA, March 29, 1948-3 p. m. 166. Mytel 164. Upon my return to Jidda I learn Jidda representative Aramco informed Legation Finance Minister discussed with him

Aramco representative informed Finance Minister Aramco concession already included area sought by Anglo-American group which was consequently not open for other development. Finance Minister countered stating that at time Aramco concession granted, definition "territorial waters" by international [law?] restricted to line three miles off shore. Large body of law and opinion now to effect nation entitled to all oil on its continental shelf. Since this right subsequently arisen, it was not transferred Aramco by original concession. Aramco representative stated Finance Minister armed with large amount of "evidence" supporting his contention including Truman's statement¹

¹The reference here is presumably to the proclamation regarding natural re-sources of the subsoil and sea bed of the continental shelf, released to the press September 28, 1945, and printed in Foreign Relations, 1945, vol. 11, p. 1528.

re rights of US Government to California tide-water oil which had obviously been furnished him by Anglo-American group.

Department in expressing its views on general principle of participation of British capital which is question raised by King may at same time wish invite SAG's attention to difficult legal problems arising in connection granting concession to foreign oil company in territory which may give rise conflicting claims.

Sent Department 166, repeated London.

CHILDS

890F.6363/3-2948 : Telegram

The Acting Secretary of State to the Legation in Saudi Arabia

TOP SECRET

WASHINGTON, April 9, 1948-7 p. m.

117. Dept is working closely with Brit, as evidenced by memo of meeting in Dept on Mar 18 forwarded to you, on question development off-shore Persian Gulf oil on orderly, fair and reasonable basis. On April 8 we informed Brit Emb of approach to SAG by Superior and Central Mining, of HM's decision to delay consideration 30 days, and of fact that Aramco is aware of situation owing to SAG leak (re Legtel 166, Mar 29 and previous). We also told Brit of SAG position that Aramco concession does not include off-shore oil beyond three mile limit. Brit informed also of line we propose instructing you to take with SAG on this matter and requested their comments. On receipt Brit comments Dept will telegraph you instructions dealing specifically with problem raised by Superior request and also with broad policy aspects.

For present inform SAG in your discretion that US Govt considers HM's decision to delay consideration of Superior Central request very wise in view importance and complexity of subject of off-shore oil and appreciates confidence implied in HM's desire to have US views. US Govt has been giving careful and active thought to whole question and hopes to forward reply to HM's request for US observations within week.

Sent Jidda, repeated to London.

LOVETT

890F.6363/3-2948: Telegram

The Secretary of State to the Legation in Saudi Arabia

SECRET US URGENT. WASHINGTON, May 8, 1948—11 a. m. 170. Re problem arising from Superior-Central approach to SAG for off-shore concession, you should inform HM that US and UK consider that problem of exploiting Persian Gulf sub-soil beyond three mile limit (re Legtel 164, Mar 29) is important one presenting some difficulties. In interest of exploitation on orderly, fair and reasonable basis, US and UK officials now having discussions for purpose of formulating principles and examining how these would work out in practice with view to presenting their conclusions for consideration of SAG. Active work being pressed on matter so that two govts can present views at earliest possible date. They hope that until their views are presented SAG will find it possible defer consideration of proposals which have been or may be submitted to it looking to exploitation sub-soil Persian Gulf.

Brit Emb. informs that London will instruct Trott¹ to make representations similar to foregoing.

As to participation Brit capital in off-shore oil concession, you should state that US Govt considers that decision is entirely one for SAG to make. US would be disturbed if concession or participation were granted to nationals of any govt having unfriendly attitude toward either US or SA. Apart from this US considers that competition for concession should be free and open and awarded by SAG on basis of what it judges to be in best interests of SA.²

Sent Jidda, repeated London.

MARSHALL

¹ Alan C. Trott, British Ambassador in Saudi Arabia.

² Jidda, on May 11, advised the Department that "When handing Finance Minister note embodying observations Deptel 170, May 8, he said American representative Superior and his British opposite number Weightman had been informed . . . SAG would only be prepared to resume oil concession discussions after representatives had obtained approval their respective governments for such discussions. Finance Minister . . . emphasized SAG would make no move in absence concurrence US and British Governments." (Telegram 267, 890F.6363/ 5-1148)

890F.6363/5-848: Telegram

The Secretary of State to the Legation in Saudi Arabia

SECRET

US URGENT

WASHINGTON, May 8, 1948-11 a.m.

171. Pls make clear to SAG that USG feels the question of extent to which Aramco concession covers submerged Persian Gulf area is matter for determination between SAG and Aramco. USG and UKG consultations not addressed to this problem but confined to formulating applicable principles governing division Persian Gulf submerged area (among countries having adjacent territory) with view to fair and orderly exploitation. These principles will be submitted to SAG when formulated.

Sent Jidda, repeated London.

MARSHALL

U.S. PETROLEUM POLICY IN THE NEAR EAST

890F.6363/5-2648

Memorandum by the Director of the Office of Near Eastern and African Affairs (Henderson) to the Secretary of State

[WASHINGTON,] May 26, 1948.

You may be interested in learning that yesterday evening Mr. Duce, Vice President of the Arabian American Oil Company, told me that he had just received a telegram from Mr. Davies, another Vice President, who is at present in Saudi Arabia, to the effect that for the first time Ibn Saud indicated that he may be compelled, in certain circumstances, to apply sanctions against the American oil concessions.

Mr. Duce said that he could not explain the situation over the phone but that he would come to Washington or send someone to Washington to discuss the matter within the next few days. He said that it is his understanding that Ibn Saud had made it clear that if he took sanctions it would not be because of his desire to do so but because the pressure upon him of Arab public opinion was so great that he could no longer resist it.

Although I do not know what the circumstances might be which would cause these sanctions to be applied, I obtained the impression that the making of changes in our arms policy so as to permit the shipment of arms to the Jewish State would create such circumstances.¹ L[or] W. H[ENDERSON]

¹ Jidda, in telegram 336, June 9, advised the Department of the deep concern held by local Aramco officials over the possibility that the Saudi Arabian Government would "adopt any sanctions proposed by Arab League against American interests ME even though these may be contrary SAG economic interests." (890F.6363/6-948)

890F.6363/6-948: Telegram

The Secretary of State to the Embassy in Egypt

SECRET

WASHINGTON, June 9, 1948-6 p.m.

757. No reply was sent to Jidda's 231 Apr 27¹ in view our desire not to aid any company to obtain off-shore oil concessions in Persian Gulf

¹Not printed; it reported that "Legation is in receipt request from AmEmbassy Cairo on behalf Superior Oil Company permission for that company land plane Jidda several times during 5-day period beginning about May 4". Jidda advised that it would take no action on the request in the absence of instruction from the Department, "In view statement by Satterthwaite to Keck of Superior Oil Company in Department that it would be embarrassing to US Government to have problem extraterritorial waters in Red See and Persian Gulf open at this time and that any such undertaking would be contrary US interests" (890F.7962/ 4–2748). Regarding the Satterthwaite-Keck conversation, see telegram 4389, October 10, 1947, to London, *Foreign Relations*, 1947, vol. v, p. 666. Joseph C. Satterthwaite was Deputy Director of the Office of Near Eastern and African Affairs. until recommendations of Dept could be correlated with Brit and presented to Persian Gulf States (Cairo's 484² May 21) as set forth in Deptel 170 May 8 to Jidda (now being rptd Cairo).

Our policy towards Superior Oil Co should accord with statement made to Superior Vice-Pres Wood May 6 by Dept officials who told him Dept desired to be of equal service to all Amer companies and that while Superior was relatively new in ME Dept was prepared to maintain just as good relations with Superior as with any other oil co operating in that area. Courtesies extended to reps Superior should not be of such nature as to create impression US Govt is supporting their efforts to obtain undersea concessions.

Sent Cairo as Depts 757 rptd Jidda as Depts 227.

MARSHALL

² Not printed.

890F.6363/6-1148

Participants:

Memorandum of Conversation, by Mr. Richard H. Sanger of the Division of Near Eastern Affairs

SECRET

[WASHINGTON,] June 11, 1948.

Mes	ssrs. James Terry Duce, Vice President	Aramco
	Philip C. Kidd, Asst. to Vice President	
	George Ray, Legal Counsel	"
	Allen Young, Asst. to Legal Adviser	27
	Manley O. Hudson, Legal Adviser	97
٦٢.,	Ma The lange (NTTA) Ma Delever	(NTELA)

Messrs. Mr. Henderson (NEA) Gordon Merriam (NE) Richard Sanger (NE) George Gray (Le/P)

Mr. Duce stated that his Company had been informed by its representatives in Arabia of the position of the Saudi Arabian Government that the Aramco concession covered only the islands and territorial waters of the Persian Gulf, and does not apply to any additional rights which may be acquired by Saudi Arabia as the result of dividing the continental shelf of the Persian Gulf between the riparian States. SAG has been negotiating with Superior Oil Company and is ready to give that company a concession for the oil in this area, lying east of the Aramco concession but located in the area where Saudi Arabia may have subsurface rights. SAG has given Aramco an option on this "new" area if Aramco will meet the terms offered by Superior. Furthermore, SAG wants a decision on this by the end of June. The King has made it clear to the Company that its present concession will be safeguarded if a new concession is given.

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Mr. Duce went on to say that since the Government of Saudi Arabia is known to be negotiating with Superior Oil and with a British company with the intention of granting a concession for such areas under the Persian Gulf as may be acquired by Saudi Arabia under the contemplated division of the Persian Gulf, Aramco has retained the services of various lawyers, including Judge Manley O. Hudson, and wants the whole matter to rest until their studies have been completed.

Mr. Henderson said that it seemed to him that the main question was:

(1) Does the existing contract give Aramco rights to any oil under the Persian Gulf over which SAG may eventually assert sovereignty, or

(2) Does the existing contract merely give Aramco rights to any oil that may exist in the parts of the Persian Gulf now admittedly belonging to SAG?

Mr. Ray said that the question might be framed in another way:

- (1) Has the Saudi Arabian Government anything to grant?
- (2) Does the Company want to exercise its option?

He said that the Aramco officials had come to invite State Department consideration of their request that this matter rest until the Company could examine the question thoroughly, at which time Aramco would like to discuss it in detail with the United States Government.

Mr. Hudson said that it had been impossible to take a definite position as yet. While the term "islands and territorial waters" is used in the Aramco concession, the Government of Saudi Arabia apparently feels that although territorial waters were included, the outer bed of the sea was not included. The Arabs usually think in terms of "coastal waters".

Mr. Henderson said that the Department was interested in the matter because the US does not want American companies quarreling over their supposed rights in the Persian Gulf, and because we want world peace. We are afraid that if a country like Saudi Arabia announces that it has given concessions in the Gulf other countries will do the same. He went on to say that the US is working with the British on a plan for the establishment of the rights of the Persian Gulf States through a division of the Gulf by a median line. We would then want to approach the governments of the Persian Gulf states to see if they would reach agreement. We are concerned over the effects on world peace if various claims should be debated before a scientific division has been worked out and accepted by the States concerned. We have told King Ibn Saud that we were working on the problem. Furthermore we asked Superior Oil to take no steps in the Gulf for the time being. Superior, however, chose to disregard this request. If we now said to Superior that it should postpone the whole matter, Aramco might go ahead. The fairest way, therefore, would seem for Aramco and Superior to agree that neither company will approach the King until the scientific division of the Gulf has taken place, and for the British company to conduct itself similarly.

Mr. Ray stated that more than a month ago his company had heard that Superior Oil and Trinidad Leaseholds, a British corporation, were trying to establish a claim to the area in the Persian Gulf east of Aramco's present concession but within the area of the Persian Gulf where Saudi Arabia had rights. Aramco takes the position that there is no subsea territory east of its present concession for which Saudi Arabia has the right to grant concessions. When the Company suggested starting drilling in the Persian Gulf the Saudi Arabian Government said to put it off. Later SAG told Aramco it was all right to go ahead with such drilling, provided Aramco would accept the terms of a contract which SAG was working out with Superior which had a much higher royalty basis than the present Aramco contract. Speaking for Aramco, Mr. Ray said he felt that Aramco had a right to the subsea lands of Saudi Arabia in the Persian Gulf. Judge Hudson said that Aramco thinks Superior may get a concession outside the Aramco area as defined by SAG. He pointed out that if this should happen many difficulties would arise, including the use of the piers and facilities built by Aramco. Judge Hudson then questioned Mr. Henderson about the nature of the "median line" and the countries to be affected by it. He was told that the line would affect Iraq, Kuwait, the Kuwait Neutral Zone, Saudi Arabia, Bahrein, Qatar, the Trucial Sheikhdoms, and Iran. The median line would follow the contour of the mainland and would be worked out scientifically by the best geographers in the US and British governments.

Mr. Henderson said that it appeared that Aramco had the choice of meeting the competition provided by Superior or of asking for a postponement. On being told that the latter had been the Aramco plan until the receipt of recent information from Arabia, Mr. Henderson continued that the US Government must be careful not to side with any one American company against another. We felt that it was undesirable for the security of the Persian Gulf and Saudi Arabia's own security as well, for the King to grant concessions until a scientific median line has been worked out, and we had suggested to the King that he grant no concessions until this had been done, and until the meaning of the Aramco contract had been decided upon.

Mr. Hudson said that the interpretation of the Aramco contract will take some time, and that Aramco would like to wait on the matter until the interpretation is worked out, but that it could not do so in the light of the new circumstances.

Mr. Duce added that Aramco wants more time for study but Superior Oil has been discussing this problem with the Saudi Arabian Government. He felt that the term "territorial waters" was a confusing one. On being asked the terms of the proposed Superior Oil concession in the Persian Gulf, Mr. Duce said that they involved the payment of four gold shillings per ton, plus 20 percent of the gross, clearly a much higher figure than the Aramco concession and one which, if it went through, would upset the whole Persian Gulf concession structure.

Mr. Henderson asked the Aramco officials present not to reduce this conversation to writing and to inform only those Company officials who were directly concerned.

Mr. Duce pointed out that the same problem exists in relation to Kuwait and possibly the Neutral Zone. Mr. Robertson suggested that the US and the British companies involved should work out their problem but that without waiting for this the US and British governments should go ahead with the project of drawing up a median line.

Mr. Ray ended the meeting by saying that Aramco was bringing several of its top officials home about June 14, and that perhaps it would be best for Aramco to take up the option for these new offshore Arabian oil lands, as offered by King Ibn Saud, on the same terms as Superior has been offering and then see what should be done.

890B.6363/6-1448: Telegram

The Secretary of State to the Embassy in the United Kingdom

SECRET

WASHINGTON, June 14, 1948-6 p. m.

2221. 1. Reps of group independent American oil companies known as American Independent Oil Company inform Dept that Company has been granted oil concession by Sheikh Kuwait covering his undivided interest in Saudi-Kuwait Neutral Zone subject Brit Govt approval which Sheikh awaiting before signing agreement. Company states Brit Govt through Political Agent Kuwait requests inclusion in concession agreement of provision in Anglo-Kuwait Treaty 23 Jan 1899 purporting limit Sheikh's power grant land for occupancy within his territory without previous consent of Brit Govt.

2. Company objects to inclusion such provision which it believes would not be acceptable to Saudi Arabian Govt whose consent necessary for development concession in Neutral Zone. Company states no such clause included in Sheikh's oil concession to Kuwait Oil Company Dec 23 1934 covering Kuwait proper and claims Brit cannot properly insist inclusion such provision relating Neutral Zone in which Sheikh has only fifty percent undivided interest and cannot commit corresponding Saudi Arabian interest to Brit authority or jurisdiction; Company regards proposed provision discriminatory since by making Brit permission prerequisite to securing land for occupancy it would tend subject operations American company to Brit control.

3. Company requests Depts assistance and we have suggested they approach FonOff London after conferring AmEmbassy. Harley Stevens representing Company to fly London this purpose. Meantime since time element important pls inquire FonOff as to nature of and reasons for reported Brit request to Sheikh Kuwait mentioned above. Dept is confident Brit Govt does not intend use its special position Persian Gulf Sheikdoms to prevent or impede US interests obtaining and developing concessions that area or to discriminate against them. Telegraph report and extend Stevens appropriate assistance.¹

MARSHALL

¹London's reply on June 16, after discussing the British Government's desire to sign a political agreement with Aminco, stated: "Foreign Office confirmed emphatically Department's understanding set forth penultimate sentence Department's reference telegram." (telegram 2648, 890B.6363/6-1648)

Aminco representatives at London advised the Embassy on June 23 that an understanding had been reached with the British Government on a political agreement. The draft agreement provided that "in time of war or emergency (which HMG alone can declare) HMG has the right to preempt Aminco installations and production against indemnification and payments by HMG. HMG also retains the right based on 1899 Treaty to construct airfields and harbors anywhere subject to the agreement of the Sheik." A clause was to be added to the draft "limiting it to rights of Sheik of Kuwait in Neutral Zone, i.e., nothing in either concession or political agreement will prejudice rights in Neutral Zone possessed by SAG." (airgram 1371 from London) The political agreement was signed on June 26 (telegram 2930 from London). Both documents are dated July 2 and are filed under 890B.6363/7-248.

Copies of the concession and of the political agreement were furnished to the Department by Aminco on September 7; they are filed under 890B.6363/9-748.

890.0145/6-1848: Telegram

The Secretary of State to the Embassy in Iran

SECRET US URGENT WASHINGTON, June 18, 1948—7 p. m. 566. In discussion with Brit re plan for division of subsea rights in Persian Gulf (Deptel 469, May 24¹) question has arisen whether approach should be made to Iran at same time as other riparian states.

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¹Not printed; it advised that the request of the Superior Oil Company and the Central Mining Company for a concession on the submerged lands of Saudi Arabia in the Persian Gulf was "contrary to a request of the Department to the Superior Oil Company that it withhold such application for a concession until the countries concerned could determine upon a division of the submerged lands" (890.0145/5-2448).

Brit have taken position that no approach to Iran should be made until agreement has been reached among other Govts and public announcement made. Brit fear Iran would block agreement because of claims to Bahrein and Kuwait.

At meeting with Brit Emb Reps here June 15 [16?]² we argued that this course might seriously jeopardize US and Brit relations with Iran. Iran Govt would probably learn of preliminary negotiations and even if matter could be kept secret sudden announcement of agreement among all Arab States concerned would still more provoke Iranian resentment. Since it would be obvious that US and Brit had taken leading role in matter, resentment would be directed against us as well as against Arab States. This resentment would undoubtedly be fanned by Soviet propaganda and Soviet agents in Iran who would argue that our action showed Iranian reliance on American and Brit friendship was unjustified.

Brit were told we thought preferable procedure would be for you to approach Shah informally and explain importance to Iran of having Iranian rights to subsea oil amicably determined in accordance logical principles and request Shah's assistance in presenting matter most effectively to Iran Govt. We would hope that if matter presented in right light Iran Govt might agree not to raise Bahrein-Kuwait issue in this connection or at least formula could be found which would permit agreement on delimitation of subsea rights without prejudicing Iranian claims to those two territories. Brit Reps agreed this suggestion worth consideration and have referred it to London. We would appreciate your views re this suggested procedure.

Since Bahrein issue is particularly thorny point in connection Persian Gulf oil rights and appears likely to be recurring source of trouble at inopportune moments, we are wondering if it would not be well attempt settle it once and for all by early reference International Court of Justice. Such reference would enable Iran Govt to satisfy domestic public opinion by pointing out it was taking logical steps through established international channels to assert Iranian claim.

² Department officers met on June 16 with Messrs. Bromley and Jones of the British Embassy. Mr. Sanger's memorandum of conversation states that "Mr. Boggs produced copies of a map on which he had worked out a tentative median line in the Persian Gulf and described the principles on which this line had been drawn. He pointed out that in most cases the line was equally distant from both shores of the Gulf but that in some cases islands had been considered as parts of the mainland." Mr. Bromley promised to send the map to London (890.0145/ 6–1648). At a meeting with the same British officials on June 30, Mr. Boggs was said to have "presented a new map which he had prepared showing the division of the submerged area among the riparian states, with the central median line drawn primarily through points equidistant from the shore rather than, as previously, from island points near the shore. It was agreed that this map be forwarded to London as an amendment to the one previously submitted." (Mr. Sanger's memorandum of conversation, 890.0145/6–3048). Neither map is found attached to the memoranda. Samuel W. Boggs was Special Adviser on Geography.

At same time this claim appears so ill-founded that there would seem little doubt Court would rule in favor Brit position and provide Brit and Bahreinis with conclusive settlement removing this controversial issue from Middle East picture. If you agree, we propose make this suggestion to Brit Govt.

Since we hear Ibn Saud may take some action re subsea oil within week, we would like urgent reply.³

Sent Tehran 566 rpted London 2299.

MARSHALL

³ Ambassador Wiley replied on June 19, giving his "entire agreement" with telegram 566. He noted also that "there is at the moment no government with which to work. I am dubious about accomplishing anything through Shah at this disturbed moment." (telegram 683 from Tehran, 890.0145/6-1948)

691.119/6-1948 : Telegram

The Secretary of State to the Legation in Saudi Arabia

WASHINGTON, June 19, 1948-4 p. m.

239. Following is US Dept of Commerce, Office of International Trade, press release issued June 19, 1948 under number OIT 187:

"Export licenses for 11,650 tons of heavy oil-line pipe have been granted to the Anglo-Iranian Oil Company, the Dept of Commerce announced today through its Office of International Trade. This pipe will be used to construct a pipeline in Iran from the oil

This pipe will be used to construct a pipeline in Iran from the oil field at Agha Jari to the port of Bandar Maschur on the Persian Gulf. The new line will have a daily capacity of 100,000 barrels of crude oil. Of this amount, a minimum of 40,000 barrels has been contracted for delivery to the US, and a considerable additional quantity may also become available for US purchase.¹

OIT officials emphasized that the construction of the line between Agha Jari and Bandar Maschur—a distance of only 48 miles represents the most efficient use of this quantity of pipe. The oil wells have already been drilled, and the necessary dock installations and storage facilities have already been constructed. The 11,650 tons of heavy pipe which constitutes the entire steel requirement of this pipeline has already been fabricated and is at dockside awaiting shipment. The construction of this line will make available more oil for the quantity of steel involved than any other pending project. The pipeline will be completed by June, 1949.

The decision on pending export license applications of the Trans-Arabian Pipeline Company, for 16,000 tons of heavy pipe in second

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¹ In a letter of June 28 to Assistant Secretary Thorp, Francis McIntyre, Assistant Director of the Office of International Trade in the Department of Commerce, stated that the 40,000 barrels had already been contracted to the Socony-Vacuum Oil Company and that negotiations were proceeding satisfactorily toward the commitment of a further 30,000 barrels to independent American refinery interests (691.119/6-2848).

quarter 1948 and for 52,000 tons in the third quarter, has been deferred until the first week in Sept when the next allocations will be determined. The length of the proposed Trans-Arabian pipeline is over 1100 miles, and construction could not be completed before early 1950. When completed, the Trans-Arabian line will provide a more efficient means of transportation from the oil fields to the Mediterranean than the present use of tankers.

OIT officials stated that the postponement of consideration of the Trans-Arabian Pipeline Company's applications for oil-line pipe will not prejudice applications by the company for licenses to export material other than heavy pipe which may be required to continue construction on a reduced basis, using pipe on hand in the area."

Sent Jidda as 239; rpted Cairo as 832; London as 2311; Tehran as 568: Damascus as 237: Beirut as 356.

MARSHALL

691.119/6-1948: Telegram

The Secretary of State to the Legation in Saudi Arabia

WASHINGTON, June 19, 1948-4 p. m. CONFIDENTIAL 240. We supported decisions outlined Commerce press release June 19¹ transmitted separately for reasons described. Pipeline in Iran would provide essential transportation making badly needed additional oil supplies available to meet demand of U.S. and other friendly nations. Additionally project would permit ME oil development outside disordered area with maximum yield from minimum investment critically short steel.

Faced with alternatives we chose recommend postponement main line pipe export² rather than risk outright rejection entire project because mounting sentiment Executive and Congressional quarters against shipping large tonnages critically short steel to disordered area with no assurances that project could be completed based on (1) inability Aramco obtain Syrian concession³ and (2) danger of exposure to constant attack.

In case you are approached you may assure SAG that it will be difficult obtain approval for export large quantities steel involved unless it can be clearly shown that this critically short supply commodity can be productively utilized. Conditions which must be met

429-027-75-3

¹ See *supra*. The Department's support was formally conveyed to the Department of Commerce in a letter of June 9 (691.119/6-948). ² In a letter of June 11 to the Department of Commerce, not printed (690F.119/

^{6-1148).}

³ The intended reference was to Syrian ratification of the pipeline concession. The convention granting the concession had been signed by the Syrian authorities and Tapline on September 1, 1947; see editorial note and Mr. Sanger's memorandum of conversation of December 26, 1947, Foreign Relations, 1947, vol. v. pp. 664, 668.

to provide this assurance include (1) restoration of order in the area and (2) conclusion of Syrian pipeline concession permitting transit.

In following postponement course Dept managed obtain necessary renewal by Commerce of special project license which otherwise would have expired Jun 2, 1948 and would have required complete abandonment project. Also we obtained assurance that postponement would not prejudice Aramco's applications for export licenses covering material other than heavy pipe needed for continued construction Tapline on reduced basis utilizing heavy pipe on hand. In event satisfactory assurances forthcoming re productive utilization. Dept can request further consideration heavy pipe export prior to stipulated Sept date.

Continued refusal Syrian Govt grant convention necessary pipeline deprives ME countries benefits estimated equivalent of \$24 million during construction period plus \$4 million annually after operations commenced.

Sent Jidda as 240; rptd Cairo as 834; London as 2312; Tehran as 569; Damascus as 238; Beirut as 357.

N. CONSERVE

MARSHALL

890F.6363/7-2348

Memorandum of Conversation, by Mr. Edward B. McEnerney of the Division of Near Eastern Affairs

SECRET

Participants:

[WASHINGTON,] July 23, 1948. Mr. T. E. Bromley, First Secretary, British Embassy Mr. E. C. [E] Jones, Attaché, British Embassy

J. C. Satterthwaite, NEA D. A. Robertson, NEA J. D. Jernegan, GTI S. W. Boggs, OIR/GE G. E. Gray, L/P E. G. Moline, PED G. H. Mattison, NE Mrs. M. E. Hope, NE Mr. E. B. McEnerney, NE

Mr. Robertson referred to Mr. Bromley's letter of July 20¹ to Mr. Mattison, enclosing a telegram to the British Embassy from the Foreign Office dated July 17, 1948, concerning the Persian Gulf offshore oil question. He said that the Department was very happy to have learned that the Foreign Office had accepted the American recommen-

¹No. G59/—/48, addressed to Gordon H. Mattison, then acting as Chief of the Division of Near Eastern Affairs. The note and its enclosure not printed.

dation that Iran not be presented with a "fait accompli" and that she be informed of the US-UK recommendations along with the other Persian Gulf states. He also noted that in the British telegram of July 17 it had been suggested that the UK approach the Sheikhdoms under British protection and the Sultan of Muscat, while the US and UK might approach Saudi Arabia, Iraq, and Iran. He said that he wondered whether the approach to the Sheikhdoms was to precede that to the other countries, or whether both approaches were to be simultaneous. Mr. Bromley said he believed they were to be simultaneous. Mr. Mattison mentioned that, if the UK were to approach the Sultan of Muscat, it should do so on behalf of the US, since we are in direct diplomatic relationship with the Sultan, although we do not at present have a representative accredited to him. Mr. Robertson also suggested that it would be necessary to determine whether the approaches to the Sultan of Muscat, Iran, Iraq and Saudi Arabia were to be joint or parallel. It was agreed that they should be parallel. Hale Lamanino

It was agreed between the Americans and the British present that any statement by either Government which might be made to the oil companies, concerning the possibility of securing concessions covering the offshore area, should not be made until declarations had been made by the individual rulers announcing the offshore area under their jurisdiction. No public statement would be volunteered by the US and UK concerning the role which they had played in submitting recommendations to the riparian states. Mr. Moline suggested that it might be advisable, however, for the US and UK to prepare some statement concerning their role which could if necessary be made available should inquiries be made by the UN or other bodies. Mr. Jones said that he felt, as a matter of fact, that a certain amount of publicity concerning the Anglo-American discussions had already gone the rounds in oil circles. Mr. Robertson inquired whether the British thought any other countries, such as Iraq, had learned of our discussions. Mr. Bromley replied that, so far as he knew, Iraq had not.

Mr. Satterthwaite asked if the British Government's policy was to encourage competition among the British oil companies and not to select any chosen instrument. He pointed out that the US Government favors open competition as regards American companies. The British representatives replied that the British Government is also favoring open competition. Mr. Jones pointed out that actually very few British companies would be in a position to undertake offshore exploitation, since only a few possessed the necessary technical skill and equipment.

Mr. Robertson then referred to the use by the British in their telegram of the words "sovereignty" and "annexation". He said that the Department would like again to express its desire that these words not be used. He pointed out that neither in the Continental Shelf Fisheries Proclamation nor in the companion Natural Resources Proclamation issued by the President had these words been used. He felt that it would be much wiser to follow the language of the President's Continental Shelf Proclamation, i.e., "jurisdiction and control," in this problem of the Persian Gulf. He said that if we were to depart from the language of the declaration a considerable delay might be caused, because it would then be necessary to consult with the fishery experts of the Department and with the Department of Interior, which had been responsible for the text of the President's declarations. The Department of State could not endorse the use of "sovereignty" and "annexation" as regards the Persian Gulf without prior agreement by the Department of Interior.

Mr. Boggs pointed out in this connection that when the President's Continental Shelf Proclamation was drawn up great care had been taken in the choice of the language used, and he felt sure that the drafters had avoided the use of "sovereignty" and "annexation" with good reason.

Mr. Gray said that from the legal standpoint he also felt that it would be advisable to follow the language of the President's declaration. He felt particularly that, were some expression such as "sovereignty over the subsoil and seabed" to be used, complications and misunderstandings might result as a consequence of which it might be believed that the riparian states were annexing the complete area affected, including the high seas. He then inquired specifically of the British whether they had in mind any such annexation of an area as was involved in the case of the Gulf of Paria, between Venezuela and Trinidad. The British replied that they had not.

Mr. Boggs said that he felt the question of annexing the resources of the subsoil was similar to that of acquiring fishing rights. In the latter case one would assert rights over the fish alone, and it seemed to him that in the former case it would be sufficient to assert rights over the resources alone.

Mr. Bromley said that he would endeavor to clarify the question with the Foreign Office. He added that the primary British objective was to assure, for the riparian states, that no other state would ever be able to assert rights in the Gulf in opposition to those asserted by the riparian states. He had in mind in particular any Russian effort to establish a position in the Gulf. Mr. Robertson suggested that it might be possible to work out some kind of formula which would preclude any such intrusion into the Gulf by a third party.

Mr. Mattison pointed out that from a political point of view it might be easier to persuade the riparian states to accept a concept of jurisdiction rather than one of sovereignty since if it were merely a question of jurisdiction, the difficult problems of fishing rights and pearling rights, such as those of Bahrein, would not arise.

Mr. Robertson then asked whether it was the British intention to cancel the possibility of a conference in London, or whether it was merely to be postponed. Mr. Bromley replied that the British desire at the moment was to move ahead as fast as possible without holding the proposed conference and to work out general principles before working out the specific principles which would govern the drawing of a map. Mr. Robertson asked if the British had had any reaction from London on Mr. Boggs' map and memorandum. Mr. Bromley said that they had, inasmuch as London had said they were working on their own memorandum in reply. Mr. Robertson said that it would be advisable to have the map worked out before specific recommendations were made to the riparian states. Mr. Mattison said that it would be much easier for the riparian states to accept the US-UK recommendations if they had the advantage of a visual presentation showing which segment of the Gulf would fall to each state. Mr. Bromley agreed that the map should be prepared before recommendations were made. It was therefore recognized that the discussions from now on would fall into two stages. The first would involve reaching agreement on basic principles, and the second would involve reaching agreement on the implementation of the principles through drawing of a map.

Mr. Bromley agreed to submit, as soon as possible, a precise statement of what the Foreign Office would consider a proper statement of principles to be submitted to the riparian states. These could then be discussed between the State Department and the British representatives with the view to working out the final agreed set of recommendations.

Mr. Gray then introduced the question of what form the proclamation which might be issued by a riparian state should take. It was felt in general that a sample form might be submitted to all of the states, but it was to be hoped that each state would not promulgate the same identical text in each case.

Mr. Robertson said that the State Department was faced with a specific problem about which he desired to ask the opinion of the British. The Saudi Arabian Government had asked the United States Government for advice concerning the granting of a Saudi offshore concession, and the USG had asked the Saudi Government to defer action until receipt of US-UK recommendations. The problem now was one of deciding when we could inform the Saudi Government that we felt it-might feel free to grant a concession. Would the US and UK insist that agreement be reached by all the riparian states before we would recommend to any individual state that it grant a concession? Mr. Bromley said that he felt that we should not wait for any such general agreement. When the US and UK had reached agreement on the solution of "the problem" posed by the SAG we would simply submit our recommendations to the riparian states. They would then be free to take whatever action they chose. Mr. Robertson said that he believed the US and UK might desire to be sure that Saudi Arabia would accept our principles before approving the taking of action by any other riparian state on the basis of our recommendations. Once Saudi Arabia was satisfied, the US and UK would not insist upon general agreement among all the riparian states. Mr. Mattison pointed out that of course we would not approve the granting by King Ibn. Saud of a concession over any offshore territory which would rightfully belong to some other state.

Mr. Boggs pointed out that in the President's Continental Shelf Proclamation it had been stated that in cases where continental shelf running from the shores of the US was shared by it with an adjoining state or with a state lying opposite the US, it would be necessary for agreement to be reached by the US and the other state on the basis of equitable principles before the shelf could be considered divided between them. Mr. Jones repeated that, as he saw it, all that was involved was a presentation by the US and the UK to the riparian states of principles which we desired them to adopt, and that formal agreement between themselves did not appear necessary. It was agreed that negotiations between states was unnecessary.

Mr. Boggs said that he hoped that the Foreign Office, in raising the whole question of offshore oil to the British cabinet, would be sure to include the question of principles affecting the drawing of the median and transversal lines. He said that he felt most anxious that this should be done since he is working on problems of division in another area where there are no islands involved and he would like to see scientific principles adopted. Mr. Bromley then remarked that the question of islands was indeed a difficult one and that the Saudi Foreign Office had discussed the question of jurisdiction over islands with Ambassador Trott. They had in particular been discussing the status of Farsi Island.

At the close of the meeting Mr. Robertson pointed out that it would be necessary for the US and the UK to determine whether they would look with favor upon the granting by Iran of the concession covering Iran's offshore area. Mr. Robertson said that the US Government would not be anxious to see such a concession granted, and Mr. Bromley said that similarly the British Government would not like to see one granted.

In conclusion, it was agreed that attention should now be given to (1) drafting a set of principles and (2) drafting a suggested proclamation.

890F.6363/8-1148

Memorandum by the Assistant Chief of the Petroleum Division $(Moline)^{1}$

CONFIDENTIAL

[WASHINGTON,] August 6, 1948.

SAUDI ARABIA'S OFFSHORE OIL

Problem. In the specific instance of Saudi Arabia's proposed grant of an offshore oil concession, what is the desirable application of the Department's general policy of encouraging a wider company participation in the development of Middle East oil reserves.

Background. The Department long has endeavored to maintain the open door and non-discrimination policy with respect to the opportunity of American nationals to obtain foreign oil concessions, the most notable example of Department intervention to achieve this being the Iraq Petroleum Company case following the first World War. Subsequently, both with and without Department help, other American companies other than those in the IPC have obtained important Middle East oil concessions, and by 1945 all but the apparently less promising areas had been brought under concession by a small group of British and American companies. Among them, through contracts and partnership arrangements, close relationships had come to exist in respect to Middle East oil. Confronted with this factual situation and with the holdings of some companies so large as to preclude any possibility of development within any reasonable period, the Department began to consider seriously the development of a Middle East oil policy. It was then suggested that it might take the form of encouraging new companies not now holding concessions in the area to bid for the remaining areas open and of discouraging existing companies with large undeveloped areas from seeking them. It was also suggested that companies holding large areas might be encouraged promptly to examine such areas and relinquish those they did not desire to keep and develop without inordinate delay. A wide measure of agreement on the soundness of these suggestions seemed to exist within the Department.

The Department discussed the foregoing policy with the American partners in the IPC at the time the latter company was considering acquiring a concession in Transjordan. None the less IPC added the

¹Transmitted by Winthrop G. Brown, Director of the Office of International Trade Policy, to Raymond A. Hare, Acting Director of the Office of Near Eastern and African Affairs, in a memorandum of August 11. The transmitting memorandum noted that the position paper "has been discussed at length by PED, IR, NEA and NE officers and an effort has been made to reconcile in the present paper the views of the offices concerned."

concession to its widespread holdings in the Middle East. In the case of Kuwait, the Department made the ruler's interest in granting a concession known to several independent American companies, and an independent company was successful in obtaining the concession.

For several months the Government of Saudi Arabia has been contending, contrary to the view of the Arabian American Oil Company, that Aramco's 440,000 square mile concession in Saudi Arabia does not include offshore areas in the Persian Gulf beyond territorial waters. The Government has also been negotiating with Superior Oil Company and Central Mining Investment, Ltd., operating jointly for this purpose, with a view to granting a concession to some 10,000 square miles of these areas.

A memorandum left at the Department on July 21 by Superior officials² states that the Government has informed Superior of its intention to give the company the concession on the basis of the company's present offer. The Department has little specific information regarding details of the proposed concession. The memorandum also refers to a competitive offer by Aramco regarding the area in question which Superior contends is a tacit admission that the existing concession does not cover offshore areas beyond territorial waters.

Aramco has not conceded the latter point. One cable from Jidda, among those which confirm the fact of an offer by Aramco, refers to it as a consideration for "clarification" of the basic Aramco contract.

The position of the Department as it has been made known to the Government of Saudi Arabia, to Aramco, and to the Superior Oil Company has been that the question of whether or not the existing concession covered offshore areas was a matter to be settled between Aramco and the Government of Saudi Arabia and that if the offshore areas were not covered by the existing concession it would be preferable that no new concession be granted to any company until the areas of the Persian Gulf, over which riparian states had jurisdiction, had been determined on an equitable and scientific basis. It was made known that this Government, together with the British, was working to determine on such a basis, the limits of the areas over which the riparian states might wish to proclaim their jurisdiction. In addition, representatives of the Superior Oil Company were told in response to a direct inquiry on the point that the Department favored the entry of independent oil interests into the Middle East, but could not favor any one company over another.

² Not printed.

U.S. PETROLEUM POLICY IN THE NEAR EAST

For implementing the policy of widening company participation in the development of Middle East oil, it would seem preferable that particular concession opportunities be made known to as large a number of interested independent companies as possible. It appears, however, that in the present case of Saudi Arabia's offshore areas the complications in the form of potential disagreement between neighboring states as to respective areas of jurisdiction in the Gulf, together with the progress of current negotiations, may not permit this preferable procedure to be followed. It is a real possibility that Aramco will obtain the right to exploit the offshore area whether or not as a "clarification" of its basic contract and notwithstanding the Superior statement that the Government has agreed to give the latter the concession. Should this occur a major opportunity for the participation in Middle East oil development of a company independent of existing concessionaires in the area will have been lost.

Recommendation.

1. That officials of Aramco be called to the Department for an exchange of views with respect to the company's intention in regard to Saudi Arabia's offshore areas and the Department's policy as indicated in the background section above. In addition to outlining our general policy, an attempt should be made to persuade Aramco that it would be in the interest of all parties, including the company, that a new company take over development of the offshore area if Aramco has any material doubt that its concession covers the area or is unable to clarify its claim to the area without payment of a consideration equal to or greater than the best competitive offer.

2. That the officials of Superior Oil Company be called to the Department to discuss specific terms of the company's proposed concession with a view to determining whether any of them are at variance with our petroleum policy and, if so, to inform Superior concerning the Department's views.

Editorial Note

Baghdad, on August 9, reported information from an officer of the Rafidain Oil Company, a subsidiary of the Anglo-Iranian Oil Company in Iraq, that the Iraqi Government had granted permission for the Middle East Pipeline Company to start a preliminary survey of territory in Southern Iraq for the eastern section and terminus of its proposed pipeline to Syria (Airgram 109, 890.6363/8-948). 890.0145/8-1948

Memorandum of Conversation, by Mr. Edward McEnerney of the Division of Near Eastern Affairs

SECRET

[WASHINGTON,] August 20, 1948.

Participants:

Mr. Maclean, First Secretary, British Embassy Mr. Jones, Petroleum Attaché, British Embassy

Mr. Hare, NEA Mr. Sanger, NE L/P—Mr. Gray Mr. Dunn, GTI Mr. McEnerney, NE IR—Mr. Looney

Mr. Dunn, GTI Mr. McEnerney, NE Mr. Mattison, NE OIR/GE—Mr. Boggs

Mr. Hare presented to the British representatives copies of the draft proclamation prepared by Mr. Gray on August 19 (attached),¹ which had resulted from a Departmental meeting of that date.² Mr. Hare explained that the Department had studied Mr. Bromley's letter to Mr. Mattison dated August 7, which enclosed a proposed British draft for a declaration to be issued by the riparian states.³ He said that Mr. Gray's new draft had been based on the British draft but had been altered in certain respects as the result of extensive discussion within the Department. He asked the British representatives to read the draft. in order that they might comment upon it. When Mr. Maclean and Mr. Jones had finished reading the draft, Mr. Jones commented that it appeared to him to be much the same as the British draft, except that the American draft re-introduced the words "jurisdiction and control" as a substitute for the words "boundaries" or "sovereignty", which the British had previously suggested. Mr. Hare explained that the Department had found it imperative to suggest that the word "sovereignty" not be used, primarily because the division of the Department concerned with fisheries activities had felt it important for certain reasons not to depart from the language of the US declaration of 1945 affecting the continental shelf. Mr. Hare then asked Mr. Loonev, representing the Fish and Wild Life section of the International Resources Division, if he would comment on his Division's position. Mr. Looney said that inasmuch as the-President had on the same date in 1945 issued two proclamations, one concerning the continental shelf and the other concerning fisheries,⁴ the two declarations had become linked in the minds of most observers, and that any action affecting the one might be interpreted as affecting the other. His Division felt that it was most important, however, to maintain a distinction between

³ Neither printed.

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¹ Infra.

² Memorandum of conversation by Mr. McEnerney not printed.

⁴Both proclamations were covered in the press release issued by the White House on September 28, 1945, printed in *Foreign Relations*, 1945, vol. 11, p. 1528.

activities affecting the shelf and activities affecting fisheries in the high seas, although maintenance of this distinction constitutes a difficult problem. His Division felt that if sovereignty were declared over the continental shelf rather than jurisdiction and control, it would be inevitable for the concept of sovereignty over the shelf to be extended and to be translated to sovereignty over fisheries activities in the high seas and then over the high seas themselves. He noted that five other governments had already issued declarations of sovereignty over both the continental shelf and the high seas above it. As he believed the British representatives knew, their Government had been informed that the US had lodged complaints with three of those five governments against those declarations of sovereignty. Mr. Jones interrupted at this point to say that whereas the British had originally desired a declaration of "sovereignty" over the continental shelf beneath the waters of the Persian Gulf, they had (in order to accommodate the US desire not to use "sovereignty") dropped that word from their proposed declaration and had suggested merely an extension of boundaries to include the shelf. Mr. Mattison and Mr. Gray then pointed out that although this was true, the Department had felt that an extension of boundaries necessarily meant an extension of sovereignty, and that the concept of a boundary extension was perhaps even stronger than a declaration of sovereignty. Therefore, the Department felt that mere omission of the word "sovereignty" did not settle the problem.

Mr. Looney then went on to note that the five countries which had proclaimed complete sovereignty were Argentina, Chile, Peru, Costa Rica and Mexico. (In the case of Mexico the declaration was not final, inasmuch as it will require constitutional amendment.) The Department, moreover, feared that other countries were contemplating similar declarations. It was feared that Iceland and Cuba were preparing them, and that Nicaragua and China might also take such action. The question of the US attitude toward such declarations of sovereignty was, therefore, assuming a world-wide scope.

Mr. Hare pointed out that he recognized that there was in fact very little difference between the concepts of "sovereignty" and of "jurisdiction and control," and that the difference was largely a matter of "shading", but that it was this "shading" which seemed of great importance to the Department, since different consequences would result upon the use of one or the other. Mr. Jones said that he appreciated there was this difference of "shading." Mr. Looney said that, although he was not prepared to comment in great legal detail upon the difference between concepts of "sovereignty" and "jurisdiction and control," his Division felt that there was a real difference which could not be ignored. Mr. Gray pointed out the chief problem in the eyes of the Legal Division was that the US continental shelf declaration represented a doctrine so new that great care must be taken in any matters having to do with it, especially since there had already been proclamations by other countries which constituted perversions of our doctrine. He pointed out that the Legal Division feels that in order for any nation to assert jurisdiction, that nation must also assume a degree of sovereignty, and that, therefore, the British were, to that extent, correct in their interpretation of our continental shelf declaration. The Legal Division, however, felt that for practical and political reasons it would be wiser to avoid the word "sovereignty". He felt that a declaration of jurisdiction would be effective in excluding parties alien to the Persian Gulf from asserting rights there.

Mr. Maclean said that the Foreign Office position had been that the continental shelf was res nullius, and that no one could assert any rights over such common property without declaring sovereignty over it. Mr. Looney replied that fish were also considered res nullius, but that it was the Department's belief that jurisdiction and control could be applied over fish and that such an application would be fully effective in assuring rights for the party making the assertion, and that the British Government had shown a degree of acquiescence in the American position. Mr. Maclean pointed out that he felt the question of petroleum was slightly different from that of fish, inasmuch as riparian rulers would be most anxious to be quite certain that they had full property rights over petroleum. He asked Mr. Looney if jurisdiction and control would insure such property rights. Mr. Looney replied that he felt such rights would not necessarily be insured but, as a practical matter, they could be. Mr. Jones further remarked that the British felt that fish and petroleum were quite different phenomena in the sense that petroleum was a fixed and stationary phenomenon, whereas fish were migratory.

Mr. Boggs said that he felt the whole question of assertions of rights over the continental shelf was a very complicated one, especially from a geographer's point of view, since it was quite difficult to determine exactly where the continental shelf might lie and since no matter where it lay it might not be possible, despite all modern methods of exploitation, actually to conduct petroleum exploitation throughout the shelf. Such factors as storms and currents would make it difficult to exploit everywhere on the shelf, since it might not be possible to station the necessary drilling apparatus at all desired points. Therefore, he felt that no ruler could hope to assert full sovereignty over it, inasmuch as he would be prevented by natural factors from implementing his sovereignty. Mr. Jones said that, whereas this might be true, it would nevertheless be necessary for any oil company receiving a concession in the given area to know with certainty that it would have the right to drill in that area. Mr. Boggs reiterated that he felt it was most necessary to be careful in any statements made concerning the shelf, which covers 11,000,000 square miles beneath the high seas, a very large area. He felt that it was the size of the total world continental shelf, for one thing, which made it wise to assert rights only over the natural resources of the shelf rather than over the shelf as a whole.

Mr. Maclean said that it was somewhat difficult for him to understand the meaning of the word "appertaining", the US desire to avoid use of "sovereignty", and the bearing of fisheries questions upon the continental shelf problem. Mr. Hare said that he quite agreed that the US positions seemed somewhat obscure but that it was nonetheless of importance to the Department to maintain those positions. He agreed that the British were correct in saying that a nation must possess "sovereignty" before being able to exercise jurisdiction. However, the Department felt it necessary to avoid an expression of the word "sovereignty". Mr. Boggs, however, said that he believed there was a genuine distinction between the concepts of "sovereignty" and "jurisdiction," and that jurisdiction could be exercised to affect something over which a nation did not have "sovereignty".

Mr. Jones then remarked that he believed the Department's position was one of anxiety lest a declaration of sovereignty over the seabed might lead to a declaration of sovereignty over the high seas. Mr. Gray said that this was the case, and that it was especially unfortunate that the President's declarations were issued both on the same day, thus necessarily linking them in the eyes of most observers.

(In aside conversations with Mr. Hare, Mr. Boggs, and Mr. Gray during the course of the above discussion, Mr. Dunn suggested that the "sovereignty"-"jurisdiction" controversy might be resolved by abandoning both words in favor of the following: "declares its title to and its exclusive right to regulate the exploitation of the natural resources, etc." The suggestion was approved. It was decided, however, that the above substitute wording would not be proposed to the British unless the Foreign Office proved adamant in its refusal to accept "jurisdiction and control.")

Mr. Hare suggested that, inasmuch as the American side had made clear to the British representatives the Department's position regarding the problem of "sovereignty," it would then be in order for the meeting to consider certain other points. One of these was a suggestion made by Mr. Sanger to the effect that it might be advisable to delete from the draft proclamation a reference to the high seas of "the Persian Gulf," changing the reference to simply the "high seas" contiguous to one of the riparian nations, wherever the seas might lie. This might be advisable because certain of the nations involved in a Persian Gulf division might also have "continental shelf" in the Gulf of Oman. These nations would be Iran, Trucial Oman and Muscat and Oman, and it would seem wise for them to assert rights over "continental shelf" contiguous to all of their shores rather than merely to their shores on the Persian Gulf. In addition Saudi Arabia might have some "continental shelf" lying on the Red Sea. Mr. Jones remarked that he felt the discussions so far had been confined to the Persian Gulf "continental shelf", and that the question of shelf belonging to Persian Gulf States but lying outside of the Gulf had not yet come up for consideration. Mr. Hare indicated, however, that the American side would like to have the words "Persian Gulf" removed.

Mr. Jones remarked that in the paragraph numbered 1(b) of Mr. Gray's August 19 draft it was stated that the transversal boundaries would be determined between rulers "in accordance with fair and equitable procedures." He remarked that the British draft had not referred to any such procedures but had suggested simply unqualified bilateral discussions between neighbors. Mr. Jones felt the American wording suggested that the bilateral agreements might be considered subject to review by third parties as regards the fairness and equitableness of the agreements. Mr. Boggs said that he felt the American language made it perfectly possible for bilateral agreements to be reached but that it offered the advantage of providing by implication an avenue of escape for one of the two parties should serious difficulties arise in any efforts to establish boundaries.

Mr. Jones inquired if it would be desirable from the American point of view for some kind of statement to be issued by the US and the UK to American and British oil companies, once the final division of the subsoil had been worked out by the riparian rulers. Mr. Mattison said that it would be advisable for such a statement to be issued but that the State Department would be most anxious to concert with the Foreign Office before any statements were issued.

Mr. Jones then asked if the American side had any other doubts or reservations concerning the proposals which had been submitted by the British Foreign Office. Mr. Mattison said that the Department was somewhat concerned about the consequences of the British suggestion that the UK unilaterally approach the Sheikhdoms under their protection about three weeks in advance of the parallel US-UK approaches to the other riparian states. The Department feared, for example, that if the Sheikh of Kuwait were approached by the British in this fashion in advance, King Ibn Saud might in some way or other learn

of such an approach and feel that he had been unfairly dealt with in not having been consulted at the same time. Mr. Maclean said that he could appreciate the difficulties and embarrassments which might arise should something of this sort take place, but he believed that the Foreign Office felt they were obliged, in view of their special relations with the Sheikhs, to mention such a matter as this Persian Gulf question to them in advance of any communication to the other riparian states. He also said that apparently the Foreign Office was anxious to insure that should Iran desire to take any unfavorable action such as a declaration of Iranian rights on the western side of the Persian Gulf (such as over Bahrein) the Foreign Office considered it desirable that the Sheikhs be prepared in advance to take action countering such possible Iranian action. Mr. Dunn said that the State Department was not actually afraid that the Iranians would take any such action as the British had in mind, but that the State Department was seriously worried about the manner in which the Iranian Government might react if any steps were taken about which they had not been consulted. Mr. Dunn felt that the British suggestion in Mr. Bromley's letter to Mr. Mattison that the Iranians be "warned" did not seem a desirable proposal. Mr. Jones said that the Foreign Office was afraid that it would take the Sheikhs a long time to achieve the necessary work involved in issuing their declarations, and that this was another reason why the Foreign Office desired to approach them in advance. Mr. Dunn said that nonetheless he felt that all of the states should be approached simultaneously. Mr. Jones said that although he recognized the danger which Mr. Mattison had foreseen in terms of a "possible leak", from one of the Sheikhdoms to a ruler such as Ibn Saud, it would nonetheless probably be difficult for the Foreign Office to contemplate handling the situation any other way. Mr. Hare suggested that possibly the Foreign Office might be able to inform British representatives in the Sheikhdoms of what was being contemplated without actually informing the local rulers themselves. Thus a great deal of time might be saved from an administrative point of view, and yet no approach would have been made to a Sheikh in advance of the approaches to the other rulers. Mr. Jones said that he would inquire about this possibility.

Mr. Dunn said that if for any reason the Foreign Office did not desire to participate directly in a parallel approach by the US and the UK to the Iranian Government, the American Ambassador in Tehran, to suit the convenience of British, might approach the Iranian Government on behalf of the US and the UK. The Department would be happy to arrange this, if it would make it easier for the British to agree to an approach to Iran simultaneous with the approaches to the other countries. Mr. Jones said that he appreciated this offer and would report it to London. Mr. Maclean said that he would transmit to London a copy of Mr. Gray's draft proclamation of August 19 together with a statement of the points made by the Department in explanation of that draft to him and to Mr. Jones at this meeting. He said that in addition Mr. Jones would be leaving Washington for London on the 24th and he would be able then to explain in person at the Foreign Office the various positions taken by the State Department. Mr. Jones pointed out again that the British were most anxious to arrive at a solution to the whole problem as soon as possible, inasmuch as the various oil companies involved were pushing Saudi Arabia to come to a decision on the offshore concessions and the UK would be most unhappy if the Saudis were to take any action which might not "fit the bill," in the eyes of the US and the UK.

[Annex]

SECRET

[WASHINGTON,] August 19, 1948.

TEXT OF DRAFT PROCLAMATION

WHEREAS it has become technically possible to utilize the naturalresources of the sea bed and subsoil beneath shallow seas;

WHEREAS it is just that the submarine platform extending to a reasonable distance from the coasts should appertain to and be controlled by the nation to which it is adjacent;

WHEREAS in the interest of protection, conservation and orderly development, it is the duty of a maritime state properly to control and regulate the use of the natural resources of the sea bed and subsoil adjacent to its coasts;

WHEREAS the right of a maritime state to exercise its control over the natural resources of the subsoil and sea bed of the submarine platform or continental shelf adjacent to its coasts has been established in international practice by the action of other states;

Now, THEREFORE, we ——, the —— of ——, in pursuance of all powers enabling us in that behalf, are pleased to proclaim, and it is hereby proclaimed, as follows :—

1. The —— of —— regards as appertaining to the —— of —— and subject to its jurisdiction and control the natural resources of the sea bed and subsoil of the submarine platform which lies beneath the high seas of the Persian Gulf contiguous to the territorial waters of the —— of —— within the following area:

(a) between the outer limits of the territorial sea and a line extending lengthwise in the center of the said gulf, and

(b) within limits common with the two contiguous sheikhdoms, which will be subsequently more precisely defined in accordance with fair and equitable procedures.

2. Nothing in this proclamation shall be deemed to affect questions concerning sovereignty over Islands.

3. Nothing in this proclamation shall be deemed to affect the air or the character as high seas of the waters of the Persian Gulf above the submarine platform and outside the limits of territorial waters.

4. Nothing in this proclamation shall be deemed to affect any fishing or pearling rights.

890G.6363/8-2348 : Airgram

The Ambassador in Iraq (Wadsworth) to the Secretary of State

BAGHDAD, August 23, 1948.

A-241. Press reports that the Council of Ministers has approved of the formation of a Ministerial Committee under the presidency of Prime Minister Muzahem Pachachi with Finance Minister Ali Mumtaz al-Daftari and Economics Minister Abdul Wahab Mirjan, as members, to study existing oil conventions, and contact relative oil concessionaires for reconsideration of Iraq's royalties.¹

WADSWORTH

¹ The Minister of Economics, on October 19, addressed notes to the Iraq Petroleum Company, the Mosul Petroleum Company, and the Basra Petroleum Company which requested reconsideration of the terms of their oil concessions. The notes asked for increased royalties, Iraqi participation in their capital structure and management, computation of royalties on the basis of free market quotations for gold, training of Iraqis to replace foreign personnel, and an increase in the volume of oil exports (despatch 210, November 8, from Baghdad, and despatch 417, November 15, from Lisbon, 890G.6363/11-848,/11-1548).

890B.6363/8-2548

Memorandum by the Acting Director of the Office of Near Eastern and African Affairs (Hare) to the Under Secretary of State (Lovett)

SECRET

WASHINGTON, August 25, 1948.

On Thursday, August 26th, Mr. James Terry Duce, Vice President of the Arabian-American Oil Company, and Mr. Philip C. Kidd, Manager of the Washington Office of that firm, have an appointment with you. Their reason for requesting this meeting is to review the development programs of the Arabian-American Oil Company, Trans-Arabian Pipeline Company, and the Mediterranean Refining Company which is jointly owned by the California Texas Company and Socony Vacuum.

429-027-75-4

You will recall that it was decided in June to defer granting further export licenses for the steel needed in the Trans-Arabian Pipeline. One of the factors affecting this decision was instability in the Middle East because of disturbances in Palestine. Certain persons in the Department of Commerce and more particular, Sentaor Wherry of Nebraska, had expressed the opinion that an equivalent amount of steel (about 217,000 tons is now involved) should either be used for tankers or for stimulating oil production in this Hemisphere.

The officials of Aramco have brought out that the Mediterranean Refining Company is ready to start work on a refinery at Sidon in Lebanon, and the Trans-Arabian Pipeline Company wishes to continue with the construction of its proposed pipeline from the oil coast in Saudi Arabia to Sidon. The officials of the company also point out that the oil companies operating in the Middle East will make available approximately one billion dollars of foreign exchange to that area over the next five years in the form of taxes, payments to local labor, total purchases, royalties, transport charges, etc. They feel that this constitutes a virtual "Marshall Plan for the Near East", to be paid for by American business rather than the American tax payer. In their opinion this very substantial influx of foreign exchange into the Near East should go a long way toward stabilizing the area.

It is believed that Mr. Duce and Mr. Kidd will expound this thesis to you and propose it, along with various other arguments, as a reason for the Department of State supporting the request of these oil companies that the licencing of steel for their Near Eastern requirements be approved early in September.

In the recent setback suffered by all American interests in the Near East as a result of our stand on Palestine American business firms have seemed to suffer less than either US Government or American cultural interests in the area. It may well be therefore, that the oil companies are in a position to recover lost ground in the Near East sooner than US Government or other private interests.

Although we will probably not be in a position without further study to reply to any specific proposals which may be brought up, it is suggested that we should be receptive to any ideas which Mr. Duce and his colleagues may put forward that would result in improving the economic situation in the Middle East and thereby strengthen the position of the United States in the area.¹

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¹Mr. Lovett conversed with Messrs. Duce and Kidd on August 26 on the application of Tapline. Mr. Duce handed an Aramco letter dated August 25 to the Under Secretary in support of the application. Mr. Mattison's memorandum of conversation states that the Department promised careful consideration of the letter in any recommendations that the Department might make to the Department of Commerce (890F.6363/8-2548).

890.0145/9-148: Telegram

The Secretary of State to the Embassy in the United Kingdom

SECRET

WASHINGTON, September 4, 1948-1 p. m.

3521. Dept has been informed by Ambassador Wiley Tehran of FO instruction dated Aug 26 to British Amb Tehran re petroleum resources Persian Gulf (Tehran's 1030, Sept 1,¹ not rptd London). Dept gratified that FO accepts our view that action this question should include approach to Iranian Govt. However, instruction also informed Le Rougetel² that Political Resident Persian Gulf was to be prepared approach Bahrein, Kuwait, Muscat concerning proclamation by them or, alternatively, by Brit Govt in their behalf of "sovereignty over submarine territories" up to median line. Dept has rptdly made known to reps Brit Emb Washington its views concerning desirability proclamations covering jurisdiction and control rather than sovereignty, and assumes FO thoroughly acquainted these views.

However, new factor has been interjected this question with receipt aide-mémoire from Brit Emb Washington dated Aug 27 ^s relative to Iranian claims to sovereignty over Bahrein. Dept has aide-mémoire under active study and formal reply will be forthcoming soonest. From preliminary study we agree with UK that Iran should be discouraged from bringing Bahrein issue to UN, and will be prepared offer further suggestions this regard. It seems to Dept however that UK insistence on sovereignty issue with respect submarine resources will inevitably produce very result with ref Iranian claims to Bahrein that UK and US hope to avoid. Dept therefore earnestly hopes that FO, in current consideration US views transmitted by Brit Emb Attaché Jones now in London, will give appropriate weight to new factor introduced by its note re Bahrein as urging abandonment of word "Sovereignty" and so avoiding heightened possibility unfavorable Iranian action. FO views desired soonest.

Tehran's 1030, Sept 1 speaks of Sheikhdoms under Brit influence with particular reference to Bahrein, Kuwait and Muscat. FO should be reminded that USG is in direct treaty relations with Muscat.⁴

MARSHALL

⁴ This telegram was repeated to Tehran.

¹ Not printed.

² Sir John H. Le Rougetel, British Ambassador in Iran.

⁸Not printed; but for summary, see telegram 869, September 14, to Tehran, p. 44.

867N.6363/9-1048

Memorandum by the Assistant Chief of the Petroleum Division (Moline)¹

CONFIDENTIAL

[WASHINGTON,] September 10, 1948. UNITED STATES POSITION REGARDING THE REOPENING OF THE HAIFA

REFINERY²

Background

The refinery at Haifa owned by Consolidated Refineries, Ltd. (CRL) ceased operations on April 12, 1948. Except for a brief period in July when it was operated by the Jews, using stocks of crude at Haifa, it has been closed down. CRL is jointly owned by the Anglo-Iranian Oil Company and the Anglo-Saxon Petroleum Company (Royal Dutch Shell). Socony-Vacuum Oil Company has an agreement under which it purchases 15 per cent of the Haifa output. Normally, the refinery processes 4 million tons of crude oil a year, half of which is received by pipe line from Iraq where the Iraq Petroleum Company (IPC) controls production. Socony-Vacuum and Standard of New Jersey jointly hold a 23.75 per cent interest in IPC. French, Dutch and British companies hold equal shares of 23.75 per cent.

It is the position of the United States that the reopening of the Haifa refinery, using crude oil from Iraq, would be highly desirable. The gain in terms of world oil supplies would be substantial. The cooperation of Arabs and Jews, which would be necessary to the operation of the refinery, would provide an important precedent for cooperation in other matters.

Efforts to Reopen Refinery

The United States Government has since early in May been in close touch with the British, representatives of the Provisional Government of Israel, interested oil companies, and the Mediator's seeking to achieve through the latter, the reopening of the refinery on a basis agreeable to Arabs and Jews. Efforts to date have not been successful. The chief obstacle to agreement has been Iraqi reluctance to allow crude oil movements to Haifa as long as the refinery is under Jewish control and to the apparent Jewish reluctance to permit the degree of international control of the refinery and its operation which will satisfy the Iraqi wishes.

⁸ On Palestine, Count Folke Bernadotte.

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¹Transmitted by the Chief of the Petroleum Division (Eakens) in a memorandum of September 10 to the Director of the Office of United Nations Affairs (Rusk). It was prepared for the latter who was on his way to Paris to attend the session of the United Nations there.

² Further documentation on the closing of the oil refinery at Haifa is included in the section of this volume dealing with the Palestine question.

The Jewish position on the latter point is not entirely clear, Provisional Government of Israel officials in Israel having indicated an unwillingness to permit United Nations supervision or control of the refinery while a Provisional Government of Israel spokesman in the United States had said such control would be acceptable. A clarification of this point is being sought. The United States Government believes an essential part of any agreement regarding operation of the Haifa refinery is an undertaking by the Jews that any production will be distributed on an historical basis to Arab States as well as Israel. It is not clear whether distribution on this basis would be acceptable to the Provisional Government of Israel in the event refinery operations were as little as 25 or 30 per cent of capacity.

The French have urged in an aide-mémoire of August 26 4 that the difficulties of effecting a settlement involving international control or supervision of the refinery be recognized and that efforts be directed at present to securing the use of the pipe line for export of crude oil from Haifa. It has been pointed out to the French that the proposal seemed unrealistic in its failure to provide for the petroleum needs of Israel. The Provisional Government of Israel would probably be reluctant to surrender the bargaining power given by control of Haifa until Israel's petroleum needs had been assured. It was further suggested that oil companies which formerly distributed products in the area might be willing to guarantee regular deliveries of products sufficient for current consumption, as indicated by the Mediator, in return for their shares of crude from the line. Preliminary work on the proposal is being undertaken in order that it may be advanced promptly if it is determined that operation of the refinery on a basis agreed by Iraq and Israel is impossible at this time.

The Provisional Government of Israel has indicated that, in the event crude oil for the refinery cannot be obtained from Iraq, it would prefer to provide for Israel's petroleum needs by importing crude oil by tanker for operation of the refinery rather than by importing petroleum products. It is attempting, therefore, to arrange tanker imports of crude oil. The United States Government has been of the opinion that operation of the refinery, using crude oil imported by tanker, could only be at a small fraction of capacity and with jeopardy to the more important objective of Arab-Jewish cooperation for normal operation of the refinery.

Summary

In brief, the United States position is

1. That the prime objective of United States interest in the reopening of the Haifa refinery is its operation on as nearly normal a basis as possible, that is, using, primarily, crude oil from Iraq.

* Not printed.

2. That the secondary objective, which should be sought as soon as inability to achieve the first objective becomes evident, is the use of the Kirkuk-Haifa pipe line for the purpose of exporting the line's capacity of crude oil from Haifa. It is hoped that agreement necessary for the achievement of this objective would lead eventually to agreement on the operation of the refinery.

3. That attempts to operate the refinery on any basis likely to nullify efforts in behalf of operation on an agreed basis, or likely to endanger the facility, should be discouraged.⁵

⁵ The views set forth in this paper were incorporated in the Department's memorandum of October 7 to the French Embassy in reply to the latter's *aide-mémoire* of August 26. Additionally, the memorandum stated : "The French Embassy will recall that Count Bernadotte's final report to the General Assembly of the United Nations on his work as Mediator in Palestine contained the conclusions that the port of Haifa, including the oil refineries and terminals, should be declared a free port with assurances of free access for interested Arab countries and an undertaking on their part to place no obstacle in the way of oil deliveries by pipeline to the Haifa refineries. The French Embassy will also recall that the policy of this Government, as stated by Secretary Marshall in Paris on September 21, is one of firm support of all Count Bernadotte's conclusions.

"Under these circumstances, it is the opinion of the Department of State that it would be advisable to await the outcome of the discussions in the General Assembly on the Mediator's conclusions before giving final consideration to the proposal set forth in the French Embassy's note regarding the exportation of crude oil from Haifa." (867N.6363/10-748)

Regarding Count Bernadotte's views on the Haifa refineries, see the "specific conclusions" of his report, paragraph (e), included in documentation on Palestine, scheduled for publication in part 2 of the present volume; for Secretary Marshall's statement of September 21, see the circular telegram of that date, *ibid*.

890.0145/9-1448: Telegram

The Secretary of State to the Embassy in Iran

SECRET

US URGENT WASHINGTON, September 14, 1948-8 p. m.

869. (Deptel 3521 to London, Sept 4) Aide-mémoire dated Aug 27¹ expresses Brit desire exchange views re tactics to be employed if Iran should indicate desire raise Bahrein claim before UN. Document, which includes exhaustive historical studies of validity Iranian claim, ends with recommendations that (1) neither US nor UK should do anything to raise Bahrein question in any international forum; (2) US-UK should continue discourage Iran from raising it in any manner; (3) if Iran nevertheless raises the question in UN, Brit hope that it would be before SC rather than GA and that US would take strong line against Iranian claim; (4) if question raised either in SC or GA and it appeared that undersirable resolution might be passed, it would be best to steer meeting towards request for ICJ advisory opinion.

FO historical analyses and independent Dept studies of validity Iranian claim leave little doubt that latter untenable if submitted for

¹ From the British Embassy, not printed.

impartial judicial decision. However, Dept agrees with FO view that it is impossible to predict with certainty nature of decision of ICJ if question referred for advisory opinion.

We propose to inform UK that we agree in principle with their four recommendations.²

We also wish to suggest to FO that if necessity should arise we would be prepared make parallel formal approach with UK to Iranian Govt along following lines: (1) In our opinion, Iranian claim is wholly untenable both on political and legal grounds; (2) we believe raising Bahrein question would lead to undesirable and fruitless disagreement with US and UK, have markedly unfavorable repercussions in Arab States, and would redound only to benefit of USSR; (3) if Iran should raise Bahrein question before any international forum, we would be obliged strenuously to oppose Iranian claim. While we would not so inform Iran, we would be prepared introduce or support resolution in UN requesting ICJ advisory opinion if Iran should take case to UN.

In our opinion contemplated approach to Iran should not be made unless occasion arises necessitating such action. However, when US-UK proposal re division submarine area Persian Gulf is made known to Iran, it is not unlikely that Iranian official or unofficial reaction may precipitate situation in which contemplated US-UK aproach would be essential. Dept would therefore appreciate urgent comments re proposed reply to UK and suggested US-UK approach to Iranian Govt re Bahrein.³

MARSHALL

² For reply actually sent to the British Embassy on September 17, see p. 179. ³ This telegram was repeated to London. Tehran, on September 16, expressed its entire agreement with the Department's view on Bahrein and advised that it had "no indications of any immediate plans of Iran Government for bringing matter before UN." (telegram 1097, 501.BB/9–1648)

890F.6363/9-1548

The Secretary of State to the Secretary of Commerce (Sawyer)

WASHINGTON, September 15, 1948. DEAR MR. SECRETARY: In Mr. Thorp's letter of June 11, 1948 to Mr. Blaisdell¹ it was recommended that the consideration of export licenses sought by the Trans-Arabian Pipeline Company for the shipment of main line pipe to Saudi Arabia during the second and third calendar quarters of 1948 be postponed until the first week of September 1948.

¹Not printed; but see footnote 2, p. 23. Thomas C. Blaisdell was Acting Assistant Secretary of Commerce.

The Department suggested postponement of consideration of the licenses at the time because of the disordered situation in the Middle East. There was, as you may recall, heavy fighting then going on between the regular forces of the Jews and Arabs in Palestine and it was not known whether the proposed temporary truce would be accepted or, if accepted, whether it would become effective.

Notwithstanding the foregoing circumstances, it appeared that it would be possible to continue construction of the pipeline, using the pipe on hand in the area, provided necessary materials other than main line pipe could be exported from the United States to Saudi Arabia. It was recommended by the Department of State, therefore, that the postponement of consideration of the export of main line pipe not prejudice the project license earlier renewed or applications by the company for licenses to export material other than heavy pipe which would be required to continue the construction of the pipeline.

The Department of State was gratified to learn that the recommendations of the Advisory Committee of the Department of Commerce were substantially in accord with those made by the Department of State and that the Secretary of Commerce, acting on the advice of the Advisory Committee approved the Committee's recommendations.

In these circumstances the Department of State, with the concurrence of the other interested government agencies, felt that the postponement of decision regarding heavy pipe exports would be the proper course to follow until the situation clarified. As you may recall the Jews and Arabs subsequently agreed to the temporary truce; the United Nations assigned the role of Mediator to Count Bernadotte; the United Nations Security Council ordered the Jews and Arabs to cease fighting and an indefinite truce is now in effect.

It is now evident that additional tonnage of main line pipe must be exported in the fourth calendar quarter of 1948 if construction of the Trans-Arabian pipeline is to be continued and completed in 1950. Failure to approve export licenses for pipe to be shipped during this quarter will mean the disbanding of the pipeline organization which it has taken two years to assemble and will entail the cessation of construction work on the project. Work could not be resumed anew until a new organization is assembled, contractual arrangements concluded for sources of pipe and equipment and shipping schedules arranged, with accompanying costly and indefinite delay.

In light of the developments pertaining to the effectuation and maintenance of an indefinite truce and because of the importance of the project, it is believed that steps should now be undertaken which will prevent the abandonment of the project in terms of disbanding the construction organization and the indefinite cessation of construction work.

The oil of the Middle East is an important factor in the success of the European Recovery Program and in the continued prosperity of Europe. This project when completed will provide a vital transportation link in moving to Western Europe under the most economic conditions increased quantities of Middle East oil of which production is rapidly being expanded. The failure to provide exports of heavy pipe in the last quarter of this year would undoubtedly prevent the completion of the project until after the period of the Recovery Program. The project when completed will also be of substantial benefit in relieving the demand on the oil resources of the Western Hemisphere.

An important additional consideration is that the completion of the project would provide the area with substantial revenues to be derived from the construction and operation of the pipeline and of the proposed refinery at the Mediterranean terminus. These revenues would constitute an important financial stabilizing factor to the relatively limited economies of the countries in the area. Furthermore, the continued construction of the pipeline might be expected to create an atmosphere which would contribute to the maintenance of the truce and a peaceful settlement and also off-set certain disruptive tendencies conducive to the spread of communism.

In view of the foregoing and bearing particularly in mind the benefits to the United States and Western Europe, as well as to the Middle East which would derive from the completion of the pipeline, it is the opinion of the Department of State that the abandonment of the project would not be in the national interest. It is therefore recommended that applications for the export of main line pipe to Saudi Arabia for the Trans-Arabian pipeline be approved for the fourth quarter of 1948.

The Department of Interior and the Economic Cooperation Administration concur in this recommendation. The National Military Establishment is presenting its views to the Department of Commerce under separate cover.²

Faithfully yours,

G. C. MARSHALL

² In an attached memorandum of September 8 to the Secretary, Messrs. Satterthwaite and Brown made known that the Department of Defense would support the export of pipe through a separate letter to the Department of Commerce.

890F.6363/9-1548: Telegram -

The Chargé in Saudi Arabia (Bergus) to the Secretary of State

SECRET

JIDDA, September 15, 1948-8 a.m.

512. Garry Owen Aramco informed me today Aramco and SAG had agreed in principle as follows:

1. Offshore oil rights confirmed as being within Aramco concession.

2. Aramco to pay same royalties for offshore as onshore oil plus five cents per barrel.

3. Aramco guarantees \$2,000,000 minimum royalties offshore oil per annum.

4. Aramco relinquishes rights Kuwait neutral zone.¹

5. Aramco obligated start work offshore region within one month after signature agreement.

6. Offshore area defined as area beginning mean low tide and extending seaward.

7. SAG will cooperate with Aramco in confirming and crystallizing SAG's offshore area.

8. SAG confirms relinquishment² agreement of 1947.

Foregoing has been placed in hands Aramco SAG lawyers for drafting of agreement which will then be signed.

Re relinquishment by Aramco other territories, by original concession Aramco was to begin relinquishment July 1949. This later extended to July 1955.

During recent negotiations Finance Minister stated SAG desired no competitors Aramco in Saudi Arabia. Preferred Aramco not relinquish territory until exploration indicates no oil.

Aramco however, for purposes geological planning program prefers start relinquishment. Effective signature above agreement all land west longitude 46 to be released from preferential area (granted supplementary concession 1939). This comprises 76 percent preferential area.

Beginning July 1949 Aramco will relinquish 33,000 square miles exclusive concession area. Similar amounts to be relinquished in July of 1952, 1960, 1965 and 1970. Upon termination this program 46 percent total exclusive area will have been relinquished.³

Owen has seen and checked accuracy facts this telegram.

Department pass Cairo as 99 for Funkhouser.⁴

BERGUS

⁴ Richard E. Funkhouser, Third Secretary of Embassy in Egypt.

¹The rights to exploit Saudi Arabia's undivided half of the Kuwait neutral zone.

² Relinquishment by Aramco of its rights in various areas of Saudi Arabia under the terms of its concession.

³The offshore settlement agreement by the Saudi Arabian Government and Aramco, dated October 10, was signed on October 14 (telegram 194, October 18, 10 a. m., from Dhahran, S90F.6363/10–1848). Aramco provided the Department with a copy on December 30 (S90F.6363/12–3048).

890F.6363/9-1548 : Telegram

The Acting Secretary of State to the Legation in Saudi Arabia

SECRET

WASHINGTON, October 4, 1948-7 p.m.

372. Brit Emb informed Dept Brit Min Jidda instructed urge SAG make "no decision" re offshore oil concession before receipt US-Brit views re division Persian Gulf and asked whether Dept would take similar position with SAG. Although Dept replied could not agree request withholding decision, Dept believe highly important there be no proclamation or publicity re offshore concession pending receipt suggestions re division Gulf. Particularly concerned in view par 5 Legtel 512, Sept 15 indicating Aramco obligated start offshore work within one month signature agreement. Publicity or operations US company in Gulf prior acceptance by littoral states proposed proclamation re division Gulf would greatly increase difficulty obtaining universal acceptance.

Following discussions with Brit it now appears proposed proclamation will be ready within few weeks for presentation by US and Brit Govts to Persian Gulf states. Inform SAG that US and Brit Govts will soon be able reply its request for guidance re offshore oil matters and express hope there will be no proclamation or publicity re concessions affecting submerged area pending receipt suggestions concerning division Gulf.

LOVETT

Editorial Note

The Iranian Government, in an announcement released on October 16, made known that it had invited to Tehran representatives of the Anglo-Iranian Oil Company to negotiate concerning revision of the terms of the company's concession. The negotiations, "conducted in a spirit of mutual and sincere cooperation", began on September 30 and terminated on October 13.

With the ending of this preliminary stage of negotiations, the AIOC representatives were to report to the officers of the company at London; and the company was to notify the Iranian Government of its views within three months, so that negotiations might be resumed at Tehran (enclosure to despatch 317, November 3, from Tehran, 891.6363/AIOC/11–348).

890.0145/10-1948: Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

SECRET

1207. British Ambassador told me today that Persian Gulf sheiks will in about three weeks be given draft proclamation for claiming

TEHRAN, October 19, 1948-11 a.m.

jurisdiction of sub-sea resources out to median line. They will be given fortnight to think it over and then when they make statement Iranian Government and other interested governments will be notified.¹

In my opinion this procedure is very close to previous plan of presenting Iran with "fait accompli" against which Department argued so forcefully. Iran is to be presented with Anglo-American "suggestion" which involves establishing 900 mile boundary line for Iran. Iran is by all odds the riparian state most concerned in division of Gulf but she is apparently not going to be asked to agree plan or even to present her views. Simultaneously, other riparian states all of whom are subject to direct or indirect influence of UK-US Governments will make declaration implementing suggested plan.

It is my considered opinion that Iranians will regard this course of action as US-UK "imperialism". At the minimum it will create most unpleasant situation which will certainly not be helpful in our current negotiation for renewing military mission contract. It could even undermine present political orientation of Iran. It will surely be excellent grist for Soviet propaganda mill. As Department is aware Iranians are highly sensitive to their rights in Persian Gulf and Bahrein issue has been foremost in Iranian nationalistic agitation.

Am afraid that question of sub-sea resources in Gulf will be handled in a manner that may seriously prejudice our broader interests here. SAG has apparently agreed to award off-shore rights to Aramco (*Current Economic Developments* September 27). Iran cannot grant concession for another four years by virtue law October 22, 1947. American Independent has presumably obtained off-shore rights Kuwait half neutral zone. Iraq only possesses few miles frontage on Gulf and this is heavily silted. This leaves only sheikdoms. Surely British are in position to resolve disputes between them and to suggest concession areas covering shallow waters which are of interest to oil companies circumscribed so as to give minimum offense to Iran. Concessions could delineate limited areas open to immediate drilling and provide for later inclusion waters over which sheikdoms may

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¹Tehran, on October 20, reported information from the British Embassy that the correct timetable called for the sheikhdoms to be given three weeks after receipt of the proposals before they would be free to make any announcements; and that Iraq and Iran would be informed a fortnight after the first communication to the sheikhs and the Saudi Arabian Government. Tehran concluded that "Giving Iran week to consider matter before any proclamations are issued will not soften reaction here very much in my opinion. Iran Government might rush to make some absurd claim to waters around Bahrein." (telegram 1216, 890.0145/10-2048)

eventually have jurisdiction. This should satisfy oil companies as I understand they are not immediately interested in water deeper than 100 feet. As need for overall division Gulf waters becomes more evident Iran could be invited to participate in proceedings on equal footing she deserves.

Sent Department 1207; repeated London 104.

WILEY

867N.6363/10-1648 : Telegram

The Acting Secretary of State to the United States Delegation at the United Nations General Assembly, at Paris

SECRET US URGENT WASHINGTON, October 19, 1948—7 p. m. 4082. Urtel 5404 Oct 16.¹ Re Haifa pipeline. Dept reply this matter delayed due non-receipt until now London tel 4478 Oct 13.² Following discussions with French and Brit here and view their primary interest as well as importance ERP Dept agrees in principle with suggestion last para urtel 5405² to support French and Brit proposal reopening pipeline. Definitive position dependent however on character proposals and nature desired support. Insufficient info available here these points.

Dept wishes avoid participating any action which would weaken US position of supporting Bernadotte conclusions and jeopardize acceptance or acquiescence both sides, but relies on GADel judgment whether pipeline proposal would have that effect. [At] your discretion you may wish consult Acting Mediator this regard.

Dept also of opinion initiative re proposal and approaches Iraq Govt and PGI should rest with French and Brit and US should avoid taking lead.

ECA concurs.

² Not printed.

¹ Not printed; this telegram and airgram 1147, October 18, from Paris, advised that tripartite exploratory conversations on the reopening of the Kirkuk-Haifa pipeline were held at Paris on October 15. The American spokesmen hewed to the position set forth in the memorandum of October 7 to the French Embassy, not printed; but see footnote 5, p. 44. The French and British spokesmen took the position that the reopening of the pipeline for export purposes would in no way jeopardize the deliberations on Palestine at the United Nations. The last paragraph of No. 5404 gave the opinion of the American participants that the arguments of their opposite numbers were worthy of consideration and that the matter was of sufficient importance to the ECA to warrant the United States joining the British and French (867N.6363/10–1648, /10–1848).

In view presence reps all parties Paris suggest current discussion be centered there.³

LOVETT

³ This telegram was repeated to London and Baghdad. In reply, on October 22, Paris advised that:

"GADel agrees French-British proposal to reopen pipeline only for export crude would not weaken US position support of Bernadotte conclusions and would not jeopardize acceptance by Arabs and Jews providing approach to Iraqi[s] and Israeli[s] handled on strictly economic basis without our being drawn into a political discussion in any way. GADel including Secretary Marshall approve procedure:

(1). Informal discussion with Acting Mediator by GADel representatives re his views.

(2). Further discussion with French-British to indicate (providing Department approves):

(a) US would support proposal re export crude oil provided approach Iraqi[s] and Israeli[s] be on strictly economic basis with no political discussions;

(b) That initiative be taken by French and British in discussion Iraqi[s] and Israeli[s] with US approach separately; and

(c) US approach to Israeli[s] would be contingent on favorable response from Iraqui[s]." (telegram 5509)

The Department and the ECA, on October 25, approved the procedure set forth in No. 5509 (telegram 4159 to Paris). Paris advised, on October 22, that Acting Mediator "Bunche agreed US support would not be weakened or possibility agreement or acquiescence jeopardized if presently proposed approach is restricted to economic basis only." (telegram 5517). All three messages used in preparing this footnote are filed under 867N.6363/10-2248.

890.0145/10-2048: Telegram

The Acting Secretary of State to the Legation in Saudi Arabia

SECRET

WASHINGTON, October 20, 1948-3 p.m.

399. Following is proposed text draft proclamation 1 re scientific demarcation of Persian Gulf as among littoral states which has been worked out jointly by US and Brit Govts for submission these states for their consideration:

"WHEREAS it has become technically possible to utilize the natural resources of the sea bed and subsoil beneath shallow seas;

WHEREAS it is desirable in the interest of protection, conservation and orderly development that the exploitation of such resources should be controlled;

WHEREAS it is just that the sea bed and subsoil extending to a reasonable distance from the coasts should appertain to and be controlled by the Maritime State to which it is adjacent;

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¹ Mr. Satterthwaite had sent the draft proclamation to Mr. Lovett for approval with his memorandum of October 7. On October 18, he had sent a further memorandum calling attention to the "urgency" of approval now that Aramco had signed an agreement with Saudi Arabia regarding offshore oil. Mr. Lovett gave his approval in a marginal notation on the memorandum of October 7 (890.0145/10-748).

WHEREAS the right of a maritime state to exercise its control over the natural resources of the sea bed and subsoil adjacent to its coasts has been established in international practice by the action of other states;

Now, THEREFORE, WE _____, the _____, of _____, in pursuance of all powers enabling us in that behalf, are pleased to proclaim, and it is hereby proclaimed, as follows:

1. The _____ of ____ hereby declares that the sea bed and subsoil lying beneath the high seas of the Persian Gulf contiguous to the territorial waters of the _____ of ____ and within the area defined below appertain to the _____ of ____ and are subject to its exclusive jurisdiction and control. The area is that bounded:

- (a) To the South and North by the outer limits of the Territorial Sea and a line extending lengthwise in the center of the said Gulf (hereinafter called the median line), and
- (b) To the East and West by lines extending from the Eastern and Western limits of the Territorial Waters of the ______ of _____ to the median line which lines are subsequently to be more precisely defined in agreement with the rulers or govts of adjacent states in accordance with equitable principles.

3. Nothing in this proclamation shall be deemed to affect the air or the character as high seas of the waters of the Persian Gulf above the sea bed and outside the limits of territorial waters.

4. Nothing in this proclamation shall be deemed to affect any fishing or pearling rights."

Plan is for US followed by UK to propose this to SAG and UK submit it to protected Sheikdoms at same time. Two weeks later US and Brit Ambs will make parallel approaches Govts of Iraq and Iran. Separate instructions full details to follow.

Hold matter in strictest secrecy and take no action re proclamation except consultation with your Brit colleague pending receipt specific instructions for carrying out above-mentioned plan.²

LOVETT

² This telegram was repeated to Baghdad, Cairo, London, and Tehran.

890.0145/10-2148

Memorandum of Conversation, by the Director of the Office of Near Eastern and African Affairs (Satterthwaite)

SECRET

[WASHINGTON,] October 21, 1948.

Participants: Mr. T. E. Bromley, First Secretary, British Embassy Mr. E. C [E]. Jones—Petroleum Attaché, British Embassy

State

NEA-Mr. Satterthwaite L/P-Mr. Gray -Mr. Hare PED-Mr. Moline -Mr. Robertson GTI-Mr. Jernegan -Mr. Dunn

NE-Mr. Colquitt -Mr. Clark OIR/IR [GE]-Mr. Boggs

SUMMARY

TIMING

(1) It was suggested by the American members present that, to meet substantial objections raised by our Ambassador in Tehran, our proposed plan of approach to the governments of the littoral states should be amended so as to provide that the Saudi Arabian Government be informed first and that the other littoral states, including the Sheikhdoms of the Persian Gulf, be approached (not necessarily simultaneously) from two to seven days thereafter. We would then merely inform the governments of Iraq and Iran of our submission of advice to the Saudi Arabian Government at its request, and we would not make any recommendations to them as to similar action on their own part unless specifically so requested by those governments.

The British representatives present expressed some concern that under the new plan more time would not be allowed to notify the Sheikhdoms but agreed to submit this proposal to the United Kingdom.

PRESS RELEASE

(2) It was agreed that we should proceed on the assumption that one or more governments would, within a reasonable time after our submitting advice to Saudi Arabia and the Sheikhdoms issue a proclamation along the lines suggested. If inquiries should come in from oil companies between the date of submission of advice and the date of issuance of the proclamation by one of the governments of the littoral states, the fact that such advice had been given would be con-

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fidentially revealed and inquirers referred directly to SAG for information. If a considerable delay were involved, this policy might be reviewed at a later date.

Press inquiries should be met by replies to the effect that our advice has been requested and given, but that until SAG has made its decision we are not free to comment upon details. When a proclamation is issued by some Persian Gulf Government, we would issue no press release but confine ourselves to frank answers to specific questions.

(3) It was agreed that a small-scale, rough map would be prepared as soon as possible and suggested median and boundary lines marked thereon in pencil. Copies of these maps should be sent to all interested posts.

(4) Translations of the official English text into Arabic and Persian should be prepared at the posts for submitting at the same time as the English text.

DISCUSSION

[Here follows lengthy discussion.]

J[OSEPH] C. S[ATTERTHWAITE]

890G.6363/10-2648

Memorandum of Conversation, by the Director of the Office of Near Eastern and African Affairs (Satterthwaite)¹

SECRET

[WASHINGTON,] October 26, 1948.

Mr. Charles Harding, Socony-Vacuum Oil Company Participants: Mr. Satterthwaite, NEA.

Mr. Robertson, NEA

Mr. Barrow, NE

M1. Harding called on October 21, to say his farewells to Mr. Satterthwaite prior to his departure for London where he expects to arrive October 24.

The principal purpose of Mr. Harding's trip is in connection with pending litigation over the so-called "red line" agreement² which is

² Regarding the Red Line Agreement and the Group Agreement of July 31, 1928,

² Regarding the Red Line Agreement and the Group Agreement of July 31, 1928, of which the former was a part, see footnote 6, *Foreign Relations*, 1947, vol. v, p. 630, and footnote 4, *ibid.*, p. 628. The French Embassy, in January 1947, made formal representations to the Department of State alleging violations of the Group Agreement by the Standard Oil Company of New Jersey and the Socony-Vacuum Oil Company, the American partners in the Iraq Petroleum Company (see note 8 from the French Embassy and footnote 8, *ibid.*, pp. 627 and 629). The French representations, in effect, protested the proposed purchase of a portion of the capital stock of Aramco by Jersey Standard and Socony (see Mr. McGhee's memorandum of conversation Jersey Standard and Socony (see Mr. McGhee's memorandum of conversation (Continued)

429-027-75----5

¹ Drafted by John R. Barrow of the Division of Near Eastern Affairs.

scheduled for trial this month. Mr. Harding believed that despite the imminence of the hearing a settlement might be reached out of court. The sole stumbling block was Mr. Gulbenkian³ who continued to object to elimination of the restrictive provisions of the red line agreement and was making various other demands, including claims to payment for "flexibility oil", payment of certain royalties in dollars (which the non-American partners of IPC would find difficult to meet), extension of the waiting period for reacquisition of withdrawn or cancelled concessions, etc. Mr. Harding said the other partners were in solid agreement and were making a new approach to Mr. Gulbenkian offering substantial compromises to most of his demands. He intimated, however, that the partners would stand firm on the matter of eliminating the restrictive provisions of the red line arrangement.

Mr. Harding felt they were very close to settlement with Mr. Gulbenkian and he sincerely hoped the case would not go to court, for should there be a great deal of publicity surrounding the trial, disturbing international repercussions might result. The case was being tried on the issue of whether the red line agreement has become invalid on the basis of the British Trading with the Enemy Act and would hinge partially on whether the French partner, CFP (Compagnie Française des Pétroles), had collaborated with the Axis. Certain high French officials, in particular, were bound to be involved and this, in turn, might cause some embarrassment between the French and the other partners.

During the course of the conversation the question of reopening the pipeline to Haifa was also touched upon, Mr. Harding stating he personally believed little could be accomplished in this direction until the UN acted on the Palestine question and made provision for the future operation of the Haifa refinery. The Iraqis were being very intransigent in the entire matter despite the fact that they were losing approximately one-half of their royalties from the shutdown. His company was planning, however, on the basis that the pipeline would be re-opened after the first of the year.

of December 3, 1946, *ibid.*, 1946, vol. vII, p. 40). The French, in effect, also objected to the agreement of the Anglo-Iranian Oil Company and the same two American oil companies, whereby the former would sell large quantities of oil to the latter (see telegram 13, January 8, 1947, to Tehran, *ibid.*, p. 49). Officers of the Department conversed with the French Ambassador on January 10, 1947, and stated that "the contract which the French Government con-

Officers of the Department conversed with the French Ambassador on January 10, 1947, and stated that "the contract which the French Government considered to be abrogated by the actions of Jersey and Socony is between private parties, and that it would seem that unless they are able to come to some agreement there would be no other recourse but to the courts." (Mr. Eakens' memorandum of conversation, *ibid.*, p. 632.) Litigation to bar the alleged violations of the Group Agreement by the American companies was undertaken in the British courts by the Compagnie Française des Pétroles, the French partner in the IPC.

³Calouste Sarkis Gulbenkian, owner of 5% of the capital stock of the IPC through Participations and Investments, Ltd.

⁽Continued)

Mr. Satterthwaite reviewed for Mr. Harding's benefit current efforts being made by the British and French to reopen the line and the United States position in the matter.

J[OSEPH] C. S[ATTERTHWAITE]

890.0145/11-148 : Telegram

The Acting Secretary of State to the Embassy in Iran

SECRET WASHINGTON, November 1, 1948—3 p. m. 1025. Exposition your views re timetable median line project given full weight by Dept in subsequent discussion with Brit FonOff info reported urtels 1207, Oct. 19 and 1216, Oct. 20⁻¹ reflects successive stages earlier US-UK thinking Wash. Final decision not yet reached but Dept contending info should be given Iran almost simultaneously with advice to SAG, with expectation proclamations by other states, if any, will lag sufficiently behind expected SAG announcement to avoid giving unjustified appearance of US-UK coercion and rather reflect true situation of others following SAG precedent.

Ref final sentence urtel 1207: Only "proceedings" contemplated are US and UK giving advice SAG upon request and UK, as protecting power, advising Sheikhdoms. There will be no affirmative attempt by US-UK to write score for concert all Persian Gulf States. If other Persian Gulf States choose to view SAG proclamation as attractive precedent, result would be equitable acquisition new rights by them; if not, they will lose no present or prospective rights.

Conditioned upon final UK agreement, following procedure presently planned by Dept vis-à-vis Iran:

(1) Few days after parallel US-UK advice SAG, and following UK advice Sheikhdoms, you would inform Iranian authorities (including Shah, in your discretion) US oil companies have shown active interest in Persian Gulf concessions offshore Saudi Arabia and King Arabia requested US advice, which had been given few days previously and expected might soon eventuate in proclamation declaring seabed and subsoil beneath Persian Gulf contiguous to territorial waters Saudi Arabia and extending to median line bisecting Gulf, as subject to exclusive jurisdiction and control SAG. In view interest UK companies in oil concessions offshore Saudi Arabia and Sheikhdoms, as well as informal SAG request for UK advice, UK had consulted US and draft proclamation recommended SAG represented agreed views two Govts. Brit understood to be offering similar advice Persian Gulf Sheikhdoms in special treaty relation with UK, and it understood Sheikhdoms are considering issuing similar proclamation. Additional motivation US-UK advice SAG and Sheikhdoms is mutual interest

¹ No. 1216, not printed ; but see footnote 1, p. 50.

orderly and peaceful development resources Persian Gulf. Your approach Iran simultaneous with US-UK info Iraq, would be solely for purposes their info as littoral state Persian Gulf.

(2) You would explain proposed proclamation based upon established international practice initiated by US proclamation Sept. 25, 1945, in which US asserted jurisdiction and control over natural resources continental shelf, that is, out to 100 fathom line. Entire Persian Gulf is less than 100 fathoms deep.

(3) Purpose SAG proclaiming draft principles at this time is to insure practical and equitable demarcation its national jurisdiction, creating responsible legal regime covering contiguous subsea area beyond territorial waters susceptible of exploitation natural resources.

(4) Should complaint arise at your failure inform Iran earlier, you would say our study this question made on specific request Ibn Saud and we were obligated reply to him before informing other states who had not requested advice.

(5) You would emphasize present rights to mainland, islands, territorial waters, and high seas would not in any way be changed. Should Iranian authorities appear concerned lest proclamation by SAG and Sheikhdoms in any way affect Iranian claim Bahrein, you should state that Iranian claim to Bahrein would be neither more valid nor less valid after issuance proposed proclamation by SAG and Sheikhdoms, since rights over land areas and territorial waters in no way affected by assertion rights over seabed outside territorial waters. If Iranians persist in raising objection based upon Bahrein, you should inform them US considers Iranian claim legally untenable and its assertion politically ill-advised, and should Iran insist upon actively advancing such claim, US would feel obliged energetically to oppose it.

(6) Should Iranians request your advice upon possible desirability their issuing similar proclamation, you would state US feels principles SAG proclamation equally valid and equitable if applied by any or all Persian Gulf littoral states. Decision is within exclusive competence each littoral state.

(7) Lest Iranians misinterpret statement above (Para 6) as indication selfish designs US offshore Iran, you would, in your discretion, say our advice to SAG obviously not motivated by self-interest in Iranian concession since, as Iranians know, we scrupulously respect laws of Dec. 1944 and Oct. 1947 forbidding new foreign oil concessions. No American company is seeking oil rights in Iran or in subsea area off Iranian coast.

Above procedure would, in our view, meet possibly adverse reaction anticipated urtels 1207 and 1216. Please comment soonest.²

LOVETT

^a Ambassador Wiley replied, on November 5, that "Although I consider procedure for median line project outlined Deptel 1025, November 1, as carefully designed to minimize possibility adverse Iranian reaction (Embtel 1207, October 19, and 1216, October 20) I remain apprehensive over consequences this project". The Ambassador suggested deferment of action until his imminent return to Washington for consultation (telegram 1271 from Tehran, 890.0145/11-548).

Telegram 1025 was repeated to London.

890.0145/10-2048: Telegram and a starting factor and the second second

The Acting Secretary of State to the Legation in Saudi Arabia

SECRET WASHINGTON, November 10, 1948-2 p. m. 428. Revised procedure for presenting draft proclamation (Deptel

(1) US followed by UK will approach SAG. You will refer previous conversations and explain advice being given response SAG request US views re offshore oil not only because active interest US and UK oil companies in concession offshore SA, but also because our general interest in orderly development resources submerged area Persian Gulf. You will explain parallel UK advice being offered for same reasons plus UK treaty responsibility Persian Gulf Sheikhdoms. (Consult background memoranda¹ sent Leg showing developments this question since Dec 1947 when discussions initiated by UK). Will say US and UK will subsequently inform Iraq and Iran that advice has been given SAG and indicate its nature, and UK will both inform and advise Sheikhdoms along lines similar to SAG. (You will be instructed near future exact timing your approach.)

(2) Approach should be completely informal. You should leave draft proclamation without notation origin, explaining proposed proclamation based upon established international practice initiated by US proclamation Sept 25, 1945 in which US asserted jurisdiction and control over natural resources continental shelf out to 100-fathom line. Since all Persian Gulf less than 100 fathoms deep its entire seabed and subsoil susceptible application these principles by littoral states should they wish. Each littoral state could then conduct orderly development subsea resources portion Persian Gulf seabed under its jurisdiction, thereby preventing uncontrolled exploitation by non-Persian Gulf powers. However, failure of one or more Gulf states issue a proclamation would not detract from rights asserted by states proclaiming them. You should emphasize while US believes it would be to SA's advantage issue such a proclamation based on internationally recognized principles, final decision of course rests with SAG. Purpose SAG proclaiming draft principles at this time would be to permit demarcation its national jurisdiction seabed and subsoil up to median line in Persian Gulf, on basis which is believed fair and equitable both to SAG and all other littoral states. Present rights to mainland, islands, territorial waters would not be in any way changed, nor status of high seas affected. Proclamation would assert exclusive jurisdiction and control but not sovereignty over seabed and subsoil of offshore area affected.

(3) Mapping details would have to be worked out scientifically. Questions which may arise should be capable of settlement among friendly neighbors who would derive common benefit from applica-

¹This refers to two memoranda identically titled "Offshore Oil Concessions in the Persian Gulf", dated July 27 and October 21, 1948, which traced developments concerning these matters from October 1947 to mid-October 1948. Neither memorandum is printed. They were drafted by Mr. McEnerney and are filed under 890.0145/7-2748 and 891.6363/10-2148.)

tion of internationally recognized principles outlined in proclamation. Tentative rough maps being airmailed indicating how these principles may be applied.

(4) Arabic translation should be made appropriate time accompany official English text proclamation. You may wish check translation with your Brit colleague.

(5) When submitting proclamation SAG endeavor ascertain whether it has intention early publication and if so how soon. Meantime Dept would like have your estimate this regard and any comments you wish offer.²

LOVETT

² This telegram was repeated to Cairo and London.

890.0145/11-1048 : Telegram

The Acting Secretary of State to the Embassy in the United Kingdom

SECRET WASHINGTON, November 18, 1948—6 p. m. 4353. While Dept appreciates weight Wiley's objections, it believes other factors require prompt action along lines Deptel 1025 Tehran⁴ rptd London 4160. Believe revised procedure suggested that tel minimizes dangers Iranian reaction and that difficulties to be anticipated on Arab side Gulf as result further delay would outweigh possible difficulties Iran. SAG most anxious receive advice and Aramco advisors including Manley Hudson ready give SAG recommendations which might form basis SAG proclamation possibly at variance with US-UK draft. View intense activity private companies endeavoring obtain offshore concessions US believes advice should be given SAG earliest possible date. This opinion transmitted Brit Emb Wash and reply being awaited. Dept hopes delay mentioned urtel 4813 Nov 10 will soon end with Brit agreement revised timetable.²

LOVETT

¹ Dated November 1, p. 57.

² This telegram was repeated to Tehran and Jidda.

867N.6363/11-2248: Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

SECRET

JIDDA, November 22, 1948-6 p. m.

603. Aminco representatives informed by SAG Palestine bar to conclusion concession agreement Saudi half Kuweit neutral zone to Aminco or any other American company. Aminco representatives believe SAG may be using Palestine as lever to obtain better terms. They are leaving to await developments.

U.S. PETROLEUM POLICY IN THE NEAR EAST

Sent Department 603, Department pass London 158, Dhahran 291, Cairo 119, Baghdad 50, Damascus 23, Beirut 34, Jerusalem 24.

CHILDS

890.0145/11-2248 : Telegram

The Secretary of State to the Embassy in Iran

SECRET WASHINGTON, November 29, 1948—1 p. m. 1114. Dept has proposed to Brit Emb Rep¹ incorporation portion wording suggested Embtel 1344, Nov. 22² para 1(*a*) draft proclamation median line as follows:

"To the south and north, by the outer limits of the territorial sea and a line extending lengthwise in the center of the said Gulf (hereinafter called the median line), which line is subsequently to be more precisely defined in agreement with the rulers or governments of states adjacent to the Persian Gulf in accordance with equitable principles."

Brit Emb Rep was told Dept believes adoption suggested wording desirable but US would not insist on its inclusion.

Re apprehension as to Iranian reaction stated Embtels 1344 and 1349, Nov. 23,³ Dept feels certain advantages accruing to Iran under proclamation procedure should be kept in mind.

(a) Iran will have opportunity participate in determining median line.

(b) Median line theory protects Iranian interests to center gulf. If "deepest water" or "Thalweg" theory were applied by Arab states in proclamation this might work against Iranian interests since deepest water is closest Iranian shore. (We have reason believe oil companies may advise Arab States extend claims on this basis.)

Re effect proclamation on Saed Govt, must be recognized Saed not required announce Iran has been informed of US and Brit advice to Arab States. On other hand he may well make announcement and use points (a) and (b) above to indicate he is protecting Iranian rights.

We have informed Brit we can no longer hold back Amer oil companies in seeking subsea concessions and desire earliest possible Brit decision.⁴

MARSHALL

- ^a Not printed.
- ³ Latter not printed.

¹ On November 24; see Mr. Sanger's memorandum of conversation, December 6, p. 62.

⁴ This telegram was repeated to London.

FOREIGN RELATIONS, 1948, VOLUME V

891.6363/12-448: Telegram

The Acting Secretary of State to the Embassy in the United Kingdom

SECRET

WASHINGTON, December 4, 1948-2 p. m.

4537. Following for info only. Brit Emb states FO agrees early action should be taken on off-shore oil proposals. Brit recognize existence danger unfavorable reaction Iran but believe conditions will not be improved by waiting. Should advice to PG states be delayed disputes might ensue over off-shore concessions which would be most detrimental to overall US-UK position.

FO now believes simultaneous approach should be made all PG states so as to preclude appearance Iran being presented with fait accompli and we concur. Brit propose express hope Iran will agree on principles and if so take action in accordance with them.¹ We prefer not make recommendation to Iran but say our views for info onless and show to such the house the bound of both n na serie a companya na serie da companya na serie da companya na serie da companya na serie da companya na s Na serie da companya na seri

LOVETT

¹The British views along these lines were transmitted to Mr. Jernegan on November 29 by Mr. Bromley in note G. 59/121/48 (890.0145/11-2948). ²This telegram, as originally drafted, concluded with the following paragraph: "Dept concerned over long delay and hopes FO will obtain final clearance earlier than mid-Dec as suggested possible by Brit Emb. In your discretion pls confirm to HMG Dept's approval new Brit plan and hope that it can be given higher priority for clearance." This paragraph was deleted before transmittal. Telegram 4537 was repeated to Beirut as 764 for George V. Allen, Assistant Secretary of State for Public Affairs and former Ambassador to Iran and to

Secretary of State for Public Affairs and former Ambassador to Iran, and to Tehran as 1139.

890.0145/12-648

Memorandum of Conversation, by Mr. Richard H. Sanger of the Division of Near Eastern Affairs

SECRET

[WASHINGTON,] December 6, 1948. Participants: Mr. T. E. Bromley-First Secretary, British Embassy GTI-Mr. Clyde Dunn

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and the back in NE-Mr. Richard H. Sanger and the rest of the state of

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Background:

On November 24th the following informal memorandum was handed by Mr. Jernegan' to Mr. Bromley :----

"We suggest that the wording of paragraph 1 (a) of the draft proclamation might be changed to read as follows:-

[Here follows paragraph as quoted in paragraph 2 of telegram 1114, November 29, to Tehran, page 61.]

"The purpose of this change would be to make it clear to Iran that Iran would have a voice in the delineation of the line rather than

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¹ John D. Jernegan, Chief of the Division of Greek, Turkish, and Iranian Affairs.

U.S. PETROLEUM POLICY IN THE NEAR EAST

being presented with a *fait accompli*. We think that this change does not make any material change in the meaning of the paragraph and that it might serve to make the proposed action more palatable to the Iranian Government."

Discussion:

Mr. Bromley said that a reply had been received from London regarding Mr. Jernegan's memorandum of November 24th. In this reply the British Foreign Office doubted the wisdom of the changes proposed in the wording of the proclamation on the following grounds:—

(1) Such a change in wording might point the way to a conference of the rulers or governments of the Gulf states on the subject of the proposed draft proclamation, a development which it was felt would be undesirable.

(2) The changes indicated that there might be several ways of drawing up a median line and of determining various other technical aspects of the proposed proclamation which offered an opportunity for dispute between the states involved.

(3) On the political side, London felt the changes offered a wide field for disagreement among the countries involved and therefore might provoke the very disputes which we are trying to avoid.

(4) The suggestion that the "line is subsequently to be more precisely defined" meant that the oil companies involved would remain in a state of uncertainty as to how far out into the Gulf their concessions extended.

Mr. Bromley said that in transmitting Mr. Jernegan's memorandum to London he had explained that the Department favored these changes but would not insist upon them if London strongly disagreed, and he felt that this reply from the British Foreign Office constituted such disagreement. Mr. Bromley was told that we wish to consider the reaction of London before giving him any final reply on the subject of the proposed changes.

In further discussion Mr. Bromley said that the Foreign Office had been happy to learn that we had advised Aramco to go ahead and hold talks with SAG on this subject provided certain restrictions were met. He said that the Foreign Office was anxious that we should work out a schedule on dates so that there would be no question but that SAG was the first Government approached about this matter. He concluded by saying that the high level clearances for which we are waiting, in regard to timing and procedures, had not yet been forthcoming from London.²

^a The Department transmitted a summary of this memorandum to Tehran in telegram 1152, December 10; and repeated it to London. The telegram stated that "Dept not pushing matter changes or taking any action offshore oil pending (a) arrival Wiley in Wash, (b) visit Allen, Tehran and (c) high-level Brit approval draft proclamation and approach procedure mentioned Deptel 4537 to London rpt Tehran as 1139, Dec. 4." (890.0145/12-948)

890G.6363/12-2248

Memorandum of Conversation, by the Assistant Chief of the Petroleum Division (Moline)

CONFIDENTIAL Participants: [WASHINGTON,] December 22, 1948.

Section #

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Mr. Charles L. Harding-Socony-Vacuum Oil Company.

Mr. Orville Harden-Standard Oil Company of New Jersey.

E—Mr. Nitze

NEA-Mr. Satterthwaite

-Mr. Deimel

NE-Mr. Colquitt

Mr. Sanger

Mr. Clark

PED—Mr. Eakens Mr. Moline

MIL. MOHIUE

IR-Mr. Vernon

Messrs. Harding and Harden called to give interested officials of the Department an account of the final negotiations on the recently concluded IPC agreements ¹ and to answer any questions regarding the provisions of the agreements.

Mr. Harding began by referring to the cooperation on the part of the various members of IPC. In his view the cooperation was at the highest level it has ever attained and is particularly striking in the case of the French who have in the past been very critical of the IPC operations. It was noted that the major parties to the old Red Line Agreement had reached an accord on a new agreement some months ago and the main difficulty since then had been with Mr. Gulbenkian who holds the minority interest in IPC.

In the renegotiation differences of opinion concerned two points in particular, 1) the elimination of the restrictive clauses of the Red Line Agreement, and 2) addition of a provision under which parties to

The documents giving the texts of the November 3 agreements were sent to the Department by Socony-Vacuum on December 16, 1948. They are not found attached to the transmitting letter. The letter stated, however, that the documents were being prepared in printed form in London. It is from the printed form, now filed with the letter of December 16, that the summary in this footnote has been prepared (800.6363/12-1648).

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¹The IPC partners signed these agreements on November 3. The agreements terminated the litigation and continued the relationship between the partners established by the Group Agreement of 1928, with modifications, including new sale-of-oil agreements. The partners agreed that the acquisition by Jersey Standard and Socony-Vacuum of Aramco stock was not a breach of any past or present agreements; nor would any of the European partners have any claim to damages as a result. The European partners also abandoned any right to participate in the American partners' purchases of "Red Line" crude oil and products or to any damages as a result of these purchases.

the agreement could, if they so desired, acquire greater than proportionate shares of oil produced by IPC and its subsidiaries.

The first point was the most difficult from Gulbenkian's viewpoint. Since he is not directly engaged in oil production or marketing, he views his IPC interest as an investment, a principal source of revenue. He was fearful that the removal of the restrictive clauses would lead to his being manoeuvred out of his 5 per cent interest in IPC. However, negotiations were finally successful and the only restrictive covenant left concerns concessions terminated against the wishes of the company. In this case parties to the agreement are obligated for five years from the date of termination of a concession to seek its recovery for the interests of all parties. Other than this there is complete freedom regarding the right of the parties to acquire new concessions in the area or to acquire new interests in existing concessions as in the case of Socony and Jersey participation in Aramco.

The French were particularly concerned with the second point mentioned above. Under the new agreement the old arrangement of sharing oil on a proportionate basis will apply until 1952, a date selected because of the anticipated completion of IPC's thirty-inch pipe line in that year. Beginning in 1952 requests can be made for whatever quantity of oil a group company wants. This policy will lead to uneven takings since some companies will require more and others less than their proportionate share. Requirements are to be tabled five years ahead of time. However, requirements through 1957 are shown in a schedule attached to the agreement.

Under the foregoing procedure, under taking companies are required to sell to over takers at a so-called half way price, i.e., half way between IPC cost (taxable cost plus one shilling a ton) and market price. This procedure was adopted in recognition of the right of the under taking companies to compensation for capital invested and risk taken but at less than full returns since they were not faced with the costs and difficulties of marketing for which the over taker should be compensated.

If the tabled requirements are greater than total production the Managing Director will cut the requirements back proportionately.

Gulbenkian, not being in a position to take over "flexibility oil" (i.e., overtakings beyond basic proportions) since he was not in the oil marketing business, was given special treatment. In lieu of flexibility oil he will get for fifteen years 250,000 tons per year above his basic share. Thereafter he gets his basic share. His oil will be sold to the major groups at market price. His basic share will be obtained at IPC cost and his special flexibility oil will be acquired at the half way price. His 250,000 tons extra is supposed to become available beginning in 1952 but there is provision for postponement provided Gulbenkian still gets fifteen times 250,000 tons of oil prior to 1966. Another feature of interest to Gulbenkian involved the question of payment for his oil. Under the old agreement Gulbenkian was paid for his oil in pounds or in a currency of his choice. He sold to the major groups and when he requested dollars they were usually able to obtain them from their governments.

Under the new agreement Gulbenkian can sell other than to the majors if he so desires in the event they are unable to provide the currency of his choice. For 1949 he has been guaranteed dollars for all of his oil for which he may pay IPC in sterling. Thereafter Near East Development will pay him dollars for any purchases by NEDC. In addition, NDC [NEDC] has guaranteed his profits in dollars on the special flexibility oil for fifteen years.

Gulbenkian wanted the majors to buy his oil in perpetuity but he compromised on the fifteen year basis. After fifteen years there is no obligation on majors to take his oil and Gulbenkian will be obliged to market as best he can.

In the matter of requirements no group can table requirements in excess of five-sevenths of the two lower requirements or in excess of 25 per cent above its takings in the previous five years. Only when the total requirements are in excess of capacity will a company be unable to get what it wants, but there are provisions for expanding production provided the additional quantities needed can be economically produced and brought to market.

The agreement did not settle the question of French losses due to the war, which is still to be arbitrated or settled in court.

The agreement is exceedingly complex and in its final form an attempt will be made to simplify it. However, the agreement as it stands is a complete and binding contract which does not require the additional action contemplated.

Messrs. Harding and Harden offered to answer any inquiries which subsequent study of the agreement might suggest.

Editorial Note

Iraqi Prime Minister Muzahem Pachachi addressed the Chamber of Deputies on December 27, 1948, concerning the question of reopening the pipeline to Haifa. He noted that the Iraqi Government had rejected a request by the Iraq Petroleum Company to permit the pumping of oil to Haifa to supply neighboring countries including Lebanon and Transjordan. The IPC had then made a second request to permit pumping of oil to Haifa "for direct shipment to Europe, and suggested a plan whereby Iraqi observers could accurately control the flow of crude through the pipeline direct to the tankers for export. It stated its willingness to guarantee that not a drop of Iraqi oil would be diverted to the Zionists.

U.S. PETROLEUM POLICY IN THE NEAR EAST

"Subsequently representatives of three great powers having an interest in IPC and much concerned with the success of the Marshall Plan, requested the Government to give appropriate consideration to the company's appeal. The response of your Government was that it could never agree to a request which might be beneficial to Jews. Later, the Company submitted clarifications of its previous assurances which are now being examined by the Ministry of Economics. To date no decision has been taken, and none can be favorably decided upon until the Government is fully satisfied that the Zionists at Haifa, shall not derive any benefit whatsoever from Iraqi oil." (enclosure to despatch 367, December 29, from Baghdad, 890G.6363/12-2948)

890F.6363/12-2848

Memorandum of Conversation, by Mr. Richard H. Sanger of the Division of Near Eastern Affairs

SECRET

[WASHINGTON,] December 28, 1948.

Participants: Mr. T. Bromley, First Secretary, British Embassy Mr. Kitchen-GTI Mr. Moline-PED Mr. Sanger-NE

Mr. Bromley said that in a further telegram from London the Foreign Office again questioned the legality of the proposed plan to assist the littoral states of the Persian Gulf in establishing their offshore boundaries in that body of water. He said that no final decision on this question was likely to be reached by the British Government for three weeks but that since the American Government is also reconsidering its position he did not feel this delay would be too serious.

Like the US, the British Government was worried over the effect of proclamations defining boundaries of the Persian Gulf littoral states on Persia. London recognized that further delay might complicate the situation in view of the activity of various oil companies but the Foreign Office felt that such complications were less undesirable than the hasty pushing forward of plans that might lead to internal political trouble in Iran, trouble which might be exploited by the Russians.

London suggested that if the US and Great Britain felt it necessary at this time to approach the littoral states of the Persian Gulf, we make the following suggestions :---

1. We feel that, while the countries involved may, if they wish, talk with interested oil companies, it would be undesirable for the time being for any of these countries to commit themselves with any particular company or to extend their boundaries into the Persian Gulf.

2. At the same time, the oil companies involved should be told not to press the littoral governments for offshore concessions until it is known how their claims fit into the proposed new boundaries.

Although not desirable at this time, the US and British Governments do not object if the oil companies make conditional agreements regarding concessions with the Persian Gulf states provided these agreements are neither formalized nor proclaimed.

Mr. Bromley said that this wire from London had crossed the Embassy's telegram containing Ambassador Wiley's views on the Persian Gulf offshore oil problem. Mr. Bromley ended by saying that the Embassy would appreciate the reaction of the Department to this latest telegram from London.

Mr. Bromley was told that it seemed highly doubtful that any effective influence could be exercised on whether or not concessions would be sought or granted, that perhaps the most that could be accomplished would be to keep the agreements confidential. It was indicated, though not given as a final answer, that since the London proposals concerned only a three week period, they would seem acceptable particularly as offshore negotiations did not seem likely to reach final stages in that time.

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AFTERMATH OF THE "PENTAGON TALKS OF 1947" BE-TWEEN THE UNITED STATES AND THE UNITED KINGDOM CONCERNING THE MIDDLE EAST AND THE EASTERN MEDITERRANEAN ¹

890.50/1-248 ; Airgram

The Acting Secretary of State to the Embassy in the United Kingdom

SECRET

WASHINGTON, January 2, 1948.

A-1. For Lewis Jones.²

I. The Department's considered review of the Summary Memorandum on Social and Economic Affairs in the Middle East ³ has now been completed. Pursuant to the understanding that the Department's approval in principle of the Memorandum, orally communicated to the Embassy by the Department's airmail instruction No. 484 of December 5, 1947,⁴ was subject to certain possible amendments of detail, the following minor changes are desired. Please ascertain and report the Foreign Office's attitude toward these changes.

1. Substitute "encouragement" for "support" in Section III, paragraph (c) and twice in Section IV, paragraph (d). The term "support" is regarded in certain Divisions of the Department as implying too specific a commitment to extend financial assistance for projects as yet insufficiently specific to warrant such commitment. Such implication was of course neither intended nor desired and the term "encouragement" is therefore believed to be more accurate.

2. Change last five words of Section III, paragraph (e) regarding the Tariff and Trade Agreement to read "signed at Geneva on October 30, 1947". This makes the reference more specific.

3. Substitute "hard currency" for "American dollars" at the end of the first sentence in Section III, paragraph (f).

² Counselor of Embassy in the United Kingdom.

^a For text, see Foreign Relations, 1947, vol. v, p. 614. In an eight-page memorandum of January 21, Francis Boardman of the Division of Commercial Policy stated that the summary memorandum is basically "a reassurance to the British that the American Government desires to cooperate with them in matters pertaining to the economic and social development of the Middle East. The ITP divisions . . . feel that, despite discussion and revision, it does not reflect the conversations accurately; that its clearance was handled in such a way that the views of the economic divisions were neither presented to NEA as clearly as was desirable nor adequately considered by NEA or the British" (890.50/1-3048).

⁴ Not printed ; but see footnote 3, *ibid.*, p. 620.

¹ Previous documentation on these matters is presented in *Foreign Relations*, 1947, vol. v, pp. 485 ff.

4. Section IV, paragraph (j) add "pursuant to request" after "Egyptian universities".

5. Change "His Majesty's Government" to "The British Government" in Section IV, paragraph (h) for editorial uniformity.

6. Revise paragraph (a) Section IV to read "That a strengthening of the Economic Committee of the Arab League is desirable to enable it to function as an instrument of constructive collaboration. Any tendency by the League to foster restrictive, discriminatory or other undesirable economic or political objectives should be discouraged".

7. The substitution of "normal" for "established" has been suggested in the phrase "established channels of trade" in Section III, paragraph (f). This change has been proposed in the belief the term "established" implies an endeavor to maintain the *status quo* in an unduly rigid manner contrary to the spirit of the general clauses of the Memorandum in Section II. If the Foreign Office objects to this change we will not press it since the general clauses convey the guiding principles.

II. The proposed insertion of reference to certain Persian Gulf territories, reported in Point 9 of your telegram 6204 of November 26⁵ is accepted. The Foreign Office of course realize that the Department has no resident representatives in these territories, which are covered from other posts in the Middle East. The application of the principles of this Memorandum to the area is welcomed.

III. Department proposes to transmit the Summary Memorandum and the Memorandum of Events Leading up to the Conversations⁶ (with penultimate paragraph deleted as suggested in Point 3, your telegram 6204 of November 26,⁷) to the following posts under instructions as outlined below:

Embassy, Cairo with instructions to inform Consulate General, Alexandria and Consulate, Port Said.

⁵ Not printed ; paragraph numbered 9 read :

(841.6363/11-2647) ⁶ Latter entitled "Developments Leading up to Informal Meetings between British and United States Officials October 23 to 28, 1947 concerning the Baising of Living Standards in the Middle East" not printed. This undated memorandum closely paralleled and often quoted extensively the chronology of developments printed in *Foreign Relations*, 1947, vol. v, p. 505. It is filed with instruction 20, March 27, to Baghdad, p. 74.

⁷ Paragraph numbered 3 read :

"Re paper 'developments leading up to informal meetings between US and British officials', Wright thought might be helpful to US missions but suggested penultimate paragraph page three this paper was 'too gloomy' re British potentialities and describes what HMG hopes and believes temporary situation. Wright throught Department might wish consider revising this paragraph or its deletion." Michael R. Wright was Assistant Under-Secretary of State in the British Foreign Office.

[&]quot;Foreign Office suggests insertion following sentence at end paragraph four (c) summary memorandum: 'a similar recommendation is made regarding cooperation between US representatives on the one hand and authorities in British and British-administered territories and British political resident in Persian Gulf on the other hand'. Please telegraph whether Department approves this addition." (841.6363/11-2647)

Embassy, Baghdad with instructions to inform Consulate, Basra. Legation, Damascus.

Legation, Beirut.

Embassy, Tehran with instructions to inform Consulate, Tabriz. Legation, Jidda with instructions to inform Consulate, Dhahran. Legation, Addis Ababa.

Legation, Kabul.

Consulate General, Jerusalem.

Consulate. Aden.

The foregoing distribution parallels the proposed Foreign Office distribution outlined in the Embassy's telegram 6204 of November 26 and telegram 6520 of December 17,8 omitting Suez, the Sudan, Transjordan and Cyprus (as well as the Persian Gulf States as noted above) because of the absence of United States foreign service posts there.

IV. Following is the substance of the tentative draft for secret first person instructions to be sent to the Middle East posts as outlined above:

[Here follows text. Except for minor changes of language, it was the same as that sent to Middle East posts on March 27; see page 74.]

You will note that in general, the foregoing draft instruction is in harmony with the British draft set forth in your telegram 6520 of December 17 and follows it closely in various passages, and that in addition certain passages have been added to emphasize the importance of the general spirit and character of the views and purposes developed in the Memorandum and instruction. The draft instruction is distinctly tentative and such comment as you may wish to submit following discussion of it with Foreign Office officials will be welcomed. LOVETT

⁸ Not printed; it gave the "tentative draft British covering despatch to accompany economic principles". (740.00119 Council/12-1747)

890.50/3-1248: Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

SECRET

LONDON, March 12, 1948-7 p. m. 1031. Apologizing for Foreign Office delay Burrows head Eastern Department said today in connection with Department's A-1 January 2 regarding social and economic affairs in Middle East that Foreign Office accepts all Department's amendments to memorandum with exception changing second "support" in section 4d. Foreign Office believes that in connection with application to International Bank "support" rather than "encouragement" is intended.

429-027-75---6

2. Regarding distribution Burrows agrees with Department outline. He understands Department has no objection to Foreign Office sending memorandum to Sudan, Transjordan, Cyprus and other posts where there are no US missions.

3. Burrows has no suggestions regarding US draft covering instruction which he described as "admirable". He finds number Department's additions "helpful" and said that in one form or another these would be adopted by Foreign Office in preparing final draft British instruction. Burrows assumes that Department's instruction and Foreign Office instruction need not be identical in phraseology providing substance is same.

4. Burrows expects final clearance Foreign Office instruction and necessary typing can be completed by March 20 and said that any time after that date Foreign Office will be in a position to send out its instructions. However, before taking this action Burrows promised to await word from Department when its instruction would be ready. He thinks that while US and British instructions need not arrive simultaneously it would be preferable for them to reach a particular post "within a fortnight."

GALLMAN

890.50/3-1248 : Telegram

The Acting Secretary of State to the Embassy in the United Kingdom

SECRET

WASHINGTON, March 19, 1948-7 p. m.

993. FonOff response urtel 1031 social economic affairs ME appreciated. We plan transmit individual signed airmail instructions. Preparation these raises following points.

1. Recent ECOSOC action contemplating regional economic commission ME indicates desirability modifying item IV *b* Summary Memorandum. We suggest adding "if such organization is established the US and UK will endeavor to facilitate its functioning along most useful and practical lines" ¹ or alternatively eliminate item renumbering subsequent items. FonOff comment requested.

and practical lines of anerhadivery eminate term refumeting subsequent items. FonOff comment requested.
2. Agreed change "support" to "encouragement" only once Item IV d leaving second "support" unchanged.
3. No objection FonOff sending instruction its ME posts where no

3. No objection FonOff sending instruction its ME posts where no US representation. We will add new US posts e.g. consulate Cyprus now being established.

¹London, in reply on March 23, stated that the Foreign Office accepted the Department's additional sentence. It also conveyed the Foreign Office's query whether the Department would accept rephrasing of Part IV, paragraph o, of the summary memorandum to read: "It would be desirable that the Levant States and France should reach a friendly and reasonable solution of their financial differences. The US and British Govts should take any steps they feel possible to bring this about although it is recognized that it may be politically difficult for them to intervene." (telegram 1177, 890.50/3-2348)

The Department accepted this wording on March 31 (telegram 1115 to London, 890.50/3-2348).

AFTERMATH OF THE "PENTAGON TALKS OF 1947"

4. Agreed identical wording Dept and FonOff instructions unnecessary provided substance each is same. No substantive change contemplated our draft as quoted Dept A-1 Jan 2. Reference to memo "developments leading up to" (with penultimate paragraph deleted) inadvertently omitted will be added first paragraph. Will advise you any other changes and airmail final text instruction and enclosures.

5. We concur desirability Dept instructions arrive at posts within fortnight or so parallel FonOff instructions and will have ours ready airmailing before end March. Meanwhile we would appreciate final text substance FonOff instructions before mailing ours.

For ur info and guidance in further discussions FonOff reference item 5 above. Difficulties experienced with Brit in ITO negotiations Geneva and Habana² have resulted some misgivings here as to identity and harmony US-UK views. Believe such misgivings most easily removed by our seeing text FonOff instructions prior mailing our own to field and by obtaining if possible inclusion or rewording certain passages FonOff instructions along lines more close to ours. Particular importance this connection are eighth and ninth paragraphs our draft quoted Dept A-1 "for your guidance" and "the essential significance".

To illustrate more specifically and for such tactful use you can make following suggestions relate to FonOff draft quoted urtel 6520 Dec 17, 1947:

a) Following substitute text for paragraph two³ would harmonize with our draft "While this summary memorandum cannot, of course, be considered as a formal or comprehensive statement of economic, financial, political or social policy, it reflects the state of mind of officials in the two governments on a wide range of problems falling within these broad fields. I am informed that the American Government holds a similar attitude with respect to the memorandum in relation to its policy and objectives in the Middle East".

b) In second and third sentences, paragraph three suggest substitution "views and objectives" for "principles and recommendations" and substitution "in the memorandum or in some subsequent revision of it" for "in them" at end of paragraph.

c) Suggest revising first sentence paragraph five to read "contents this memorandum should be made known only to those members of your staff who will be directly concerned with its contents".⁴

² Documentation on these negotiations is scheduled for publication in volume I, part 2.

³ Telegram 6520 not printed; paragraph 2 stated that the British Government had endorsed the principles and recommendations set forth in the summary memorandum (740.00119 Council/12-1747).

⁴London, in telegram 1177, foresaw no difficulties with the current British draft instruction, noting that "95 percent [of it was] Dept's language". It also noted the Foreign Office view that the document had been weakened by substituting the words "reflects state of mind of officials of the two governments" for the word "approval" and by substituting "views and objectives" for "principles and recommendations". The Foreign Office also viewed paragraph c in telegram 993 as a further weakening departure.

London, on March 23, transmitted to the Department the British version of the summary memorandum, as of March 22, in despatch 745 (890.50/3-2348). The following day, it transmitted the text of the British covering instruction in airgram 731 (890.00/3-2448).

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You will note these suggestions make no material alteration in substance. They will however considerably augment general satisfaction here. Pls telegraph results your further action this connection. Meanwhile we are proceeding final preparation our instructions.

THORP 5

⁵ Assistant Secretary of State for Economic Affairs.

890.50/3-2748

The Secretary of State to the Ambassador in Iraq (Wadsworth)1

SECRET

WASHINGTON, March 27, 1948.

No. 20

SIR: There is enclosed a Summary Memorandum of Informal Conversations held in Washington in October 1947 between Mr. Greenhill of the British Foreign Office and Officers of the Department of State, concerning Social and Economic Affairs in the Middle East, and a Memorandum outlining the developments which led up to these conversations.²

The contents of the Summary Memorandum have received the Department's approval and the Department has been informed through the Embassy at London that His Majesty's Government in the United Kingdom have likewise endorsed the principles and recommendations embodied in the Memorandum. Accordingly this Memorandum is to be considered by the United States Missions and Consulates in the Middle East as indicating the current views and objectives of the United States with respect to the social and economic affairs in the Middle East discussed therein. It is intended to serve as general guidance for the official representatives of this Government in that area in the conduct of relations with Middle East countries with reference to matters lying within the general scope of the Memorandum.

Your attention is particularly called to the close harmony and identity of views and objectives on the part of the Government of Great Britain and of the United States as revealed by this Memorandum. In this sense the Memorandum constitutes a sequel to the corresponding conversations held in London in April 1944 between Mr. Wallace Murray of the Department of State and officials of the Foreign Office with reference to Anglo-American interests in the Middle

¹Similar instructions were sent the same day to Middle East posts, as proposed in Section III of airgram 1, January 2, to London, p. 69, except that Jerusalem was to bring the summary memorandum to the knowledge of the Consulate at Haifa.

² Regarding these memoranda, see footnotes 3 and 6, pp. 69 and 70.

East.³ Pursuant to those conversations, parallel instructions were sent by the Department and the Foreign Office to United States and British Missions in the Middle East⁴ calling for the conduct of Anglo-American relations throughout the area in a spirit of cooperation based upon mutual frankness and goodwill.

The Department of State and the British Foreign Office desire that the close harmony and extensive measure of identity between British and American views revealed in the conversations held in Washington in October, as indicated in the enclosed Summary Memorandum, serve as effectively as possible as a guide to the conduct of Anglo-American relations in the Middle East, and particularly to promote the maintenance and development of harmony and collaboration between the official British and United States representatives in the area in line with the harmony of views and objectives evidenced in the conversations in London in May [April] 1944 and again in the conversations in Washington in October 1947.

Accordingly, I desire that you give careful study to the enclosed Memorandum and review it point by point with your British colleague, who will be receiving a copy of the Memorandum with corresponding instructions from the Foreign Office at about the same time. You should seek to reach early agreement with your British colleague as to the manner in which the principles and recommendations outlined in the Memorandum should be applied in your area. You should inform the Department if any of these principles or recommendations seem inapplicable in the peculiar circumstances at your post, and of any additional points which you consider should be incorporated in line with the general spirit of frank interchange of views and harmonious cooperation evidenced by the Memorandum as a whole.⁵

In as much as a joint review of this nature with your British colleague may be regarded as a continuation of comparable discussions requested by the instruction of May 1944, referred to in the third paragraph of this Instruction, some of the points covered by the enclosed Memorandum may already have been covered in Anglo-American discussions at your post. If so, you will doubtless find it useful to examine what practical results were derived from your earlier discussions, to what extent the discussions you are now to have can be based on this earlier foundation, and to what extent they will break

⁸ For documentation on the conversations between Mr. Murray, then Director of the Office of Near Eastern and African Affairs, and the British, see Foreign Relations, 1944, vol. III, p. 3 and pp. 28 ff.; and *ibid.*, vol. v, pp. 6, 7. ⁴ Concerning the Department's instruction, see telegram 1167, May 17, 1944,

to Cairo, *ibid.*, 1944, vol. v, p. 6. ⁵ The Department received reports from various posts in the Middle East on the question of Anglo-American cooperation in improving social and economic conditions in that area. They are generally filed under 890.50.

new ground. The Department will be particularly interested in receiving a report on these matters from you in due course.

For your guidance in discussions with your British colleague and in connection with all other action you may have occasion to take with reference to which the contents of the enclosed Memorandum and of this instruction may have some bearing. I wish to emphasize that the essential significance of the Memorandum relates to the general principles and spirit which characterize it rather than to specific details. The memorandum is not a formal and final declaration of specific United States policy, and does not cover inclusively all matters of interest to the United States with reference to social and economic affairs in the Middle East. It is not to be taken as indicating any intention to impose a concerted or collusive Anglo-American program or policies in the area. It does not imply any intention whatsoever to recognize British or American or British-American spheres of economic influence in the area as a whole or in any part of the area, nor to exclude or undermine the legitimate and constructive influence of other like-minded nations. There is no desire to develop or promote restrictive, exclusive or discriminatory policies or lines of action, for, as is clearly brought out in the Memorandum itself, the views interchanged implied no departure from the liberal principles of international economic relations formulated in the draft Charter for an International Trade Organization and the General Agreement on Tariff and Trade signed in Geneva on October 30, 1947.

The essential significance of the Memorandum lies in its recognition of the harmony and identity of British and American interest in the raising of social and economic standards of the peoples of the Middle East, as an effective contribution to human welfare and as the most useful and desirable means of promoting the purposes and interests of the United States and Great Britain through the advancement of sound and stable social, economic and political conditions in the area.

The primary objective of the Memorandum and purpose of this instruction is to encourage and promote, among all United States representatives in the Middle East as well as in Washington and London who are concerned with social and economic affairs in the Middle East, the general state of mind most conducive to harmonious and constructive collaboration with their British colleagues toward the progressive achievement of the broad ends envisaged, as outlined in the Memorandum and in the foregoing remarks.

The contents of this secret Memorandum should be made known only to those members of your staff who are actually involved in carrying out the recommendations which it contains. You should however insure that all appropriate members of your staff are made fully aware

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of and are guided by the general spirit underlying it. I consider that the manner in which this subject is brought to the knowledge of consular officials in the outlying post within your area, namely Consulate at Basra, may best be left to your discretion. Your procedure in this regard might well be discussed with your British colleague following receipt by him of corresponding instructions. Extra copies of the enclosed Memorandum and of the instruction are included for your use in communicating to the above mentioned consular post in your area.

Very truly yours. For the Secretary of State: WILLARD L. THORP

890G.6113/3-2948

The Secretary of State to the Ambassador in Iraq (Wadsworth)

CONFIDENTIAL No. 17

WASHINGTON, March 29, 1948.

SIR: The Department has considered with care your report and recommendations concerning a proposed program for irrigation and other economic development projects in Iraq, as outlined in your memorandum of November 13, 1947 addressed to the Director of the Office of Near Eastern and African Affairs. For your convenience there is attached a copy of this memorandum, and of the letter of November 7, 1947, addressed to the Foreign Minister of Iraq by the Vice President of the International Bank for Reconstruction and Development,¹ referred to under Point 13 of your memorandum.

Particular note has been taken of your report that in several important conversations which you had in Baghdad with the Iraqi Prime Minister prior to your return to the United States last September, you were informed of the Iragi Government's desire for broad collaboration with the British and American Governments in the formulation of a comprehensive and integrated overall plan for development in Iraq and for its earliest possible realization. In subsequent discussions in Washington participated in by important officials of the Iraqi Government as well as by yourself, including a meeting with the President and Vice President of the International Bank, the establishment of an Iraq Development Planning Board, with appropriate participation by British, American and International Bank experts was envisaged as the appropriate vehicle through which such collaboration might be afforded. It is noted in this connection that, as stated in the letter of November 7 by the Vice President of the International Bank, while the Bank could not consistently with its policy

¹ Neither printed.

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permit a member of its staff to serve actively on such a Board, "thereby becoming a party to the decisions of a body which would subsequently approach the Bank with a request for finance", the Bank would be prepared, at its expense "from time to time to make available one or more members" of the Bank's staff "for consultation at the board's headquarters or at such other places as may be mutually agreeable".

The question raised by your report and recommendations in these circumstances relates therefore to the readiness of the Government of the United States to participate at the request of the Government of Iraq and in collaboration with the Government of the United Kingdom, in aiding in the formulation and realization of an overall economic development program for Iraq through representation by American experts on the proposed Iraq Development Planning Board. In this connection it may be observed, as noted in your memorandum of November 13, that the British Government's interest in economic development in Iraq and a favorable inclination toward Anglo-American cooperation in reference thereto, has been expressed more than once, notably in a memorandum which the British Foreign Minister transmitted to the Secretary of State on March 20, 1947.²

With a view to the formulation of an appropriate instruction to you based on a broad consideration of the subject, the Department has consulted other interested agencies of this Government through the Cabinet Food Committee. On the basis of this consultation the Department is now able to advise you as follows:

1. The Government of the United States views with sympathetic interest and approval the desire of the Government of Iraq to formulate, and proceed to the realization of, an overall plan for economic development centered upon irrigation and other agricultural projects in the area of the Tigris and Euphrates Rivers, designed to expand food production, control floods, and in other ways contribute to improvement in the standard of living of the people of Iraq.

2. This Government would accordingly be prepared to give favorable consideration, at the Iraq Government's request, to such measures of assistance for this purpose as may be practicable and appropriate. Specifically, it would be willing to consider the nomination of an American expert or experts, subject to such expert or experts being available, for service with an Iraq Development Planning Board as proposed. More precise determination of the American participation of this nature which would be found practicable and appropriate would of course have to await a specific request from the Iraq Government. It is assumed in this connection that timely consideration will also be given to enlisting, in appropriate circumstances, the assistance or advice of suitable international organizations such as the Food and Agriculture Organization.

3. It would be understood that the nomination of such American expert or experts could not imply approval in advance by this Govern-

² Foreign Relations, 1947, vol. v, p. 503 and footnote 33.

AFTERMATH OF THE "PENTAGON TALKS OF 1947'

ment of whatever plans and program the proposed Iraq Development Planning Board might evolve. Such approval by this Government as might prove requisite for the support by it of any Iraq loan application to the International Bank would necessarily depend upon study and approval by the United States of technical and financial details of such final plans as may be presented.

It is the Department's desire that you should, in such manner and on such occasion as you find appropriate, express to the Iraqi authorities the views of this Government as above outlined in continuation of the conversations you have had with Iraqi officials in Baghdad and Washington. In view however of the interest already expressed to this Government by the British Government in this general subject, in view further of the Iraq Government's desire for Anglo-American collaboration with it in the formulation of its development program, and in view of this Government's general policy of maintaining the maximum harmony of action and fullest interchange of views with the British Government in connection with Middle Eastern affairs, the Department considers it important that there should be a further exchange of views with the British Government prior to your communicating this Government's views to the Iraq authorities.

Accordingly a copy of this instruction, together with its enclosures, is being communicated to the American Ambassador in London, with the request that he discuss the subject further with the appropriate authorities of the British Government and explore with them the desirability of similar and synchronized action on their part. It is anticipated that the British Government will welcome such procedure and instruct its representative in Iraq accordingly.³

London, on May 26, transmitted to the Department, British Foreign Office note E 4512/153/93 of May 16 to the American Embassy. The note deemed it "useless" to press the "care-taker" Government of Iraq to undertake development plans and considered that "The present crisis of affairs in Palestine would also render such action untimely." The Foreign Office, however, welcomed joint United States-United Kingdom action to press the Iraqi Government to resume activity concerning development plans when a new and more stable government would be formed (despatch 1228, 890G.6113/5–2648).

⁸ The Department, on March 29, transmitted a copy of instruction 17 and its enclosures to Ambassador Douglas in instruction 121, noting that:

[&]quot;The particular action envisaged in the attached instruction to Baghdad was informally discussed with that official (Mr. Greenhill), and it was then thought desirable that the action proposed should await the completion of the so-called Haigh survey of Iraq irrigation possibilities outlined in the attachment to Mr. Bevin's memorandum (of March 20, 1947) above-mentioned. "In view, however, of the return of Ambassador Wadsworth to his post in

[&]quot;In view, however, of the return of Ambassador Wadsworth to his post in Baghdad, it is felt that authorization to him to make appropriate response should not be further delayed. It is believed, in the light of the earlier discussions abovereferred to that the Foreign Office will welcome the opportunity for harmonious and synchronized British and American action in the circumstances. Accordingly, it is requested that the subject be discussed with the appropriate officials of the Foreign Office. By this means, it is desired to afford the Foreign Office opportunity to cause such instructions as may be deemed desirable, to be sent to the British representative in Baghdad with a view to discussion of the subject with Mr. Wadsworth and the taking of such synchronized action as may be found useful and appropriate." (890G.6113/3-2948)

You should therefore prior to communicating to the Iraq Government the sense of this instruction, consult fully with your British colleague with a view to synchronizing your action with such harmonious action as he may be instructed to take. Should question or difficulty arise as to such synchronization or harmony of action you should communicate with the Department prior to taking the action authorized by this instruction. The Department will communicate to you such further instructions as may be necessary when a report is received from London in response to its parallel instruction to the American Ambassador in that city, a copy of which is enclosed for your information.

Very truly yours,

For the Secretary of State: WILLARD L. THORP

INFORMATION POLICY OF THE UNITED STATES CON-CERNING THE ARAB STATES; THE QUESTION OF COOPERATION IN THIS FIELD WITH THE UNITED KINGDOM¹

BREDIEGT NORAL (REF.

811.20200(D)/8-2448

The Secretary of State to the Embassy in the United Kingdom

SECRET

WASHINGTON, August 24, 1948.

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No. 352

The Secretary of State refers to the Department's information and educational exchange program, and in response to inquiries received from various missions concerned, has prepared the enclosed policy statement² to serve as a guide to the Department's information activities within certain countries of the Near East.

The Department has been informally advised that the British Foreign Office has issued a guidance on the question of cooperation with United States field representatives in an anti-Communist publicity program, and that this guidance has been sent to all British missions concerned. The Department understands that the guidance states that as a result of the various discussions that have taken place it has been agreed that there should be a degree of cooperation in this matter. It indicates that there has been an agreement to exchange information and ideas where desirable without any obligation on either side except when consultation has resulted in agreement on a particular course of action.

The Department perceives no objection to the exchange of views with corresponding British officers relative to our general policy in this area inasmuch as it is to the Department's advantage to receive corresponding information concerning British plans and policy there. It would however not be to the advantage of the government of the United States to enter into any arrangement which gave the appearance of joint action or that our activities were in any way inspired by joint policy or a unified approach. The Department therefore desires that complete independence of action and operation be retained by responsible officers abroad in charge of our information and educa-

^s Infra.

¹ For previous documentation on the coordination of informational and cultural activities by the United States and the United Kingdom, see *Foreign Relations*, 1947, vol. v, p. 612.

tional exchange programs, while using the amicable exchange of views to the greatest advantage.

During his period of training in the Department, Mr. Mallory Browne³ was apprised of the above-mentioned action on the part of the British Foreign Office in issuing instructions to all British missions concerned for cooperation with the United States field representatives in an anti-Communist publicity program. Mr. Browne discussed informally this subject with officers in the Department.

The Officer in Charge is requested to make appropriate comments and suggestions relative to this instruction as well as on the enclosed policy statement.

[Enclosure]

INFORMATION POLICY FOR ARAB STATES

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It is probably not an exaggeration to say the US information program in the Arab States is faced with problems of unprecedented delicacy. In the space of a few short years the United States has fallen from a position of unequalled esteem, respect and honor in the attitudes of the peoples of the Arab world to one of embittered distrust and animosity.

The outstanding achievements of American philanthropy over a period of nearly a century plus a somewhat long-range admiration of America's accomplishments in peace and war were responsible for the former and the US foreign policy vis-à-vis the Palestine problem ⁴ is entirely chargeable for the latter.

As of the moment we must recognize that the Arab countries of the Near East are convinced that America alone is primarily responsible for the success which has attended the establishment of the *de facto* State of Israel in what is regarded as Arab territory. The part which other great powers have had in the past or present in bringing about that which is inimical to their interests has largely been forgotten in the wave of anger directed at the United States for her part in bringing about the present situation. Despite the role which the United Nations has played in the matter, even this international body has not taken very much of the curse off of the United States leadership and backing.

The problem therefore which is posed is: In view of this extremely unfavorable position of US prestige, what policy is to be pursued in

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⁸ During his period of training, Mr. Browne was Public Affairs Officer at the Embassy in the United Kingdom.

⁴Documentation on this subject is scheduled for publication in part 2 of this volume.

informational output content in all media and further what general principles may be established at this juncture as general guides to our information activities and programs as a whole in the Arab states?

The sole remaining American associations which are regarded with any degree of tolerance and esteem are the American institutions engaged in educational pursuits and philanthropy and, secondly, American oil interests, chiefly because of the material benefit derived and the personal attitudes of Americans engaged in the business locally. There is a wide-spread tendency in the Arab world to divorce American foreign policy and its baneful aspects from individual Americans and American institutions within the Arab countries.

U.S. INFORMATION OBJECTIVES IN THE ARAB STATES

1. To present the factual record of U.S. policy and actions continuously.

2. To make clear that the U.S. and its people have a real and continuing interest in the social, economic and political development of the Arab states and their peoples.

3. To show that U.S. policies and aims are fundamentally compatible with the preservation of the sovereignty and independence of the Arab states and that realization of the national objectives of the U.S. are basically in accord with the national aspirations of the Arab states and their peoples.

4. To make clear that the objectives of the USSR and its satellite states as shown by their actions are inimical to the national aspirations and interests of the Arab states and their peoples.

5. To retain and expand wherever possible the existing good-will and friendly feelings of the people of the Arab states toward individual Americans and toward private American activities and enterprises.

GUIDANCE FOR THE SELECTION AND PREPARATION OF INFORMATION MATERIALS

1. We should treat American policy statements and actions factually. With respect to those policies and actions which may be antagonistic to the Arab states and their peoples, reporting should be brief, but sufficient to keep the record straight.

2. We should use information materials concerning activities and events in the U.S. which demonstrate that the American people have a real interest in the culture, social, economic and political advancement of the Arab states and the Near and Middle East in general.

3. We should refrain from comment or reporting, except with special guidance, on the activities of private American institutions and enterprises in the Arab states in order to preserve the concept that Americans and their private activities are not agents of their government, but do represent America as distinct from official American policy. The purpose of this caution is to retain existing good-will toward American institutions and enterprises in the face of general antagonism toward American policy.

4. We should cover fully and continuously those activities of the USSR, satellite states and Communist organizations which demonstrate that herein lies the real threat to the independence and national aspirations of the Arab states.

5. We should constantly make clear that the U.S. is supporting the independence and development of the small states in the Mediterranean and Middle East areas. We should refrain from depicting the USSR as a colossus with which smaller, nearby states must come to terms to avoid obliteration.

6. We should use copiously Americana feature material through all media which depicts America as progressive in the arts, sciences and culture and possessing those things, which, if made available to countries requiring our assistance, will result in their economic and scientific advancement and thus contribute to the security of their independence.

7. We should use, whenever possible, any material relating to the operations of ECA which demonstrates that ECA is a world recovery program and which shows concrete benefits to the Arab states derived from ECA operations.

CULTURAL AND EDUCATIONAL EXCHANGE ACTIVITIES

This statement of policy is largely concerned with information activities. The large comparable program of cultural relations and the activities under the educational exchange program have not been dealt with in detail, but will of course be the subject of subsequent study and statements. In view of the troubled political conditions making an overt information program at times difficult to execute, the Department will endeavor to place greater emphasis on cultural relations and the educational exchange activities both in Government programs and those under the auspices of private agencies operating in the Arab states.

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INTEREST OF THE UNITED STATES IN THE REVISION OF THE ANGLO-EGYPTIAN TREATY OF AUGUST 26, 1936, AND THE FUTURE STATUS OF THE SUDAN;¹ THE SOVIET-EGYPTIAN BARTER AGREEMENT

Editorial Note

Egyptian Prime Minister Nokrashy, in a statement before the Chamber of Deputies on January 7, announced that his Government was determined to pursue a policy for the immediate and unconditional evacuation of British troops from Egypt. He also called for the unity of the Nile Valley, denouncing the maintenance of the present regime in the Sudan (airgram 19, January 12, from Cairo, 741.83/ 1-1248).

British Ambassador Sir Ronald Ian Campbell, after discussions at London, returned to Cairo late in January. His instructions were to suggest informal talks between British and Egyptian military officials, to be held in Great Britain and in Egypt. The British expectation was "to thus create informal joint defence board which can begin to function before or without any formal establishment. General strategy is to shift Anglo-Egyptian conversations to technical and strategic problems as opposed to political problems leaving latter to cool off." (Telegram 275, January 23, 7 p. m., from London, 741.83/1-2348)

London advised, on March 18, that "To some degree British idea separating military problems from conversations regarding Sudan was successful for a time. British Embassy Cairo conducted some fairly hopeful conversations on military topics . . . with King, Nokrashy and other important Egyptians and point was reached when Egyptian Government was about to propose visit to UK by Haider Pasha, Minister of Defence. However, when recent storm blew up over draft constitutional ordinance for Sudan, Nokrashy, 'always rigid and unforthcoming' saw to it that military talks were put in abeyance." (Telegram 1127, 741.83/3-1848)

A spokesman for the British Foreign Office on October 19 stated that Egyptian Foreign Minister Khashaba called on Secretary of State for Foreign Affairs Bevin at Paris during the meeting of the United Nations in that city. The Egyptian expounded the view that the British could safely withdraw their forces from Egypt and rely on bases in the Sudan, Transjordan and Cyrenaica. Mr. Bevin stated that it was essential for the United Kingdom to have a headquarters

¹ For previous documentation on these subjects, see *Foreign Relations*, 1947, vol. v, pp. 760 ff.

and a base in Egypt during peacetime so that they would be ready for use when war came. He regarded the defense of Egypt as a joint Anglo-Egyptian problem and queried whether the two countries might arrange technical defense talks on such matters as increased training of Egyptians in the United Kingdom, the supplying of arms by the United Kingdom and the conversion of British headquarters in Egypt into Anglo-Egyptian headquarters. If such talks were successful, the Treaty of 1936 might become redundant. Egyptian Ambassador Amr returned to Cairo thereafter for consultations (telegram 4556, October 20, 1 p. m., from London, 741.83/10-2048).

London, on November 27, advised that Ambassador Amr had reported success "in selling" Mr. Bevin's idea of defense cooperation to the King (telegram 5023, 741.83/11–2748). Then, on December 14, the Foreign Office spokesman informed London that the Ambassador had returned to London but had not attempted to see Mr. Bevin. The spokesman deduced that a "hitch" had developed (airgram 2336, December 15, from London, 741.83/12–1548). This development seemed to be confirmed when Cairo reported, on December 14, that Prime Minister Nokrashy had made a "strong statement to the Senate that his Government's attitude on the Sudan remained unchanged, and after reaffirming that his Government would not start negotiations with Great Britain unless such negotiations would assure the achievement of Egypt's demands, received a vote of confidence of 33 to 20". (Airgram 991, 848Z.00/12–1448)

The Department of State, during 1948, received a large volume of reporting from London and Cairo on various aspects of the revision of the Anglo-Egyptian Treaty and of the future status of the Sudan but apparently refrained from any expression of opinion on these issues.

Egypt and the Soviet Union signed a barter agreement on March 3, calling for the exchange of 38,000 metric tons of long staple cotton for 216,000 tons of wheat and 19,000 tons of corn cereals. A protocol, signed simultaneously with the agreement, granted both parties mostfavored-nation treatment in trade relations with the exceptions of countries adjacent to the Soviet Union and of the Arab countries (telegram 228, March 4, from Cairo). The Department's reply of March 22 stated in part that "the question of trade preferences has received considerable attention at the United Nations Conference on Trade and Employment now in session at Habana. . . . While the provisions relating to preferences in the proposed Charter for an International Trade Organization have been modified to some extent, they would not countenance such blanket exceptions to most-favorednation treatment as are apparently permitted in the protocol under reference." (airgram 83). These and related papers are filed under 661.8331.

GREECE

[Documentation on United States economic and military aid to Greece under the Truman Doctrine is printed in volume IV.]

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IRAN

CONCERN OF THE UNITED STATES WITH THE HOSTILE ATTITUDE OF THE SOVIET UNION TOWARDS IRAN; POLITICAL SUPPORT OF IRAN BY THE UNITED STATES; THE QUESTION OF UNITED STATES MILI-TARY AND ECONOMIC AID TO IRAN¹

891.24/12-947 : Telegram

The Acting Secretary of State to the Embassy in Iran

TOP SECRET

WASHINGTON, January 3, 1948-1 p.m.

5. Arms purchase discussions Washington (Deptel 776, Dec 13^2) and communications Tehran (urtel 1213, Dec 9^3) point up question of possible direct US aid to Iran (ur letter to Henderson Nov 18^4 and Deptel 740, Nov 22^5), in context over-all Iran-US relations visà-vis Soviet Union (Deptel 434, July 29⁶). Since provision arms is only one aspect total problem, we consider it advisable analyze whole picture with view to determining how best we can serve essential US interests in Iran. Following represents Dept thinking at this time:

1. Security of Iran is substantially as important to US as is security Greece and Turkey. Question to be solved is how best to assure Iran's independence, stability, and friendship, recognizing remoteness of Iran and inherent weaknesses Iranian Govt.

2. Basic considerations re Soviet threat to Iranian security stated Deptel 434 July 29 are, in our opinion, still generally valid. We recognize that Soviet "hostile action" note to Iranian Govt Nov 20⁷ may represent effort lay basis anticipated action against central Govt. It is still felt, however, that Soviet military and political disposition vis-à-vis Iran, in light of over-all US-USSR relations (urtel 1092, Nov 11⁸) makes overt aggression improbable in near future.

3. US military assistance should continue be aimed at internal security, not national defense, of Iran. (MA-R539, Dec 10) Power relations Iran and USSR cannot be altered appreciably by provision US

¹ For previous documentation of these subjects, see *Foreign Relations*, 1947, vol. v, pp. 890 ff.

² Not printed ; but see footnote 1, *ibid.*, p. 993.

⁸ Ibid., p. 993.

⁴ Letter, presumably from Ambassador George V. Allen, not found in Department of State files. Loy W. Henderson was Director of the Office of Near Eastern and African Affairs.

⁵ Foreign Relations, 1947, vol. v, p. 984.

⁶ Ibid., p. 924.

⁷ Ibid., p. 981.

⁸ Not printed; but see footnote 2, *ibid.*, p. 977.

military supplies. Iranian arms program intended (1) replace lost or obsolete equipment Iranian Army to permit effective display central Govt power, patrol border areas and insure quick repression of foreign-inspired uprisings, and (2) increase effectiveness Gendarmerie in maintaining law and order throughout country. We inclined think provision of arms for first-line defense would be fruitless and provocative to USSR.

4. In view non-availability substantial quantities supplies from surplus (Deptel 776, Dec 13) it is virtually certain special assistance by US Govt to Iran on any large scale could be provided only by act of Congress. Indicated attitude of Congressmen who have devoted attention to Iranian situation gives some hope that Congress might be favorably disposed. However, only convincing ground we can see for requesting legislation would be to support Iranian independence in face of Soviet threat. Iran would have to make strong appeal and Dept would have to speak out frankly and publicly. Result would be to place Iran definitely in same category as Greece and Turkey⁹ in minds of Russians and world public.

We believe this would be displeasing to many Iranians who are anxious avoid open break with USSR. Apart from this consideration, such open alignment of Iran in opposition to Soviet Union might deprive Iran Govt of opportunities for diplomatic maneuver, delaying tactics, conciliatory gestures, and the like which it has employed with considerable success in past. US might assume very serious responsibility if it encouraged Iran to burn its bridges in this fashion in view of fact we could not guarantee to protect it in event of Soviet attack.

5. We believe US should be especially careful avoid any appearance of forcing loan or gift on Iran both because of adverse effect such appearance would have on Iranians, who are perhaps justifiably hesitant obligate themselves financially to foreign Govts, and because of plausibility it would lend to Soviet-inspired charges of American dollar imperialism. Consequently, it seems to us that any initiative in discussion of special assistance to Iran from US should always be left to Iran Govt and we should make no move this regard without specific and formal request. It should also always be kept in mind that even if request were made and favorably considered by Dept, political situation in US might make action impracticable. Limitations imposed by financial and economic demands of US interim aid and ERP should be recognized.

6. Dept hopeful transportation charges for surplus purchases will be reduced by possible provision ships to Iran following strong Dept appeal favorable reconsideration Iranian application by Maritime Commission. Financial strain arms purchase upon Iranian dollar resources might be alleviated to some extent by Iran purchase available items or substitutes from British.

7. Important US contribution to Iranian security forces can be made, we think, by Iranian acceptance advice Grow ¹⁰ and Schwarz-

^o For documentation on American aid to Greece and Turkey (the Truman Doctrine), see vol. IV, pp. 1 ff.

¹⁰ Brig. Gen. Robert W. Grow, Chief of the American Military Mission with the Iranian Army.

kopf¹¹ re organization, administration, and personnel. On our part, we will press strongly for Congressional passage Military Missions Bill permitting continuance missions beyond national emergency.

8. We continue feel that US objectives in Iran can be best achieved by economic development to strengthen social structure and popular loyalty to central Govt. World Bank currently giving favorable preliminary study Iranian intention apply for loan. We reiterate we are prepared support reasonable request for loan. Should such loan materialize, we will give every possible assistance in obtaining material and personnel for Iran, even in present short-supply situation. Iran should be prepared permit considerable Bank supervision loan expenditure for broadest, most economical benefits to country.

9. There is considerable opinion here supporting earlier Emb view that by modification of currency reserve requirements plus modest World Bank loan, Iran could obtain all foreign exchange it could effectively utilize for economic purposes during next two or three years. Would like your present views on this.

10. Implementation Fulbright Bill, passage Mundt Act, and availability Imbrie funds should contribute to furtherance US objectives Iran. Voice of America expected to reach Iran soon in Persian and Turkish languages.

Foregoing represents only tentative thinking subject modification in light any additional info you may be able to furnish or additional considerations you may suggest. Our attitude will of course also be affected by course of developments in Iran and in relations between Iran and USSR.

This message cleared with Army who will advise Grow concerning current thinking Iran's strategical importance upon his return.

Sent Tehran 5 repeated London 16 Moscow 9.12

LOVETT

¹¹ Brig. Gen. H. Norman Schwarzkopf, Chief of the American Military Mission with the Iranian Gendarmerie.

¹² Moscow, on January 8, expressed its agreement with the Department's analysis. It concluded that "While Kremlin may be expected fully exploit opportunities gratuitously presented in Palestine [and] of any weakness on our part in Greece, Iran or other parts Near East, current Soviet emphasis appears to have by-passed this area for Asiatic East.

by-passed this area for Asiatic East. "By way specific comment reference telegram, while in long-range terms security of Iran may be as important to US as that of Greece or Turkey (paragraph one) we believe Kremlin would assign first priority to either of latter, circumstances being equal." (telegram 38, 891.00/1-848)

891.002/1-548: Telegram

The Ambassador in Iran (Allen) to the Secretary of State

SECRET

TEHRAN, January 5, 1948-2 p. m.

10. In my first official call on Prime Minister Hakimi today I reviewed background of military credit, emphasizing that while we did not press our military supplies on anyone, I felt I should press Iran Government for early decision on question. Hakimi declared himself in favor of ratification of credit and said he would press matter to Majlis following receipt of vote of confidence.¹

I also referred to recent opposition expressed by certain Iranians (Embtel 2, January 2²) to American Military Mission in Iran, emphasizing that we were anxious to assist Iran whenever possible and that we maintained our missions here, despite urgent need for American military personnel elsewhere, only as result of Iran Government's request and in desire to help develop Iran's security forces. I said that at any moment Iran Government desired termination of these missions, they would leave promptly. I said I felt I should say, to be entirely frank, that Iranian request for withdrawal of American missions would be interpreted by American public as lack of interest by Iran in American assistance, adding that I did not mention this factor in order to urge retention of advisors but merely to state a fact. Høkimi interrupted my statement several times to assure me that he strongly desired retention of American advisors and said Iran could turn nowhere else for disinterested expert assistance.

At end of conversation Hakimi asked my views regarding American-Soviet relations as they might affect Iran. I said that while I could not pretend that there had been any improvement in our relations with USSR, I personally thought situation was better now than before London Conference since Iranians and everyone else at least knew the exact position. Hakimi expressed view that only way to deal with Soviets was to show strongest possible resistance to their aggressive tactics everywhere and in every detail.

Hakimi gave every evidence of his thorough devotion to democratic principles, and I believe him entirely sincere. If his forcefulness were equal to his good intentions he would make outstanding Prime Minister. His following in Majlis seems to be slightly increasing at moment, and best expectation is that he may get fair-sized vote of confidence within week.

ALLEN

¹Tehran reported, on January 22, that the Iranian Prime Minister "repeated to press two days ago that government intended to buy 10 million dollars worth of arms from US. Thus he has at least committed himself publicly to program. He is posing as watchdog of Iranian Treasury by having reduced American purchase from 25 million dollars to 10 million dollars and has thereby escaped any great criticism for spending too much money on arms." (telegram 77, 891.24/1-2248)

² Not printed; it summarized the address of a Deputy before the Majlis on January 1, said to be the first of eight speakers scheduled to oppose the Hakimi Government (891.032/1-248).

891.00/11-2847 : Telegram

The Secretary of State to the Embassy in Iran

SECRET

WASHINGTON, January 8, 1948-6 p. m.

15. Shah's plans re constitutional amendment (urtel 1101 Nov 12¹) has been subject considerable study by Dept. Brit Emb Wash acting on instructions informed Dept contents FonOff tel Tehran Nov 24 (London's 6238, Nov 28²) and requested our views. We have recently indicated to Brit Emb our substantial agreement with FonOff position, namely, that constitutional change does not appear necessary prerequisite Iran's rapid development and that proposed grant greater power to Shah at this time might produce unwelcome discord in Majlis and consequently increase confusion in present Iranian political scene. We told Brit Emb that your views had not been requested by Shah or Iranian Govt and that you would not, we felt certain, volunteer any opinion in the premises.

Our tentative thinking on subject increased constitutional power for Shah is along following lines: We recognize essentially unstable nature of Iranian Govt and appearance of greater stability which might accrue from increase of Shah's constitutional power. At same time, we do not believe that grant of power to Shah to dissolve Majlis would enhance appreciably speed or certainty of reform and development in Iran. In our view Majlis, by its very nature as public forum of popular leaders, is inherently safeguard against concerted foreign pressure upon any single source of power in Iran. Any diminution of Majlis power in favor apparent one-man rule would almost certainly evoke unsympathetic reaction on part American public. In this connection, it should be noted that no European monarch has constitutional power initiate dissolution parliament, except in Sweden where such power has not been used in past twenty-five years.

In addition above basic considerations, proposal for increase of Shah's prerogatives would probably cause internal controversy welcome to predatory powers. Further, present Shah does not, in our opinion, appear to have used, or to give promise of using, his influence effectively to improve welfare Iranian people.

Above views are purely tentative and subject change on basis additional Emb info and analysis. Would welcome your views this connection.

Inference Brit interest constitutional reform in relation possible changes AIOC contract (urtel 8, Jan 3)² is not clearly compatible with

² Not printed.

¹Not printed. Documentation on the question of constitutional reform in Iran is included in the Iranian section of *Foreign Relations*, 1947, volume v.

either Pyman's³ statement personal purpose Eden visit (London's 6531, Dec 17⁴) or FonOff opposition to increase royal prerogative at this time (London's 6238, Nov 28). General subject increase Shah's constitutional powers might, in your discretion, be discussed with Brit colleagues Tehran and London.

While Taqizadeh front for Shah in drafting constitutional changes might tend minimize Majlis opposition during present session, basic considerations and stature of present Shah referred to above appear to us, in absence convincing Emb observations, controlling in present situation.

Sent Tehran 15 rpt London 60.

MARSHALL

⁸ Lancelot F. L. Pyman, Assistant Head of the Eastern Department in the British Foreign Office.

⁴Not printed; it reported information from Mr. Pyman that Mr. Eden's visit to Iran was "strictly personal and private" and resulted from a longstanding invitation from William Fraser, head of the Anglo-Iranian Oil Company, to inspect AIOC operations (032 Eden, Anthony/12-1747).

891.24/1-948: Telegram

The Ambassador in Iran (Allen) to the Secretary of State

TOP SECRET

TEHRAN, January 9, 1948-5 p.m.

22. Comprehensive statement of Department thinking regarding aid to Iran (Deptel 5, January 3) has been most timely and valuable. I concur in general policy expressed and have been guided especially by paragraph 5 in my subsequent conversations with Prime Minister and Shah.

Full discussion of telegram held at meeting yesterday with Embassy staff and military advisors. Comments on few points in telegram may be of value. As regards paragraph 3 we are inclined to think rather more emphasis than desirable may be placed on whether Iranian army is intended for internal security or for national defense. When our thinking is based solely on Iranian army for internal security our thoughts inevitably become apparent to Iranians, wounding their pride and discouraging their self-confidence, which they need badly. Improved Iranian army would be valuable both for internal security and for national defense. It would of course be impossible to build Iranian army to make substantial defense against USSR but stronger army might have some effect on discouraging aggression or retarding enemy progress for few vital days if we help to build self-confidence along with supplying better arms.

As regards question of placing Iran in Greek-Turkish category (your paragraph 4) this subject has many aspects. I concur that in

absence of ability to assure Iran prompt support, we would assume considerable responsibility by forcing Iran off fence onto our side. At same time, I am not certain that policy of diplomatic maneuver, delaying tactics and conciliatory gestures is desirable basis for foreign policy of Iran or any other country when issue is totalitarian aggression against democracy. Difference between American policy of support for Iranian independence and Soviet policy here during past two years has been difference between white and black, and everyone should recognize it. Soviets are forever telling Iranians to beware of American imperialism, and many Iranians who follow policy of balance or neutrality swallow this line at least half way. They profess to see no distinction between "Soviet imperialism" and "American imperialism" and cry plague on both houses. Continued policy of neutrality would result, if hostilities should come, in disinterested attitude by Iranians who would regard conflict as being between two imperialisms. Even now we face great difficulties in strengthening Iran economically, since Iranians who follow policy of balance hesitate to request economic aid from either side.

Moreover, for better or worse, Iran's geographical location and petroleum resources of Persian Gulf will make it impossible for Iran to remain neutral in any future war and I am not certain we are benefiting Iranians by encouraging them to hope they might. It is entirely true that many, perhaps most, Iranians wish fervently that all great powers, including US, would go away and leave Iran alone. But no great power will or can abandon it to another. Stakes here are too important. Since Iran must choose sides eventually, it should be on side of freedom and independence. Sooner whole free world is lined up clearly on that side, less likelihood there will be of totalitarian aggression. I agree that we should avoid pushing Iran off fence against her will. However we should emphasize to Iranians in every possible way difference between American and Soviet policy in Iran and should encourage Iran to show her recognition of this difference and to realize that US and Iranian interests are parallel.

Embassy hopes to report regarding economic considerations (your paragraphs 8 and 9) within few days.

ALLEN

891.20 Mission/1-1448: Telegram

The Secretary of State to the Embassy in Iran

TOP SECRET

WASHINGTON, January 14, 1948-noon.

32. State and Army have given considerable study possible courses of action by U.S. military missions Iran in event of unusual internal

or external developments there. As senior U.S. rep in Iran,¹ you are expected to guide military missions in all their official activities in event of any abnormal developments in Iran. With realization that in event of such developments you will initially be in better position than Dept to determine most desirable course of action, and with Army concurrence, following guidance is provided:

1. In event of disorders involving domestic threat to legal authority central or provincial Govts, both Missions should adhere strictly to terms of reference in agreements between US Govt and Iran Govt, and continue normal advisory relations.

2. In event of disorders involving armed contest between Army and Gendarmerie, Mil Missions should suspend activities until instructed by Amb to resume advisory relations.

3. In event of unconstitutional seizure governmental power by any Iranian group, Missions should suspend activities pending Dept recognition successor Govt.

4. In event of threat to Iranian independence or territorial integrity in border areas by foreign-supported forces, Missions should continue normal advisory functions unless otherwise directed by US Amb.

5. In event of threat to authority provincial Govts or independence central Govt by foreign forces or in event of outright attack by foreign power, Missions should act only on direction of, but in any capacity specified by, US Amb.

6. Plans for evacuation military mission personnel should be formulated so that they can be carried out on minimum notice by direction of Amb.

7. In event of development of nature not specified above, or in event combination of several above emergencies, Mission should be guided by such instructions as you deem appropriate to situation.

Above guidance should be discussed with Chiefs two military missions. Army has advised Chiefs direct (Warx 92287, Dec 9) that you will be provided such guidance and that in event of emergency they will abide by such instructions as you may issue.

MARSHALL

¹Ambassador Allen.

891.00/1-1648: Telegram

The Ambassador in Iran (Allen) to the Secretary of State

SECRET

TEHRAN, January 16, 1948-noon.

52. Question of constitutional reform in Iran (Deptel 15, January 8) has become increased obsession of Shah during recent weeks and during my last conversation with him (Embtel 38 [39], January 13)¹ he showed almost alarming preoccupation with it.

¹ Not printed.

I concur that amendment of constitution to give crown authority to dissolve Majlis involves risk of abuse. I am not certain situation is yet serious enough to require action by us or to justify fully concern manifested by British or by Department but it bears watching.

As long as Shah seeks change in constitution by entirely legal means, it is difficult for us to find proper basis for injecting ourselves into question and advice on our part whether solicited or not would become known and would be construed by Iranians as interference in internal matter, just as expression of views by foreign diplomat in Washington on US constitutional amendment would be properly resented. British inclination to give advice too frequently to Iran in such matters in past has been important cause for deep-seated resentment against them here.

Moreover, if we object to legitimate efforts of Shah to amend constitution, we may unwittingly encourage illegitimate actions by him or someone else.

Shah's dissatisfaction with his position has grown, paradoxically, with his greatly increased personal popularity and influence in Iran during past 18 months. During first years of his reign, when foreign troops were in Iran, he counted for very little and no one expected anything of him. Today when he is by far most influential figure in Iran, he is continually being urged by Iranians to do something positive to remedy chaotic political and economic condition of country. Yet he is aware that these same Iranians, who today lavish expressions of devotion to him, would be first to call him dictator if he took any steps which affect them personally, and he desires legally-enacted constitutional amendment before putting pressure on Majlis to carry out its functions.

I am not certain whether his desire for authority to dissolve Majlis is best solution, but problem, at least at present, is primarily Iranian one.

Majlis, as Department points out, is great safeguard of Iranian independence and its continued existence and full legislative authority is most important. At same time Majlis is almost entirely negative body with no apparent ability to take positive action. During six months of present Majlis, it has passed only two laws, one refusing Soviet oil concession and another approving provisional budget for two months. It has two or three short sessions a week and spends most of time debating members credentials. There is no party system to instill discipline and every member is on his own. Much positive action is required of Majlis if Iran is to improve, since executive in Iran has almost no authority to do anything under constitution as now drawn. If Shah or someone else had power to call for new elections, some sense of discipline might be instilled among deputies, from fear of being dismissed. Tampering with constitution is dangerous, and I personally am hesitant about authority being placed in hands of any hereditary monarch, but it would be difficult for us to sustain allegation that any serious attack against democratic processes was involved in Shah's present proposals.

I have discussed situation with my British colleague on numerous occasions. He perhaps views Shah's proposals with slightly more concern than I do, due possibly to fact that British interests in Iran are different from ours. British are frightened by any possibility of government in Iran strong enough to defy their interests or make serious attack on their oil concessions. British are concerned just as we are by continued failure of Iran to accomplish any economic and political improvements which would give genuine democracy chance to function here, but they may prefer continuance of present unsatisfactory situation rather than run risk of giving Iranian Government strength enough to act against them.

It goes without saying that our influence should be exercised fully and at all times against any dictatorship of the right in Iran, whether by Shah, army, or anyone else. At same time I would recommend some caution in following British suggestions too closely in this particular case and would follow situation ourselves to determine when and if our action is required.

Sent Department 52, repeated London 6.

ALLEN

891.105A/1-2748 : Telegram

The Ambassador in Iran (Allen) to the Secretary of State

SECRET URGENT TEHRAN, January 27, 1948—noon. 94. General Schwarzkopf informs me that new chief of gendarmerie, General Kupal, under Shah's direct orders, has assumed sole command of gendarmerie, notwithstanding Article 20 of agreement between American and Iranian Governments dated November 27, 1943 (Executive Agreement Series 361) which provides that chief of mission shall be appointed "head" of gendarmerie and have precedence over all officers of gendarmerie. Kupal has assured Schwarzkopf of his desire to cooperate with him closely and to continue use of US advisers but says he must insist on his sole command authority.

Schwarzkopf is pleased with appointment of man of Kupal's integrity as senior Iranian officer in gendarmerie and is anxious to work with him amicably but feels that usefulness of mission will be seriously impaired unless we insist upon command authority as provided in Article 20. Schwarzkopf suggests informally that situation might be taken care of if Shah would designate himself and Kupal as joint commanders of gendarmerie, with every important order being signed by both.

Incidental difficulties are caused by fact that Kupal is Major General while Schwarzkopf is Brigadier General. During five years he has been here, for example, Schwarzkopf has always been accorded courtesy of drum salute on arrival at office, in capacity of commander. Since Kupal took office, salute has been given to Kupal and not Schwarzkopf. Latter feels matter of prestige is involved which adversely affects respect for all American officers in mission.

In discussing question with Schwarzkopf today I pointed out that agreement of 1943 was drawn up during wartime, shortly after former regime in Iran had collapsed and gendarmerie was in chaotic state. Since our avowed purpose in all advisory activity is to assist local peoples to manage their own affairs, question might arise whether it was not time to renegotiate Article 20 or at least for us not to insist on its implementation. Any controversy over this article which got into press would furnish excellent propaganda material for Soviets as proof that Americans have command of Iranian security forces. Renegotiation last year of agreement for advisory mission to Iranian Army even though that agreement had been much milder than gendarmerie agreement, was decided upon in part to eliminate any question of command authority.

Schwarzkopf points out, with justification, that if command authority of his mission is eliminated, either through renegotiated contract or failure to insist on enforcement of Article 20, he should be replaced by new chief of mission who could begin on new basis of strictly advisory functions.

I do not believe that renegotiation of agreement would be advisable at this time due to misunderstandings and undesirable publicity which would result. If we do not wish to insist upon command authority, it would be preferable merely to allow Article 20 to lapse and to accept advisory capacity of gendarmerie mission, with same relationship to gendarmerie as Ridley¹ and Grow missions have always had with Iranian Army.

New Minister of Interior, General Aghevli, seems determined, with backing of Cabinet and Shah, to reduce gendarmerie mission to advisory role. We might get them to give grudging respect to Article 20 by heavy pressure and implications of serious displeasure, but I believe this course undesirable.

Moreover, while many foreigners here feel as Millspaugh² did, that

¹ Maj. Gen. Clarence S. Ridley, predecessor of General Grow as Chief of the American Military Mission with the Iranian Army.

³Arthur C. Millspaugh, American Administrator General of the Finances in the Iranian Government; for documentation on the termination of his appointment in 1945, see *Foreign Relations*, 1945, vol. VIII, pp. 538 ff.

IRAN

no adviser in Iran can accomplish much without executive authority, I have come to conclusion that even though progress is slow under purely advisory setup, latter method is surer.

Schwarzkopf would like for me to speak to Shah regarding dual command *idea*. I would appreciate urgent views of Department, in consultation with War, before taking action. Meanwhile Schwarzkopf and his officers are largely marking time, with my concurrence. They do not wish to accept advisory role while inter-government agreement exists giving them command, and I do not wish to make issue of case until matter has been reviewed in Washington.

ALLEN

891.20 Missions/2-648

The Ambassador of the Soviet Union in Iran (Sadchikov) to the Iranian Prime Minister (Hakimi)¹

[TEHRAN, January 31, 1948.]

On instructions my Government I have honor bring following your attention:

According information we have received, Iran concluded with US Government on October 6, 1947, agreement for engagement American Military Mission in Iran.² According terms agreement this measure taken to affect collaboration with Minister of War and Armed Forces under Iranian Flag and for enhancing military efficiency Iranian Army.

As result this agreement that Iran Government is permitting American Military Mission intervene in activities Ministry of War, General Staff, and all branches Ministry of War and field units.

According this agreement all activity Iranian Army will in fact depend on military representatives American Government. Agreement in question will moreover give American Government exclusive right have its military agents occupy important posts.

At same time nationals other foreign countries prohibited from entering service Iranian Army without prior consent United States Government.

Thus this agreement establishes influence American Government in organization and command Iranian Armed Forces and consequently Iranian Army loses character of Army belonging to free and sovereign country.

¹Transmitted to the Department by Tehran in telegram 147, February 6, which contains the following opening sentence: "Text Soviet Ambassador's note January 31 to Iran Prime Minister follows:"

² See editorial note, Foreign Relations, 1947, vol. v, p. 966.

Soviet Government therefore feels it necessary draw attention Iranian Government to following facts:

1. Re-equipment Iranian Army is taking place under control American military advisors using American arms similar those furnished by US to Turkish Army.

Moreover, and of primary importance, arms will be furnished Iranian Army on credit.

2. General Grow established reorganization plan Iranian Army at beginning year 1947. This program received imperial approval and became basis for organization armed forces of Iran.

3. Special committee of Iranian General Staff participated in by American military advisors is changing all Iranian Army regulations to conform with American regulations.

4. Moreover, Americans have prepared program for transforming Iranian war industries. This program calls for development Iranian military factories on basis American techniques permitting repair American arms when necessary.

5. At request and on instructions American advisors very large air field has been constructed in city of Qum and equipped with American materiel. Extent this air field as well as particular attention devoted by American advisors to its construction show that it has not been established for use Iranian aviation; likewise establishment underground gasoline depots in region Delijan (between Qum and Isfahan) also merits attention.

6. During 1947 a steady influx various advisors and other American officials arrived in Iran.

Moreover these officials arriving in Iran are not only establishing themselves in Iranian Army but are also occupying positions in other establishments including civil aviation and the Iran tour company. In addition these officers everywhere occupy important positions in these establishments.

7. Repair former American military camp and barracks at Tehran and their being handed over to American Military Mission is additional fact worthy consideration. It can be surmised from this that arrival of a large number American officers and soldiers in Iran is to be anticipated.

All these facts demonstrate that at present time American advisors are playing capital role in problems relating to Iranian Armed Forces. Activity these advisors has effect of transforming Iran into strategic base of US Government.

In addition foregoing facts there is evidence activities forementioned Americans may constitute threat to border areas USSR. Construction fortifications along Soviet borders under supervision American advisors may be mentioned this connection.

In December 1947 special committee was set up in Iranian General Staff. American specialists participated this committee which was established to draw up plans for construction new air fields as well as completion those already existing. In these plans special consideration is being given construction air fields adjacent Soviet borders. Flights and travel of American specialists in regions near Soviet frontiers, ostensibly for purpose inspecting Iranian Army and gendarmerie units, have increased. Fact is these flights and trips of American specialists are for purpose taking photographs and making investigations of military nature on Iran-Soviet border.

Government USSR considers it necessary invite attention Iran Government to fact that conclusion of October 6, 1947 agreement between Iran and US is contrary to main points of treaty friendship signed February 21, 1921 by USSR and Iran, and contrary to friendly relations and neighborliness. Soviet Government therefore expects Iran Government take prompt measures remove unusual conditions thus created.³

³Telegram 147 concluded with: "End text Soviet note." and was signed by Ambassador Allen.

891.20 Missions/2-648

The Iranian Prime Minister (Hakimi) to the Ambassador of the Soviet Union in Iran (Sadchikov)¹

[TEHRAN, February 4, 1948.] I have honor acknowledge receipt Your Excellency's note 21 dated January 31, 1948 and in reply beg state:

(1) Information which Government USSR has obtained regarding matters mentioned note under reference is entirely unfounded and devoid of truth for following reasons:

(2) Although everything in aforementioned note refers purely internal affairs Iran and Imperial Government cannot admit such interference by foreign power, nevertheless inasmuch Imperial Government has always earnestly hoped and desired no misunderstanding whatever should exist between Iran and USSR but on contrary friendship and good neighborly relations between two governments should continue increasing in strength and cordiality, I therefore desire bring your attention following points relating contents aforementioned note in order clarify impressions Your Excellency's mind and in minds authorities USSR and thus avoid misunderstandings which might arise as result unfounded and false reports.

In agreement concluded October 6, 1947 for renewal contracts number of American officers these officers were given no right whatsoever to command or intervene in field activities. Their assignment is limited to advising in administrative affairs of army such as Quartermaster and Medical Corps etc. without their having any command authority. Furthermore, American advisors are not in any way authorized par-

¹Transmitted to the Department by Tehran in telegram 150, February 6, which contains the following opening sentence: "Following is text Iranian Prime Minister's reply of February 4 to Soviet Ambassador's note January 31:"

ticipate internal activities Ministry War or General Staff Iran Army or similar organization and contrary to statements Your Excellency's note, American Government has not been granted exclusive right install American military officials key positions.

(a) American officers in no way participate in equipping Iran Army and it is obvious Iran Army like other armies of world needs obtain modern arms for which purpose annual appropriation provided every year in budget War Ministry. Before recent war arms were purchased from various European countries. During war not only was work of equipping army halted but serious losses were suffered this respect by Iran Army and USSR Government better aware this fact than anyone else. Therefore, immediately upon termination hostilities Imperial Government Iran decided make up these losses. In pursuance this aim it approached those Governments which might be in position sell military equipment. Government USSR was one of those so approached. Unfortunately Government USSR quoted prices for arms inacceptable Iran Government. Only government whose offer was acceptable was USA. Iran Government has therefore in order safeguard interests of country, decided meet small fraction its army's deficiencies by making purchases from USA.

(b) General Grow does not interfere administrative affairs of army inasmuch as fortunately Iran Army has its own officers capable drawing up necessary programs for army organization. Information USSR authorities this connection is completely unfounded and devoid of truth.

(c) Iran Army regulations are entirely Iranian in character and have undergone no alteration whatsoever. Even in event Imperial Government considered their revision necessary it has sufficient number army officers undertake this task and complete it satisfactorily. Information received by USSR Government this connection is completely unfounded and devoid of truth.

(d) American officers in the service Iran Government have in no way right interfere in program Iran war industries and therefore information obtained by Soviet Government is devoid of truth.

(e) Notwithstanding fact Imperial Government has every right construct airfields in any part its own territory and cannot allow any foreign government interfere such matters, I cannot refrain expressing astonishment with regard vast airfield at Qum mentioned your Excellency's letter. Fact is in Qum area there is only one very small airfield which has existed for considerable time and which cannot be used for any military purpose. There is no other airfield in that area much less a vast airfield furnished with American equipment and exceeding limits Iran aviation requirements.

(f) Neither Iranian Army nor gendarmerie can employ American officers in excess of number approved by Majlis and number of these is at present less than legally authorized. As regards nonmilitary air services and other similar establishments there are according to information received, no American officers working in said services or such establishments. It is possible that under freedom provided by Iran law certain non-governmental establishments may have foreign employees, but as has been mentioned above, interference by foreign government in questions of this nature is considered interference Iran's internal affairs.

(g) Number of barracks in Tehran and even throughout Iran is public knowledge and all these barracks are in hands of Iran Army. Except for a few who are employed by Iran Government there is not a single American soldier either in barracks or anywhere else in all Iran, and Imperial Government has not allowed and will not allow foreign soldiers of whatever government to enter Iranian territory. The phrase "military city" in your Excellency's letter refers apparently to Amirabad which was used during war as American Army camp and which is now used by Tehran University and instead of being a military city constitutes the university quarter and residence of students. It is source of great astonishment that errors and reports of this sort which are devoid of truth should merit confidence and trust of Soviet Government.

 (\hbar) After foregoing statements made by Imperial Government only to remove all misunderstandings and strengthen friendly relations and good neighborliness with USSR Government, I feel bound point out Soviet Government's deductions from unfounded and false reports unfortunately interpreted as facts in Your Excellency's letter as well as conclusion derived from these imaginary "facts" are as unfounded and devoid of truth as reports themselves. As Imperial Government does not in any way allow foreign nationals to travel in areas which are declared prohibited zones, Imperial Government will not grant such permission to its own employees who are not Iranian subjects. Moreover, no Iranian aircraft has flown or will fly over frontier points for any purpose much less for purpose of aerial photography. I also feel compelled express certain incontrovertible truths and invite attention USSR Government to them.

When Soviet Forces were in Azerbaijan in accordance Three Power Pact of January 30, 1942, Soviet authorities did not abstain rendering all material and moral assistance to group opportunists and traitorous elements who under guidance Soviet officials rebelled against Central Government. When Soviet authorities ceased protecting them inside Iran and they were forced on December 11, 1946 to flee before the rage of inhabitants of Azerbaijan and fury of Iranian public, Soviet Union opened its frontiers to these elements and afforded them refuge on Soviet territory. According reliable and incontrovertible information received by Iran Government these elements are still being supported and strengthened as is apparent from tone of Moscow and Baku radios as well as clandestine radio which is undoubtedly somewhere in Caucasus and broadcasts under name Democrat Party Azerbaijan. Moreover, incessant movements of Soviet Troops frontier posts and maneuvers carried out by Soviet Forces in border regions (against which Iran Government has protested) completely confirms this policy of Soviet authorities. Friendly relations existing between Iran and USSR required that Soviet Government accede Iran Government's request in

429-027-75-8

note No. 4825 (December 19, 1946) for extradition these opportunists and traitorous elements prevention their activities along frontier which caused anxiety all people Iran especially inhabitants border towns.

In addition at time when number of highwaymen and brigands under leadership Mullah Mustafa Barzani, man who served as General with insurgents during Soviet occupation Iran, plundered and murdered, they did so confident of support Soviet Government. When they sought refuge in Soviet territory after Iran Government had informed Soviet authorities in advance and earnestly requested that these highwaymen be denied refuge. Soviet Government unfortunately took no action upon this legitimate request Iran Government. On June 13, 1947 at Qaraqoyun the aforementioned highwaymen crossed Araxes River with assistance Soviet frontier guards and are now being entertained and supported on Soviet territory. You will agree Soviet conduct with respect to fugitives of December 1946, namely, Pishevari and his accomplices and also fugitives of June 1947, namely, Barzani highwaymen protection currently extended to them permission granted them form groups in Soviet territory with intention invading Iranian territory and facilities placed their disposal including various kinds propaganda material designed disturb minds of people and even upset relations between two governments are in direct contradition Article 5 of Friendship Pact concluded February 21, 1921 between Soviet and Iran Governments.

In stating above facts I deem it necessary also point out to Your Excellency not only is there no violation of agreement of February 21, 1921 in extension of terms of service of a few American officers who were employed during and since the war as advisor aid to army and gendarmerie but there is nothing unusual in this situation and no consort with aforementioned agreement. This measure is an internal affair and discussion of it will be considered as open interference in affairs of an independent country. Iran Government on the other hand expects USSR Government will, with view strengthening friendly ties and good neighborliness between two countries pay special attention to unfriendly activities against security of Iran now being carried on inside that country by certain opportunists and highwaymen thus complying with legitimate request of Imperial Government.²

^a Telegram 150 concluded with "(End text)." and was signed by Ambassador Allen. Tehran advised, on February 6, that the forceful character of the Iranian reply was due to its having been drafted principally by Chief of Staff Ali Razmara. The Ambassador concluded that "Iran had nothing to lose by making forthright reply inasmuch meek acceptance of Soviet reproaches would not stave off any action Soviets had already decided to take." The Ambassador also gave his view that the "Soviet note was deliberately timed to block Majlis ratification of arms credit" (telegram 145, 891.20 Missions/2-648).

IRAN

Editorial Note

For the text of Ambassador Allen's address before the Tehran Press Club on February 4 dealing with the Soviet note of January 31, see Department of State Bulletin, February 15, 1948, page 223.

711.91/2-448: Telegram

The Secretary of State to the Embassy in the United Kingdom

SECRET

WASHINGTON, February 4, 1948-1 p.m. 361. In view Tehran tel 12 Jan 28 to London ¹ and previous reports indicating Iranian misconception of American-Brit relations with respect to Iran, we wonder whether it might not serve useful purpose for Dept and American Amb Tehran to inform appropriate Iranian officials informally but emphatically that there is no rivalry between Brit and US in Iran and that policy of both countries is based simply on desire see Iran maintain independence and solve its internal problems free from foreign intervention. In making such informal statement we would propose emphasize that Iran Govt would make great mistake in basing any part its policy on supposition of conflict between US and UK. We do not suggest however that statement include any specific reference to Bahrein.

Would like views London FonOff² and American Emb Tehran³ this suggestion.

Sent London as 361; rptd Tehran as 106.

MARSHALL

² London, on February 9, advised that the Foreign Office welcomed the suggestion in telegram 361. In its view, the "Iranian character is such that any all-American or all-British enterprise in Iran . . . will be conceived as having been brought into being only in teeth other countries [country's] opposition. However, only impractical joint Anglo-American enterprises would scotch such thinking and informal statements of kind contemplated by Department (perhaps repeated at appropriate intervals) in addition to intelligent day-by-day coordi-nation on all levels in Washington, London and field, might help restrain Iranian fancies." (telegram 485, 891.20 Missions/2-948) ³ Tehran replied on February 6 that "Statement to Iran officials that no rivalry

exists between US and UK in Iran would not be entirely warranted in fact and I doubt that any notification along this line would be of much use in any case. Iran[ian]s would not put great confidence in a mere statement of this kind, being more impressed by US and UK actions in Iran than by declarations of US-UK friendship." (telegram 148, 711.91/2-648)

The Department, on February 19, replied in part as follows:

"Although certain Brit officials in Iran in past may have followed policy of combatting growing prestige of US, we are not aware existence any rivalry at present other than normal commercial competition. Both Brit and ourselves are earnestly endeavoring eliminate vestiges which might remain of mutual destructive rivalry. . . . It would be unfortunate for Great Britain and US in present critical situation in Middle East to allow themselves to be played off against each other. We shall of course defer to your judgment if you feel action along lines suggested would be ineffectual." (telegram 164, 711.91/2-648)

¹ This was a repeat of 101 from Tehran, not printed.

891.105A/1-2748 : Telegram

The Secretary of State to the Embassy in Iran

SECRET

WASHINGTON, February 5, 1948-6 p. m.

113. We feel that appropriate US action subject urtel 94 Jan 27 might be along following lines:

You might inform Iranian PriMin and Shah that US Govt has noted that recent assumption by Kupal sole command of Gendarmerie is in apparent contravention Article 20 agreement between US and Iranian Govts dated Nov 27, 1943. You might state that, while US Govt is disposed accord assistance Iran in this as in any other matter solely on request Iranian Govt, it is regrettable that Iranian Govt should, without prior notification or discussion, disregard terms of agreement in question. You might then add that, in view of unilateral action Iranian Govt in this instance, US Govt wishes to be informed whether Iranian Govt desires abrogate agreement, in which case military personnel detailed to Ministry of Interior will be directed by you terminate services.

You might continue by stating that, in event Iranian Govt should wish US Govt detail military personnel to Iranian Gendarmerie in purely advisory capacity, we are prepared consider such request; favorable US decision would, however, require satisfactory explanation recent Iranian unilateral action and clarification proposed role of Mission under agreement with deletion Article 20 which amendment might be effected by exchange of notes; it is to be assumed that Iranian decision to request or not to request resumption Mission will be made on merits question in Iran's national interest and not in light extraneous foreign pressures.

In event Govt Iran should request resumption Mission above basis, tentative thought here is that Mission Chief of Schwarzkopf's experience and rank might be both unnecessary and undesirable.

Presentation above views is left entirely your discretion. If above line of action not feasible, please advise Dept urgently. Army concurs in all above.

It occurs to us that, in view Soviet note, Iranians may well decide reinstate Schwarzkopf Commander Gendarmerie or alternatively seize opportunity eliminate Mission entirely. In latter case, we would not

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wish to appear invite Iranians sacrifice Gendarmerie Mission as appeasement Soviet Union.¹

MARSHALL

ⁱ Ambassador Allen presented a note, dated February 7, to Prime Minister Hakimi which incorporated the substance of telegram 113. The Prime Minister and Minister of Interior Farajollah Aqevli insisted that the Iranian Government neither desired to abrogate the agreement governing the gendarmerie mission nor to amend it in any respect. The following day the Ambassador discussed the matter with the Shah, who stated that the "Iranian Government does in fact desire amendment of agreement to eliminate Article 20 and that Government's reply would be in this sense." (telegram 158, February 9, 2 p. m., from Tehran, 891.105A/2-948)

For the text of the statement released by the American Embassy to the Iranian press on February 25 concerning the note of February 7 and Ambassador Allen's conversation with the Prime Minister, see Department of State Bulletin, March 7, 1948, p. 307.

891.20 Missions/2-648: Telegram

The Secretary of State to the Embassy in Iran

SECRET

WASHINGTON, February 10, 1948-6 p. m.

131. After studying text of Soviet note Jan 31 and Iranian reply Feb 4 (urtels 147 Feb 6 and 150 Feb 6¹) we feel that Soviet purposes in sending note at this time may include following: (1) to intensify propaganda in opposition ERP along lines recent notes to US charging American imperialism; (2) to frighten Majlis into defeating US arms purchase credit proposal; and (3) to reverse present tendency of Iranian Govt to orient Iran toward western democracies. There is further possibility Soviets may intend Jan 31 note to serve as "warning" within meaning of Article 6 of Soviet-Iranian 1921 Treaty. If such is the case, Russians might be planning to introduce troops into northern Iran and take the chance that they could make plausible legal case if matter should be brought to UN Security Council.

With that possibility in mind, you should continue your support of Iran's firm stand against Soviet pressure by suggesting-that Iran Govt file with SYG UN for attention SC Soviet note and Iranian reply² for purposes of info for members of Council, since SC is still

¹See footnotes 1, pp. 99 and 101.

² Mr. Pyman informed the American Embassy that he would advise Ambassador Le Rougetel that the Foreign Office was in entire agreement with the idea of filing the texts at the United Nations and that he would instruct the Ambassador to "say this to any Iranians who might seek his advice on this question." (telegram 545, February 13, 1 p. m., from London, 891.20 Mission/2-1348)

seized of Iranian case. That procedure would be similar to Iranian action on Dec 5, 1946, when Iranian Govt transmitted to UN, without requesting any action by SC, its letter reporting that Soviet Govt had made "friendly admonitions" to Iran Govt against Iran undertaking to reestablish its authority in Azerbaijan.³

Amb Ala,⁴ before departure for Arizona on Feb 5, discussed above idea with Wash lawyers employed by Iran Govt during 1946 SC case and is understood to have communicated his recommendation to Tehran.

Iran Govt might wish to study question of whether 1921 Soviet-Iranian Treaty is applicable in present case or even valid at all. After preliminary study, we feel it is probable that Annex Two to 1921 Treaty makes inapplicable Article 6 of that Treaty in present circumstances. Question of whether certain portions 1921 Treaty may possibly have been superseded by UN Charter is under study in Dept. In any event, International Court is the appropriate body to determine applicability of treaties and Security Council is the appropriate body to determine whether any threat to peace does in fact exist.

Sent Tehran, rpt London 439, Moscow 179.

MARSHALL

³ See telegram 1012, December 6, 1946, to Tehran, Foreign Relations, 1946, vol. vII, p. 554.

Hussein Ala, Iranian Ambassador in the United States.

891.24/2-948: Telegram

The Secretary of State to the Embassy in Iran

WASHINGTON, February 10, 1948-7 p.m. US URGENT SECRET 129. Coincident with receipt urtel 156, Feb 9,¹ Iran Emb informed Dept bill as reported from committee to Majlis made arms credit authorization conditional upon receipt credit assistance from US to cover packaging and transportation. Emb asked informally re possibility such help.

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¹Not printed; it conveyed Ambassador Allen's views that "If Majlis passes American arms purchase bill in face of strong Soviet note intended specifically to block such action it will represent courageous stand by Iran[ian]s and believe we should recognize it. Prominent Iran[ian]s have pointed out to me that Iran we should recognize it. Fromment iranianis have pointed out to me that iran has shown its loyalty to American cause even more boldly than Turkey has since they allege Turkey would never admit American military advisor in Turkish army partly for nationalistic reasons but also partly because Turkey did not wish to antagonize USSR further. They point out that Iran on other hand has been willing to suffer most strenuous Soviet official and propaganda there are a come of American berg here are here are the strenugly for attacks due to presence of American advisors here and has come strongly to support of the advisors in reply latest Soviet note. I believe this argument has some merit . . ." (891.24/2-948)

Dept informed Hedayat² and First Secy Aram no legal channels exist allowing expenditure funds such services even if National Defense or State Dept had money available which they do not. Dept stated little hope legislative program covering such purpose getting separate attention from Congress in view ERP and domestic issues, and certainly not before expiration priority date Feb 26.

Hedayat referred to Iranian reply Feb 4 to Soviets and stated that tone used in denying interference indicated to him existence new high point in Iranian desire express independence. He, therefore, felt this propitious moment to tell Majlis that American help for these services should not be asked and that Iran Govt should press for passage of bill without conditions. After Majlis approval, legal agreement would exist between Govts and Iran Govt could then consider whether it were necessary to ask for help in implementation. Hedayat stated he would cable recommendation to General Staff to press for action along above line.

Dept agreed unconditional passage most desirable and re-emphasized that if Iran really wanted US material, it should make every effort meet subsidiary expenses in face of approach expiration date. We indicated we did not want to hold out false hope for future assistance in meeting these costs. If help were promised and then not given, charges were certain to be made in Majlis that bill had been ramrodded under false pretenses. At best, any indication that the US might possibly be able arrange such help might further delay Majlis action beyond expiration date.

Hedayat is exploring possibility of using Brit ships in transporting this equipment thereby cutting dollar outlay.

Suggest you tell appropriate Iran officials that passage of bill with binding condition might completely destroy possibility of implementing agreement.

MARSHALL

² Maj. Gen. Abdollah Hedayat, Chief of the Iranian Military Purchasing Commission in the United States.

891.20 Missions/2-1648: Telegram

The Ambassador in Iran (Allen) to the Secretary of State

SECRET TEHRAN, February 16, 1948—5 p. m. 189. During my farewell call ¹ on Prime Minister today I expressed concurrence in Ambassador Ala's recommendation (Dept's 131,

¹Ambassador Allen was returning to Washington to serve as Assistant Secretary of State for Public Affairs. February 10) that Iran Government submit to UN Soviet note of January 31 and Iranian reply. Prime Minister said he agreed but asked whether I thought Soviets would be seriously annoyed by such action. I said they would undoubtedly be displeased but that any disadvantage on this score would be more than offset by advantage of letting Soviets and world know that Iran had confidence in UN and that Soviets could not expect to write notes of this kind without having them brought to attention of world organization. I said that for action to be effective it must have no appearance of having been prompted.

Hakimi gave every indication of intention to send notes to Secretary General for SC information.

Sent Department as 189, repeated London as 20.

Department pass Moscow as 12.

ALLEN

891.24/2-1848 : Telegram

The Chargé in Iran (Somerville) to the Secretary of State

SECRET

TEHRAN, February 18, 1948-10 a.m.

196. Majlis last night passed arms credit bill by vote of 79 deputies out of 95 present. Six deputies voted against bill and 6 handed in blank ballots while 4 refrained from any sort of vote. Text passed last night appears to be substantially same as reported Embtel 170, February 11¹ with additional clause recommending Iran Government should attempt to obtain 20 year repayment period instead of 10. This recommendation would apparently not prevent government from accepting 10 year period if longer period not acceptable to US. Official text of bill as passed will be transmitted soon as possible.

Somerville

¹ Not printed.

761.91/2-648

Memorandum by the Legal Adviser (Gross) to the Chief of the Division of Greek, Turkish, and Iranian Affairs (Jernegan)¹

[WASHINGTON,] February 25, 1948.

Subject: Consistency of Certain Articles of the Soviet-Iranian Treaty of February 26, 1921 with the Charter of the United Nations.

¹Presumably, in response to Mr. Jernegan's memorandum of February 6 to Mr. Gross in which the former stated that "GTI would like, if possible, a definitive Departmental view of the consistency of the Soviet-Iranian Treaty of February 26, 1921, and more especially Articles 5 and 6, with the Charter

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Recommendations

The exact language of Articles V and VI of the treaty of February 26, 1921 between the Russian Socialist Federated Soviet Republic (Soviet Union, successor) and Persia (Iran), as explained by the Russian (Soviet) note of December 12, 1921 is not, in the abstract, certainly inconsistent with the Charter of the United Nations.

In the concrete, the action to be reviewed in a case might produce arguments for inconsistency; but an actual case is undesirable.

The Department should take the position that, in the absence of mutual agreement between Iran and the Soviet Union that Articles V and VI of the treaty of February 26, 1921 are no longer applicable, they are to be

(1) interpreted in consonance with the terms of the treaty of security and neutrality of October 1, 1927 and the convention defining aggression, of July 3, 1933 and

(2) applied only in a manner consistent with the Charter of the United Nations.

Position of Parties in 1921

The provisions of Articles V and VI of the treaty of February 26, 1921 took form from circumstances which no longer exist.

In 1921, Persia was still uncertain whether the United Kingdom's notice of May 13, 1918 that the Russo-British sphere of influence convention of August 31, 1907 (100 British and Foreign State Papers, 555) was in suspense would be confirmed by action as thorough-going as the Russian Socialist Federated Soviet Republic was taking in the treaty of February 26, 1921. Language concerning attempts of third countries "by means of armed intervention to realize a rapacious policy on the territory of Persia" evidently satisfied its sense of independence at the time.

The Russian Bolsheviks, on the other hand, were fearful of intervention across Persia or from Persian territory, and in the previous May there had actually been an incident involving Denikin's forces at Enzeli. The Bolsheviki had not yet consolidated their authority within Russia, where the application of the principle of "self-determination" allowed them to disregard for the time outlying potential dissident areas while they were reducing forces in positive opposition

of the United Nations. Such a view is especially desirable because of our under-

Nations as a result of the Soviet note of January 31, 1948." The question of the validity of the 1921 treaty had been raised in a memo-randum of February 3 by Harry N. Howard, Adviser in the Division of Greek, Turkish, and Iranian Affairs, to Mr. Jernegan. Mr. Howard had concluded that "In the absence of a specific act of renunciation of the 1921 treaty it must be assumed that it still continues in force." (761.91/2-348)

to them. Externally, the Bolshevik regime was not recognized by other governments, which were still suspected of seeking to intervene against it; and several groups of emigres were active abroad in seeking ways to bother or overthrow the Bolsheviki. Lenin's technique in treaties was to subscribe to generous propositions with a view to acquiring support and to embarrassing the established relations of non-communist states. Articles V and VI of the treaty of 1921 clearly reflect these elements of Bolshevik policy.

The particular preoccupations of the Bolsheviki were expressed in the limiting explanation made to the Persian Government on December 12, 1921, which stated that

"Articles V and VI are intended to apply only to cases in which preparations have been made for a considerable armed attack upon Russia or the Soviet Republics allied to her, by the partisans of the regime which has been overthrown or by its supporters among those foreign powers which are in a position to assist the enemies of the Workers' and Peasants' Republics and at the same time to possess themselves, by force or by underhand methods, of part of the Persian territory, thereby establishing a base of operations for any attacks—made either directly or through the counter-revolutionary forces—which they might meditate against Russia or the Soviet Republics allied to her."

Alternatives for Iran

A detailed examination of the literal terms of Articles V and VI of the 1921 treaty, as reflected, repeated or modified by the treaty of 1927, indicates that a claim of conflict or inconsistency with the Charter would be very difficult to substantiate on purely hypothetical grounds. The language is loose, but on its face is not repugnant to the purposes and principles of the Charter. It may be doubted, if the question of mere interpretation of the articles were made an issue, whether any organ of the United Nations would accept jurisdiction of the matter.

The Government of Iran evidently feels that the Soviet Union is likely to make extreme demands upon it on the basis of the two articles in question and desires to avoid the constraint that would occur in that event. Any attempt on the part of the Soviet Union to frame a case based on the loose language of 1921 would undoubtedly afford a basis for appealing a dispute or situation to the United Nations. Any action taken under that language would afford even better a basis for appeal. It may be assumed that Iran desires to avoid a controversial **case**.

Iran seeks a method to render Articles V and VI of the treaty of 1921 inoperative. The direct approach to that objective would be to propose negotiations with the Soviet Union to annul those articles. A counterproposal would undoubtedly be made to reopen the territorial and concessionary matters determined by other articles of the treaty. The success of such a negotiation would be problematical.

If that approach is not adopted, a reexamination of the net mutual obligations maintaining between Iran and the Soviet Union would represent an orderly method of clarifying relations. The treaty of February 26, 1921, the treaty of security and neutrality of October 1, 1927 and the convention defining aggression of July 3, 1933 cover the same ground; and it would be a natural move to review them with a view to consolidating their obligations. Such a negotiation would necessarily be under the regime of the Charter and even its proposal would be a deterrent to misuse of the loose terms of Articles V and VI of the treaty of 1921.

891.24/2-2648: Telegram

The Chargé in Iran (Somerville) to the Secretary of State

SECRET TEHRAN, February 26, 1948—11 a. m. 225. Minister War informed General Grow Wednesday that Iran Government, in accordance note one of arms credit law,¹ (Embtel 210, February 19) has instructed Ambassador Ala open negotiations in Washington for obtaining funds on credit for packing and shipping arms. Although no specific sum mentioned Ala apparently instructed request sufficient funds cover all costs to Khorramshahr.

Both Minister War and Chief Staff Razmara have taken position that Iran Majlis, in passing arms credit law, has done all it is willing to do in this matter and that it is now up to us to take next step. They emphasize that government had considerable difficulty in persuading Majlis to pass bill in first place and that there is every reason to believe that any further request by Iran army for funds to pack and ship arms would be met in Majlis by absolute refusal. Note one of bill, as passed, was written in by Minister War as concession to Majlis, most of whose members believe, apparently, that this note settles question of packing and shipping inasmuch as they are unable appreciate difficulties in way our advancing necessary funds. Minister War and Razmara, although fully aware of true situation, still hope that we will find some way to make funds available and are attempting build up persuasive argument based on theory that Iran, by passing credit law, irrevocably cast in its lot with US against Soviets.

¹Note 1 of the arms credit law read: "Government is in duty bound enter into negotiations with USA and arrange for payment all costs of transportation, packing, insurance and other expenses connected with purchased equipment and munitions, in same manner and on same installments as provided for in regard to payment of original amount." (telegram 210, February 19, from Tehran, 891.24/2-1948)

Although Embassy does not consider that passage arms credit has significance attributed to it by Minister War and Razmara we feel (Embtel 213, February 20²) that overall considerations of our policy towards Iran require that some way be found, if possible, to extend credit for packing and shipping arms in question.

Somerville

891.20 Missions/2-2648: Telegram

The Secretary of State to the Embassy in Iran

SECRET US URGENT WASHINGTON, March 1, 1948-7 p.m. 193. Iran Min Noury called at Dept Feb. 27 on instruction his Govt to request (1) credit covering charges incident to delivery surplus military equipment (reported in telegram following 1) and (2) revision of agreement covering US Military Mission to Iranian Army. Latter request, which came as complete surprise to State and Army, concerned following portions reference agreement:

(a) Change words in preamble from "non-commissioned officers" to "enlisted men".

(b) Delete from Article 8 and other articles concerning duties of the Mission, reference to all functions except advice re administration.

(c) Delete first sentence Article 10 which gives each member of Mission precedence over Iranian officers of same rank.

(d) Delete Article 24 which precludes engagement of other foreign personnel.

(e) Delete Article 25 which permits free passage of imports and exports by Mission personnel.

After informal exchange of views, Noury was informed substance urtel 226 Feb 26,² to effect that Iranian Minister War had recently

² Not printed; it reported General Razmara's plea "for action by US Government facilitate immediate despatch at least token shipment arms on grounds Iran by passing bill had definitely and publicly cast its lot with US against Soviets and would be grievously disappointed and discouraged if this decisive step failed produce immediate and tangible results." (891.24/2-2(48)

¹ Chargé Somerville, on March 6, stated in part: "Although Embassy has not yet received telegram on Iran . . . mentioned first sentence Deptel 193, March 1, . . . it is Embassy's opinion that failure of US Government to find way to assist in helping Iran meet packing and shipping costs of arms to be purchased under credit agreement would be severe blow to American policy in Iran and that conversely prompt aid and exploitation of present opportunity along lines suggested by Ebtehaj would greatly increase likelihood firm alignment Iran with democratic bloc." (telegram 252 from Tehran, 891.24/3-648). Abol Hassan Ebtehaj, Governor of the Bank Mellie Iran, the Central Bank of Iran, had conversed with Chargé Somerville on March 5 and had made a plea for assistance along similar lines to that made by General Razmara (see footnote 2, above). ² Not printed.

stated that no portion of new contract requires Majlis approval and that, therefore, each article of that contract appears to be fully authorized by Iranian law. On basis of that info, together with Henderson's ³ suggestion that discussion of revision of Agreement might best be initiated in Tehran where Agreement was concluded Oct last, Noury stated he would refer matter to Tehran for clarification and possible further discussion.

Prelim Dept conversations with Army reveal that all contract provisions referred to above, other than wording of preamble, represent standard operating procedure and are contained in similar agreements with other countries which have requested US military missions.

Please discuss matter fully with Grow and Schwarzkopf and report developments.

MARSHALL

³ Loy W. Henderson, Director of the Office of Near Eastern and African Affairs.

891.20 Missions/3-348: Telegram

The Secretary of State to the Embassy in Iran

SECRET

WASHINGTON, March 6, 1948-2 p.m. 210. Agreed views State and Army concerning Iranian request revise agreement covering US Mil Mission to Iranian Army (Deptel 193 Mar. 1) closely parallel those developed in discussion between Grow and Iranian Min of War (urtel 246, Mar. 3 1) :

(a) Wording in Preamble might be changed to meet Iranian request. While controlling US Statute stipulates "enlisted men", that law might be interpreted here to permit substitution "non-commissioned officers" in strict conformity with wording Majlis Act Oct. 24, 1943.2

(b) Limiting functions of Mission to advice concerning matters of administration is acceptable. While present extensive functions of Grow Mission would, we think, result in greater benefit Iranian Army, we would not insist upon their retention as necessary condition for continuance Mission. If Iranian Govt wishes Mission continue all its present functions, as stated by Min of War, we feel that those functions should be stipulated in Agreement; otherwise, exercise of functions beyond advice on administrative matters might lead to plausible charge, in spite of oral assurances Min of War, that Mission is exceeding its authority.

(c) Elimination of provision giving precedence to US Mission members over Iranian officers of similar rank would not be acceptable. On basis of uniform experience US Mil Missions abroad, it is believed

¹ Not printed.

² Telegram 246, March 3, 5 p. m., from Tehran, noted that the Department had reversed "noncommissioned officers" and "enlisted men" in its telegram 193 (891.20 Mission/3-348).

that precedence is necessary to make advice by Mission members effective. Further, it is felt that precedence, which is granted in all agreements covering US Mil Missions abroad, should be extended as matter of courtesy on part of receiving Govt.

(d) Prohibition against engagement of other foreign military personnel without agreement Iran and US Govts is necessary because: (1) Only by such provision can responsibility for effective operation be accepted by US Mission; (2) Without such provision, conflict of authority between US and other foreign military personnel might cause serious administrative confusion.

(e) All provisions Art 25 beyond immunity from import duties are now found to be peculiar to US-Iran Agreement in question. Those exemptions are, however, provided in practice in all countries where we have military missions. In view provision made for payment these charges under Iranian law and decree Apr 15, 1947, there is no objection to change of wording to bring principles expressed in Art 25 into line with present practice. It is felt that substitute wording should assure provision Iranian payment all charges mentioned Art 25.

After Grow and Min of War have discussed latter's draft statement of desired changes, draft should be referred Wash with Grow's comments before indicating any degree official US concurrence.

In view of urtel 226 Feb. 26 3 reporting statement Iranian Min War that agreement does not overreach basic Majlis Act, would appreciate views of Emb and Grow concerning possible policy considerations, as opposed to legal factors, which might have entered into Iranian request revise Agreement.

Sent Tehran 210 rpt London 791.4

MARSHALL

⁸ Not printed.

⁴ Chargé Somerville reported, on March 11, that he had discussed telegram 210 with General Grow. The latter was said to be convinced that the Iranian Government would not press for revision of the agreement until September, when it was required to give notice as to its renewal beyond March 1949 (telegram 272 from Tehran, 891.20 Mission/3-1148).

891.105A/2-2548 : Telegram

The Secretary of State to the Embassy in Iran

SECRET

WASHINGTON, March 9, 1948-6 p. m. 218. State and Army cannot agree with Emb view (urtel 224 Feb 25¹) that, even if Iran Govt should request it, American Army officer as comdr Iranian gendarmerie is no longer desirable. Our policy continues to be to accord Iran all reasonable assistance possible. in form requested. Anticipated Iranian request continuance command

¹ Not printed.

authority Chief gendarmerie mission (urtel 250 March 4²) is considered reasonable. We are able and willing to meet it.

We recognize fully conspicuous responsibility accepted by US in above position. At same time, Iranian request indicates approval past discharge command function by US officer and courageous Iranian disregard Soviet propaganda objectives (urtel 251 March 4²). US accession to request would reflect willingness help Iran achieve legitimate sovereign condition of internal security. Under Iranian decree summer 1947, gendarmerie is clearly divorced from Army and US agreement command purely internal security force cannot reasonably be interpreted, by Iran or Soviet Union, as threat to Iranian-Soviet good relations.

Since our suggestion immediate reassignment Schwarzkopf (Deptel 176 Feb 24²) was predicated upon imminent deletion command function from gendarmerie agreement, there now appears no reason pursue matter further at this time. Preliminary exploration possibility reassigning Schwarzkopf indicates important post will probably be available in Germany or Korea, but not in immediate future.

In view of your indication present disposition Iran FonMin and our estimate possibility change of Govt would reverse tendency to integrate Army and gendarm[er]ie, we suggest Emb not continue pressing for reply to Embassy's note Feb 7.³

Sent Tehran 218; rptd Moscow 263.

MARSHALL

^aNot printed.

³ Tehran advised, on March 17, that Minister of the Interior Ahmadi "told Schwarzkopf March 15 Iran Govt wished to continue services of gendarmerie mission without change. He assured Schwarzkopf emphatically that he would have full command authority and all prerogatives as specified in agreement." (telegram 285, 891.105A/3-1748). Regarding the note of February 7, see first footnote 1, p. 107.

891.00/3-1948

Memorandum of Conversation, Presumably by the Chargé in Iran (Somerville)¹

SECRET

[TEHRAN,] March 17, 1948.

Participants: His Imperial Majesty the Shahinshah Mr. Somerville, Chargé d'Affaires a.i. Mr. Jernegan

His Majesty began the conversation by saying that Iran had lost a great deal of time in the past two years. He considered that Iran could not continue in the present fashion, accomplishing nothing and preparing itself for nothing. He felt that Iran with its poverty was

¹ Transmitted to the Department by Tehran in despatch 83, March 19.

ripe for communist penetration. Something had to be done and he, the Shah, could not do it alone. Iran needed a strong government and it needed foreign assistance. In reality Iran was in an even more serious danger than some of the European countries which were occupying the attention of the United States at the present time.

Mr. Jernegan remarked that Iran at least had the advantage of having no large and active communist party of the sort that was active in Italy and France. His Majesty agreed that this was the case, but pointed out that there was equally no strong anti-communist group in Iran. He appeared to feel that the whole situation in the country was so disorganized that a real communist drive would not be adequately resisted.

His Majesty went on to speak of the great need for economic development in Iran, as a preventive measure against popular dissatisfaction and communist penetration. In this connection he said there was great need for foreign financial aid. Mr. Jernegan said that he saw no reason why the Iranian Government could not obtain all the financial assistance it could utilize from the International Bank. He did not expect that the Bank would approve in one lump a sum of, say, \$250 million, but he believed the Bank would be quite ready to grant yearly amounts corresponding to the real necessities of any realistic development plan. In other words, the Bank would probably be willing to approve a small amount for the first year or two, and then as the implementation of the plan developed, would approve progressively larger loans, so that in the end Iran would probably get the full amount required.

The Shah then went on to say that economic development was only one part of the problem. The Iranian state must be fully prepared to meet subversive activities on the part of the Soviet Union, including the introduction of armed forces disguised as Kurds, Azerbaijanis, etc. For this, the Iranian army must have adequate arms and other equipment. His Majesty compared Iran to the last third of the dam against Soviet aggression in this part of the world. The United States, he said, had taken steps to support Greece and Turkey, thus reinforcing twothirds of the dam, and he could see no reason why Iran should not equally be supported since the fall of Iran would mean the fall of the Middle East and the destruction of the barrier set up in Greece and Turkey.

Mr. Jernegan said that he was aware of the discussions on this subject which had taken place between the Shah and Ambassador Allen. He had further discussed the matter briefly with Mr. Allen and with Ambassador Wiley ² during his trip out to Tehran. The first

均 法通过发出来在行任任的工作工具工具都成长期的出口人。指示,都不是有些原则的

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² John C. Wiley, the Appointed Ambassador to Iran.

element to be considered was the fact that the Iranian Government as such had never made a request to the United States for special military assistance of the kind accorded Greece and Turkey. On the contrary, it seemed that at least some Iranian political leaders would prefer not to receive such special assistance. Mr. Jernegan had understood from Ambassador Wiley that he would be prepared to discuss the matter after his arrival in Tehran. In Mr. Jernegan's opinion, it was not out of the question that Iran might receive appropriate aid, but it was a matter which would require careful consideration on the part of both governments. The Shah said that a great deal obviously depended on the analysis of the situation made by the United States Governmentthat is, it would make a difference whether the American Government considered that the Soviet Union would seize upon a pretext to invade Iran or to bring about a war, or whether we considered that the USSR would precipitate a war without any pretext. Likewise, the decision would depend on whether the United States itself was willing to go to war in case of necessity or intended to confine itself exclusively to paper protests regardless of what might transpire. If we were ready to fight to stop the Soviet Union, we should make that known promptly. If we were not ready, the Soviets would realize it very soon and would continue their aggressive policy no matter what we might say.

Speaking personally, Mr. Jernegan expressed the opinion that the Soviet Union did not wish to bring on a war and would refrain from any overt act which might precipitate a conflict. Mr. Jernegan did not think that the Red Army would cross the Iranian frontiers. He felt that the real danger for Iran lay in underground Russian penetration and possibly in the introduction of armed bands which would masquerade as Iranian but would be supported by the Soviet Union. The important thing for Iran, as well as for other countries in similar circumstances, was to maintain internal stability and be ready to nip in the bud any attempts at armed uprising instigated by the Soviets.

His Majesty asked why Mr. Jernegan believed that the Soviets were not prepared to bring on a war. In reply Mr. Jernegan advanced the view that the Soviets had not yet consolidated their hold over their satellites, the majority of whose people were still hostile to the communist system, that their own people in Russia were disinclined to embark on another war, that their economy had suffered very severely in the war just past, and would require a great deal of reconstruction still before they felt strong enough to wage war, and that the general tactics of Soviet diplomacy in the past two years was evidence that the USSR was still following a policy of seizing such advantages as

429-027-75----9

it could obtain without undue risk but of retreating wherever it met firm opposition. In support of the latter point, Mr. Jernegan cited the examples of Iran and Greece. In the Azerbaijan case, the Soviet Union could have maintained its forces in Iran and maintained control of Azerbaijan if it had wished to take the risk of a major crisis, and similarly in Greece the Soviet Union, through its satellites, could probably have seized a substantial part of Greece if it had been merely a question of relative force. As had been the case in Azerbaijan, the Soviets in Greece could have mobilized large forces of pseudo Greeks under the banner of the so-called "Free Democratic Government of Greece", and could probably have overcome the military resistance of the Greek army. In neither case had the USSR been willing to force the issue, presumably because it knew that such action would have clearly shown its aggressive intentions and might have provoked a powerful reaction on the part of other nations.

The Shah agreed that this might well be a true interpretation, but he added that if the USSR found itself blocked in all directions by the Western Powers, it might very well decide to precipitate a war now, rather than wait until Europe should recover and the balance of power turn definitively against the Soviets. He appeared to feel that Russia might at any moment attack without warning. He went on to say that dictatorial regimes, whether Nazi or Communist, had to win victories in order to maintain the support of their own people and continue in power. Mr. Jernegan observed that he thought there was a difference in this respect between Nazi Germany and Fascist Italy on the one hand, and Communist Russia on the other. It was true that the two former had had to move forward always in order to maintain their own prestige, but the communist regime in Russia was of a somewhat different character. It had already survived one period of retreat, or quiescence. Following the revolutionary activity between 1917 and 1921, the USSR had found itself unable to progress in its revolutionary policy outside of Russia and had then turned its attention inward toward developing and building up its own economy and consolidating its regime. The Russian people seemed to be so firmly in the grasp of the communist government that the latter was free to make strategic retreats without fear of internal repercussions. It might be anticipated, therefore, that Moscow would similarly "pull in its horns" if at the present time it were confronted with superior strength and superior firmness on the part of the western democracies.

His Majesty said that he hoped this theory was the correct one, but indicated his belief that we should be prepared to meet any contingency.

Referring to his desire to have a strong army, the Shah said that he did not envisage a really large force. He would be quite content with half the number of men which he understood Turkey planned to keep under arms. Specifically, he did not advocate an Iranian army of more than 150,000 men, whereas he believed the Turks had in mind a standing force of about 300,000. He thought his plans in this regard were very modest, in view of the fact, as he said, that Iran was really a larger and wealthier country than Turkey. Mr. Jernegan expressed his pleasure at the Shah's realization of the desirability of keeping Iran's armed forces on a reasonable scale. He pointed out that really large armed forces could be self-defeating, because it could be such a drain on the national economy as to increase the very poverty of the people, which His Majesty considered the greatest asset of Communism. As an example Mr. Jernegan pointed out that in Greece the country had reached a stage at which any increase in the armed forces required not merely a grant of dollars from the United States to finance the foreign exchange cost of the increase, but also an additional grant of dollars for the importation of consumer goods into Greece to be sold by the Greek Government to produce revenues in Greek currency to cover the internal expenditures involved in the increase in the armed forces.

Toward the close of the interview, His Majesty embarked on a general discussion of constitutional systems and the desirability of having a strong executive. While he did not say so specifically, it was apparent that he had in mind the desirability of strengthening his own power, in order to guard against and overcome the weakness and irresponsibility of the Iranian Majlis. He emphasized his belief that the Executive (by which he meant the Chief of State rather than the Chief of Government) should have the power to dissolve the legislature and call new elections whenever it appeared that the legislature might be acting in a fashion contrary to the wishes of the people. Mr. Somerville and Mr. Jernegan confined themselves to general observations on this subject.

Just before terminating the interview, the Shah reverted to the attitude of the Soviet Union and the objections which it raised to any American assistance to Iran. He said he knew the USSR would criticize any such assistance as being aggressive and imperialistic, and he added, smiling, that he hoped the new American Ambassador, Mr. Wiley, was a good imperialist. Mr. Jernegan remarked that Ambassador Wiley was a good anti-communist, if that was what His Majesty meant. 761.91/4-1548

The Iranian Ministry for Foreign Affairs to the Embassy of the Soviet Union in Iran¹

TEHRAN, March 22, 1948.

In presenting its compliments to the Embassy of the Government of the Union of Soviet Socialist Republics in Iran, the Ministry of Foreign Affairs of the Imperial Iranian Government desires to bring the following to its attention:

According to information which we have received, Professor Steinberg in continuation of statements made on November 22 [28] of last year,² has likewise given a lecture in Moscow on the 18th of March of this year in which he made certain statements regarding the policy of the Imperial Government, developments in Iranian Azerbaijan, the influence of the Americans, etc. and without any basis whatever attributed certain actions to Mr. Hakimi, Prime Minister of Iran, identifying him as an old enemy of the Soviet Government. He said notably that Mr. Hakimi is continuing his previous unfriendly attitude toward the Soviet Government and that the Americans are striving to gain control of the oil of Northern Iran and to transform the territory of Iran into a second Greece. The speaker added that Mr. Hakimi wishes to convert Iran into a military base against the Soviet Union.

The professor in question concluded that in following this policy Iran is playing with fire, that the Soviet Government cannot remain indifferent and that it will not permit the existence on its frontiers of a government serving as a military base for attack on Soviet territory.

The fact is, unfortunately, that in spite of the statements made repeatedly by the Imperial Iranian Government to the Embassy of the Soviet Union relative to the independent and national policy of the Iranian Government and the explanations given regarding the employment of American advisors in the Iranian Government and the policy of the Imperial Government regarding the oil of the North, the previous unfriendly and unjustified attitude toward the policy of the Imperial Iranian Government is still being followed.

It is likewise confirmed that certain known persons and circles connected with the great and friendly government of the U.S.S.R. have made statements without any foundation and contrary to truth.

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¹Translation by the Embassy in Iran based on version appearing in the Tehran press; transmitted to the Department by Tehran in despatch 108, April 15. An earlier rendition, also based on the version appearing in the press, was transmitted by Tehran in telegram 326-A, March 30, not printed (761.91/3-3048).

³A summary of the lecture of November 28, 1947, had been transmitted to the Department by Moscow in despatch 12, January 5, 1948, not printed (861.9111/ 1-548). The lecture was entitled "Soviet-Iranian Relations and the Intrigues of British-American Reactionaries".

Therefore, the Ministry of Foreign Affairs of the Imperial Government finds it necessary to bring to the attention of the leaders of the Soviet Government the following points:

1. Everything that has been published, said or broadcast by the Soviet press and radio and by Professor Steinberg regarding the personal enmity of Mr. Hakimi, the present Iranian Prime Minister, is absolutely unfounded and untrue. In 1919 Mr. Hakimi was not a member of the cabinet of that time and made no personal statements regarding the Soviet Government.

Certain statements attributed to Mr. Hakimi, similar to those which are current even to this day, are nothing but obvious distortions of contemporary history.

2. The policy of the Imperial Government of Iran has always been based on the protection of the interests of the Iranian people and of its national and historic unity, and upon the political and economic independence and territorial integrity of the country. Moreover, Iran's neighbor states have on several occasions officially and by treaty confirmed these facts.

It is obvious that the Imperial Iranian Government will never abandon this policy.

3. The allegations of Professor Steinberg to the effect that the Americans are striving to gain control of the oil of Northern Iran are absolutely unfounded and untrue.

Moreover, as the leaders of the Soviet Government already are aware, and as we have reminded them on several occasions, the Iranian Government, under the provisions of clearly-defined legislation, is prohibited from handing over its petroleum resources to any foreign government.

4. The engagement of foreign advisors from non-adjacent countries, to which the friendly neighborly country keeps referring, does not prove that the Iranian Government has abandoned its policy, but rather indicates the continuation of this same policy of protecting the interests of the nation.

Moreover for more than a hundred years as a result of the encroachments and unfriendly attitude of the Czarist Government toward Iran, the violation of the independence and sovereignty of the Iranian nation as well as economic oppression, this policy has always been pursued and maintained by the Iranian Government and likewise has been confirmed by the Soviet Government in the terms of the treaty of friendship of 1921.

As regards the presence of a few American employees and their advice regarding the administrative affairs of the Ministry of War, the Iranian Government never expected that there would be such unfounded statements and uncalled-for allegations as have emanated from a person like the professor in question or Soviet broadcasters and editorial writers.

Therefore, the claims of Professor Steinberg and the propaganda which is constantly being put out to the effect that the territory of Iran is becoming a military base against the Soviet Union are unfounded. The Imperial Iranian Government has not permitted and will not permit a few foreign employees, much less any foreign government, to transform Iran into a base for attacking or unleasing an aggression against another country.

The Iranian Government has in no way subjected itself, and never will, to the point of view of any foreign government either in the conduct of internal affairs or in the establishment of foreign political relations.

The aim of the Iranian Government is to adhere sincerely to the charter of the United Nations, and to maintain friendly relations with all governments, especially with its neighbors.

And it cannot be supposed that any government whatever, unless it feared that its sovereignty and territorial integrity were in danger, could incline toward any other policy.

5. Another argument employed against the policy of the Imperial Government is the question of the loan from the government of the United States. It is quite evident that the act of borrowing from another government does not signify submission to the point of view of the latter. Many governments, large and small, including the government of the Soviet Union, have contracted and are contracting such loans from other countries.

As has been stated in writing and verbally both in Tehran to the Embassy of the Government of the Soviet Union and in Moscow to the leaders of the Union of Soviet Socialist Republics, the Iranian Government now affirms explicitly that in Iran there is no unfriendly attitude toward the Government of the great neighbor and friend with which it has contracted a treaty of friendship.

It is and always has been its desire to maintain the most friendly and good-neighborly relations with the government of the great friend. At the same time, just as is the case in all countries, especially in the great country of the Soviet Union, the preservation of this friendship on the part of the two governments is dependent upon reciprocal conduct; and whenever the leaders of the Imperial Government of Iran have been obliged in certain cases to defend the interests of the time-honored Iranian people, they have acted in conformity with their national and official duty and with the responsibility which they bear before the country and its history, and not through any special hatred or enmity. The Ministry of Foreign Affairs of the Imperial Iranian Government, in pointing out the foregoing, strongly hopes that the Embassy of the Union of Soviet Socialist Republics will bring these considerations promptly to the notice of the great leaders of the Soviet Government and will draw their attention to the facts mentioned and will request them to take energetic measures to bring to an end this illdisposed and untrue propaganda, which you will agree is harmful to the friendly relations of the two countries and contrary to the declaration of the General Assembly of the United Nations Organization of June 26, 1945.

761.91/4-1548

The Ambassador of the Soviet Union in Iran (Sadchikov) to the Iranian Prime Minister (Hakimi)¹

TEHRAN, March 24, 1948.

The Soviet Government does not consider convincing the statements of the Iranian Government regarding the American Military Advisers in Iran, which allege that these advisers do not hold key posts, nor do they have authority to direct affairs in the Iranian Ministry of War or other military Departments. It is the Soviet view that these statements are without foundation which is evident from the contents of the Irano-American Agreement of October, 1947, which stipulates "co-operation with the Iranian Ministry of War and men of the Iranian Army for the purpose of increasing the fighting capacity of the Iranian Army." The facts mentioned in the Soviet note of January 31 show that the role of the American military advisors is one of leadership in the Iranian Army.

In connection with the attempt of the Iranian Government to deny the facts mentioned in the Soviet note of January 31 as stated in the Iranian note,² the Soviet Government must point out that in the year 1941 the Iranian Government also tried to deny the existence of foreign agents in Iran whose activities were directed against the Soviet Union, although these activities were apparent to all.

The claim of the Iranian Government that "the Americans have not monopolized the right to occupy key military posts in Iran" is also contrary to fact. Furthermore this claim of the Iranian Government is contrary to Article 24 of the American agreement which says "during the time this agreement is in force or in case of its renewal, the Iranian

¹Translation by the Embassy in Iran based on version appearing in the Tehran press; transmitted to the Department by Tehran in despatch 108, April 15. An earlier rendition, based on a Soviet Embassy news bulletin, was transmitted by Tehran in telegram 318, March 28, not printed. (761.91/3–2848)

² Dated February 4, p. 101.

Government will not allow the nationals of any other foreign governments to enter the Iranian army unless this is specifically agreed to by the American and the Iranian Governments".

The Soviet Government considers as an injurious fairy tale and rejects the statements of the Iranian Government which allege that the Soviet authorities have had any part in the Azerbaijan affair, the causes for which affair must be sought in the internal policy of the Iranian Government. But regarding that part of the note, according to which the Iranian Government says that the Soviet Union has given refuge to Iranian subjects who because of their democratic convictions and by reason of their defense of democracy and progress were being persecuted by the Iranian Government, the Soviet Government rejects these charges as being entirely without foundation. The right of giving refuge to foreign subjects who for defending the interest of the world's laboring class or for scientific activities or for fighting for the national freedom of their particular countries are being persecuted, has been provided for in the constitution of the U.S.S.R. and is being observed by the Soviet Union.

As regards the Iranian allegation that in the Soviet Union Iranian political refugees have been granted permission to form military units for the purpose of attacking Iran and also the allegation that in Soviet territory Iranian political refugees operate a secret radio station—these are provocative fabrications.

The statements regarding the movements of Soviet military units and manoeuvers near the Iranian frontier are nonsense.

The efforts of the Iranian Government to make out that the Soviet note of January 31 is an interference in the internal affairs of Iran must be taken as an endeavor on the part of the Iranian Government to evade political responsibility and this course which is being pursued by the Iranian Government is contrary to good-neighborly relations as provided in the Irano-Soviet treaty of February 26, 1921.

868.00/3-1848

The Secretary of State to Senator William F. Knowland of the Senate Committee on Appropriations

WASHINGTON, March 25, 1948. My DEAR SENATOR KNOWLAND: I understand that you have talked with Mr. Allen, our former Ambassador to Iran, concerning your letter to me of March 18th¹ regarding the inclusion of aid to Iran in the Greece-Turkey Aid Bill.

¹ Not printed.

The Iran Government has requested us to extend additional credit of ten to fifteen million dollars for the repair and shipment of surplus military supplies which Iran desires to purchase from us. The Department has been energetic in seeking means through existing facilities to provide this additional credit and it is hoped that the means will be found through the War Assets Administration. Since we were already working on the Iranian matter from this angle, it was not considered necessary to include a reference to Iran in the Greek-Turkish Bill.

The Department appreciates your interest in the Iranian situation and fully shares your desire to support Iran. Mr. Allen will keep in close touch with you regarding developments in this connection.

Faithfully yours, G. C. MARSHALL

761.91/4-1548

The Iranian Prime Minister (Hakimi) to the Ambassador of the Soviet Union in Iran (Sadchikov)¹

TEHRAN, April 1, 1948.

Your Excellency's letter of 24th March, 1948 which was in reply to my note of 4th February has been received. I regret that the leaders of the Government of the U.S.S.R. paid no attention to the considerations set forth in my last note.

As I have already pointed out in my previous note, all the statements mentioned in your Embassy's note of 31 January, 1948 concern fundamentally and absolutely the internal affairs of Iran and the government of His Imperial Majesty of Iran is perfectly free and independent to adopt any decision for the improvement of conditions in the country and the arrangement of the different institutions of the Government.

You will agree that any expression manifested by any foreign government concerning these affairs should be considered as an interference in the internal affairs of this country of Iran. Moreover, the Government of the U.S.S.R. has, in conformity with article 5 of the treaty of friendship dated 26 February 1921 and the pact of nonaggression and neutrality of 1st October, 1927, explicitly undertaken to abstain from this kind of interference and if I in reply to Your Excellency's note, am giving some explanation in this matter, it is only because of the friendship between the two countries and merely in order to remove any misunderstanding on the part of the leaders of the friendly and neighbor government.

¹Translation by the Embassy in Iran based on version appearing in the Tehran press; transmitted to the Department by Tehran in despatch 108, April 15. An earlier rendition, also based on the version appearing in the press, was transmitted by Tehran in telegram 339, April 2, not printed (761.91/4-248).

Concerning the renewal of the contract of employment of a number of Americans in the Iranian Army, I consider it unnecessary to make any further explanation or to repeat what I have already said in my previous note. But I am astonished that such a simple and clear question should cause so much comment, even to the extent that the esteemed leaders of the Soviet Government have found it necessary to point to the events of 1941, and in particular to state that in that year the government of Iran endeavored to deny that foreign agents were active against the Soviet Union.

It is extremely regrettable that the Government of the U.S.S.R. pays no attention to the obvious truth that apart from the fact that at that time there were no armed forces of any foreign government in Iran which had the intention of attacking the government of the U.S.S.R., there was in any event, not the slightest ground for resorting to the 1921 treaty. Until June, 1941 relations between Germany and the Government of the U.S.S.R. were not such as to cause the leaders of the Soviet Government to feel any anxiety with respect to the German citizens in Iran, and from June 21 to August 25 of the same year, when foreign troops entered Iran, no change occurred in the policy of Iranian neutrality. Consequently, considering the text of the letter dated December 12, 1921 (No. 1600), of Mr. Rotstein,² the Plenipotentiary representative of Soviet Russia in Iran, to resort to article 6 of the treaty of February 26, 1921, was nothing but a pretext. Moreover, as it became clear to everyone, it was intended only for the purpose of making use of Iranian means of communication and expediting the allied aid to the U.S.S.R.

As to the refutation of my statements on the Azerbaijan incidents, I am obliged—although I wished to avoid any mention of this subject—to point to the failure of the Soviet Government to comply with the tri-partite pact of January 29, 1942,³ which provided for the evacuation of Iran, and subsequently the interference of the forces of that government remaining in Iran in the internal affairs of the country and especially as regards Azerbaijan. Such examples as the expulsion, exile and arrest of Iranian Government officials and the pressure exercised by the Soviet forces against the local garrison, and the prevention of Iranian forces from entering Azerbaijan, and other matters not mentioned here, are enough to confirm my statements.

² League of Nations Treaty Series, vol. 1x, p. 413.

³ For the text of the Treaty of Alliance between the United Kingdom, the Soviet Union, and Iran, signed at Tehran on January 29, 1942, see Department of State Bulletin, March 21, 1942, p. 249. Documentation on the treaty is contained in Foreign Relations, 1942, vol. rv, pp. 263 ff.

On the subject of Iranian refugees in the territory of Your Excellency's Government about which it was alleged that they were persecuted by the Imperial Government for holding democratic ideas, it is deemed necessary to draw the attention of Your Excellency to the fact that Iranian laws-like the laws of other countries-specify that criminals, thieves and marauders be punished. Therefore, the statements of Your Excellency to the effect that such persons hold democratic ideas, and the attribution of the word "freedom-loving" to such elements are extremely regrettable and are also contrary to friendship and neighborliness. They are especially contrary to the obligations of Your Excellency's Government under the provisions of the treaties of friendship of 1921 and 1927. For example, according to section 1 of article 5 of the treaty of friendship, the Soviet Government had undertaken to prevent the formation or residence in its territory of organizations or groups, under whatever name, or of individuals, with the purpose of fighting against Iran.

In view of the foregoing facts, you will agree that the statements of Your Excellency about these persons, and the fact that they have been given refuge and have gone unpunished and have been left free to continue a propaganda campaign directed against Iran, constitute a definite and open breach of Soviet obligations.

The Imperial Iranian Government considers Your Excellency's denial that Iranian fugitives are being harbored for the purpose of future attack against Iranian territory, and that Soviet forces are being moved about or carrying out maneuvers in the region adjacent to the border, as definite documentary assurances that in the future no such incidents, the occurrence of which would constitute a breach of this assurance, will take place.

As to the clandestine radio the existence of which in Soviet territory was denied, the accurate information that the Imperial Iranian Government possesses about this matter, which was brought to the attention of the Soviet Embassy through notes Nos. 6352, 7353, 8464, of 1947–48 does not conform with this denial.

In conclusion it is pointed out that the Imperial Iranian Government's efforts to preserve friendship with the U.S.S.R. are known to the entire world. Now, again I give my assurance that the Iranian Government has no purpose other than strengthening justice and good intentions in carrying out promises and compliance with treaty obligations, and hopes that to see the same good-will in respect to carrying out treaty obligations and the same efforts to preserve friendship between the two countries on the part of the Soviet Union.

I avail [etc.].

761.91/4-248: Telegram

The Ambassador in the Soviet Union (Smith) to the Secretary of State

CONFIDENTIAL

Moscow, April 2, 1948-4 p. m.

592. Except for original Soviet note January 31, Soviet press has not published further Soviet-Iranian exchanges culminating in Soviet note March 24 (Tehran's 318, March 28),¹ though commentaries have continued develop thesis of menacing US military activities in Iran. Latest note seems to us to have ominous implications, arising particularly from reiterated citation 1921 Treaty, reference to 1941 events and suspiciously limited nature denial military organization and operation radio station by "Persian political refugees" defense of asylum might well cover Firouz² if he is actually here (Embtel 434, March 8³) as well as Azerbaijanis and Barzani Kurds.

While presently impossible estimate Soviet intention, it seems clear basis is being laid for renewal active intervention in Iran, and possibility cannot be excluded Iran will be deliberately chosen because of relative remoteness from USA and limited US interests, to test seriousness of our proclaimed determination to halt Soviet aggression. Whether developed as Azerbaijan "liberation movement" or as direct military intervention under 1921 Treaty, any operation would doubtless be carried out with lightning speed while world attention focused elsewhere, and without excessive dependence on unstable local elements which ruined previous effort. Timing to coincide with maximum aggravation Palestine situation late May after British withdrawal seems possibility which should be carefully watched.

Sent Department 592, Department pass London 40, Tehran 11.

SMITH

³Not printed.

501.BC/4-248: Telegram

The Acting Secretary of State to the Embassy in Iran

SECRET

WASHINGTON, April 2, 1948-6 p. m.

290. Dept considers that decision on desirability Iran request for UN Investigating Commission¹ rests completely with Iran Govt

¹Not printed, but see footnote 1, p. 125.

² Mozaffar Firuz, former Iranian Ambassador to the Soviet Union; known for his pro-Soviet views.

¹Tehran advised, on April 2, that the Iranian Government had definitely decided to request such a commission to investigate the charges and countercharges in the recent exchanges of notes by the Soviet Union and Iran (telegram 338, 761.91/4-248).

(urtel 330 Mar. 31²) and that we should not take position either of encouraging or discouraging new approach to UN.

In discussing matter with Iran officials you might take following line. Iran has defended its position well in recent note exchanges. Soviet note Mar. 24, as stated urtel 324 Mar. 29,³ apparently adds little to controversy. Although Iranian note Mar. 22 good presentation Iranian case, Soviets can ignore or reject it as dealing with views of "private" Soviet citizen which do not constitute official Soviet policy. It is assumed that Iranian officials are seriously weighing such considerations as (1) whether time is propitious for such request to UN; (2) almost certain Soviet veto in SC; (3) whether request for UN action should be reserved for later use in event more serious Soviet move.⁴

Dept feels suggestions Deptel 131 Feb. 10 still applicable. Emb should continue to indicate support firm Iranian stand including suggestion that, even if Iran Govt does not see fit to request UN investigation, it might again consider filing notes with UN SYG for attention and info SC members.⁵

Sent Tehran 290, rpt London 1145, Moscow 363.

LOVETT

² Not printed.

⁸ Not printed; it gave the feeling of the Embassy that while the Soviet "note in itself adds little that is new regarding Soviet-Iranian controversy, it is effort continue 'softening up' process whereby Soviets hope frighten Iran Government into abandoning present orientation with western powers. Soviet comparison of current American activities with those of Nazis in 1941 is obvious effort panic Iranians into believing USSR may take counter-measures similar to those of 1941." (761.91/3-2949)

At this point in the telegram as originally drafted appeared the following:

"Iranians might consider possibility of inviting USSR to concert with Iran in joint request for UN investigation of charges and countercharges, transmitting copy of invitation to UN SYG and exploiting it for maximum publicity value. In event of probable Soviet refusal this approach, onus would rest on USSR and Iran would not have played trump card."

This portion of the draft telegram was deleted by Charles E. Bohlen, Counselor of the Department.

⁵ The Department, on April 6, informed Tehran that Warren R. Austin, the United States Representative at the United Nations, had given the substance of telegram 290 to his Iranian opposite number, Nasrollah Entezam, on April 5. Ambassador Austin had commended the Iranian stand at the United Nations and had advised him that "US would support firm Iranian stand." The Department concluded that "we feel no useful purpose would be served by Iranian Govt pursuing plan request UN appoint investigatory commission (urtel 338 Apr 2) but that filing with UN SYG recent notes for info SC would conform with normal UN procedures and afford desirable publicity Soviet coercive tactics. In official conversations with Iranian authorities, however, we should not advise Iran what action it should take with regard to UN." (telegram 295, repeated to London, Moscow, and USUN, 501.BC/4-648)

Iran what action it should take with regard to UN." (telegram 295, repeated to London, Moscow, and USUN, 501.BC/4-648) The Shah informed Ambassador Wiley on April 17 that copies of all notes recently exchanged by Iran and the Soviet Union had been sent to the Secretary General of the United Nations for information (telegram 410, April 19, 10 a. m., from Tehran, 761.91/4-1948).

FOREIGN RELATIONS, 1948, VOLUME V

891.20 Mission/4-348: Telegram

The Chargé in Iran (Somerville) to the Secretary of State

SECRET

TEHRAN, April 3, 1948-5 p.m.

TEHRAN, April 6, 1948-3 p. m.

344. Foreign Minister informed us today Iranian Government had decided press now for revision of Grow Mission contract, along general lines mentioned by Iranian Embassy Washington (Deptel 193, March 1) and Minister would accordingly wish discuss matter with Ambassador Wiley as soon as possible after presentation credentials (which now appears unlikely before Tuesday). This decision came as complete surprise to Embassy and General Grow since reported Embtel 272, March 11,¹ matter was thought to be dead issue.

Foreign Minister said chief concern of Iranian Government was to revise Article 24 re engagement personnel other foreign countries, to which we commented along lines Deptel 210, March 6, paragraph d.

Ambassador Wiley informs me that in absence further instructions from Department he will, as a practical matter, insist upon retention present provisions re this article and other points regarded by US Government as basic, as set forth Deptel 210.

General Grow is of same view.

Somerville

¹Not printed, but see footnote 4, p. 116.

891.001/4-648 : Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

SECRET

355. After presentation of letters, had private audience with Shah lasting nearly hour and half (Embtel 354, April 6¹). Shah emphasized at great length and seemingly with sincerity his desire to improve social justice and standard of living of masses in Iran. He showed great resentment over invocation 1921 treaty for military occupation Iran in 1941, claiming that there were only half the number of Germans in Iran than in Turkey and that no possible menace to USSR existed as foreseen in 1921 treaty.

He regards future with deep pessimism and evidently foresees Russian invasion Iran at no very remote date. He did not believe Iranian Government in exile, either in Washington or elsewhere, would serve any useful purpose. He is determined to keep Iranian flag flying somewhere in Iran. Under no circumstances can he foresee possibility of

¹Not printed.

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IRAN

defending frontiers of Iran against aggression but apparently is hopeful of remaining somewhere within country. He is impressed and encouraged by firmness and clarity of American policy but very fearful that anything US may do for Iran may be "too little and too late". He said "if only we could have half the tanks and munitions that US is sending to Turkey".

He talked at length about necessity of increasing agriculture and mineral wealth of Iran.

I found Shah for his age (28) mature, well informed, and intelligent. I got impression of a young man of good preparation, courage and conviction.

Sent Department 355, repeated London 28, Department please pass Moscow 21.

WILEY

761.91/4-1548

The Embassy of the Soviet Union in Iran to the Iranian Ministry for Foreign Affairs¹

[TEHRAN, April 8, 1948.]

The Embassy of the U.S.S.R. in Iran, in reply to your note of 22nd March, has the honor to bring to the attention of the Iranian Ministry of Foreign Affairs that, according to information received by this Embassy, Professor Steinberg's speech was mainly a description of the policy carried out in Iran with regard to the U.S.S.R. The violation of the Russo-Iranian oil agreement is a part of that policy.

Professor Steinberg in his speech made reference to the Irano-American agreement of October 6, 1947, and the activities of the American military missions in Iran. In connection with these, he made statements which are based on facts already mentioned in the note of the Soviet Ambassador to the Iranian Prime Minister dated 31st January of the current year, which was also published in the newspapers.

It is obvious that the statements made by a representative of public opinion or representative of the Soviet press about the hostile policy followed in Iran with regard to the U.S.S.R. cannot be a subject for protest by the Iranian Ministry of Foreign Affairs.

Furthermore, the Soviet Embassy draws the attention of the Ministry to the belligerently libelous propaganda launched by a great number of Tehran newspapers against the U.S.S.R. For example, during the period from January to March, the newspapers *Tehrani*

¹Translation by the Embassy in Iran based on version appearing in the Tehran press; transmitted to the Department by Tehran in despatch 108, April 15. An earlier rendition, also based on the version appearing in the press, was transmitted by Tehran in telegram 366, April 8, not printed (761.91/4-848).

Mossavar, Atesh, Arezoo, Saba, Sedaye-Vatan, etc., have been constantly making libelous statements on the internal and foreign policy of the U.S.S.R., and have alleged that the U.S.S.R. had aggressive plans against Iran and other countries. They have also published caricatures against the U.S.S.R. and its authorities.

The Embassy of the U.S.S.R. expects the Iranian Ministry of Foreign Affairs to take necessary steps for prevention of the hostile and libelous propaganda carried out in Iran against the U.S.S.R.

891.00/4-848: Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

SECRET

TEHRAN, April 8, 1948-10 a.m.

360. Increased covert activity Tudeh Party and sympathizers reported several sources. Prominent Tudeh leader has informed local AP correspondent that meeting of party leaders from all provinces Iran will meet Tehran April 9 preparatory assumption more active role Iranian political affairs. Same source states Kambaksh, Tudeh leader who fied to USSR at approximately time Azerbaijan puppet regime fell, recently returned Tehran and has been active in party council.

Soviet political agent Azurov (or Ashurov), who in 1945 worked among southern Kurds in attempt to bring them into Kurdish people's republic, reported by Deputy Mohamed Hosein Qashqai to be operating in Fars Province among Boir Ahmedi and Qashqai tribes. Qashqai informed Embassy that Azurov, after having been rebuffed by Qashqai, passed onto Boir Ahmedis where he is more successful.

WILEY

891.20 Missions/4-848 : Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

SECRET

TEHRAN, April 8, 1948-2 p. m.

364. Subsequent to conversation with FonMin reported Embtel 344, April 3 Minister has called Embassy several times to request us to expedite discussions regarding revision Grow Mission contract. When I called on him Wednesday he raised matter and said Iran Government was most anxious to have agreement modified as soon as possible. He mentioned only Article 24 (employment advisors of other nationalities) but FonOff has sent us statement of other changes desired which correspond closely with those mentioned Deptel 193 March 1.

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FonMin said he could give most categoric assurances Iran Government had no intention employing other military advisors but that government regarded it as essential eliminate Article 24 in view irresponsible criticism by certain members of Majlis. When I mentioned that such a clause was included in agreements we have with many other countries and considered indispensable from purely practical consideration, he pointed out situation of Iran was not comparable to countries in South America. I stressed our desire assist Iran in manner most desired by Iran Government, and that under no circumstances were we trying to impose anything.

After further discussion I agreed transmit to Department suggestion that Article 24 be eliminated as requested by Iran Government and replaced by an unpublicized exchange of letters in which FonMin would give assurances. FonMin promised ascertain at once from government whether this procedure would be acceptable. I, of course, stressed I could not be sure Army and State Departments would agree to this modification.

General Grow, whose information confirms desire of Iran Government to modify existing contract, informs me he would prefer retention of present arrangement but if this should not be feasible he believes foregoing proposal would be acceptable. I should appreciate Department's urgent instructions since Iran Government obviously on pins and needles over question.

WILEY

891.24/4-848: Telegram

The Acting Secretary of State to the Embassy in Iran

CONFIDENTIAL US URGENT WASHINGTON, April 8, 1948—7 p. m. 307. Dept has informed Iranian Purchasing Mission US Govt able offer Iranian Govt immediately credit covering expenses ocean shipment to Iran surplus arms located Europe. Iranians will not be charged for repair, packing or shipment to German port.

Gen. Hedayat also told we hope provide credit covering repair, packing and shipment to Iran equipment located US but this cannot be definitely confirmed for several days. (Embtel 359 Apr. 8¹)

Dept suggested Hedayat ask Iranian Govt if it desires begin movement European supplies in advance confirmation our ability offer credit for repair and movement goods located in US.² We pointed out certain components located in US and others Germany.

¹ Not printed. ² The Department advised Tehran, on April 14, that the Bureau of the Budget had given informal approval of such credit (telegram 327, 891.24/4-1448).

429-027-75-10

Dept stated that in light current political tensions US not prepared furnish Air Force pilots deliver aircraft in Iran but to adjacent fields, such as Habaniya or Dhahran.

Dept also asked whether Iranian Govt willing and able send few selected pilots to Germany for training while aircraft are conditioned for delivery. Dept Air Force now querying US Air Force Germany determine if such training feasible.

Credit assistance for European equipment will be based on funds now available to US Army for handling surplus located outside US. Credit for equipment in US will be based on appropriation to be requested for next fiscal year to handle disposal to foreign Govts of military equipment located in US. Legislation will not specify aid for Iran but rather will be general fund for such service to any country requiring help. Bureau of Budget may be able direct Dept start delivery immediately in advance legislation.

LOVETT

891.20 Missions/4-348: Telegram

US URGENT

The Acting Secretary of State to the Embassy in Iran

SECRET NIACT WASHINGTON, April 9, 1948-6 p.m.

310. (1) In your discussions with Iranian officials re revision military mission agreement (urtels 344, Apr. 3, 364 and 368 Apr. 8¹), you should adhere views expressed Deptel 210, Mar. 6. Position in general should be US desires assist Iran in any reasonable manner requested but does not consider reasonable any revision Grow Mission Agreement which would undermine mission effectiveness or indicate willingness accede Soviet pressure.

(2) With specific ref Article 24, Iranians should be reminded that this provision is included in all US military mission agreements and covers practice followed, so far as we know, in similar agreements other nations; that such practice is basic to US acceptance responsibility render effective advisory assistance; that substitution Iran-US understanding outside formal agreement would probably violate spirit UN resolution implementing Article 102 Charter; that practical effect elimination article would be admit Iranian error in past and invite Soviet offer military advisers, refusal of which would leave Iran alone responsible in Soviet eyes and appear lend some credence Soviet charge unequal, if not unfriendly, treatment northern neighbor; and that present wording already permits employment personnel other nations, e.g., British aviation experts, with agreement Iran and US.

(3) If, after hearing views outlined above, Iranians continue object Article 24, you might suggest substitute wording along following lines:

¹ Latter not printed.

"In event Govt Iran should engage services of any personnel of any other foreign Govt for duties of any nature connected with Iranian Army, Govt US will advise Govt of Iran upon contribution of such personnel to efficiency of Iranian Army. Should Govt US advise that engagement of such personnel does not contribute to efficiency of Iranian Army, and should Govt of Iran desire to continue services of such personnel, Govt of US reserves right to terminate its obligations under this Agreement and to withdraw the Mission."

(4) Ref Article 25, mentioned by Noury as only other provision Iranians wish amended, substitute wording permissible (Deptel 210, Mar. 6) making clear Iranian Govt responsible payment all charges in question.

(5) Above considerations represent agreed views State and Army. All except para three have been conveyed in substance informally to Noury, who feels Iranians might prefer at least substitute wording both Art. 24 and Art. 25. Dept has indicated US willingness consider substitute wording sympathetically.

(6) While Dept recognizes exclusive ability Iranians judge conformity present agreement with basic Majlis action, we are unable in absence Emb explanation understand apparent change of position from that attributed Iranian Min War in urtel 226, Feb. 26.²

(7) In light indications possibility imminent change Govt (urtel 367, Apr 8³), we suggest, if above views not convincing to Iranians, you undertake delay firm Iranian insistence delete Article 24. Noury promises caution Tehran against precipitate action.

Sent Tehran 310 rpt London 1252 Moscow 391.

LOVETT

²Not printed; it reported that the Iranian Minister of War agreed that no portion of the new contract to govern the activities of the Grow Mission required the approval of the Majlis (891.20 Missions/2–2648).

⁸ Not printed.

891.20 Missions/4-1248: Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

SECRET

Тенган, April 12, 1948—3 р. т.

377. Minister of Interior informed General Schwarzkopf 11th that latter enjoyed full confidence of Iranian Government and that he, Ahmedi, was in favor of retention of Schwarzkopf's command authority as provided in present agreement covering gendarmerie mission. Minister continued, however, that Iran was in very difficult position owing Soviet pressure and was anxious not to provoke USSR at this time. Government had accordingly decided it would be best for time being for head of gendarmerie mission not to have command authority, and for mission to be advisory only. This, he said, would be a purely temporary expedient and it would be intention of Iranian Government to restore Schwarzkopf's full authority as soon as circumstances should permit.

As General Schwarzkopf is reporting to Army Department, his reply was that decision was entirely in hands of Iranian Government but that he must point out he would probably be replaced if character of mission were altered to make it purely advisory, even temporarily. Ahmedi showed great concern over possibility of Schwarzkopf's departure and declared strong representations would be made through Iranian Embassy in Washington to have him stay here during temporary advisory phase of mission. Ahmedi gave assurances that during this period Iranian commander would cooperate fully with Schwarzkopf. He also said matter would be discussed with me by Foreign Minister and himself, but Schwarzkopf is inclined to doubt now whether Iranian Government will make a written reply to Ambassador Allen's note of February 7.1

General Schwarzkopf is strongly of view that this move on part of Iranian Government, constitutes appeasement of USSR taken in conjunction with desire eliminate Article 24 of Grow Mission contract. He feels presentation of matter as a purely temporary expedient is a device to do away with command authority, which once removed will never in his opinion be restored. He is skeptical of assurances re full cooperation of Iranian commander once Article 20 is eliminated. Schwarzkopf also feels that it would be contrary to the American interest for us to accede at this time to such a proposal, especially in view of present prospects for our affording concrete assistance to Iran in regard to supplying arms.

I should appreciate receiving urgently an indication of views of State and Army Departments with regard to this latest development.

I think present Iranian Government has become very decided on reducing authority of Schwarzkopf mission. In view of present political situation I am inclined believe this might be advisable. The criterion of efficiency of the mission will depend on the extent to which the gendarmerie would act on recommendations of an advisory mission.

I suggest, however, no action be taken until Foreign Minister sends for me to discuss matter.²

WILEY

¹ Not printed, but see first footnote 1, p. 107. ² Tehran, on April 15, reported information that the gendarmerie would be ⁻ Tenrah, on April 15, reported information that the gendarmerie would be merged into the army, primarily for reasons of economy, and that the Shah had approved the merger (telegram 390, 891.20/4-1548). Then, on April 24, Am-bassador Wiley advised that plans to merge the gendarmerie and army had been temporarily suspended because of the unfortunate publicity. He stated also that the "Foreign Minister did not deny to me [on the] 21st that govern-ment had decided merge army with gendarmerie and also eliminate Schwarz-kopf's command authority." The Ambassador concluded that "we should insist on Iranian Government's realying to Ambassador Allon's note of February. on Iranian Government's replying to Ambassador Allen's note of February 7 before considering anything else." (telegram 434 from Tehran, 891.20/4-2448)

711.61/4-1348: Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

CONFIDENTIAL

Тенгал, April 13, 1948—6 р. т.

386. Made my call at noon today on Soviet Ambassador Sadtchikov. I was accompanied by First Secretary Wilson and Assistant Military Attaché Gagarine, who has fluent knowledge Russian. Soviet Ambassador had with him an interpreter, Oushomirsky, with fairly good knowledge English.

Soviet Ambassador received me with courteous reticence. After exchange of polite banalities, I told him I had read with much interest his notes to the Iranian Government in which he alluded to American activities in Iran, especially those of the military mission. I said "Your notes are worthy of the highest tradition of Russian romantic fiction." The Soviet Ambassador was silent. I continued that, however, I was sure his notes were based on misinformation, not on malice.

The Soviet Ambassador then replied in a rather embarrassed manner that his notes had been based on accurate information and that in fact he had held back certain additional information. He added perhaps we could discuss the matter further at some later date. I went on, however, stating that American policy was dedicated to peace and goodwill. The American advisers were here for the benefit, not of the United States, but of Iran, which had asked for them. I assured him I wanted to work with him in a cordial and friendly manner. I repeated that his information had been erroneous, I said I would gladly arrange for him and his collaborators to see every aspect of American activities in Iran. For this he could prepare his own program.

I quoted Pushkin "veracity can never be a restraint to genius" and politely explained that I in no way desired to impede the genius of His Excellency, but would be very happy for him to see everything American in Iran with his own eyes. There was no response. I repeated that I was very eager to collaborate with him fully. The Soviet Ambassador, perhaps slightly perturbed, turned the conversation to events in Colombia, and discussed at great length conflicting press reports on Gaitan; whether Gaitan had been assassinated or merely wounded. Refreshments were served copiously. Then, in an atmosphere of considerably heightened cordiality, the Ambassador took us for an extended tour of the magnificent Russian compound. By comparison the American compound looks like an abandoned gravel pit.

Repeat Moscow 26.

891.20 Missions/4-1548: Telegram

The Acting Secretary of State to the Embassy in Iran

CONFIDENTIAL

WASHINGTON, April 20, 1948-8 p.m. 344. Deptel 193, Mar. 1. Wash Emb on instruction Iran Govt has renewed representations re Grow Mission agreement paralleling representations in Tehran. (Urtels 383, Apr. 13; 391, Apr. 15; 409, Apr. 19¹)

During discussion Art 24, subject substitute wording arose and Dept took opportunity offer wording suggested Para 3, Deptel 310, Apr. 9. Emb Rep expressed opinion such new wording should satisfy apparent desire Iranian Govt allay Majlis concern re Mission agreement.

Emb Rep conveyed Iran Govt desire revise Art 25, stipulating quantity goods to be brought into country free of duty, amount to be determined on annual basis in advance. Dept stated position Para 4, Deptel 310, Apr. 9 and indicated US willingness in principle insert limitation suggested. He was told exact figure might best be arrived at by Grow on basis past experience Mission members. New wording Art 25 agreeable Grow and Min War should be submitted by you with your recommendation.

While we agree arms credit negotiations increase importance contract terms, above views represent considered judgment State and Army.²

Sent Tehran 344 rpt London 1407 Moscow 432.

LOVETT

³Ambassador Wiley, in reply on April 22, suggested a "policy of no change in Article 24 or revision of Article 25. . . I am today requesting Foreign Min-ister to reply to our note of February 7 re gendarmerie mission as a condition precedent to and discussion re either mission." (telegram 423 from Tehran, 891.20 Missions/4-2248)

891.105A/3-2348: Telegram

The Acting Secretary of State to the Embassy in Tehran

SECRET

WASHINGTON, April 22, 1948-1 p. m.

355. Should FonMin revive subject of deleting command function from Gendarmerie Mission Agreement (urtel 377 and MA 50, Apr. 12), you should adhere to views expressed in Deptels 113, Feb. 5 and 218, Mar. 9. You might wish (1) to remark upon obvious uncertainty Iranian desires in this matter (Embtels 94, Jan. 27; 158, Feb. 91; 285, Mar. 17; 303, Mar. 23²; and 377, Apr. 12); (2) to indicate ap-

¹None printed.

¹No. 158 not printed, but see first footnote 1, p. 107.

² Nos. 285 and 303 not printed.

parent relation between latest statement of Iranian desire to delete command function and current Iranian project to merge Army and Gendarmerie (urtels 390, Apr. 15³ and 408, Apr. 19⁴); (3) to state your assumption that contemplated deletion of command function does not represent yielding to Soviet pressure or lack of Iranian appreciation for generally recognized contribution which Schwarzkopf has made to effectiveness of Gendarmerie. If Iranians decide time has come for Iran to resume full command of Gendarmerie, US would not wish to insist upon continuing its assistance in form presently provided by Gendarmerie Agreement. Furthermore, should Iran proceed with merger Army and Gendarmerie, US would feel obliged to reconsider role of Gendarmerie Mission, with possibility of complete withdrawal.

In event you are convinced after your expression of above views that Iranians do, in fact, desire to delete Article 20, effective date should be so timed as to permit simultaneous reassignment Schwarzkopf to other important post presently under consideration.

Sent Tehran 355 rptd Moscow 441.

LOVETT

⁸ Not printed, but see footnote 2, p. 138. ⁴ Not printed.

701.6191/4-2448: Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

SECRET

- TEHRAN, April 24, 1948-10 a.m.

431. Press yesterday alleged Soviet Ambassador delivered note to Prime Minister during visit mentioned mytels 422 April 21 and 430 April 23.¹ Military Attaché Sexton was told in greatest confidence by General Razmara, Chief of Staff, yesterday that while the Soviet Ambassador did not deliver a note, Iranian Foreign Office actually received a note from the Soviet Embassy on same day as visit. Razmara also said that substance of note was very alarming. He added however, that he had not seen the note. Later Military Attaché endeavored verify foregoing in conversation with General Ahmedi, Minister of Interior, but latter stated that he knew of no such note.

In conversations with Embassy Staff both Prime Minister and Foreign Minister have made no references whatever to receipt such note;

¹Neither printed. The former indicated that the Soviet Ambassador had called on Prime Minister Hakimi and Foreign Minister Nouri-Esfandiari on April 19 (701.6191/4-2148). The latter reported information from the Prime Minister that "there was nothing of particular interest in either conversation and that, in fact, the two calls were similar in character to those Soviet Ambassador might have made had he called three months ago at the beginning of this government." (701.6191/4-2348)

in fact, Prime Minister stated (Embtel 430) that the Soviet Ambassador's visit was purely a protocol matter.

Subject will be pursued and Department kept informed. Sexton is seeing Razmara again today [to?] seek confirmation of foregoing.²

WILEY

² Tehran, on April 24, advised of information from Chief of Staff Razmara that the Soviet note was brief, referred to the occupation of Iran in 1941 and stated that the Soviet Union considered that its security was again being menaced. It also rejected "energetically" the Iranian note of April 1, p. 127. (telegram 433, 761.91/4-2448).

761.91/4-3048: Telegram

The Secretary of State to the Embassy in Iran

SECRET

WASHINGTON, May 5, 1948-6 p.m.

403. Moscow's 813, Apr. 30.¹ Two straws in the wind tend to support latest Emb Moscow's forecast for Iran:

(1) Iran Emb Rep has stated that Soviet Amb Sadchikov, in recent calls upon Iranian PriMin and FonMin, suggested time has come for Iran and Soviet Union to clear up differences;

Iran and Soviet Union to clear up differences; (2) Iran Amb Ala, who recently resumed Wash duties, has disclosed that Soviet Emb Rep Wash has approached Iran Emb First Secy with lengthy allegation of unfriendly Iran Govt acts and suggested mutual interest in reaching basic understanding.

Iran Emb states UN Del has received FonMin instruction to file with UN for info SC recent exchange Soviet-Iran notes. It is understood Iran UN Del has recommended to FonMin that letter of transmittal undertake to prove that UN Charter makes Article 6 of 1921 Treaty inoperative. Letter might also lay groundwork for Iranian resistance to any Soviet overtures envisaging satellite treaty.

Sent Tehran 403 rpt Moscow 503 London 1612.

MARSHALL

¹Not printed; it speculated that "Soviet tactic at this juncture might possibly be offer of military defense pact on lines orbit agreements, which presumably would be incompatible with and require termination agreements for non-Soviet military and gendarmerie advisers." (761.91/4-3048)

761.91/5-748

Memorandum of Conversation, by the Chief of the Division of Greek, Turkish, and Iranian Affairs (Jernegan)

SECRET

[WASHINGTON,] May 7, 1948.

After a lunch today at the home of Mr. Wallace Murray,¹ the Iranian Ambassador, Mr. Ala, spoke to me about the proposal that

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¹ Former Director of the Office of Near Eastern and African Affairs and former Ambassador to Iran.

the Iranian Government should submit to the Security Council copies of the notes exchanged between Iran and the Soviet Union during the past three months on the subject of the activities of the American military missions in Iran. The Ambassador said that Mr. Entezam, Iranian representative at the UN, had just received instructions from his Government to submit to the Security Council, for information but not for action, the first three notes in this series. However, contrary to the recommendation of Mr. Entezam and Mr. Ala, made to the Government in Tehran, the instructions did not include authority to transmit the notes under cover of a letter which would state the Iranian view that Article 6 of the Soviet-Iranian Treaty of 1921 was no longer applicable. In fact, Mr. Entezam had been informed by the Foreign Office that this matter had been considered by the Cabinet and that it had been decided not to take such action. Both the Ambassador and Mr. Entezam were very much disappointed at this, because they feared that if Iran did not make its position clear at this time the Soviet Union could take advantage of that fact later and assert that Iran had implicitly recognized the validity of Article 6 and hence the Soviet right to introduce troops into Iran if this appeared necessary to protect the USSR against a threat to its security arising out of foreign activities on Iranian territory. Accordingly, they had again cabled Tehran stating their views and urging that if the Government was unwilling to submit the recommended communication to the Security Council, it should at least send a further note to the Soviet Government stating the Iranian contention. This further note could then be transmitted to the Security Council along with the others.

In the course of the conversation the Ambassador asked whether the attitude of the Department of State with respect to support for Iran had changed in any way. I replied emphatically that it had not and asked why he raised such a question. He said that recently Mr. Entezam had discussed with the American representatives in New York the proposed Iranian action in submitting the notes and covering statement to the Security Council and had asked whether the United States would be prepared to make some sort of declaration in support of the Iranian position. He had been told that no such action was contemplated at this time. The Ambassador felt that this was inconsistent with the attitude adopted by the United States on previous occasions when the Iranian case had been before the United Nations. On such occasions we had always clearly indicated our backing for Iran. The Ambassador considered that the present case involved the interests of the United States just as much as the previous instances, especially in view of the fact that our military missions formed the subject matter of the Soviet-Iranian correspondence.

I told the Ambassador that our interest in having the notes in question submitted to the Security Council for its information had been made plain to Ambassador Wiley, who had spoken about it on more than one occasion to the appropriate officials in Tehran. (I did not directly reply to his implied question regarding a possible American statement in this connection.) Mr. Ala replied that he thought we should again instruct the Ambassador to take the matter up and urge that the Iranian Government take some positive action to make plain its attitude toward the Treaty of 1921.

He then asked me if we had heard anything about the reported new Soviet note which had so far not been published. I said that we had only today received a telegram ² saying that the Minister of Foreign Affairs had shown to Ambassador Wiley the text of the note and the Iranian reply. The telegram had said that the Russian note was substantially a repetition of the earlier notes and the Iranian reply was likewise the same as those given to the earlier notes. Mr. Ala said that he thought this made it all the more important for the Iranian Government to take the action he had recommended and therefore all the more important for our Government to urge such action through the Ambassador in Tehran.

² No. 492, May 6, 6 p. m., from Tehran; it noted that the Iranian Government would not publicize this exchange of notes, inasmuch as the Soviet Union had not given them any publicity (761.91/5-648).

891.24 FLC/5-1348 : Telegram

The Secretary of State to the Embassy in Iran

CONFIDENTIAL

WASHINGTON, May 13, 1948-7 p. m.

436. From Brown,¹ Acting, FLC. New surplus property credit agreement superseding agreement dated June 19 [20²], 1947 being negotiated here with Iranian Military Mission. Draft agreement presented to Mission May 13 provides for credit up to \$10,000,000 for sales price surprop and up to \$16,000,000 for costs of care and handling including repairs and transportation from Europe or U.S. to Iranian port. Payments of dollar installments and drawings of Iranian currency or property would be limited to \$3,000,000 equivalent in any one year.

Only point on which serious difference has arisen is exchange rate provision applicable to Iranian currency or property which may be acquired by U.S. on acceleration basis under option provisions of credit agreement.

[Here follows further discussion, primarily of the exchange rate provision.]

[Brown] Marshall

¹ Maj. Gen. Philip E. Brown.

² See editorial note, Foreign Relations, 1947, vol. v, p. 916.

891.105A/5-1048 : Telegram

The Secretary of State to the Embassy in Iran

SECRET

WASHINGTON, May 17, 1948-11 a. m.

444. We still think it desirable that Iranian Govt should reply to Feb 7 note before we take further action concerning Military Mission Agreements, particularly in view of position stated by Emb (urtel 423, Apr. 22¹) and reiterated by Dept (Deptel 371, Apr. 26²). At same time, we recognize difficulty of obtaining satisfactorily phrased reply (urtel 468, May 3 and Deptel 397, May 4 3). We are, therefore, willing to leave to your discretion choice of procedure (urtel 512, May 10²) to be followed in deleting executive function from Gendarmerie Agreement and timing departure of Schwarzkopf. It is to be expected, however, that command authority will actually be restored to and exercised by Schwarzkopf for reasonable period (say, two weeks) before executive function is deleted from Mission Agreement and that Schwarzkopf will be accorded appropriate honors before his departure (urtel 491, May 6²).

In note which you contemplate addressing to Iranian Govt, you might state that, in view of stage of organization which Gendarmerie has attained as result of Gen Schwarzkopf's leadership of US Mission, and in view of necessity of US transferring Gen Schwarzkopf to other important duties, US Govt proposes that, if agreeable to Iranian Govt. Article 20 of Gendarmerie Agreement be amended to stipulate Gendarmerie Mission exercise of advisory functions only.

Army is arranging arrival of replacement for Schwarzkopf so timed as to obviate necessity for appointment anyone as Acting Chief of Mission.

State and Army agree that Schwarzkopf visit to Wash for consultation before reassignment will be most helpful (urtel 506, May 8²).

MARSHALL

¹ Not printed, but see footnote 2, p. 140.

² Not printed. ³ Neither printed.

891.105A/5-2048: Telegram

The Secretary of State to the Embassy in Iran

WASHINGTON, May 20, 1948-7 p. m.

459. Urtel 537, May 18.1 State and Army approve (1) your arranging with Iranian FonMin that Kupal be withdrawn June 1; (2) after

¹ Not printed.

SECRET

command function is actually restored to Schwarzkopf, your addressing note to FonMin proposing deletion of executive function from Gendarmerie Agreement (Deptel 444, May 17); and (3) departure of Schwarzkopf about June 20.

When Iran Govt has made prompt satisfactory reply to Emb note, (2) above, Dept will request Amb Ala to obtain agreement Col. Pierce ² (urtel 541, May 19³). Immediately upon receipt agreement, Pierce will depart for Tehran directly. It is hoped that arrangements might be so expedited and coordinated as to permit Pierce's arrival several days before Schwarzkopf's departure.

While we agree that qualified personnel of Gendarmerie Mission could be used advantageously elsewhere and that we might consider withdrawing them if Iran Govt continues to prevent their effective functioning, Dept feels we should avoid any appearance of stimulating desire on part of Iran Govt that Mission leave Iran. Mere presence of US Gendarmerie Mission, however ineffective, (1) fulfills policy objective of preventing possibility of Iranians employing Soviet advisers, and (2) tends to restrain Iranians from consummating merger Army with Gendarmerie.

With regard to Grow Mission, would appreciate elaboration of reasons behind your stated intention possibly to recommend strengthening Army Agreement.⁴ While we agree that Article 24 should not be eliminated, we have offered to Iran Emb Wash (Deptel 344, Apr. 20) substitute wording suggested in Deptel 310, Apr. 9, which offer we believe should not now be retracted unless there are overriding reasons.

Arms credit program and future of Grow Mission are, in our minds as apparently in yours, closely related. At the same time we think we should avoid specific inference that US implementation of arms credit agreement is conditioned upon Iranian action relating to the Grow Mission Agreement. What changes in Agreement would you consider desirable 8 5

MARSHALL.

⁶ Ambassador Wiley, on May 26, replied that "I feel, and General Grow con-curs, that there should be no change in the present contract, especially in article 24 which provides the best and only safeguard to Iran." (telegram 575 from Tehran, 891.20 Missions/5-2648)

² Col. James R. Pierce, who was to succeed General Schwarzkopf as Chief of the American Military Mission with the Iranian Gendarmerie. Not printed.

⁴In summarizing his conversation with the Iranian Foreign Minister on May 17, Ambassador Wiley said in part: "On subject of Article 24 of military mission contract I informed Foreign Minister that, if anything, I intended to strengthen it. Under no circumstances would I eliminate it. I went on to say that indeed in light of arms credit program I desired to review whole matter of future status of military mission." (telegram 537, May 18, noon, from Tehran, 891.105A/5-1848)

Statement Released by the Department of State on May 28, 1948¹

[Extracts]

A subcommittee of the Senate Appropriations Committee, under the chairmanship of Senator Styles Bridges, on May 28 opened hearings on a request by the President, on the recommendation of the Secretary of State, for a supplemental appropriation for the care, handling, and disposal of surplus property abroad. The requested appropriation was for \$19,155,000, of which \$15,675,000 is designed to cover the cost of repairing, packaging, and shipping surplus military equipment to be sold to Iran.

The objective of the Iran Government in seeking these supplies . . . has been to re-equip the Iranian Army and gendarmerie in order to maintain internal security in Iran. The equipment of both forces is at present below standard because they have been unable to obtain adequate replacements since the outbreak of World War II. In the light of the declaration of Tehran of December 1, 1943, in which the United States, Great Britain, and the Soviet Union declared their desire for the maintenance of the sovereignty, independence, and territorial integrity of Iran, and in view of the interest of the United States as well as of Iran to meet the request of the Iranian Government.

¹ Reprinted from Department of State Bulletin, June 13, 1948, p. 780.

891.001 Pahlavi, Reza Shah/5-2048 : Telegram

The Acting Secretary of State to the Embassy in Iran

CONFIDENTIAL WASHINGTON, May 28, 1948—7 p. m. 496. Urtel 551, May 20.¹ Desire of Shah to visit US in near future has been discussed in confidence with Amb Ala. He feels strongly that time is not propitious for Shah to leave Iran for following reasons: (1) Recent menacing Soviet notes, alleging situation in Iran similar to 1941 when USSR occupied northern Iran on asserted basis 1921 Treaty, portend intensification Soviet subversive activities in Iran and possible introduction of Soviet troops; (2) instability of present Govt and continuing doubts concerning Qavam's ² purposes require stabilizing influence of Shah's presence; (3) it is uncertain who would act as regent in Shah's absence, particularly since Shah

¹ Not printed.

^a Ahmad Qavam, former Iranian Prime Minister.

has not yet been crowned and, therefore, successor has not been named; (4) in any event, visit of Shah to US should be made an object in itself and not related to such personal diversion as attending sporting event in London.

While recognizing general desirability of Shah visiting US and realizing that Iranian situation will probably never be completely stabilized, Dept tends to agree with Ala in present circumstances.

If you concur in this estimate, we suggest that you attempt to discourage Shah from persisting in his desire to visit US in near future. As reasons for such suggestion to Shah, you might wish to point out (1) that exigencies of political campaign during election year might make it difficult for President and other high officials to devote as much time as they would like to Shah, (2) other Chiefs of State have already been invited to visit US this summer and their presence would also detract from time which President could devote to Shah, and (3) unpleasantness of Washington summer weather.

You should of course reiterate that we are most anxious to have His Majesty visit US whenever time is propitious.

LOVETT

891.00/5-2948 : Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

SECRET TEHRAN, May 29, 1948-11 a.m. US URGENT 591. Colonel Sexton informed by Razmara Chief of Staff that Iranian consul Baku reports considerable activity among Iranian ex-Democrats there. He confirms audience Mullah Mustafa Barzani and Gholam Yahya as reported Embtel 538, May 18,1 and states they met with Padegan, formerly one of Pishevari's ² right-hand men.

British Chargé d'Affaires also concerned with free movement Barzanis and Soviet Kurd political agents from USSR to Iraq through Iranian Kurdistan. He blames inefficiency Iranian Army's border patrols. Embassy believes, however, that Army unable to control cross border movements until government wins confidence Jalali, Shikkak and Harki tribes; unfortunately attitude is still one of mutual suspicion and tribal leaders are disinclined to check these movements.

Besides Barzani-Democrat activities mentioned above, other danger signals are (a) establishment of large Soviet Consulate in Maku

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¹ Not printed; it advised that Mullah Mustafa had just returned to Iran from a ten-day visit to Moscow in company with Gen. Gholam Yahya Daneshyan, former leader of the Azerbaijani armed forces (891.00/5-1848). ² Jafar Pishevari, Prime Minister of the "National Government of Azerbaijan"

in 1945 and 1946.

(Embtel 588, May 29³), (b) consultant of Soviet Consul General Krasnik of Tabriz in Moscow (Embassy's A-97, May 20³), and (c) Iranian Army reports to Military Attaché of increased Soviet activity in Khorassan and Gurgan. I am concerned with possibility frequently mentioned here that ostentatious Soviet activity along northwest frontier may be diversionary tactic, and that next Soviet move against Iran may come in direction of Khorassan and Gurgan plain. The basic situation in those regions differs little from that of Azerbaijan, with large Turki and Kurdish speaking tribal minorities potential allies for any Soviet inspired adventure. Razmara tells me that this appears to be the Soviet plan. Dooher's ⁴ information confirms.

We should in all likelihood be caught completely off guard by any Soviet-inspired move in Khorassan or Gurgan. This, therefore, suggests advisability prompt establishment American Consulate in Meshed, and, if Department approves, I shall take necessary preliminary steps pending assignment qualified political officer as consul at Meshed.

Sexton requests Mis be informed.

Sent Department, repeated London 45. Department pass Moscow 32, Kabul 12.

WILEY

TEHRAN, June 2, 1948-9 a.m.

⁸ Not printed.

⁴ Gerald F. P. Dooher, regularly Assistant Attaché at Tehran; at this time at Tabriz.

761.91/6-248: Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

SECRET

604. There has been new exchange notes between Iran and USSR concerning border incident reported Tabriz telegram 23, May 20.¹

Tehran, on June 15, reported information from Chief of Staff Razmara that on June 11 a "Lightly held Iranian frontier blockhouse near Khordaaferin was attacked at about 10 p. m. Immediately thereafter machine gun fire came from Soviet side of Araxes River. . . after considerable shooting attacking parties returned to Soviet side of river." (telegram 653, 761.91/6-1548) A further violation of the Iranian frontier took place on June 20 at Kholan,

A further violation of the Iranian frontier took place on June 20 at Kholan, the scene of a previous violation some five weeks before (telegram 694, June 22, noon, from Tehran, 891.00/6-2248); and on June 25, an armed band crossed the Araxes River near the frontier post Baba Yaghoub but were driven off (telegram 733, June 28, 3 p. m., from Tehran, 761.91/6-2848).

¹Repeated to the Department as Tabriz' No. 10; it reported information that. "five or six days ago approximately thirty immigrants (probably refugee democrats) tried to cross border from Soviet at point near Seyehr. Iranian Army Captain was seriously wounded and one soldier killed and a few others wounded. An undetermined number of the immigrants were killed and they were forced back to the Soviet side. Immigrants were armed with automatic weapons." (761.91/5-2048)

Iranian Government protested attempted border crossing at Quhlan, Iranian village on Araxes River.

Following are pertinent paragraphs of Soviet reply:

"Local investigation on the subject shows the following to be the truth of matter:

On May 7 at midnight shooting started in an Iranian village called Quhlan, opposite the Soviet frontier guards zone of action in Nakhichevan-Maghrin on the Iranian frontier. During the course of the shooting, some bullets fell on Soviet territory. The shooting ended at 2:15 a. m. after a red projectile was seen over Iranian territory. The chief Soviet frontier guard protested against the shooting which was directed toward Soviet territory. This protest was lodged with the chief Iranian frontier guard in the Julfa region. Therefore, the statements of the Iranian Ministry of Foreign Affairs concerning an armed aggression upon Iranian territory are not based upon correct information.

The Soviet Embassy in Iran rejects the unfounded protest of the Iranian Minister of Foreign Affairs and insists that the question of the shooting in the direction of Soviet territory be investigated and the culprits be punished."

Iranian Government has subsequently countered Soviet reply with another note stating that it has proof that skirmish started from Soviet Union in fact that cartridges of Soviet manufacture were found on Iranian territory afterwards.

Sent Department 604, Department pass Moscow as 34.

WILEY

891.105A/6-1448

The Ambassador in Iran (Wiley) to the Iranian Foreign Minister (Nouri-Esfandiari)¹

TEHRAN, June 9, 1948.

EXCELLENCY: I have the honor, with reference to the conversations which we have recently had relative to the United States Military Mission with the Imperial Iranian Gendarmerie, to inform Your Excellency that my Government is transferring the present Chief of Mission, Brigadier General H. Norman Schwarzkopf, to other important duties. It is anticipated that he will be leaving Iran on or about June 20.

In view of the stage of organization which the Imperial Gendarmerie has attained as a result of General Schwarzkopf's leadership of the mission, the Government of the United States proposes that, if agreeable to the Government of Iran, Article 20 of the agreement covering the assignment of the Gendarmerie Mission be amended upon

¹Transmitted to the Department by the Ambassador in despatch 168, June 14.

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General Schwarzkopf's departure to provide that the command function now exercised by the Chief of Mission be deleted. The mission would thereby become advisory only.

I shall look forward to learning at an early date the views of the Iranian Government with regard to this proposal.²

Accept [etc.]

² Ambassador Wiley, on June 29, received a note from the Iranian Foreign Office which replied to the American notes of February 7 (see first footnote 1, p. 107) and June 9: The reply expressed the concurrence of the Iranian Government with the note of June 9. The Ambassador and Colonel Pierce found the Iranian note "entirely acceptable". Tehran transmitted these views and the text of the Iranian note in telegram 740, June 29, 3 p. m. (891.105A/6-2948)

891.002/6-2448 : Telegram

2/6-2448: Telegram The Ambassador in Iran (Wiley) to the Secretary of State

TEHRAN, June 24, 1948-11 a. m. PRIORITY SECRET 703. Prime Minister¹ requested an appointment. I received him at Embassy residence yesterday morning. He remained one hour and half. (I am still confined with sandfly fever.)

Hajir started off on urgent necessity for raising standard of living of masses, reducing cost of living, and expressed deepest interest in pursuing seven year plan most vigorously. He wishes, however, to explore possibility of obtaining credits abroad (meaning US) for immediate importation of urgently needed foodstuffs, chiefly rice and sugar, cheap textiles and other consumer goods. He spoke in terms of some 40 million dollars. He discussed economic matters at considerable length and seemed to be somewhat hurt that International Bank'is inclined to dole out any loan only when bank is convinced that funds are being well and wisely expended.²

He then rather anxiously raised question of Bahrein. He told me of very deep interest felt in Iran over the question. He said naturally it was question that involved both Great Britain, which had its treaty with the Sheik and the US which had the petroleum concessions. I added perhaps also Portugal which also had claims. He said "Yes, yes, they were there too." What he specifically wanted to know from me was whether there was a favorable opportunity now officially to

429-027-75----11

JOHN C. WILEY

¹Abdul Hussein Hajir succeeded Mr. Hakimi as Iranian Prime Minister on June 13, 1948.

² Ambassador Wiley had a two-hour conversation with the Shah on July 2. He reported that the latter was "very eager that Hajir should accomplish some quick economic reforms in Iran with prompt reduction cost of living for under-privileged. He foresees it will be at least three years before anything results from seven year plan and does not want to wait so long. He is hopeful that they can shake down AIOC for future royalties. He seems to have no illusions about getting any quick credits from US." (telegram 758, July 2, 3 p. m., from Tehran, 891.00/7 - 248)

initiate international negotiations on the subject. I replied that we were not involved in any questions of sovereignty in Persian Gulf; he would have to work this question out with British. I personally did not think that outlook was very bright.

Then he said, "Indeed we have two international problems; the second problem is Afghanistan". Just as he was about to swan-dive into the Helmand River,³ I interrupted. I said "I am afraid, Excellency, you have only one serious international problem, namely, your great neighbor to the north. You have received a series of high pressure notes from Moscow, followed by a series of serious frontier incidents.⁴ I think I would worry chiefly about that and would try to keep your nationalistic patriots who want to seize Bahrein and march against Afghanistan just as quiet as possible. The moment is most inopportune for Iranian jingoism. We are hoping and praying that you will be able to preserve your own frontiers intact." He made no reply.

As Prime Minister was taking his leave, he asked if I thought it would make a bad impression if Iran entered into trade negotiations with Soviet Union. I replied that if it had to do with normal commercial exchanges I could see no objection; indeed, it would seem to me advisable that Iranian Government should leave nothing undone in view of tenseness of relations with Soviet Union to normalize if possible trade conditions.

WILEY

^a The reference is to the dispute between Iran and Afghanistan regarding distribution of the waters of the Helmand River; for information on this subject, see bracketed note, p. 486.

⁴ London, on June 25; reported information from Mr. Pyman, eiting an Iranian source, that Soviet armor had for the past week made itself conspicuous east of Julfa. The source indicated that this activity might betoken serious preparations or might be part of the war of nerves while the new Iranian Cabinet was being formed (telegram 2802, 891.002/6-2548).

761.91/7-448: Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

SECRET US URGENT TEHRAN, July 4, 1948—11 a.m.

770. Saw Prime Minister for nearly hour last evening. Most important topic discussed was his interview with Sadtchikov, Soviet Ambassador, which interview took place Friday and lasted two hours. Prime Minister stated that it was clear Sadtchikov talked only on basis of specific instructions from Moscow.

Prime Minister, who, I understand, speaks excellent Russian, told Sadtchikov of his earnest desire to improve relations with Soviet Union. Then Prime Minister referred to Iranian Gold held by Russia, to Iranian customs claims against USSR, and other economic matters at issue. Sadtchikov complained over "contingents" of Russian imports into Iran held by Iranian customs. Prime Minister replied that it would be easy to find prompt formula for release of their "contingents" provided that Soviet Union would not insist on selling to Iran at ten times pre-war price level while at same time refusing to pay more than twice pre-war price level for Iranian exports to USSR. All USSRhad to do was to be reasonable.

Sadtchikov answered that all this was irrelevant. There was not one question, including that of the gold, between Iran and Soviet Union which could not be immediately and satisfactorily settled provided that Iran changed its "inadmissable" policy of political and military "unity" with US. Sadtchikov then sounded off with old theme song, namely, that US, with Iranian complicity, was constructing subterranean deposits of aviation fuel and building secret airfields.

Prime Minister replied that this was untrue. Where, he answered, were the secret airfields? There was, he insisted, no subterranean fuel storage. Prime Minister asked why should Iran or anyone else be interested in such activities. Iran Government would under no conceivable circumstances ever dedicate itself to Communist revolution. Therefore should war break out, Iran would be on side of allies (meaning of course, US and UK). Abadan, Prime Minister added, was in British hands. Who needed, therefore, secret subterranean fuel deposits?

Sadtchikov continued his charges against US activities in Iran, reminding Prime Minister of Soviet offer to furnish, without charge, planes, arms, munitions, et cetera, as well as number of Soviet military instructors, likewise on gratis basis. Sadtchikov expressed resentment that instead of accepting Soviet generosity, Iran should have turned to US. Prime Minister replied that after all Iran was an independent and sovereign nation, and felt itself free to turn wherever it wished.

Sadtchikov then complained against publicity which had been given to frontier incidents. Stories about frontier incidents, Sadtchikov declared, were largely invented, publicity given to subject had been unnecessary and hostile to USSR. Prime Minister replied by asking whether Soviet incursions and frontier incidents should be considered a normal and continuing state of affairs between two countries with a common frontier. Sadtchikov, whose instructions perhaps did not cover this query, sidestepped, replying that any publicity which agitated Majlis and aroused public opinion should be avoided. He was apparently very firm on this point.

Soviet Ambassador—I think this is rather significant—raised question of Soviet oil concession in north, which was defeated in Majlis. He gave Prime Minister to understand that rejection of concession by Iran was something that USSR could not stomach. He was not speaking, Sadtchikov said, because of material considerations involved. It was more serious than that. Soviet prestige throughout entire world had been seriously damaged by Iran Government—the situation had to be remedied.

Prime Minister concluded our conversation by asking my advice. He had obviously taken conversation with Sadtchikov very serious[ly] indeed. He said that his Government had to choose between two courses of action: (1) That Iranian policy was fixed, clear and definite and would be followed. Soviet Union could, for its part, adopt whatever policy it desired, or (2) Iran Government could leave door half open—I interrupted him to ask "To permit the Russian foot to be interjected?" Prime Minister replied "No". He said that what he meant by leaving door half open was merely to talk in order to stall for time. I told him that I would like to think it over.

My feeling is that I should tell Prime Minister that conversations just to gain time would not deceive Russians for a moment. They could produce misunderstanding, even confusion. This might facilitate Russian designs. Iranians should not pursue such a policy but ought to protest again against the notes which Soviet Union has addressed to Iran Government; utterly false Soviet charges should be withdrawn; incursions into Iran should be stopped at once, and "clandestine" radio activities likewise should be discontinued.

I would therefore, greatly appreciate Department's guidance before Tuesday, when I shall have my next interview with Prime Minister, I shall also see Shah on Tuesday.

British Chargé called upon me last evening. Following my interview with Prime Minister, Creswell was received by Hajir for half hour's talk. Prime Minister went over pretty much same ground with Creswell as he did with me. Creswell, I believe, is sending only a brief telegram to Foreign Office and regards Sadtchikov's representations with serene composure.

Sent Department, repeated London 60. Department pass Moscow 38.

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761.91/7-548 : Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

SECRET URGENT TEHRAN, July 5, 1948-3 p. m. NIACT

772. Personal for Loy Henderson—no distribution in Department. ReEmbtels 758, July 2,¹ and 770, July 4. Have thought over: (1) sug-

¹Not printed; it conveyed the Shah's suggestion outlined under (1) in this paragraph (891.00/7-248).

gestion of Shah that treaty of 1921 with Soviet Union be denounced on grounds UN Charter supersedes; and (2) enquiry of Prime Minister whether (a) Iran should respond to Sadchikov's representations with firmness or (b) by stalling and playing for time.

My feeling is that I ought to inject as much spirit of polite resistance as possible into present Iranian attitude towards USSR.

Perhaps Iranian firmness might help; certainly Iranian weakness could only hinder. To be specific, I would like to let Shah know, of course, quite discreetly, that Sadchikov's representations furnish not merely pretext but urgent motive for denouncing Articles V and VI of Treaty of 1921, and to lead Prime Minister to think that his thought of "keeping door half open" with Russians is dangerous in that his alternative idea of complete but reasonable firmness is what situation requires.

Tuesday I am lunching with Razmara, am seeing Prime Minister at four and Shah at five. Would therefore be grateful for guidance soonest.

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761.91/7-548 : Telegram

The Secretary of State to the Embassy in Iran

SECRET US URGENT WASHINGTON, July 5, 1948—4 p. m. NIACT

628. Urtels 758, July 2; ¹770 July 4; 772 July 5. Following are Dept views for your guidance in conversations with Shah, Prime Minister and Razmara July 6:

1. We do not agree with Shah's suggestion that Iran should denounce 1921 treaty, for following reasons:

(a) Treaty contains certain provisions advantageous to Iran;

(b) Article six does not, in our view, permit USSR unilaterally to introduce forces into Iran;

(c) Denunciation of treaty at this time might, with some justification, be interpreted by USSR as unfriendly act;

(d) Public airing Iran-Soviet differences at this time might, in light overall Soviet position, provoke rather than deter further Soviet interference in Iran.

For your info only, Ala and Entezam are understood to have revived their proposal of mid-April that Iran communicate to UN, for info SC, recent developments bearing upon Iranian case still on SC agenda. In proposed communication, Iran would state that, in light of UN charter, any state (USSR) which considers its security endangered by activities of another state (Iran) is obligated to appeal to UN for

¹ Not printed, but see footnote 1, p. 154.

resolution of difficulty and refrain from unilateral action which might endanger peace. Ala does not recommend denouncing 1921 treaty. While we agree that above position is in general correct, any situation involving USSR prestige should preferably not be given publicity in immediate future because Berlin crisis in East-West relations is expected to reach climax in few days.

2. We agree with your feeling that keeping door half open with Russians is dangerous policy for Iran to follow and that Iran would be well-advised to pursue "fixed, clear and definite" policy of standing up for its independence and of carrying on its foreign relations on basis of sovereign equality with other states, free from coercion. Only by pursuing such course can Iran expect effective support of peaceloving members of UN and sympathy of world opinion. That course should be taken with firmness and no retreat, but quietly for the time being.

We, of course, share your concern over recent developments in Iran-Soviet relations, particularly Soviet notes, border incursions, and menacing representations. We are completing exhaustive study Article six 1921 treaty in light of other treaty relations between Iran and Soviet Union, including UN charter, and will transmit document soonest. Iranian situation is under constant scrutiny here and further guidance will be accorded in light your recommendations.

Sent Tehran, repeated London as 2560, Moscow as 765.

MARSHALL

761.91/7-748: Telegram

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The Ambassador in Iran (Wiley) to the Secretary of State

SECRET

TEHRAN, July 7, 1948-9 a.m.

777. Saw Prime Minister for nearly an hour and Shah for nearly two hours yesterday afternoon. Thoroughly covered ground as outlined in Deptel 628, July 5. Prime Minister, I think is in complete agreement.

Shah insisted Ala has repeatedly urged denunciation Article Six Treaty 1921. Ala had informed him that Department has frequently complained to him of lack of clarity, vacillation and indecision of Iranian foreign policy. Shah could not understand this since he considers Iranian policy has been forthright and courageous. He claimed that none of smaller countries of world has stood up more resolutely to USSR than Iran. However, I am sure Shah will stay on beam as indicated by Department. If, however, there are more Soviet incursions Shah wants to give publicity in purely factual manner without anything sensational and no propaganda. Publicity already given to previous incidents has, in opinion both of Shah and Prime Minister, had wholesome effect on Russians.

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Both Shah and Prime Minister are most eager to accomplish something quickly for betterment conditions of under privileged. Objective is clearly political. Shah believes that some money will be forthcoming from AIOC but both he and Prime Minister are very eager to get some credits from US for immediate shipment cotton textiles and sugar. Shah claims prompt importation foregoing commodities would have "tremendous effect" on Iran. Shah is also very interested in importing American agricultural machinery. Both Prime Minister and Shah seem very pessimistic about feasibility of using Iranian financial resources in spite of what appears to be more than flourishing condition of Bank Melli and good condition governmental finances. Shah is very anxious to have arms credit agreement signed soonest.

He claims Iran Army need for ammunition, especially 7.9, is most urgent. He states that with present supplies Iran Army should fight only a comparatively short time.

WILEY

761.91/7-748 : Telegram

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The Ambassador in Iran (Wiley) to the Secretary of State

SECRET

TEHRAN, July 7, 1948-9 a. m.

778. General Grow tells me that following are highlights, according to Minister War Ahmedi, of Soviet attempts to force arms on Iran (Paragraph 5 mytel 770 July 4).

1. After conversation between Shah and Stalin at time of Tehran conference,¹ Soviet Government made official offer of regiment or more tanks, and air unit and other items, to be manned by Russian and Iranian personnel, but this offer was rejected by Iran.

2. At time of Qashqai revolt in 1946, Soviet Embassy offered furnish equipment to put down revolt² and invited Iran Government to draw up list of what was desired. When list was presented Soviet Government, latter replied equipment in question was not available but indicated prices at which certain surplus equipment, including tanks, would be available. Iranian Government cabled this second list to Washington for comparison with American prices, which proved much lower. At about this time, Tudeh members were purged from Qavam Cabinet. In circumstances, Iranian Government formally notified Soviet Government that offer was refused, and Ahmedi in-

¹For documentation on the meeting of President Boosevelt, Prime Minister Churchill; and Marshal Stalin at Tehran in late November and early December 1943, see *Forcign Relations*, The Conferences at Cairo and Tehran, 1943, and *ibid.*, 1943, volume rv.

^a Documentation on these developments is included in the section on Iran in *ibid.*, 1946, volume vii, especially telegrams 5142, September 27, to Paris, and 1293, September 30, from Tehran, pp. 516 and 518, respectively. formed Grow no subsequent Soviet offer has been made to his knowledge.

3. Ahmedi assures Grow Iranian Government would under no circumstances accept Russian equipment or military advisers even as gift.

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WILEY

761.91/7-848 : Telegram

The Secretary of State to the Embassy in Iran

SECRET

Washington, July 8, 1948-7 p. m.

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637. In reply to inquiry from Shah, Ala is sending by airmail following substance of conclusions drafted by Iranian Emb attorneys re present Soviet rights under Article VI of 1921 Treaty:

"1. Although Article VI is an integral part of a valid treaty, it must be read subject to all subsequent treaties and agreements to which Iran and Soviet Union are parties including, of course, Charter of United Nations.

2. Introduction of Soviet troops onto Iranian soil without present free consent of Iran would constitute threat or use of force against territorial integrity and political independence of Iran and would be likely to endanger maintenance of international peace and security.

3. Soviet Union and Iran by ratifying Charter of United Nations bound themselves:

(a) to refrain from threat or use of force against territorial integrity or political independence of any state (Article 2, par. 4);

(b) to settle their disputes by peaceful means (Article 2, par.
3) and if a dispute is likely to endanger the maintenance of international peace and security, to refer dispute to Security Council, other peaceful means having failed (Articles 33, 37);
(c) to recognize that foregoing and other obligations under

(c) to recognize that foregoing and other obligations under Charter prevail over all other obligations under any other international agreement (Article 103).

4. If Soviet Union should contend that facts exist which are envisaged in Article VI of the 1921 Treaty and that it is entitled notwithstanding the Charter to send its troops onto Iranian soil, and if Iranian Govt disputes any of these contentions, Soviet Union would violate the Charter by sending its troops into Iran.

5. If Soviet Union believes that facts exist which are envisaged in Article VI of 1921 Treaty and that it is entitled to send its troops onto Iranian soil, appropriate course (in absence of free and present consent of Iran or solution of dispute by pacific procedures under Article 33 of Charter) is for Soviet Union to refer matter to Security Council as a dispute likely to endanger international peace and to ask that body to recommend or apply remedies in order that international peace and security may be maintained.

6. If Soviet Union, without free and present consent of Iran, should attempt to introduce troops onto Iranian soil, Iran would be justified under Article 51 of Charter in resisting with force this threat or use of force contrary to principles of Charter whether or not the conditions envisaged in Article VI of the 1921 Treaty in fact existed."

Ala has requested that above substance of conclusions, in which Dept concurs fully, be transmitted informally by Emb to Shah. Sent Tehran 637 rpt Moscow 777. MARSHALL South to be a substance of substance of substance of MARSHALL South to be a substance of substance

The Secretary of State to the Embassy in the United Kingdom SECRET WASHINGTON, July 12, 1948-6 p. m.

2681. Brit Emb Rep called at Dept July 8 on instruction FonOff to discuss Bevin's draft instructions to Creswell in situation posed by Sadchikov's recent representations to Hajir. Creswell had reported fully his conversation with Hajir along lines urtel 770, July 4, including Hajir's request for advice, and asked FonOff guidance. Bevin's desired that Brit reply to Iranian Govt be in line with any suggestions US might make to Iranians.

¹⁰ Substance Bevin's draft instructions follow: While he is reluctant to give advice to Iranian Govt, he wishes to avoid appearance of rebuffing Iranian PriMin in present circumstances. He would advise PriMin that (1) Iran Govt be "extremely cautious" in considering further conversations with Soviet Amb concerning oil concession and ask "what specifically Soviet Govt proposes" as remedy for alleged Iranian damage to Soviet prestige; and (2) Iranian Govt might properly continue trade discussions with Soviet Amb, insisting of course upon Soviet Govt meeting its outstanding obligations to Iran.

Dept conveyed substance part 2 Deptel 628, July 5, explaining that prior discussion with Brit was impracticable in view of desirability giving Emb Tehran guidance before interviews scheduled July 6. Observing upon Bevin's draft instructions, Dept commented that while there was apparent agreement between Brit and US concerning propriety continuing Soviet-Iranian trade talks in Tehran, there would appear to be difference of opinion concerning choice of alternative courses of Iranian action posed by Hajir. Dept expressed its understanding Iranian oil policy had been made clear in Majlis Law of Oct. 1947 and its belief that no useful purpose would be served by Iranians pursuing that subject in further conversations with Soviet Amb. In view of recent disturbing developments in Iran-Soviet relations, Dept believed it highly important Iranian Govt continue maintain "fixed,

¹Ernest Bevin, British Secretary of State for Foreign Affairs.

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clear, and definite" policy of standing up for its independence by resisting Soviet pressure.

In this connection, Dept expressed informally its concern over reported Brit FonOff belief that Soviet Govt did not appear to be very interested in Iran at present moment. Dept believed, on contrary, that situation deserved constant scrutiny of western powers interested in security of Iran. In premises, therefore, Iran would be ill-advised to permit even appearance of willingness to compromise its independence by discussing with Soviet Amb at this time USSR desire for oil concession in Iran.

In course of above conversation, Dept referred to Shah's suggestion that Iran denounce 1921 Treaty and cited reasons listed in Deptel 628, July 5, for Dept's disagreement with that suggestion.

Sent London 2681 rpt Tehran 652 Moscow 794.

MARSHALL

761.91/7-1548 : Telegram

The Consul General at Istanbul (Macy) to the Secretary of State

SECRET

ISTANBUL, July 15, 1948-6 p. m. 206. For Loy Henderson from Wiley.¹ For years in a loyal but fruitless endeavor American efforts were devoted to gaining the confidence of the Soviet Union. Certainly we are now at long last relieved from the necessity of making any sacrifice or effort in order to preserve a confidence that was never forthcoming.

I refer now to the official charges brought by the Soviet Government against the activities of our military missions in Iran and to Soviet references to Soviet Iranian treaty of 1921. These charges are false, malicious and dangerous. They have been given widest publicity and contribute to uncertainty of world opinion. To bring up in connection with American activities in Iran the possibility of the Soviet Union's invoking treaty of 1921 is ominous blackmail.

[It is] True [that] Soviet charges have been denied categorically by Iranian Government but all recall the Soviet allegations and none remember the Iranian refutations. Why? Because we have remained silent. Yet we are party of first part in all of this. Iran is merely the locality, according to Soviet complaints, which we are converting into a place d'armes for aggressive attack against USSR. Therefore, I feel that for us to continue to maintain silence is innocently to collab-

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¹Ambassador Wiley left Tehran on July 7 for convalescence on a Turkish island in the Sea of Marmora (telegram 781, July 7, 10 a. m., from Tehran, 128 Wiley, John C). He resumed charge of the Embassy on July 20.

orate with Soviet propaganda and imprudently to further Soviet he provide the set and the designs.

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My instructions from Department then boiled down have been in substance that Iran Government should maintain a firm attitude towards Soviet Union, should do nothing to wound Soviet susceptibilities, should refrain from raising question of 1921 treaty. In my approaches to Iranian Government I have followed Department's Sales nothing instructions to the letter.

But why must we remain silent when false witness is borne against us? Soviet intentions are clearly only to build up a fictitious juridical case for marching into Iran if and when circumstances permit. The USSR I fear is not thinking in terms of Azerbaijan alone. Soviet sights are raised to Abadan ² and Persian Gulf. Are we not running a grave risk that our silence may be dangerously misinterpreted ? May we not be encouraging the prevalent legend that Iran lies within [without?] area of our strategic concern?

I venture to suggest that for our policy to be truly prudent it should not be timid. Crisis in Berlin, turmoil in Palestine and confusion in Italy merely add to need of vigilance and a positive policy everywhere, Iran included, We should avoid the vulnerability of cautious set in the restriction of statistic indecision.

I am not pleading for provocative action nor for wounding Soviet prestige in order to gain an imaginary point in some senseless game. but we can not afford to permit grave and baseless charges against us to pass unchallenged. And why should we? Further we should not discourage the Iranian Government from seeking in a dignified manner a juridical interpretation of the 1921 treaty which the Soviet Union is now hanging over the Iranian head like the sword of Damocles.

Sent Department 206, repeated Tehran. Department pass to Moscow. [Wiley.]

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² Site of the refinery of the Anglo-Iranian Oil Company. name in the second of the Colling Bod where is in the Colling Colling Addition generation for a white model is an to be to be addite the diffe

761.91/7-1548: Telegram

The Secretary of State to the Embassy in Iran con l'anse is nate yet en en e der diameter in constitution of each data diameter of SECRET WASHINGTON, July 15, 1948-7 p. m.

678. As indicated in Deptel 628 July 5, we are in general agreement with Ala-Entezam proposal that recent developments bearing upon Iranian case should be communicated to UN for info SC, though not at present moment. Keeping SC abreast of pertinent developments conforms with Iran's obligations as party to case on SC agenda and failure to do so might be prejudicial to subsequent consideration of Iranian case. Info which Iran might transmit would, in our view, confirm correctness of US position in having supported retention of Iranian case on SC agenda.

While Ala and Iran Emb attorney agree with Dept that time is not now propitious to communicate with SC, Ala is recommending to Shah that decision be taken and preparations made which would permit immediate despatch of Iranian communication to UN at first opportune moment. He feels that such communication should refer to recent representations of Soviet Amb and increasing incursions of Soviet armed bands; and would transmit translations of notes recently exchanged between Iran and Soviet Union. He proposes, further, that Iran Govt should take such occasion to refute by implication Soviet Govt's alleged right, so far not clearly refuted, unilaterally to introduce troops into Iran under 1921 Treaty (Deptel 637, July 8).

As means to above end, Ala is recommending to Shah that he and Entezam be furnished with data on recent Soviet representations and border violations, together with texts of all pertinent notes exchanged between Iran and Soviet Union. He is proposing, further, that he and Entezam be instructed by Iran Govt very confidentially to prepare exact wording of appropriate communication for info SC and to consult with Dept as to most propitious moment for despatching it to UN.

Dept concurs with above proposals. In conversations with Shah and PriMin, Emb might take occasion to indicate its approval.

Sent Tehran 678 rpt London 2756 Moscow 809.

Marshall

891.011/7-1548 : Telegram

The Secretary of State to the Embassy in the United Kingdom

SECRET WASHINGTON, July 15, 1948—7 p. m. 2750. Dept has been approached by Brit Emb for exchange of views in anticipation of question of constitutional reforms being raised by Shah in forthcoming visit to London (para 4, urtel 3103, July 10⁻¹). Brit Emb Rep exhibited FonOff cable indicating Brit would take position "time is not yet ripe for changes in constitution", seven-year plan is overriding internal concern of Iran at present time, and new Govt's progress should be evaluated before initiating constitutional change.

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¹ Not printed. The Net Control are pressively a structure space of the structure of th

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Wishing neither encourage nor rebuff Shah in his desire for constitutional reform, Brit are prepared to discuss with Shah in some detail proposed changes which to them appear to bear most directly on the Shah's repeated desire for economic development:

1. To amend quorum rules in Majlis, which Brit think to be generally desirable as means to facilitate legislation; and,

2. Granting Shah right to dissolve Majlis, on which Brit would raise two questions—(a) Would this constitutional change increase prospects of economic development and social reform, which question Brit would answer by suggesting that new Majlis would probably be little if any better than old; and (b) Would benefits of proposed change outweigh short-term disadvantages of its introduction, to which Brit would reply that differences of opinion in Majlis and press would probably accentuate disunity at time when national accord is most desired. In short, FonOff feels constitutional reform in Iran is premature until progress in seven-year plan and other progressive measures can be seen.

Dept Rep stated that US views had not changed since they were conveyed to Brit Emb in early Jan. (Deptel 15, Jan. 8) and late April (Deptel 399, May 5²). Dept Rep agreed that principal internal Iranian objective at this time appears to be economic and social improvement and that other schemes should be evaluated in terms of their contribution to that objective. Proposal of constitutional change continues to appear unnecessary to effectuation development program and undesirable because it would probably accentuate internal discord. Dept Rep added that persistent Soviet threat was principal external Iranian problem at present time, particularly in view world situation and sequence of recent developments in Soviet-Iranian relations. In premises, Dept Rep suggested Shah would be well-advised to proceed slowly, if at all, in his desire for constitutional reform.

It was suggested to Brit Emb Rep that Shah's conversations in London might provide exceptional opportunity for UK officials to explain successful though restrained role of monarch in Brit constitutional system. In order that Shah might not feel rebuffed, Brit might wish to make certain substitute suggestions of positive action which would give vent to Shah's energetic desire for national advancement and, at same time, tend to unite divers elements Iranian population, focus their attention upon most important issues, and increase popular affection for King.

Sent London 2750 rpt Tehran 675.

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711.61/7-2048: Telegram of dails finder on contrast of the solution of The Ambassador in the Soviet Union (Smith) to the Secretary of State SECRET Moscow, July 20, 1948-noon.

1366. I have just read Wiley's telegram to Loy Henderson (Istanbul's 206, July 16 [15]) and cannot refrain from saying a word in support of points Wiley makes. Realize we are likely to be criticized by certain sections of American press if we indulge in contest of polemics with Soviet Union but feel we tend too much toward attitude of dignified reticence and letting facts speak for themselves in face of completely false and malicious charges which are so frequently typical of Soviet tactics. While in most cases our comparative reticence gets support at home it is not understood in large sections of Europe where the charges are heard but the facts are unknown and even at home press which applauds our dignified position one day is first to lacerate us for failing to defend ourselves if reports from Europe make it appear Soviets scored a point in cold war. The example Tehran brings up is particularly flagrant because we are officially coupled with the Iranian Government in a Soviet allegation which is completely false. My own feeling is that we should go a good deal further than we have in past in rebutting constantly and vigorously false and vituperative allegations by the Soviet Union and that we should never under any circumstances refrain from immediate official rebuttal when as in the present case the allegation is made officially. Many times in conversation with Vyshinski and others. I have had the comment made to me, "You did not deny our statement so obviously it must be correct."

Sent Department 1366, repeated Tehran 19. Department pass Tehran. Smrri

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841.2391/7-2748 : Telegram

The Ambassador in the United Kingdom (Douglas) to the Secretary of State

TOP SECRET

London, July 27, 1948-7 p. m.

3410. Pyman July 26 referred to his earlier reference to Shah's desire for fighter defense system (paragraph 4, Embassy's 3103, July 10¹) and on own initiative conveyed following to Embassy. (See Tehran's 864 and 869, July 23 to Department.)²

1. About two months ago Shah raised with British Embassy his desire to get air defense system established in Iran. Shah believes Soviet attack will be first against Persian Gulf and then against Mediterranean and that any delay forced by Iran would be valuable

¹ Not printed.

^a Neither printed.

to US and UK. Consequently Shah wished to establish in south-west Iranian air defense system including early warning radar, ground control and fighters including jets. He said that to operate this base he would like RAF to train 200 Iranians. Shah also wanted armored force equipped with tanks to be stationed at Hamadan to attack flank Soviet advance. Shah suggested British reconnaissance party should be sent secretly to investigate possibilities fighter defense system in south-west Iran.

[Here follow paragraphs numbered two and three describing a communication from the British Ministry of Defence to the British Mission at Washington.]

4. British Military Mission was instructed to work out joint policy with US Chiefs of Staff. US-UK consultation having taken place Washington, British Military Mission reported having put forward following ideas and having secured US reactions as noted:

(a) Provision modern equipment to Iran should not be in advance of adequate training: US to supply tanks. To this US Military agree, pointing out that under \$10,000,000 credit they had already earmarked 160 tanks and some 133 aircraft of various types.

(b) UK to send one or two officers to Iran to study geographic possibilities air defense. To this US Military made no objection but suggested reconnaissance should be spread over long period since US and UK might be embarrassed if party turned in favorable recommendation and neither US or UK were able to supply modern equipment, US suggested that defense Bahrein might be used as cover for this operation but in light Iranian claims Bahrein, Pyman doubted that this was good idea.

(c) US and UK should share training pilots. To this US Military agreed generally and pointed out that it would be unwise to mix British and US aircraft in Iran. US suggested later talks this subject.

(d) US to undertake training for armored force. To this US Military agreed and said that US Mission Iran could be expanded for this purpose.

5. In light foregoing Shah will be told informally this week an amalgam of US and UK views as expressed above. It will be pointed out to him that neither US nor UK know how their future jet fighter production programs will develop and that source of aircraft should in any case be source of training. British will suggest that Iran had better plan for present to make out with US aircraft (Paragraph 4(a) above) for which US may be able to train. British will probably undertake to look into the possibility of the eventual supply British jet aircraft (see Paragraph 4(c) above).

6. Embassy officer in order to be quite clear re British attitude, asked Pyman whether His Majesty's Government entertains idea of establishing British air mission Iran, Pyman replied that British Government has no idea of establishing either an air or other military mission in Iran. He said that even if this idea were contemplated, the difficulties which US mission has encountered would be a deterrent. Pyman said that UK wished for fullest cooperation with US on all military matters (including air) in Iran. When rivalry within Iranian air force between pro-American and pro-British factions was mentioned, Pyman deplored this possibility and hoped that Shah would return from London with sounder ideas (Paragraph 5 above) which might help reduce such feelings.

such feelings. 7. Pyman asked foregoing should be treated Top Secret because there has not been an opportunity to brief Creswell as above. This will be done but he would prefer American Embassy Tehran not to mention question to Creswell until latter has more information.³

Sent Department 3410, repeated Tehran 64, Moscow by pouch.

DOUGLAS

^{1 3} Representatives of the United States and British Chiefs of Staff held a meeting on July 19 to discuss the question of supplying arms to Iran and of training Iranian pilots. The Department informed Tehran, on August 3, that the "Essence of American position at meeting was that surplus arms program will provide all equipment Iranians can absorb at present and US is prepared through Missions in Iran to carry out necessary training for use of that equipment." (telegram 732 to Tehran, repeated to London, 841.2391/7-2748)³

Statement Released to the Press by the Department of State on July 29, 1948¹

An agreement under which the United States extended a credit to the Iranian Government for the purchase of 10,000,000 dollars' worth of surplus military equipment and a credit not to exceed 16,000,000 dollars to cover the cost of repairing, packing, and shipping this equipment to Iran was signed on July 29 by Fred W. Ramsey, Foreign Liquidation Commissioner, for the United States, and by Mr. Noury-Esfandiary, Minister and Chargé d'Affaires of Iran. The agreement replaces a previous agreeement dated June 20, 1947, which offered the Government of Iran a 25,000,000 dollar surplus-property credit.

The agreement provides that the American Government will be repaid according to customary FLC credit terms at an interest rate of 2% percent per annum, extending over 12 years.

¹ Reprinted from Department of State Bulletin, August 15, 1948, p. 211.

891.51/7-2948 : Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

CONFIDENTIAL TEHRAN, July 29, 1948—5 p. m. 899. Minister Agriculture Busheri has approached Embassy informally requesting that we seek Department and Export-Import

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Bank preliminary views re possibility Iran Government borrowing \$10,000,000 for purchase agricultural implements and plants to manufacture synthetic ammonia and insecticides. If reaction favorable Minister contemplates negotiation with two or three agricultural implement manufacturers for up to 1,000 tractors for 1948 and undetermined amounts of other implements which would be purchased and distributed by government. Agreement would be made with manufacturers for establishing servicing centers. Plans for synthetic ammonia and insecticide plants are rather vague and in discussing plans Minister had to send out for an assistant to recall name "synthetic ammonia" although he did observe that such plants are the "very latest thing."

Questioned as to where this program fitted in with seven-year plan which Embassy understood was to be self-financed at least first year, Minister observed this program was for immediate action and anyway he did not see how seven-year plan could be started without foreign borrowing.

In later discussion of foregoing with Ebtehaj Governor Bank Melli he complained that he could not understand confused policy of present government regarding foreign borrowing. He continues to oppose piecemeal approach to development program and commented that if Minister Agriculture obtained this loan every other Ministry would have an "urgent" program. He questions intrinsic desirability of program and feels it should be passed on by board of competent experts.

As noted in joint American and British Embassy report (Embassy dispatch 159, June 23¹) Embassy does not consider that large-scale importation of agricultural machinery would be desirable. In 1948 dealers are expecting to bring in up to 600 tractors which should be enough considering there are probably not more than 200 in country now. Ministers plan to concentrate on limited number makes and types has merit from servicing standpoint but this could perhaps be achieved without governmental entry into field on large scale. With respect to proposed factories, Ministry's nebulous plans should receive study competent experts. Although they might be desirable they could hardly be classed as high priority projects.

Embassy suggests reply along following lines: We are reluctant to give serious consideration to present inquiry since we understand legislation will soon be passed setting up planning board and authorizing broad economic development program. Applications for credit under this plan should more properly be directed to International Bank. However, if Iran Government prefers to separate present program from general program and submit to Export Import Bank de-

¹ Not printed. 429–027—75—12 tailed plans worked out with American suppliers, Iran Government is assured that credit request based on sound plan would receive careful consideration of bank. Which have been subject to constitute another

Sent Department 899, repeated London 73. erendera **de**n killprich konstant (1997) at genalt trents ministera av A**WILKY** 1984 brenderen at dinari (1997) erender sometatte for trenader bereigt

761.91/8-348 : Telegram

The Ambassador in France (Caffery) to the Secretary of State the state the second second

SECRET PARIS, August 3, 1948-7 p. m.

4017. Mytel 4001, August 3.1 The Shah says that the Soviet Government has made a triple protest to Tehran:

1. Against the arrival of American materiel in Iran;

2. Against the arrest of Soviet nationals by the Hajir Government;

3. Against the decision taken by the Iranian Government to change governors in the provinces of Azerbaijan and Khorrasan. (These governors, says the Shah, were sympathetic to the Soviets.)

Soviet Government has ordered all Soviet citizens and their families to leave Iran. The latter are at present embarking on a ship in the

Caspian Sea. Shots have been exchanged between frontier posts and there have

been some victims. The Tehran Government expects the early departure of the Soviet Ambassador,²

CAFFERY

¹Not printed; it advised of information from the French Foreign Office that the Shah had received very disquieting news from Tehran concerning Soviet activities during the last few days (761.91/8-348). ³Tehran had advised, on July 31, that "Recent exodus Soviet dependents from Iran, while at first glance alarming, is probably result of closing Soviet ele-mentary and secondary schools in Tehran and Tabriz. Local communist, whose childran wave projectared in Soviet school states closing was processary due to children were registered in Soviet school, states closing was necessary due to 'decision Soviet Government not to allow children Soviet nationals to be educated abroad because of possibility capitalistic contamination." (telegram 908, 701.6191/7-3148). On August 4 Tehran transmitted the view of an Iranian "high staff officer" that the imminent departures of the Soviet Ambassador and Soviet Military Attaché Razin for the Soviet Union portended "a diminution of diplo-matic relations of significant nature." (telegram 917, 891:20 Mission/8-448)

761.91/8-548: Telegram

198 BE 1946

The Ambassador in Iran (Wiley) to the Secretary of State

SECRET

TEHRAN, August 5, 1948-1 p. m.

924. Had long interview with Prime Minister. He told me that day before yesterday Sadchikov, the Soviet Ambassador, saw him for three hours and half.

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V SAMANY ALC: IRAN MOLATE HOUSEOU

Sadchikov reviewed Soviet Persian relations since 1921, emphasized extreme generosity of Soviet policy toward Iran, enumerated concessions which Soviet Union had made, declared that Soviet Union had made Iran the master of its own house. Sadchikov deplored the present hostility of Iran towards the Soviet Union. Hostile installations were being prepared along the frontier, and Iran had fallen into the camp of the enemies of the Soviet Union. He spoke specifically of the US. Between the Soviet Union and the US relations were bad. There was possibility of war. Yet Iran, the neighbor of the Soviet Union, was permitting the army and gendarmerie to be taken over by the American Army. And through credits and otherwise Iran had fallen under the economic sway of the US (mytels 483 April 24,1 770 July 4, 881 July 27,2 917 August 43). Prime Minister apparently made calm but vigorous denial of all of Sadchikov's charges, at the same time reviewing long list of Iranian complaints against Soviet Union, particularly those having to do with Azerbaijan, Pishevari, etc. Sadchikov continued that "insult" of the question of oil in the north had to be "effaced." He went on to say that for Iran to be independent and master of its own house, Iran must get rid of hostile foreign influences. He referred again to the American military missions and the arms credit program. Then Sadchikov produced glittering gem: not merely was the position of the Soviet Union in Iran impossible but the situation of Soviet nationals in Iran had become intolerable. Soviet citizens were not even permitted to study Persian. Indeed Soviet citizens were the victims of "terrorism." Moreover, any Persian official who deigned to show an attitude of friendly collaboration towards the Soviet Union was promptly eliminated.

Prime Minister told Sadchikov that if he had any demands to make, would he kindly formulate them in precise manner. Sadchikov replied that he could not do this since the Soviet Union, by making its desires precise, would be interfering in domestic affairs of Iran. Prime Minister replied that the attitude of the Soviet Union towards Iran, whether precise or not, ended up invariably in intervention in internal affairs. Prime Minister emphasized desire of Iran to live at peace with everyone. He vigorously denied Sadchikov's assertion that "certain foreign powers" had made promises to Iran with regard to compensation from the "next war in which these foreign powers would be the victors." Prime Minister insisted that Iran had no secret commitments with anyone. Sadchikov then suddenly turned to question of airport at Tabriz which the Americans were building for attack against Russia. Prime Minister replied that there was only primitive

¹ Not printed, but see footnote 2, p. 142.

² Latter not printed.

⁸ Not printed, but see footnote 2, p. 168.

good weather landing field at Tabriz. Sadchikov kept insisting on American use of Iran as *place d'armes* for attacking his country.

Prime Minister reproached Sadchikov for not maintaining contact with Iranians. The Soviet Ambassador and his staff live "locked up" in their Embassy. Prime Minister then appealed to Sadchikov fully to inform his government of everything that he had told him during their conversation. Sadchikov assured Prime Minister that he would do so, adding that he intended on his arrival in the Soviet Union to proceed to sanitarium for one month for treatment. He would then discuss with his government situation as developed in their conversation. He added that it was essential that Iran make some definite gesture to indicate its removal from the Anglo-American camp into position of true friendliness to the Soviet Union.

The conversation between the Prime Minister and Sadchikov terminated in economic trivia.

That Sadchikov should make allegations re nonexistent American activities at Tabriz airport is height of insincerity since Soviets are officially very well represented at Tabriz and know everything that is going on.

Prime Minister seemed relieved that Sadchikov did not confront him with something in the nature of an ultimatum.

Sent Department. Department pass Moscow as 59.

WILEY

891.00/8-548 : Telegram

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The Ambassador in the United Kingdom (Douglas) to the Secretary of State

TOP SECRET

London, August 5, 1948-8 p. m.

3549. Embassy's 3548, August 5.¹ Pyman advised Embassy August 4 that while Shah was staying at Buckingham Palace he remarked to King that he would like to have an Anglo-Iranian alliance. King was extremely noncommittal and in all future conversations with Shah British officials were careful not to raise subject again and were thankful when Shah neglected to do so.

2. Pyman said His Majesty's Government attitude is that it would be extremely undesirable for Iran to conclude such an alliance with UK because of trouble it would cause with USSR and because it is difficult to see what advantage it would be to either Iran or UK. Pyman said it is conceivable that by "alliance" Shah may have had in mind

¹ Not printed.

granting strategic facilities to UK, but this, too, would affect Iranian. Soviet relations adversely and would be likely to produce unnecessary trouble for UK.

3. Had Shah raised question His Majesty's Government would have replied that an alliance would be difficult and complicated matter requiring considerable study.

4. Pyman said Top Secret letter on this subject is being sent British Embassy Washington for discussion with Department. He is particularly anxious that classification should be respected.

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Sent Department 3549, repeated Tehran 71.

DougLAS

891.51/7-2948: Telegram

CONFIDENTIAL WASHINGTON, August 6, 1948-7 p. m.

753. Reurtel 899 July 29. Approve your suggested reply Minister of Agriculture informal loan request. Agree your general position individual requests for assistance not coordinated with development program should be discouraged.

Concur with your observations on impracticality of Prime Minister's plan for importing goods as method of reducing living costs (urtel 722 June 24 [25]¹). Actions suggested your paragraph one² would probably be effective in reducing living costs. Urtels 703, 722, 777, 842, 843, 844, 887, 889,³ also noted.

Further, Export-Import Bank is only US agency with loan funds available for such program. Bank policy is not to grant loans for consumer goods except unusual circumstances. Chances of granting this non-self-liquidating type loan considered especially poor. Iran may apply but suggest you discourage.

This read by Somerville who, during past week, has had conversations on subject 7 yr plan with Morrison-Knudson, and World Bank

¹ Not printed.

^a The first paragraph of telegram 722 read in part as follows: "Supply of grain, principal living cost component, is adequate and local prices are reasonably well in line with world prices. Such prices could be brought down without loan if government were prepared to take lower profit on imported supplies and subsidize high cost domestic beet production. Tea prices would decline if government abandoned its artificial support program. Piece goods are high largely, because of high duties and monopoly taxes which provide protection for local high cost industry. Rice prices would decline if less were exported to Soviet Union." (S91.6363 AIOC/6-2548)

Nos. 703 and 777 are printed on pp. 151, 156; the remaining telegrams are not printed.

officials. He will also participate in discussions which Thornburg * will shortly have with US Govt and World Bank.⁵

MARSHALL

⁴ Presumably Max W. Thornburg, industrial consultant.

⁵ The Iranian Prime Minister raised the question of foreign credits with Ambassador Wiley on August 11. The Ambassador "was careful not to discourage him and as suggested in Deptel 753 I gave him warm assurance of our moral support in a way that could aid social and economic reforms in Iran. 4 also told him that he could count on us for technical assistance." (telegram 945, August 12, 3 p. m., from Tehran, 891.00/8-1248)

761.91/8-1248 : Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

SECRET

TEHRAN, August 12, 1948-3 p. m.

946. Soviet activities Iran have been reported Embtels 874, July 25; 924, August 5; 936 August 10; ¹ 908 July 31; ² Embassy airgrams 179, July 29 and 184 August 9.⁸ There has definitely been no indication of *detente*. Over recent months Soviets have done everything possible to build up fictitions juridical basis for possible invoking of treaty of 1921. Cessation normal commercial relations exerts heavy economic pressure on Iran. Departure of both Soviet Ambassador and Military Attaché for Russia on "vacation" coincided with presentation twelvepoint demands by Soviet-dominated Tudeh party on government (Embtel 936, August 10). Though withdrawal Soviet schoolteachers, other personnel, children and other dependents in considerable numbers fits in pattern elsewhere public opinion Iran somewhat affected and disturbed.

Bread riots in several provincial cities Iran (Embassy's airgram 192, August 12 [10]^{*}) attributed subversive Tudeh activities not to shortage of grain. There has however been cessation provocative frontier incidents on part Soviets though there is unconfirmed report recent

¹Telegram 936 not printed; it reported indications that the Tudeh had shifted from a passive role to the offensive and listed twelve demands made by two Tudeh leaders in an interview with Prime Minister Hajir. The demands included termination of the services of American military advisers, nonparticipation in "imperialistic and warmongering blocs" and prohibition of foreign borrowing by the Government (891.00/8-1048). Tehran, on August 22, advised that the Prime Minister was "convinced twelve demands did not result from party decision but were dictated by Soviets for the purpose of summarizing and crystallizing various demands made in past several months by Soviet Ambassador" (telegram 977, 891.00/8-2248).

² Not printed, but see footnote 2, p. 168.

⁸ Neither printed.

⁴Not printed; it stated that the riots had taken place at Qazvin and Ardebil (891.9111 RR/8-1048).

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exchange rifle fire. Unconfirmed information from good sources allege Soviets have just given substantial financial support Tudeh. Iran attitude continues firm.

Sent Dept 946, repeated Baghdad 112, Jidda 74.

Dept repeat Moscow as 63.

WILEY

761.91/8-1248 : Telegram

The Secretary of State to the Embassy in Iran

TOP SECRET

WASHINGTON, August 20, 1948-8 p.m.

801. Deptel 678, July 15. Iran Emb attorney has informed Dept that Amb Ala is disappointed over failure of his Govt so far to reply to Ala-Entezam proposal that preparations be made now for communicating to UN Security Council at appropriate moment recent info bearing upon Iranian case still on SC agenda. Dept shares that disappointment, particularly in view of PriMin's expression of personal agreement and his expectation of Shah's approval (urtel 881, July 27¹). Shah's conversation with Amb Caffery (Paris' 4017, Aug. 3) certainly indicates his awareness of latest manifestations Soviet attitude toward Iran.

While we continue to feel that Berlin crisis makes public airing of Iran-Soviet differences undesirable at this moment (Deptel 628, July 5), we are apprehensive lest current Moscow conversations, whatever their outcome, might be followed by immediate focus of Soviet attention upon Iran. Recent Soviet activities in Iran, as summarized in urtel 946, Aug. 12, and M-296, Aug. 7, tend to confirm that prospect. Whether Soviet Govt is contemplating military occupation of northern Iran on spurious though unrefuted basis 1921 Treaty, economic boycott undermining Iran Govt authority in Azerbaijan, widespread subversion or political pressure through reactivated Tudeh Party, or intensification war of nerves, Iran would be well advised to be prepared to publicize through UN at earliest appropriate moment Soviet threat to Iranian independence. To that end, you should energetically pursue subject already introduced to PriMin (urtel 881, July 27), with view to instructions being cabled Ala soonest so that he may be ready to make communication to SC as soon as he and Dept believe opportune moment has arrived. If PriMin reflects Iran Govt hesitancy to act without assurance of

If PriMin reflects Iran Govt hesitancy to act without assurance of US support, Dept is prepared, in view of continued Soviet misrepre-

Not printed; it stated that Ambassador Wiley had complied with the instruction contained in the last paragraph of telegram 678, July 15, to Tehran, p. 161. The Prime Minister was said to have "expressed entire agreement and stated be would at once communicate with Shah whose acquiescence he thought could be taken for granted." (761.91/7-2748)

sentation of US activity in Iran (Istanbul's 206, July 15, and Moscow's 1366, July 20), to have US-UN Del take occasion of Iranian communication to SC (1) to refute Soviet charge of imperialistic US activity in Iran hostile to Soviet Union and (2) to express concurrence with Iranian thesis that SC is appropriate arbiter. (Deptel 637, July'8) of disputes threatening the peace.²

MARSHALL

WILEY

² Ambassador Wiley discussed telegram 801 with the Shah on August 31. The latter stated that "necessary instructions would be sent Ala immediately. I em² phasized importance of consultation with Department regarding timing. Shah amiably noncommittal and it might be well to check with Ala to prevent prema-ture initiative." (telegram 1024, September 1, 11 a. m., 761.91/9–148) NE BURNE & LAND LETTER 1048**8**. 1997

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761.91/8-2648; Telegram) and in a unlike sure in deficing which is a detA torif The Ambassador in Iran (Wiley) to the Secretary of State SECRET TEHRAN, August 26, 1948-7 p. m.

1003. Military Attaché and I lunched privately with High Staff Officer today. He says Razin, Soviet Military Attaché, before his return to Russia made representations to him identical with those made to Prime Minister by Soviet Ambassador (Embtel 924 August 5).

Razin said in substance: "We are dispersing our industry all over USSR in anticipation of hostilities. These preparations are entirely adequate save in one respect. We cannot disperse Baku. The vast petroleum output of Baku is essential to all parts of Russia. We are not afraid of Iranian Army as such but we are afraid of American attack on Baku through Iran. Therefore we cannot permit the Iranian Army to be integrated with US Army. The arms credit program must therefore be cancelled and the American military advisers must go. If action in this sense is not taken by Iran on basis our representations, we shall be obliged to use other methods."

I remarked to High Staff Officer that the conclusion of Razin's remarks sounded like a threat. Did Sadjikov similarly threaten Prime Minister? HSO replied that identical threat was made to Prime Minister.

HSO conveyed no impression of perturbation over situation but obviously seeks to use it as pressure on US for more tank ammunition under arms program. HSO has received anguished telegram on this subject from Shah, and states Shah will desire to see me soonest after his return in order to take up this subject.

In conclusion HSO states Soviet propaganda most atcive. Whereever bread shortage Soviets agitate villagers alleging wheat and flour grains have been sent USA in order pay arms program.

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891.24/9-148: Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

TOP SECRET

TEHRAN, September 1, 1948-1 p.m.

1025. Saw Shah for more than two hours yesterday. Almost entire period was devoted to arms credit program with Shah manifesting greatly aggravated discontent. As is inevitably the case in all such conversations with him he persistently raised the question of Turkey with, I think, erroneous and jealously exaggerated ideas of the military and economic aid which the US is furnishing that country. He alleged that it was obvious that in case of war with the Soviet Union we were planning to use airfields in Turkey against the Soviet Union and would let Iran go down the drain. He manifested deepest concern that the US had apparently ignored completely the great strategic importance of his country and felt moreover that we were wasting invaluable time. He went into details as shown in transcript of meeting on August 10 of Iranian purchasing commission with Army and Air Force representatives. He described the furnishing of tanks to Iran with inadequate ammunition as serving no useful purpose. He went on to say that arms credit program as now set up would destroy American prestige and greatly impair the friendship which had been built up in Iran for the US. He regarded the situation as most serious for him and Iran. He had made plans to defend the country against Russian invasion. These plans were completely invalidated by the inadequacy of American help. He had therefore seriously considered changing his policy. He would abandon any idea of organized resistance and in event of aggression against Iran he would tell every Iranian to get his gun and fend for himself. He emphasized and reemphasized what he considered to be the vital importance to the US in the event of war for Iran to be able to impede Soviet access to Absdan and the Persian Gulf.

During our conversation I used all possible counter arguments with no apparent success. He is obviously obdurately stubborn. I insisted that he should discuss military matters with General Grow since it was field in which I was not qualified. He will see General Grow tomorrow but he urgently requested that in meantime I inform you of our interview.

The state of mind of the Shah is clearly something that should be taken seriously.

WILEY

891.20 Mission/9-148: Telegram

The Secretary of State to the Embassy in Iran

SECRET WASHINGTON, September 2, 1948—7 p. m. 831. Dept today approved Army appointment Major General Vernon Evans succeed Major General Robert W. Grow as Chief US Mili-

tary Mission with Iranian Army. Obtain Iranian Govt clearance his appointment. Arrangements have been made permitting Evans' arrival Tehran betn Sept. 15 and Sept. 20.

[Here follow biographic data on General Evans, the text of a proposed press release, and discussion of the timing of the release.]

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Hild sast 891.20/9-348 : Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

TOP SECRET

TEHRAN, September 3, 1948-2 p. m. 1041. Forgot to report in mytel 1037 September 2¹ that Shah also made drive for a large quantity 7.9. I think he talked of three billion rounds. British told him they did not know whether this type small arms ammunition was still available. They promised to investigate.

General Grow, chief military mission, received by Shah yesterday afternoon. Grow has reported by telegraph directly. I again saw Shah last night at an official reception. Though Shah apparently showed an even temper and considerable understanding while talking to Grow, with me he continued his plaintive jeremiad. After exhausting question of tank ammunition, he then accusingly asked, "And how about mortars?" Then he complained that he could not fight the Russians with bare hands. Once again he insisted in minatory fashion he would have to change his policy and revise his plans unless he could learn exactly what we planned with regard to Iran. He clearly wants some sort of joint staff work and is still aspiring to greatly increased military assistance. I replied that since the US would under no circumstances ever embark on policy of military aggression our planning was necessarily defensive and that in his case if he had only bare hands with which to defend his country we would expect him in case of foreign aggression to use his bare hands to their best advantage. Regarding arms credit program, I told Shah Iran was getting very much for very little and referred to the fact that program had to be whittled down some 30 percent in order to fit it within the ten million authorized by Majlis. I then added that if by delaying things Iran had missed the big bargain counter rush it was not our fault. Iran

¹Not printed; it reported information from the British Ambassador to Iran that while the Shah was in London, he had made requests for jet planes, the training of pilots, tanks, and anti-tank guns with ammunition (891.20/9-248).

an an in-faith a things there are a starting etell lanned) velski annatrie mue varski beverajor v deset pak olice non Efrans succeed Malor General Fobric W. Grow as Chief US 2011. had had every kind of warning from US to strike while iron was hot. I concluded, reminding Shah that Army was prepared gratis to furnish all technical assistance necessary for Iranian procurement through American commercial channels. He then asked "Who provides the money for these purchases?" I answered, "You do". Shah aggressively retorted that Iran could not possibly finance commercial purchases and he wanted to know what we would do about it. I explained very patiently that we were not now in position to do anything about it.

What the Shah discussed in London in the way of military equipment and training would run into astronomical figures yet I have been unable to obtain any indication that the question of financing was even touched upon with the British. I shall discreetly make further inquiries.

His attitude towards execution of our arms credit program is, I think, unreasonable. Possibly moment has come for Shah to receive gentle harpoon therapy. Perhaps instead of overlap of Grow and successor the announcement of nomination Grow's replacement and his arrival might be slightly retarded. Such step might have wholesome but noncommittal effect on thinking of Shah and Chief of Staff General Razmara. Naturally, if Shah does not disclose his military initiatives to advisory military mission, latter's functions become impossible of successful accomplishment.

 \overline{I} am unfavorably impressed that Shah has been entirely reticent with us regarding his conversations in England. He is obviously entirely unconscious of intimate US-UK relationship and retains traditional Persian conviction that unique policy is that of playing off one great power against another.

Wish to add that Shah last night reproached Military Attaché Colonel Sexton that US had failed to live up to its promises. [Here follows a personal observation.]

Why is there such a delay in my receiving reply to mytel 998, August 26,² re article 20? Colonel Pierce is anxious to have gendarmerie matter settled. So am I.

Sent Department 1041; repeated London 87.

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¹³ Not printed; it gave the text of a new Article 20 as proposed by the Iranian Minister of Interior, which would require the Chief of the Gendarmerie Mission to submit his recommendations through the Iranian Commanding General of the Gendarmerie to the Ministry of the Interior. Ambassador Wiley stated that he considered the next text entirely satisfactory and that Colonels Sexton and Pierce were in complete agreement (891.105A/8-2648).

891.51/8-2548 : Telegram

The Secretary of State to the Embassy in Iran

CONFIDENTIAL

WASHINGTON, September 8, 1948-4 p.m.

841. In exploratory conversation Eximbank, Dept obtained Bank's reaction contemplated Iranian request loan (urtel 993 Aug 25¹). Bank will consider application if accompanied by supporting documentary evidence purpose loan (including detailed statement types equipment needed, prospective US suppliers, and specific end use), unavailability private financing, proposed terms repayment, and analysis prospective capacity repay. Bank's consideration application does not necessarily imply its approval because in general each application judged basis its economic merits.

Bank policy does not permit large-scale credits for long-range development projects which are expected to be handled by International Bank. Dept believes Iran would be well advised limit initial ExIm Bank application to request for approx one million dols for purchase well-drilling machinery and irrigation pumps to be used satisfy obvious immediate economic need and as demonstration projects prefatory to large-scale agricultural development in which Int Bank might be asked assist. Dept will support loan proposal along above lines.

Next step would appear to be approach ExIm Bank by Iran Emb-Wash. It would be helpful if Ebtehaj, in forthcoming visit US, would come prepared support strongly, or even to present, well-documented credit application.

Re possible ExIm Bank credit water projects, Iranians might wish take advantage Smith-Mundt authority permitting Sec State detail Dept Agri experts assist this year in such pilot projects, preferably conjunction Near East Foundation. Since Congressional appropriation for such assistance not expected to be available before fiscal 1950, Iran Govt would have to pay. Apparently it can afford payment from funds mentioned first para urtel 993.

MARSHALL

¹Not printed; it advised that the Council of Ministers the day before had voted to sell foreign exchange at the official rate for agricultural machinery, irrigation pumps, well-drilling machinery, etc., up to the equivalent of 600,000 pounds and had authorized the Minister of Agriculture to open negotiations with the Export-Import Bank for credits so that the full amount need not be used. Ambassador Wiley expressed his belief that "some tangible evidence of American economic support to Iran would be very beneficial at this time. It would provide good offset to frequent criticism that only American help has been to supply arms. I recommend that we support this loan proposal assuming it is consistent with Exim Bank policy." (891.51/8-2548)

ÎRAN

Editorial Note

The Iranian Ministry for Foreign Affairs, on September 11, sent two notes, Nos. 3526 and 3528, to the American Embassy, in which the Ministry expressed itself as in accord with the renewal of the American Military Mission with the Iranian Gendarmerie for two years from October 3, 1948, on a purely advisory basis. é diseren o

The American Embassy, in notes 347 and 348 of September 13, expressed the agreement of the United States Government with the two Iranian communications. () discussion and a state of the state of the

The texts of the four notes are printed in Department of State, Treaties and Other International Acts Series No. 1941, or 62 Stat. (3) 3843. Handle (and (3)) the not (and

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The Department of State to the British Embassy (N) (N) of (N)TOP SECRETING and maining of violations in the compare the courses

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The Department of State acknowledges the receipt of the British' Embassy's aide-mémoire dated August 27, 1948,¹ in which the views of the Foreign Office concerning Iranian claims to Bahrein are presented.

This Government would view with serious concern any action by Iran which would have the effect of prejudicing the security of the Persian Gulf area, or of aggravating unrest in that strategic part of the world. Any attempt by the Iranian Government to press formally or to place its claims to Bahrein before an international forum might, in the opinion of the Department, will have such effects. In this connection it will be recalled that American representatives in Iran have taken every opportunity during recent years to persuade the Iranian Government of the unwisdom of publicly airing its asserted claims to Bahrein. A second a state motivate basis of an anat dataled off

The Department has studied the memoranda prepared by the India Office and the Foreign Office concerning the historical and modern

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¹Not printed, but for summary, see telegram 869, September 14, to Tehran,

status of Bahrein.² Several studies have been prepared in the Department during the past few years bearing upon this same subject, which have also resulted in the conclusion that the Iranian claim would be legally untenable if it were submitted to an international body for judicial decision. However, the Department concurs in the view of the Foreign Office that the present state of international relations and the composition of the International Court make it impossible to predict with certainty the nature of the Court's decision on the question of Bahrein if this issue were referred to it for an advisory opinion.

The Department agrees in principle with the four recommendations of the Foreign Office as to the course which should be pursued by Great Britain and the United States, namely: (1) that we should not raise the question in any international forum; (2) that we should continue to discourage Iran from raising it in any manner; (3) that if Iran, nevertheless, raises it in the United Nations, we should hope that this would be in the Security Council rather than the General Assembly; (4) that, if the matter should be raised either in the Security Council or the General Assembly, it would be best to try to direct the meeting towards a request for an advisory opinion from the International Court.

With regard to the recommendation of the Foreign Office that the United States and Great Britain continue to discourage the Iranian Government from raising its claim, it is suggested that the Foreign Office give consideration to the possible desirability of a parallel formal approach to the Iranian Government by the British and United States Governments. Such an approach might emphasize the following points: (1) in our opinion the asserted Iranian claim is wholly untenable both on political and legal grounds; (2) we believe that the raising of the Bahrein question by Iran would lead to undesirable and fruitless disagreement with the United States and the United Kingdom, would have markedly unfavorable repercussions in the Arab States, and would redound only to the benefit of the USSR; (3) if Iran should raise the Bahrein question before any international forum, we would be obliged strenuously to oppose such Iranian claim.

In the event that Iran, despite such advice, should decide to submit the Bahrein issue to the United Nations, this Government would be prepared to lend strong support to a resolution requesting an advisory opinion from the International Court of Justice. It is not, however, proposed that the Iranian Government be so informed.

² Transmitted with the British note of August 27 were two historical memoranda prepared in the India Office, which carried the story concerning Bahrein to the end of 1946 and copies of notes exchanged with the Persian Government and the League of Nations from 1927 to 1934. These papers are not found attached.

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The Department believes that a formal approach as outlined above would have considerable influence in deterring the Iranian Government from an ill-advised course with respect to Bahrein, and that it would serve as a matter of record for future Iranian cabinets which might contemplate action in this regard. It is felt, however, that the proposed approach should not be made unless a situation should arise which appears to necessitate such action. Such a situation might be created if the Iranian Government, acting on its own initiative or under stimulus of irredentist propaganda or because of Soviet pressure, should decide to press the Bahrein issue. It is more probable, however, that a situation justifying Anglo-American action may be precipitated when the proposals of the British and United States Governments concerning jurisdiction and control over the submarine resources of the Persian Gulf are presented to Iran and other littoral states. It is, therefore, suggested that the proposed approach to Iran be made at that time if the Iranian reaction should appear to justify such action.

The views of the Foreign Office concerning the Department's proposal and the question of its timing would be greatly appreciated. In view of the contemplated approach to the littoral states of the Persian Gulf in the near future with respect to offshore oil rights, it would seem advisable for the British and American Governments to arrive at a final decision concerning the question of Bahrein at the earliest possible date.

WASHINGTON, [September 17, 1948.]

891.20 Mission/9-2148: Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

SECRET

TEHRAN, September 21, 1948-8 a. m.

1117. In conversation Sunday afternoon with Minister of War Ahmedi, I was informed Iranian Government desired continuation ARMISH contract and had instructed Iranian Embassy Washington so to inform Department before Tuesday, September 21. Ahmedi added Iranians would propose certain changes in agreement which he would outline in detail to MA Department on Monday. When he did so, changes turned out to be so far-reaching that I am certain they will not be acceptable to Department and Army, and have so informed. Ministry of War. Principal modification would be in Article 24 but changes are also proposed in articles 1, 5, 8, 10 and 12. I believe we should firmly resist any changes at this time.

Foreign Office official Yekta asked Secretary of Embassy Wilson to call yesterday just before closing time and showed draft of note to be sent to Embassy later in day in above sense. He confirmed sending of instructions to Embassy Washington. On my instructions Wilson stated proposed modifications would not be satisfactory.

Embassy will report further on actual receipt of note.¹

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¹Ambassador Wiley informed the Shah on September 21 of the complete inacceptability of the proposed changes in the agreement for the American Military Mission with the Iranian Army. Later the same day, Mr. Yekta informed Embassy Secretary Wilson that "it had been decided change note being drafted and simply state Iran Government desired continuation of mission but would propose some modifications which would be subject of mutual agreement. Note handed Wilson . . . did not contain list of changes previously shown us by Minister of War and FonOff." (telegram 1119, September 21, 3 p. m., from Tehran, 891.20 Mission/9–2148)

891.00/9-3048

Memorandum of Conversation, by the Assistant Chief of the Division of Greek, Turkish, and Iranian Affairs (Dunn)

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SECRET

[WASHINGTON,] September 30, 1948.

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During the course of a conversation with Ambassador Ala today at the Embassy, in view of his continued illness—the following points of interest emerged:

(1) The Ambassador stated that he wished to convey to me informally the purpose of the conference presently planned for Monday, October 4, between Mr. Ebtehaj and himself for the Iranian Embassy and Mr. Satterthwaite and other officers for the Department. I was informed that Mr. Ebtehaj will wish to discuss political and military, as well as economic, aspects of U.S.-Iranian relations; in particular Mr. Ebtehaj and Ambassador Ala will inform the Department that the Government of Iran wishes to clarify its foreign policy, making clear its disposition no longer to placate the Russians or to pursue a policy of balance but to commit itself definitely to the cause of the western powers. In taking this new, positive position, Iran would, according to Ambassador Ala, be following the example of Turkey. Ambassador Ala explained that he had for long recommended this course of action to His Majesty the Shah and that Mr. Ebtehaj has also shared these views. It appears that the Shah and Prime Minister Hajir are now prepared to act affirmatively on these recommendations. It was understood that Iran's new policy of commitment to the western democracies would soon be confirmed officially in Tehran by publicly announced requests for U.S. assistance to meet Soviet threats, "like Turkey".

(2) Against a background analysis of Iran's important strategic position, which was considered similar to that of Turkey, the Ambassador said that his government was about to make specific requests

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of the U.S. In the military line, Iran would request more U.S. officers "to reform the Iranian Army", apparently by detailing U.S. military personnel to the divisional level. It is the hope of the Iranian Government that Iran might be so equipped as to offer effective delaying action to the Soviet Union in the event of hostilities.

(3) Overall political assistance will be sought through the medium of a regional pact which Ambassador Ala envisaged as comprising Iran and eastern Mediterranean states. The Ambassador has had several talks with the Turkish Ambassador in Washington and at least one conversation with the Greeks and Egyptians. The purpose of such regional arrangement, in effect an extension of the Saadabad Pact, would be mutual defense. Its effectiveness would depend upon the extension of the Marshall Plan aid. The Ambassador referred to recent press reports of Ambassador Griffis' statement in Cairo.

(4) Économic assistance through established media will be sought from the International Bank, with which Mr. Ebtehaj has already been in conversation; the Eximbank, covering credits for agricultural machinery; Smith-Mundt Act arrangements for the detail of U.S. Government and other technicians; and U.S. private investment in local Iranian enterprise under Iranian Government guidance. The Ambassador stated that he would like the Department's views concerning the Prime Minister's request to Mr. Wiley with regard to possible credits up to \$80 million covering consumer goods for the purpose of reducing the cost of living in Iran. I referred to the observations which Ambassador Wiley had made to the Prime Minister in Tehran, together with considerations of our financial experts in Washington which recommended against the economic validity of such a means for achieving the admittedly worthwhile objective.

(5) In view of the prospect of Mr. Ebtehaj and Ambassador Ala making elaborate requests for U.S. assistance along the above lines, I reminded the Ambassador that American resources were not unlimited; that we appreciated the desire of other free nations to associate themselves with the western democracies in opposing the spread of Communist totalitarianism; that this government was disposed to share its resources, insofar as possible, with foreign governments pursuing a similar policy; that this government, in the final analysis, had to take responsibility for deciding where and when its assistance might best be accorded; that the wisdom of its decisions had been demonstrated by situations which have developed and are emerging abroad at the present time; that U.S. assistance in all events was premised upon the conscientious effort of recipient countries to make every contribution to their defense possible within their own competence; and that, in the case of Iran, we were conscious of our commitment under the Tehran Declaration.

(6) Concerning the Shah's expressed desire to visit the U.S., the Ambassador stated that His Majesty wishes to come in the spring, but that Ambassador Wiley has suggested next September as more advisable. When asked the Department's views in this connection, I told the Ambassador that we had long been of the opinion that the mutual interests of our two countries would be well served by a visit from the Shah at the earliest appropriate opportunity and that we had been thinking in terms of next spring. On the Ambassador's insistence, I promised him a more definitive answer on Monday concerning the Department's present views as to the most auspicious time for His Majesty's visit to the U.S.

[Here follow numbered paragraphs 7 through 10, dealing with matters of lesser importance.]

891.20 Mission/10-148: Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

SECRET TEHRAN, October 1, 1948—10 a. m. 1152. Embtel 1119, September 21¹. Apparently as a result of my conversation with Shah he and General Razmara Chief of Staff studied army mission contract in detail. Two days ago Razmara informed Colonel Sexton that only point of issue was a minor change in Article 4 which is acceptable, and elimination of Article 24 which is, we think, completely unacceptable. Razmara categorically stated that Iranian law required submission of contract to Majlis and due to local political conditions it could not possibly pass. He, speaking for the Shah, suggested submission of present contract less Article 24 to the Majlis with Article 24 being covered by a secret exchange of letters.

I consider such procedure inacceptable and yesterday at lunch with Razmara it was brought out that he was acting under instructions from the Shah who, he reluctantly admitted, opposed Article 24. Unquestionably the Shah's opposition is based on his hope of obtaining British equipment and instructors as a result of his London conversations. The Shah's intent apparently is to shop for munitions and although I am convinced there is no Russian influence involved, the Shah is guilty of undue reticence in informing us of his plans and possibly intends if his plans proceed to establish a supplementary British mission here.

It was made plain to Razmara that if our mission is to remain in Iran there would be no change in the mission contract. He was advised that if the Iranians deem it necessary to submit the contract as written to the Majlis, we would certainly make no objection, but that many

¹ Not printed, but see footnote J, p. 182.

IRAN

complications would be avoided if the renewal could be arranged by an executive exchange of letters. He was told that according to our interpretation of the basic act authorizing the mission, further submission to the Majlis is unnecessary. He promised to study the matter and get in touch with Colonel Sexton on Saturday (unquestionably after he has talked to the Shah who returns from Isfahan that day).²

I believe we will get the contract renewed without important changes.

WILEY

² Ambassador Wiley expressed his conclusion, in telegram 1174, October 5, to the Department that the "crux of matter is Shah's desire introduce British Air Mission into Iran in connection his Vampire plane program." Later in the same In issue in the rank connection his valighte plane program. Later in the same message, he advised of information from Ambassador Le Rougetel that the British reply to the Iranian request would be along the following lines: "(a) Due to world situation, short-range planning is predominate over long-range planning and it is impossible to state at this time whether Vampires will be available in 1950 or not. Matter of jet pilot training program is equally problematical.

"(b) However, British Government desires cooperate with Shah's wishes in every respect and has placed jet matter before Combined Chiefs of Staff. If Britain is unable furnish jet planes to Iran, possibility their being supplied by US will be explored.

"(c) If at the appropriate time it is determined jets are available from both UK and US, Shah will be free to choose which he prefers." (891.20 Mission/ 10-548)

891.00/9-1948 : Telegram

The Acting Secretary of State to the Embassy in Iran

TOP SECRET

WASHINGTON, October 1, 1948-8 p.m. 948. You should in ur discretion make following points to Shah and appropriate Iranian officials as general comment on Shah's and Pri-Min's recent complaints as set forth Embtels 1025, Sept 1; 1041, Sept 3; 1083, Sept 14; 1111, Sept 19¹ re alleged inadequacy of US military and economic aid to Iran.

1. Shah must realize every free country in world is under Soviet pressure or attack in form of military, political, economic or social pressure or combinations of these methods in varying degrees and forms to suit local circumstances as understood by Kremlin and in pursuance overall Soviet objectives.

2. Since no country is perfect in all respects no country is completely impervious to these tactics. All feel more or less vulnerable in their respective weak spots.

3. US, all things considered, being strongest country in world, all other countries look to US to bolster up their weaknesses.

4. This too large order for US to fill even assuming, which is not case, that other countries are using their own resources and capabilities to greatest advantage.

¹ Nos. 1083 and 1111 not printed.

5. US must, accordingly, be its own judge of where, how and to what extent it can extend assistance. Decision, in all cases where important policy determinations are dependent on substantial appropriations rests with Congress which, of course, must act within limits set at any given moment by American public opinion.

6. We hope Shah will agree that, on any broad view, US has not been either inconsiderate of or irresponsive to problems of other countries resulting from Soviet policies and practices. Moreover, we hope he will agree that US choice of locales and methods for application of assistance, judged by results achieved and emerging, have in main been correct.

7. As was bound happen, critics have arisen in various countries to complain with respect to one or another aspect of US cooperation and assistance, with resulting pressure on govts concerned and upon US. Obviously we cannot take "keeping up with Joneses" type of appeal into serious account. On other hand we are always glad to give most affirmative consideration we can to realistic and urgent needs.

8. US cooperation and assistance on even smallest scale must be premised on concrete efforts of country concerned to stand on own feet. In our considered opinion, most effective means whereby Iranian Govt can resist Soviet expansionist aims are within competence of Iranian Govt itself, namely: (a) persistent refusal of Soviet demands which would impair Iran's independence, (b) constant vigilance in preventing and suppressing Soviet-sponsored attempts to infiltrate country or undermine Govt, and (c) conscientious efforts to improve provincial administration immediately (Tabriz A-35, Aug 14²) and raise standards of living gradually, thereby increasing people's allegiance to Iranian Govt and decreasing proportionately their susceptibility to Soviet subversion.

9. There is one point in particular which you should drive home: That if worse comes to worst in international sphere, we are not worried over eventual outcome. Shah may wish to keep this conviction in mind in considering general Iranian policy.³

LOVETT

² Not printed.

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³ Department officers discussed United States policy toward Iran with Ambassador Ala and Mr. Ebtehaj on October 4. The latter stated that the "Shah, Hajir, Ala, and other responsible Iranians shared his conviction that Iran should abandon 'neutral' policy toward Great Powers and commit itself openly to cause of Western democracies. He feels Iran at present suffers all liabilities of contemplated alignment (i.e., Soviet opprobrium) without commensurate benefits (i.e., assurance US aid)." The Department officers gave the Iranians the substance of telegram 948, which Mr. Ebtehaj called "one of the most unsatisfactory things I have ever heard from the American Govt". He was mollified after further discussion and "in conclusion stated his understanding with which Dept reps agreed that if Iran requests assistance, US will give it to the extent possible within limited resources and existing commitments." (telegram 960, October 6, 5 p. m., to Tehran, 711.91/10-648)

891.248/10-1248: Telegram

The Chargé in the United Kingdom (Holmes) to the Secretary of State

SECRET

LONDON, October 12, 1948-6 p. m.

4472. Tehran's 1174 October 5 to Department¹. Reference jets for Iran. Pyman said October 11 that he recently attended meeting [on] Iran [of] Chiefs of Staff who decided that through joint staff mission Washington it would shortly communicate to US Chiefs of Staff that UR unable to produce large number jets for Iran in near future. However, in order not to dissipate entirely political advantage of Shah's visit to UK they would like to make available a few jets not to exceed six which Iran might hope to purchase from manufacturer and receive delivery by end 1950 which, in any case is as early as Iranians could be trained to fly jets. According Pyman, British Chiefs of Staff will probably suggest to US counterpart further US-UK consultation on jets and inquire what US has found it possible to do for Iran regarding jets. In course such consultation British Chiefs may suggest that each country should tell Shah what it can do in this connection and let Shah choose (paragraph *c* Tehran's reftel).

[Here follows paragraph numbered two which advised primarily that the British had no intention of sending an air training mission to Iran.]

Sent Department 4472, repeated Tehran 85.

HOLMES

¹ Not printed, but see footnote 2, p. 185.

501.BC/10-2148: Telegram

The Acting Secretary of State to the United States Delegation at the United Nations General Assembly, at Paris

SECRET

WASHINGTON, October 21, 1948-7 p. m.

Gadel 269. For Bohlen. While we recognize heavy burden agenda items upon entire US Del, hope you will not lose sight Dept decision that Iran would be well advised, at appropriate time, communicate to SC, for info only, recent developments Soviet-Iranian relations bearing upon Iranian case of which SC is still seized. Latest word on subject was statement Sept 14 to Amb Wiley by FonMin Noury-Esfandiary, confirmed Sep. 18 by Shah, Noury would discuss matter fully with Entezam in Paris.

If you feel overall East-West relations would not be adversely affected by Iranian communication and statement US support of position therein, you might wish consult with Noury and Entezam with view indicating time is now propitious. You may recall contemplated US statement would refute Soviet charges of imperialistic US activity in Iran hostile to USSR and would support Iranian thesis SC is appropriate arbiter of disputes threatening the peace.

In view repeated and as yet unrefuted Soviet inferences its unilateral right introduce troops into Iran on basis alleged Iranian violation Soviet-Iranian Treaty 1921, we are faced with fact USSR has laid uncontested legal basis, however spurious, for overt action against Iran. Furthermore we are somewhat concerned lest prospect of US support for Western Union might be interpreted in Middle East and USSR as implying decrease of US support for other periphery areas. In order reassure ME Govts as occasion arises, as well as dispel possible Soviet assumption lessening US interest in ME, Dept constantly exploring means meeting situation. Of direct interest Iran and doubtless indirect interest other ME countries, most immediate and effective means might be official US statement giving strong support to position which Iranian Govt might take in communicating with SC for its info. Otherwise Press reports of current conversations anticipating closer US association with Western Europe might well impel Soviet Union to discount risks involved in attempting enforce its asserted rights in Iran and dishearten Iran, in absence reiterated assurance US support, in its efforts to resist Soviet Union.¹

LOVETT

¹This telegram was repeated to Tehran as 1004 and to London and Moscow. Tehran replied on October 23 stating that the telegram was most timely and that Ambassador Wiley had discussed its substance with the Shah, who had indicated that he would have telegraphic instruction sent to the Iranian Delegation at Paris to confer at once with Mr. Bohlen of the American Delegation (telegram 1223, 501.BB/10-2348). Mr. Bohlen informed the Department, on October 26, that "So far the Iranians here have shown no interest of their own in pressing the matter and there is considerable doubt as to the general effect of so doing." (telegram Delga 492 from Paris, 501.BC/10-2648)

891.00/10-2248 : Telegram

The Acting Secretary of State to the Embassy in Iran

SECRET WASHINGTON, October 22, 1948—6 p. m. 1006. Urtel 1209, Oct. 19.¹ FonOff instruction appears to have been based upon Brit Emb Wash tel recording discussion bet Emb and Dept Reps. Reps have reviewed original Brit Emb cable and find it substantially accurate report (except for statement re Iranian Army defection). In light urtel 1209, believe report must have been misunderstood at some stage before reaching you.

¹ Not printed.

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Statement by Dept Rep to Brit Emb Rep re "Dept's policy regarding" Iran" was limited to subject Shah's general ideas concerning constitutional reform. In absence knowledge Dept or Brit Emb re details latest version Shah's general project, beyond alternative procedures outlined urtel 1035, Sep. 2,² exchange of views limited largely to generalities. Dept Rep reiterated position taken Deptel 675, July 15,3 with additional observation it did not appear Iranian security seriously threatened by subversive group at present time or stronger leadership necessary to avoid complete collapse (last para Deptel 399, May 5).4 Dept Rep qualified statement re doubtful allegiance Iranian Army in Azerbaijan by reference possible action in case revolt or Soviet invasion (Tabriz A-35, Oct. 14⁴). Statement desirability Shah advocating general improvement Iranian conditions, etc., reflected Dept thinking embodied Deptel 948, Oct. 1, and Amb Allen's frequent encouragement Shah limit his conspicaous political activity to matters paramount national importance.

Any new Dept views will be communicated you as they develop but, as always in first instance, for your observations and use by Emb your discretion. Prompted by Ebtehaj's lucid statement Shah's case (Deptel 962, Oct. 7 5 on which your observations desired) and prospect receiving Brit FonOff's suggested line of the thought (London's 84, 12⁶), Dept has initiated comprehensive study possibilities constitutional reform in Iran. Only when study complete and views have been exchanged with Brit will we be able offer new suggestions which might be useful your conversations this subject. Absence compelling new developments Tehran, we agree time not ripe for constitutional reform by precipitate action.

Dept does not understand apparent difference bet LeRougetel attitude reported urtels 1035, Sep. 2 and 1195, Oct. 13, and that reported urtel 1209, Oct. 19 7 supported by London's 88, Oct. 19.8

LOVETT

⁴ Not printed. The alternatives set forth were to enact legislation establishing a Senate which would then enact a law to provide for a constituent assembly; to have the Majlis pass a bill to establish such an assembly; should these fail, to have an immediate referendum (891.011/9-248). The nature of the referendum is not spelled out; but Ambassador Wiley had advised, on October 6, of information from British sources that the Shah was considering abdication unless given additional powers (telegram 1178 from Tehran, 891.00/10-648). ⁸ This was a repeat of 2750 to London, p. 162.

⁴ Not printed.

⁵ Not printed; it advised that Mr. Ebtehaj had "Argued that no Cabinet could function effectively under present system since Majlis has all power but no responsibility" and lacks "any compulsion take constructive action." He said that the "contemplated reforms are (1) creation of Senate, (2) Shah to have veto subject to power Majlis to override by two-thirds majority, (3) Shah to have power dissolve Majlis and call new elections, (4) Majlis quorum requirements to be reduced." (891.00/10-748)

⁶ This was a repeat of telegram 4471 to the Department, not printed.

⁷ None printed.

⁸ This was a repeat of telegram 4554, not printed.

501.BB/10-2348: Telegram

The Acting Secretary of State to the Embassy in Iran

SECRET US URGENT WASHINGTON, October 29, 1948—7 p. m. 1021. Following is summary two conversations with Brit Emb here on subject Embtel 1223 Oct 23 from Tehran¹ and Delga 491 Oct 26 from Paris:²

(1) Le Rougetel reports conversation with PriMin Oct 23 in which latter said (a) Soviet-Iran notes of last spring have already been communicated to SC and (b) Iran Govt some time ago prepared note appealing for consideration by SC of Art 6 of 1921 Treaty and requesting its revision in light of changed circumstances, namely, absence of counter-revolutionary forces in Iran which could threaten USSR and existence UN SC to deal with threats to security. This note held in abeyance, but, according Hajir, Amb Wiley had just advised him that time had arrived for it to be transmitted to SC. PriMin asked Le Rougetel advice, to which latter replied he would have to request instructions.

(2) London FonOff considers communication of type mentioned by Hajir would be unfortunate because it would provoke Soviet Union as much as if Iran Govt should denounce 1921 Treaty and Iranians, in order to appease USSR, might be expected take some action harmful to US and UK, especially with respect to pending questions of AIOC concession and proposed arrangements for division subsea oil resources Persian Gulf. FonOff feels bound to oppose suggested action by Iran Govt and would greatly regret divergence between views communicated by US and UK to Iran Govt.

(3) Dept has explained to Brit Emb that we have never suggested to Iranians that they request SC action re Art 6 of Treaty and were unaware they contemplated such request. We had in mind simply communication for info of SC summarizing developments Irano-Soviet relations past several months and stating Iranian view that if USSR considers itself threatened from Iran only proper course would be appeal to SC as body charged with maintenance international peace and security. If such communication made, US might make parallel statement refuting Soviet charges re US activities in Iran and supporting Iranian assertion that USSR should have recourse to SC rather than unilateral action. We added Dept had never heard of any Iranian transmission of Irano-Soviet notes of last spring as stated by Hajir, and did not believe it possible this could have been done without coming to our attention.

¹Not printed, but see footnote 1, p. 188.

^a Not printed; this was a repeat of telegram 22 from Mr. Bohlen to Ambassador Wiley (501.BC/10-2648). It covered much the same ground as telegram Delga 492, not printed, but see footnote 1, p. 188.

(4) We thought Hajir must have misunderstood Amb Wiley suggestion, since latter had merely relayed (to Shah, not Hajir) our thought that Paris Del should consider whether time appropriate for action.

(5) Dept further informed Brit Emb we understood USDel Paris doubted desirability any action this moment. It was therefore improbable Dept would take additional steps for present. Iran Del Paris had shown no disposition take initiative. Dept suggested it would be useful for Brit Del Paris consult Bohlen to determine present status whole subject.

(6) We asked Brit Emb inquire whether FonOff would think undesirable communication to SC, at appropriate moment, of type suggested by US Govt (as contrasted with type mentioned by Hajir to Le Rougetel). Pointed out that while objections raised by FonOff might apply, though to lesser degree, to our type approach, failure to say anything might have even greater drawbacks.³

LOVETT

³ This telegram was repeated to London, Gadel Paris (as no. 361) and Moscow.

891.00/11-148: Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

SECRET

TEHRAN, November 1, 1948-5 p.m.

1249. In conversation with Shah evening October 30 I said I was deeply concerned by his plan for constitutional reform. I said I was not disturbed by plans themselves but by timing. This was, I said, the moment of the 28th veto.¹ To me, the two matters of prime importance to Shah (Embtel 1233, October 27²) should be foreign affairs and national defence, both of which are firmly in his hands. To take an initiative that would jeopardize his position, would, I thought, [be] unnecessarily hazardous. In other words, I urged Shah not to use threat of abdication (Embtel 1178, October 6³) as weapon with which to coerce Majlis. I added that psychologically a threat was not good political instrument.

Shah remained unhappy and noncommittal. It is clear he has his mind very definitely made up to correct a situation which has been unduly exaggerated in his thinking.

¹Presumably the 28th veto by the Soviet Union at the Security Council. ²Not printed; Ambassador Wiley advised that "At present moment in world situation, I think Shah would be well advised to concentrate on foreign affairs and control of army, both of which at present he has fairly firmly in his hands, and postpone his ideas for far-reaching changes in domestic political structure and let government retain primary responsibility for social and economic reforms." (891.00/10-2748)

³ Not printed ; but see footnote 2, p. 189.

In subsequent conversation with Prime Minister I went over same ground, reiterating that as I had made clear to Shah, I had no desire influence political thinking Iranian Government. I suggested though moment was inopportune for drastic political initiative and repeated to Prime Minister that I felt Shah should concentrate on foreign affairs and national defence. Referring to Shah's apparent intention to give a four months' ultimatum to the Majlis before abdicating, I suggested that during four months in question the enemies of Iran and opponents of present dynasty would be given an opportunity to carry out an effective propaganda and agitational campaign, which Shah had apparently had no plans for combating. Prime Minister expressed his enthusiastic approval that Shah's proposed initiative should be postponed.

I have noted Deptel 1006, October 22 constitutional reform. I have no special comments re Ebtehaj's view on this question (Deptel 962, October 7⁴) except that as indicated above I feel moment is inopportune.⁵

Sent Department, repeated London 112.

WILEY

⁴ Not printed, but see footnote 4, p. 189. ⁵ The Department, on November 5, endorsed the views set forth in telegram 1249. It also advised Tehran that it shared the views of the British Foreign Office that the "constitutional project [for] increased executive powers should be initiated only, if at all, after budget and seven-year plan legislation are passed. . . . Le Rougetel would impress on all influential Iranians desirability concentrating on seven-year plan." The Department stated additionally that "In absence compelling reasons Iranian national security requiring drastic action increasing executive powers, constitutional project should be deferred until present provisions constitution re Senate fully implemented." (telegram 1045, 891.00/11-148)

891.00/11-348

The Director of the Office of Near Eastern and African Affairs (Satterthwaite) to the Ambassador in Iran (Wiley)

TOP SECRET

WASHINGTON, November 3, 1948.

DEAR MR. AMBASSADOR: I refer to your top secret letter of August 19 to Mr. John D. Jernegan,¹ Chief of the Division of Greek, Turkish and Iranian Affairs, in which you refer to the expressed intention of the Shah, should a foreign power attempt to occupy Iran, of remaining in the country in order to maintain a government on Iranian soil and to direct resistance. With that letter you enclosed a memorandum prepared by Mr. Gerald F. P. Dooher regarding the possible formation of a "free government" in Iran in the event of a Leftist coup d'etat

¹ Copy not found in Department of State files.

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or a Soviet invasion of the country. You suggested that this memorandum should be considered by the interested agencies of the government.

Your letter and the enclosed memorandum have been brought to the attention of the competent officers of the Department, who are informing the other appropriate agencies of the government.

I am authorized to inform you that the Department believes this question should be given further attention and would be glad to receive from you a detailed analysis of all factors bearing on it, together with such detailed plans as it may be possible for your staff to prepare and such further general observations and recommendations as you may wish to submit. The Department requests that, for the time being, you refrain from discussing with the Shah the possible formation of a "free government" or resistance movement. It is feared that any approach you might make in this regard would be taken by the Iranians as an implied promise of American support and assistance in executing the suggested plan, whereas the appropriate agencies in Washington have not yet had an opportunity to give even initial consideration to the question. Furthermore, it seems likely that any discussion with the Shah of plans for a resistance movement would lead into broader questions of the role Iran plays in American strategic thinking and the political and military guarantees or assurances which we are willing to give that country. We are not yet prepared to answer such questions in any manner which could be expected to satisfy the Shah. We believe any decisions as to the time or manner of approach to the Iranian authorities or other elements who might take part in a resistance movement should be deferred until the American Government has decided whether it is desirable to encourage and support such a movement when and if the need arises. It is felt that this decision cannot be made until we have received from you a further analysis and a more detailed plan, including the military and intelligence plans referred to in Mr. Dooher's memorandum.

The Department would like to have your views regarding the desirability of consultation with the British Government on this subject. On preliminary consideration, it appears to us that the British should be brought into the picture at some early stage, in view of our community of policy in Iran, the important political influence of the British in Iran, and the intimate knowledge of the country and wide experience in dealing with all elements of its population possessed by officials of the British government. Since the British have such large material interests at stake and are in such close contact with many segments of the population, including especially the southern tribes, it would seem that failure to coordinate with them in advance of the anticipated emergency might result in great confusion as well as neglect of the real positive contribution which they might be able to make. We will, however, take no action with respect to the British pending receipt of your recommendations.

We await with much interest your further reports on this important subject.

Sincerely yours,

J. C. SATTERTHWAITE

501.BC/11-348 : Telegram

The Ambassador in Moscow (Smith) to the Secretary of State

SECRET

Moscow, November 3, 1948-7 p. m.

2527. Paris 22, October 27 to Tehran [26] ¹ and Tehran's 29 to Paris October 30.² I am not in a position to evaluate timing considerations with respect proposed Iranian communication to SC and strong supporting statement from US, other than to say that Iran is always on Soviet active list and that SC dossier on subject should, in my view, be kept continuously up-to-date. I do, however, find Ambassador Wiley's thesis convincing and reiterate my opinion that "we go a good deal further than we have in the past in rebutting instantly and vigorously false and vituperative allegations by the Soviet Union and that we should never under any circumstances refrain from immediate official rebuttal when as in the present case the allegation is made officially." (Embtel 1366, July 20) While I regard such action as long overdue with respect to the charges in the latter category cited in Tehran's reftel, I can appreciate that our denials might be more widely heard at a time when UNGA disputes were not monopolizing the headlines.

In any case, I consider Iran the most sensitive point on the Soviet periphery requiring our most continuous and careful attention. Lack of oil in sufficient quantities for modern warfare is probably the most serious weakness in Soviet war potential and one likely to become more marked as the USSR acquires (from Italy) and builds the fleet it obviously wants to increase its strength and influence in the Black Sea and Mid-East areas. Not only is the oil to cover this shortage available in Iran, but also the simultaneous possibility of large-scale denial of Mid-East oil to the Western Powers. Moreover, the instability and ineffectiveness of the Iranian Government and its lack of the same direct US support extended to Greece and Turkey inevitably aggravate the constant temptation for the Kremlin to go after this prize.

¹Not printed; it was repeated to the Department as telegram Delga 491 (501.BC/10-2648).

 $^{^{2}}$ Not printed; it was repeated to the Department as telegram 1243 (891.00/10-3048).

Sent Department 2527; repeated Tehran 31, Paris for Bohlen 568, London 282.

SMITH

501.BC/11-348 : Telegram

The Acting Secretary of State to the United States Delegation at the United Nations General Assembly, at Paris

SECRET US URGENT WASHINGTON, November 5, 1948—7 p. m. Gadel 413. Bohlen from Lovett. We note your conviction that it would be mistake to raise Soviet-Iran relations before SC Paris in absence of demonstrable urgency for doing so this particular time (Delga 587 Nov 3¹ and Delga 586 Nov 3²) and that you will take no initiative in approaching Iranians.

Dept defers to Del judgment this question and will take no further steps vis-à-vis Iranians for present. However, we consider matter should be kept in mind and we and Iranians should be prepared act promptly if occasion arises. Would like call to your attention Moscow tel 568 Nov 3 3 to Paris, which we heartily endorse, and Tehran tels 28 and 31, Oct 29 and Nov 3.4 Incidents reported Tehran reftels could become extremely serious and create urgent situation on short notice. Accordingly, if approached by Iran reps Paris this subject, suggest you explain to them we still interested in suggested démarche at proper time and discuss form and content of communications to be presented to make sure Iran approach would be in line our thinking. It would be desirable for us to see Iran draft in advance to make sure it does not introduce complicating factors such as (re Deptel 361 to Gadel 5) appeal to SC for action to revise 1921 Treaty. Dept considers communication should be for Council's info only, as in case of Iran note of Dec 1946 re Azerbaijan, although we realize Soviets or other members might conceivably call for debate and that Iran might later ask action if situation aggravated.⁶

LOVETT

² Not printed; it was a repeat of telegram 23 from Mr. Bohlen to Ambassador Wiley (501.BC/11-348).

⁴Neither printed; they reported border incidents involving attacks by Soviet military forces on Iranian troops and Soviet penetration of Iranian territory. These telegrams were repeated to the Department as 1239 and 1256 and are filed under 761.91/10-2948 and 861.2391/11-348, respectively.

⁵ Dated October 29; it was a repeat of 1021 to Tehran, p. 190.

^e This telegram was repeated to Tehran, Moscow, and London.

¹ Not printed.

³ This was a repeat of 2527 to the Department, supra.

FOREIGN RELATIONS, 1948, VOLUME V

501.BC/11-648 : Telegram

The Ambassador in Iran (Wiley) to the United States Delegation at the United Nations General Assembly, at Paris

SECRET

TEHRAN, November 6, 1948-4 p. m.

32. For Bohlen. Glad to see from your telegram No. 23, November 3, 1948 (Delga 586)¹ that we are thinking along same general lines. Of course you are in position to judge question of timing and character of Iranian *démarche* much better than we can here.

Soviet charges re alleged American military activities in Iran are being repeated and expanded daily in ever accelerated and shriller tempo by Soviet radio and press. Ambassador Sadchikov has returned to Tehran. Simultaneously a large Rumanian diplomatic set-up has arrived, dedicated to Cominform activities. Policy of frontier incursions has been vigorously revived by the USSR. Then our arms credit program is on very eve of being implemented, something which Soviet Military Attaché says his government will under no circumstances tolerate. I therefore feel more strongly than ever that the situation, irrespective of what Iran may or may not do, compels that we immediately refute in the most vigorous, forthright and official manner entirely false and fantastic Soviet accusations which have been made over so long a period with obviously carefully planned, ominous and evil intentions. We should no longer hesitate but act at once. We may have no time to lose. It is in my opinion of secondary importance when or how Iran acts.

[Here follow personal observations.]

Sent Paris for Gadel 32, repeated London 117, Department 1278; Department pass Moscow 87.

WILEY

¹ See footnote 2, p. 195.

891.20/11-1848 : Telegram

The Acting Secretary of State to the Embassy in Iran

TOP SECRET US URGENT WASHINGTON, November 19, 1948-5 p.m.

1093. Depts of State and Defense believe you should take over principal role in discussions on subj Sexton's M-354, Nov. 3, and that further communications should be through State and Emb channels. If desired in replying to Razmara, MA may join with you in these discussions.

Depts of State and Defense agree your reply should be on following lines subject your concurrence:

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IRAN

In event of war with Soviet Union involving Iran and US, Iran may be assured of all assistance compatible with US resources in a global conflict. It must be clear from recent history that US devotes its full and unrelenting power, in cooperation with its loyal allies, to achieve total victory over those who bring war to the world. On our part, we have complete confidence as to favorable outcome of any future conflict in which US may be involved.

US is, naturally, interested in Iranian defense capabilities. In event of war of Soviet aggression, USSR, would enjoy initial advantages accruing to aggressor.

It is logical therefore that Iranians formulate their plans on basis of resistance as effective and prolonged as possible, including, if necessary, extensive and extended guerrilla-type warfare.

If pressed by Razmara or if you think it necessary, you may say we cannot be more specific in our advice or assurances ¹ because we cannot foresee what world-wide demands upon us may be if war breaks out. U.S. would be arsenal and pivotal point in coalition against aggressor and, in the interests of all, would necessarily bring its resources to bear at whatever points would provide best opportunity speedy victory. Choice of those points would depend to some extent on degree of continuing resistance being offered by Iran forces and those of other states similarly situated.

All above predicated on assumption that U.S. as well as Iran is at war with USSR. It does not answer question, which we understand Razmara is not raising, namely, whether U.S. would go to war immediately if Iran were attacked by USSR.

All communications to Iranians this subj should be oral. Nothing should be committed to writing. Any discussion this subj should be prefaced and concluded by statements to the effect that we are not convinced war is inevitable and we have not abandoned hope in our continuing efforts to preserve peace.²

LOVETT

¹The Department, on October 28, had instructed Ambassador Wiley to reply to queries from the Shah and General Razmara concerning United States strategic plans in terms of a "satisfactory formula which would prevent undue Iranian discouragement while not revealing US plans or implying US commitment." (telegram 1020 to Tehran, 891.00/10–2848)

Iranian discouragement while not revealing US plans or implying US commitment." (telegram 1020 to Tehran, 891.00/10–2848) ^a The Department, on November 16, had sent a draft of this telegram to Secretary Marshall at Paris for his views (Telmar 160, 891.00/11–1648). The Secretary had replied two days later, stating: "I think the proposed telegram to Wiley is forthright as to our interest in Iran, an excellent guide to Iran activities in the event of war, yet holds out no specific promise of commitment which we might be unable to fulfill." The reply suggested minor drafting changes and made some comment (Martel 153, 891.00/11–1848).

891.20/11-1948: Telegram

The Acting Secretary of State to the Embassy in Iran

TOP SECRET

WASHINGTON, November 19, 1948-7 p.m. 1096. Nov. 10 Amb Ala and Mil Attaché Mazhari informed Dept MA had recd instructions from Shah to speak "plainly and clearly" to State and Army Depts re plans Shah and Govt if Iran attacked.

Instructions emphasized Iranian orientation to West, necessity of "strengthening the line", and of putting Iran, through provision adequate materiel, in position join resisting Soviet attack. Ala said Shah and Govt "are determined to defend home soil and desire to join in resisting any aggression undertaken by Soviet".

In presenting case Mazhari said history of Azerbaijan and oil concessions proved Iranians are capable resisting Soviet pressures and worthy of independence. Therefore US should now give Iran assistance comparable to that provided China, Turkey and Greece. He emphasized vulnerability of Iran, strategic importance and potential as anchor for defensive line extending eastward from Belgium through Turkey to Himalayas. He said he was prepared discuss matter with and answer questions of US mil establishment.

Ala mentioned Dept previously advised caution to avoid provoking Russians. However, Iran had already given Russians various reasons to be provoked including rejection of oil agreement and recent appointment PriMin Sa'ed.¹ He felt nothing Iran might do now could be more provocative than what she had previously done. There was therefore no reason hold back on that score.

Queried re course action Shah would take if US indicated it might be able provide assistance, Iranians emphasized present discussion was strictly secret. If Shah recd indication US willingness assist he would consult PriMin, Council Ministers and Majlis leaders (without revealing fact his prior approach to us) and indicate he deemed it time request help from US. Ala said "Majlis and people are absolutely and entirely in favor defending Iran". He stressed however that Shah must have advance assurance favorable US reaction.

Dept pointed out no defensive line existed and Amer aid to various countries has been offered largely on ad hoc basis each case. Said misunderstanding appears exist re extent American aid being furnished certain countries and ability US furnish such aid. It was emphasized multitude considerations involved in weighing requests for assistance, and where US Rep seeks to be frank and open in discussing problems involved, he may often appear negative. In conversations where consideration given such a problem parties should not be discouraged

¹Prime Minister Hajir resigned on November 6 and was succeeded by Mohammad Saed.

if structure emerges slowly. Both political and mil considerations must be evaluated by many people; effect on Amer economy must be weighed (demands are far larger than US can hope to meet); strategic questions must obviously be studied by mil men; and finally but not least, if any proposal clears executive branch it must still receive Congressional approval.

Iranians concluded conversation by saying "Against all these forces you must make your decision. We must know who is going to help".

761.91/11-2048 : Telegram

The Ambassador in Iran (Wiley) to the Secretary of State

SECRET

TEHRAN, November 20, 1948-3 p. m.

1333. For Bohlen. Qavam told Dr. Radji¹ yesterday that two days before Hajir relinquished premiership latter had interview with Sadchikov in which Soviet Ambassador made following three points:

1. Soviet Government does not recognize validity of Majlis law of October 22, 1947 annulling Qavam-Sadchikov oil agreement. Basis for Soviet attitude is that Iran Government has failed to implement provisions of law (1) setting up Iranian company to exploit Iranian petroleum resources and sell oil to Soviets and (2) renegotiating southern oil concession.

2. Iran Government must take steps to rid country of American advisers otherwise Soviet Government will invoke treaty of 1921.

3. If Iran Government agrees to Soviet oil concession and dismissal American military missions, Soviet Government is ready to negotiate trade pact with Iran.

This morning Foreign Minister [apparent omission] received chiefs of missions. Sadchikov was conspicuously absent, all others being present including satellites.

Sent Department; repeated London 130, Paris 42. Department pass to Moscow as 97.

WILEY

¹ An Iranian political leader.

501.BC/12-248: Telegram

The Acting Secretary of State to the Embassy in Iran

SECRET WASHINGTON, December 2, 1948—6 p. m. 1129. Suggest you discuss with Saed or Hekmat ¹ proposed Iranian communication to Security Council re Soviet-Iranian relations. (Re

¹ Ali Asghar Hekmat, Minister for Foreign Affairs in the Sa'ed Cabinet. 429–027—75—14 Deptel 1004 Oct. 21² and previous.) Your approach should be informal with first objective to determine whether new ministers are familiar with background, understand US views, and are in agreement as to desirability action this type. Make clear idea communication originated with Iranian officials here (we understand Ala has again communicated his views to Tehran) and we are not taking initiative. Our interest arises from general policy of support for Iran and fact Soviet threats against Iran partly based on asserted US activities that country.

Make following points:

1. Unless there is some new development we do not suggest action during present session General Assembly Paris but we think appropriate time may come shortly after end this session. Therefore important Iran Govt make necessary decisions promptly.

2. Because of delicacy question and legal points involved, we believe documents to be transmitted to SC should be carefully prepared and time allowed for thorough study by Iranian reps Washington and New York in consultation Dept. (We are anxious have Ala take active part this matter, along with Entezam, but leave it your discretion how far you press this.)

3. Aside from our general desire offer advice and assistance where appropriate, our request to be consulted before Iranian action is based on fact we would plan make parallel communication refuting Soviet charges against US and supporting Iran position that any alleged threat against Soviet Union from Iran should be referred to Security Council. We naturally wish to know in advance position Iran will take in order be sure we can conscientiously support it. (This connection we have never had clarification of Hajir reported statement to Le Rougetel that Iranian note would ask revision by SC of Article 6 of 1921 treaty. Re Deptel 1021 Oct 29. We could not support such approach.)

For your info we have concluded Noury-Esfandiary has blocked previous action by Iran reps Paris, despite repeated statements Shah and Hajir that instructions had been sent him. Since he is still head Iran Del, we think it useless have further instructions sent Paris. Accordingly would prefer any further instructions this regard be sent Ala Washington and Entezam after his return New York.³

LOVETT

³This telegram was repeated to Paris, London, and Moscow.

Editorial Note

The Iranian Ministry for Foreign Affairs, on December 29, 1948, sent note No. 5147 to the American Embassy stating that the Iranian Government was in accord with extending the agreement of October 6, 1947, for the employment of the American Military Mission with the

² This was a repeat of Gadel 269, p. 187.

Iranian Army for one year from March 20, 1949. The only change called for in the current agreement was the substitution of the words "American officers and non-commissioned officers" for "American officers and enlisted men".

The American Embassy, in note No. 575 of January 5, 1949, to the Iranian Ministry for Foreign Affairs, expressed the willingness of the United States Government to extend the agreement for one year and to accept the change in wording requested by the Iranian Government.

The text of the exchange of notes is printed in Department of State, Treaties and Other International Acts Series (TIAS) No. 1924, or 63 Stat. (pt. 3) 2430.

IRAQ

INTEREST OF THE UNITED STATES IN THE NEGOTIATIONS BETWEEN THE UNITED KINGDOM AND IRAQ TO REVISE THE BRITISH-IRAQI TREATY OF ALLIANCE OF JUNE 30, 1930; THE QUESTION OF ECO-NOMIC ASSISTANCE TO IRAQ¹

741.90G/11-2647 : Telegram

The Acting Secretary of State to the Embassy in Iraq

TOP SECRET

WASHINGTON, November 26, 1947-7 p.m.

441. For Dorsz.² Dept understands Busk Brit Chargé d'Affaires is being instructed to enter into top secret negotiations with Iraqi Govt looking forward to revision of Brit-Iraqi Treaty. Busk is also being instructed to keep in touch with you re developments. Dept considers that it is in interests of US that outcome of these negotiations be such as to insure satisfaction of Brit strategic needs in Iraq. You are therefore authorized to cooperate with Busk in this matter and to give him such support as you and he might consider appropriate.

In lending your support you may in case the two of you should consider it helpful discreetly mention matter to Regent³ or pertinent Iraqi officials pointing out importance to security of Middle East which US ascribes to successful outcome of negotiations.

LOVETT

^a Edmund J. Dorsz, First Secretary of Embassy in Iraq, at this time serving as Charge.

⁸ Abdul Ilah.

741.90G/12-847: Telegram

The Ambassador in the United Kingdom (Douglas) to the Secretary of State

TOP SECRET

WASHINGTON, December 8, 1947-11 a.m.

6361. For Henderson.¹ Michael Wright² December 6 asked following status report re secret Anglo-Iraqi treaty talks be conveyed Henderson.

¹ See also instruction 17, March 29, to Baghdad, ante, p. 77.

¹ Loy W. Henderson, Director of the Office of Near Eastern and African Affairs. ² Michael Wright, Superintending Under Secretary of the British Foreign Office.

1. Negotiations have been carried as far as possible at moment and Garran special British negotiator returned December 6 to report.

2. At Prime Minister³ and Regent level "very good progress" has been made and "virtual agreement" reached re wartime use bases. Only important point is Iraqi reluctance specify in treaty that British forces will be given facilities uses bases jointly with Iraqi forces during peacetime. Prime Minister asserts his intention invite British forces to do this but doubts advisability making formal provision this effect.

3. No further meetings yet scheduled but plan is that if agreement can be reached Iraqi Prime Minister will eventually come London to sign.

4. Wright said consequences UN Palestine decision have so far not shown any sign of interrupting talks and in case Prime Minister they have had "rather the reverse effect". However, Wright believes Iraqi Govt might be forced suspend talks if popular agitation Iraq re Palestine grows much stronger.

.5. Wright again expressed appreciation for Dept's interest this question. (Dept's Top Secret 441, November 26 to Baghdad).

-³ Saleh Jabr.

741.90G/1-548: Telegram

The Chargé in Iraq (Dorsz) to the Secretary of State

TOP SECRET

BAGHDAD, January 5, 1948-11 a.m.

7. At audience with His Royal Highness mentioned Embtel 5, January 5,¹ I expressed views along lines those Embtel 803, December 31.¹ His Royal Highness said he was glad learn US Government felt this way as he believed satisfactory revision Anglo-Iraqi Treaty would be important factor in promoting stability Middle East. As result progress made in preliminary discussions with British, he was hopeful that mutually beneficial agreement would be reached during Prime Minister's visit to UK. Weather permitting Prime Minister was scheduled depart January 6.

I mentioned that local press and several prominent political leaders had been bitterly attacking government for Iraq's treaty relationship with Great Britain and had been demanding that no arrangement be made that would infringe Iraq's "sovereignty and full independence". His Royal Highness responded by saying that treaty revision was designed to benefit both countries and that "my people must take into consideration the realities" of existing conditions in the world which for security reasons requires sound treaty relationship of this nature with friendly power.

¹ Not printed.

Although I did most of talking His Royal Highness seemed genuinely interested in subjects mentioned Embtels 5 and 6, January 5² and particularly as regards US Government's attitude on treaty revision matter. On this subject he twice remarked that he was glad to receive information conveyed.

Sent Department 3 [7?], repeated London 3.

DORSZ

² Not printed.

Editorial Note

Demonstrations against the proposed treaty with the British occurred at Baghdad on January 5, when students at the Baghdad Law College clashed with the police. The following day, an Iraqi delegation consisting of Prime Minister Jabr, former Prime Ministers Nuri as-Said and Tawfiq as-Suwaidi, and Defense Minister Shakir al-Wadi enplaned for London to conclude the negotiations. They were joined there by Fadhil Jamali, the Foreign Minister (airgram 55, February 7, from Baghdad, 890G.00/2-748).

741.90G/1-1048: Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

LONDON, January 10, 1948-6 p. m. SECRET US URGENT 97. 1. According Wright who asked Loy Henderson be informed soonest twenty year Anglo-Iraqi treaty was initialed this afternoon.¹ Formal signature expected January 15.²

2. Embassy pouching text which Wright describes as "very satisfactory" and possible cornerstone on which future British relations with Egypt and other Middle East countries can be based.

3. Foreign Office tonight instructing British Embassy Jidda to outline substance treaty to Ibn Saud³ and to say that HMG would be pleased to make similar treaty with SAG. Visit Feisal 4 London end January is suggested as possible opportunity for treaty talks.

Sent Department 97, repeated Baghdad 4, Jidda 2.

GALLMAN

⁴ Amir Faisal, Saudi Arabian Foreign Minister.

¹The Department, on January 13, informed Cairo in telegram 40 (repeated to other Arab capitals and London) that it considered "agreement this general

type in interests of US." (741.90G/1-1348) ² The treaty was formally signed at Portsmouth, England, on January 15; for text, see British Cmd. 7309, Iraq No. 1 (1948): *Treaty of Alliance between His* Majesty in respect of the United Kingdom of Great Britain and Northern Ireland and His Majesty the King of Iraq. ⁸ Abdul Aziz ibn Saud, King of Saudi Arabia.

741.90G/1-1448: Telegram

The Secretary of State to the Embassy in Iraq

SECRET

WASHINGTON, January 16, 1948-6 p.m.

19. Embtel 49, Jan. 14.¹ Dept approves of attitude you have assumed when approached by members Iraqi parliament on subject of Anglo-Iraqi treaty and believes that it would be helpful for you to assume similar attitude when approached by other key Iraqi officials. It feels that your attitude would be more effective if you refrain except in unusual circumstances from taking initiative in conversations of this kind; if such conversations are carried on in a casual rather than pointed manner; and if they are limited to persons of influence known to be friendly towards US. Our objective might be defeated if the impression should be obtained that the British and Americans have some kind of an understanding with regard to the treaty and that Americans are acting as British tools.

You are commended for effective and tactful manner in which you have carried out this delicate task.

MARSHALL

¹Not printed; it advised that, in conversations with prominent Iraqis, Mr. Dorsz had expressed the "view that it would seem to be in Iraq's interest to have a mutually agreeable treaty relationship with friendly power such as UK. Otherwise security of country might become seriously endangered by an unfriendly power seeking opportunity to impose police state conditions such as prevail in eastern Europe" (741.90G/1-1448).

Editorial Note

Press attacks against the Iraqi Government intensified. Students in institutions of higher learning went on strike on January 18, urging rejection of the Treaty of Portsmouth. Frenzied rioting erupted in Baghdad on the 20th.

Chargé Dorsz reported that "On January 21 HRH the Regent made an announcement which must have come as a bombshell to the British. Alarmed by the now serious riots and the possibility of a public upheaval, he summoned a conference of elder statesmen to the Palace and after a five-hour meeting announced that 'the treaty does not realize the aspirations of Iraq and is not a useful instrument to consolidate the friendship between the two countries.' The Regent further promised Iraqis that no treaty would be ratified which did not insure the interest of the country and its national aspirations." The Jabr Cabinet resigned on January 27 and the next day a new government headed by Mohammed Sadr came to power (airgram 55 from Baghdad). Foreign Minister Hamdi al-Pachachi, on February 4, handed Mr. Busk a note communicating his Government's rejection of the treaty and concluding that the Iraqi Government was agreeable to opening negotiations for a new treaty (telegram 146, February 7, 8 a. m., 741.90G/2-748).

London, on February 13, advised that it had "no information rejection AIT has in any way altered general British policy vis-à-vis Middle East countries although recent experience is likely to make Bevin and Foreign Office more wary. HMG concept of replacing old British position of strength by developing mutual defence and other interests with Arab states is unchanged. In view British Cabinet, essential merits its basic postwar attitude towards Middle East are too great to be abandoned lightly. However, Palestine partition has created dangerous reservoir emotionalism in all Arab states and even some minor event might set off conflagration. If this should happen HMG would have to meet new situation with materials at hand and might be forced to make, for time at least, extemporaneous policy alterations." (telegram 554, 741.90F/2-1348) ternantint i i s

890G.50/11-2448 : Telegram

The Acting United States Representative at the United Nations (Dulles) to the Secretary of State

165.2

PARIS, November 24, 1948-2 p. m. URGENT SECRET Delga 908. For Satterthwaite¹ from Kopper.² Khanadan³ (Iraq) brought up again question of possible economic assistance to Iraq 4 in near future along same lines indicated my memorandum to Secretary dated November 4.5 Khanadan reiterated view that it was essential for Iraqi Delegation have something to take home if Iraq were to acquiesce in settlement Palestine question along lines Bernadotte Plan.6

It was pointed out to him that US felt it first necessary to secure political settlement Palestine question. Khanadan demurred to this saving that if economic assistance were postponed it would be too late.

Khanadan's approaches have been made with the approval of the chairman of the Iraqi Delegation. His line of argument has been

¹ Joseph C. Satterthwaite, Director of the Office of Near Eastern and African Affairs.

Samuel K. C. Kopper, Adviser to the United States Delegation at the Third Session of the General Assembly.

³ S. Khanadan, member of the Iraqi Delegation to the General Assembly.

[&]quot;The economic and financial situation of Iraq deteriorated considerably as 1948 wore on. Chargé Dorsz, on October 9, expressed concurrence with the views of the British Foreign Office on the urgency of granting immediate financial assistance to Iraq (telegram 607 from Baghdad, 890G.00/10-948). ⁵ Copy not found in Department of State files.

⁶ See progress report dated September 16, signed by Count Bernadotte included in documentation on Israel, scheduled for publication in part 2 of the present volume.

similar to that expressed by Ali Jawdat⁷ to Dorsz (re Baghdad airgram A-311, October 26⁸), although they say Iraqi Government does not know Iraqi Delegation here is putting out new feelers on question economic aid.

It would be helpful for us to know whether any recent prospect of economic aid inform of loans or otherwise and likewise extent to which we may go in giving any encouragement to Iraqi and other Arab Delegates on this matter.

Repeated London as 1336.

DULLES

⁷ Iraqi Foreign Minister.

⁸ Not printed.

890G.51/12-148: Telegram

The Acting Secretary of State to the United States Delegation at the United Nations General Assembly, at Paris

SECRET

WASHINGTON, December 1, 1948-1 p.m.

Gadel 636. For Kopper from Satterthwaite. For your background in discussion with Khanadan re economic assistance Iraq Dept rptg Baghdad 662 Oct 30,¹ Deptel 399 Nov 4 and Baghdad 689 Nov 9.²

Dept has consistently favored and encouraged Iraqi approach World Bank, but little or no progress made due failure on part Iraq to complete application to Bank or show initiative or energy in presenting case to Bank. Dept has repeatedly expressed view to Iraqis that World Bank is logical source financial assistance and that national development projects are appropriate subjects for such assistance (Delga 908 Nov 24).

Dept has no knowledge Iraqi application Exim Bank credit. If and when application made by Iraq or any Arab country, case will be considered on basis individual merit in conformity rules and legislation governing such loans. You may know Saudi Arab Govt although granted Exim loan³ has indicated intention nonutilization.

You may explain to Khanadan that subject loan is complicated one and this Govt in no position offer economic assistance or promises of assistance in out-of-hand manner suggested. You may advise him Dept would be glad discuss general subject at any time through approach Embassy Baghdad or through Iraqi Embassy Washington.⁴ [Satterthwaite.]

LOVETT

² Neither printed.

³ Documentation on this subject is included in the section on Saudi Arabia in this volume.

⁴ This telegram was repeated to London.

¹Not printed; it noted recent criticism from Foreign Minister Jawdat of the failure of the United States to offer any tangible assistance to Iraq and of American unwillingness to divorce the question of economic and financial aid to Iraq from the political problem of Palestine (890G.00/10-3048).

ISRAEL

[Documentation on the creation of the state of Israel and related matters is included in part 2 of this volume.]

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SAUDI ARABIA

INTEREST OF THE UNITED STATES IN THE QUESTIONS OF ECONOMIC AND MILITARY ASSISTANCE TO SAUDI ARABIA, RENEWAL OF UNITED STATES TENANCY AT THE DHAHRAN AIR FIELD, AND THE **PROPOSED TREATY OF ALLIANCE BETWEEN THE UNITED KINGDOM** AND SAUDI ARABIA¹

711.90F/1-1348: Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

SECRET URGENT JIDDA, January 13, 1948-5 p. m.

16. ReLegtels 13,² 14, and 15 ³ January 13. We may be approaching, if we have not already passed, a decisive stage in our relations with Saudi Arabia. Until Palestine partition decision we have not had a firmer friend in Arab world than Ibn Saud.⁴

Although no official intimation has been given me to such effect, it is suggested King may be influenced to abandon hopes of close political relations with US and return to his previous policy of relying more particularly upon his political relations with Great Britain by Feisal's ⁵ recent report to him and reluctance displayed by US to give positive form to his overtures:

1. Middle East settlement suggested by King in June (Legtel 252, June 20, 1947 ⁶).

2. Raising our respective Legations to Embassies (Legtel 474, November 6, 1947 7).

3. Sending military mission Dhahran (Legtel 568, December 16,* my 581, December 22⁹).

favorable atmosphere created for them in Arab world by their refusal to be drawn into imposed Palestine settlement and extremely unfavorable position in which we have been placed in our all out support partition, to move into positions of vantage in Arab states generally, including Saudi Arabia." (867N.01/1-1348) ^a Neither printed; but see footnote 4; in telegram 21, January 7, included in documentation on Israel, scheduled for publication in part 2 of the present

volume.

Abdul Aziz ibn Saud, King of Saudi Arabia.

⁵ Amir Faisal, Saudi Arabian Minister for Foreign Affairs.

^e Foreign Relations, 1947, vol. v, p. 750.

⁷Not printed; it advised of information from Shaikh Yussuf Yassin, Saudi Arabian Deputy Minister for Foreign Affairs, that the British had raised the status of their Legation at Jidda to that of Embassy and that the Saudi Arabian Government hoped the United States would take similar action (701.4190F/

11-647). ⁸ Not printed, but for an extensive summary, see editorial note, Foreign Rela-

⁹ Not printed, but see footnote 2, *ibid.*, p. 1342.

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¹ For previous documentation involving relations between the United States and Saudi Arabia, see *Foreign Relations*, 1947, vol. v, pp. 1329 ff. ² Not printed; it gave Minister Childs' view that the "British taking advantage

It would appear reasonable infer our reluctance in respect 1 and 2 above may have persuaded him to raise question attitude toward SAG of US Government (Legtel 538, December 4 ¹⁰ and 539, December 4, 1947 ¹¹).

Our support of Palestine partition has no doubt accentuated King's doubt whether he could find in US a stable political partner in substitution for his old ally, the British. What must have however intensified King's doubts has been contrast between British refusal to be drawn into an imposed Palestine settlement and reports brought to him by Feisal of what last named described to me yesterday as "American delegates to UNGA acting as spokesmen of Zionists, one of parties to dispute, and pressure brought by American Legation [Delegation] on other foreign delegations to vote for partition after assurances given Feisal by Department no such pressure would be exerted". Feisal said struggle in UNGA was essentially between Arab States on one hand and American delegation on other with other nations spectators rather than acting participants.¹²

Feisal informed me off record yesterday if he had had decisive influence in SAG foreign policy he would have broken relations with US after that. Feisal has just returned from Riyadh where he no doubt displayed same bitter disillusionment over hopes developing firm relations with US which he displayed me yesterday, stating this had been his great purpose since first visit US¹³ and he now saw his work reduced to ashes.

Above, coupled with readiness with which British accepted SAG proposal raising Legations to Embassies and our generally negative attitude toward this and other specific SAG proposals closer political relations, incline King reexamination his former policy moving away from British and basing his foreign policy on development closest political relations with US.

CHILDS

et saldh

¹⁰ Foreign Relations, 1947, vol. v, p. 1335.

¹¹ Not printed, but see footnote 4, ibid., p. 1338.

¹² Documentation on the question of pressures allegedly exerted on behalf of a vote for partition by the General Assembly in November 1947 is presented in the sections on Palestine, *ibid.*, and in Israel, part 2 of the present volume scheduled for publication.

¹³ For documentation on the visit of the Amir Faisal to the United States in 1943, see *ibid.*, 1943, vol. IV, pp. 840 ff.

SAUDI ARABIA

711.90F27/1-1648: Airgram

The Secretary of State to the Legation in Saudi Arabia

SECRET

WASHINGTON, January 16, 1948.

A-9. In view of the current political situation vis-à-vis SAG Dept. believes no further efforts re negotiation bilateral [civil] air transport agreement desirable at this time.¹

Minimum rights necessary for civil operations are contained in Dhahran Airbase Agreement and in all probability extension that agreement will be sought at proper time.

When decision is made to open negotiations for extension terms Airbase Agreement, decision will be made in the light of current situation at that time as to whether to negotiate bilateral air transport agreement or to continue civil [air] rights through Airbase Agreement.

While simplified draft air transport agreement could be prepared now for Leg.'s use, difficulties involved in radical departures from Dept.'s "model draft" originally proposed and probability requirements for further changes before active negotiations can be resumed appear to make it desirable suspend any further action until such time as it appears reasonable to expect success in efforts to obtain understanding with SAG on text.²

A copy of this airgram is being sent to the American Embassy, Cairo.

MARSHALL

¹ The Department, on May 8, 1947, sent a revised draft agreement to Jidda, which stated that "While the United States now enjoys satisfactory [civil] aviation rights in Saudi Arabia by virtue of the Dhahran Airbase Agreement and related contracts between TWA and the Saudi Arabian Government, the Department believes that it is in the best interest of both countries to negotiate a formal bilateral air transport agreement." (instruction 80, 711.90F27/5-847). Regarding the earlier draft, see instruction 329, August 1, 1945, Foreign Relations, 1945, vol. VIII, p. 936; concerning the TWA contract, see the American note of May 29, 1946, and footnote 20, *ibid.*, 1946, vol. VII, pp. 744, 745. Sheikh Yussuf transmitted the Saudi Arabian counterproposals to the American Learning on August 10, 1047, and on December 24, lidds, court them to the

Sheikh Yussuf transmitted the Saudi Arabian counterproposals to the American Legation on August 19, 1947, and on December 24, Jidda sent them to the Department in despatch 442 (711.90F27/12-2447).

²The American Legation at Jidda engaged in many discussions with the Saudi Arabian Foreign Office in 1948 on the question of a civil air transport agreement, but no agreement was reached.

741.90F/1-2048: Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

TOP SECRET US URGENT JIDDA, JANUARY 20, 1948-6 p. m. NIACT

24. Following my account my audience with Prince Feisal this afternoon (Department please note: pressing importance I have US

Government's comments for transmittal Feisal before twentyseventh):

Feisal stated he had come to Jidda from Mecca especially to see me but he desired greatest discretion purpose his visit. I was acquainted with great concern SAG re Hashimites¹ about which His Majesty had spoken to me on numerous occasions. With view to clarifying SAG's relations with its friends the British this question, SAG had approached some time ago British Government and latter had suggested Prince Feisal come London to review whole field British-SAG relations.

In meantime British had concluded treaty with Iraq² and Mr. Bevin³ had suggested that a similar treaty be concluded with SAG. His Majesty in view great concern with Hashimites was at first favorably disposed proposal but after further and closer consideration SAG found two objections:

1. Britain's relations with Iraq (Beginning with occupation that country followed by mandate over it and treaty which had not in reality left Iraq independent) were altogether different from Britain's relations with Saudi Arabia, a wholly sovereign and independent state; and

state; and 2. Latest treaty included heavy obligations on part Iraq which SAG not disposed assume.

Prince Feisal said he had in mind that Britain should conclude treaties with other Arab states by which they would all be treated alike, and in particular Hashimite states should not be favored. Proposed British-SAG treaty went beyond this idea. He added British Ambassador had been recently Riyadh and was returning there on twenty-seventh when Feisal himself expected to be there. It was very likely British proposals would be discussed in detail at that time. In view fact that US was closest foreign government to Saudi Arabia Prince Feisal had come to Jidda to acquaint me with foregoing and asked if I had any comments.

I said I had two: (1) I felt my government would be most gratified with confidence reposed in it by SAG; (2) I felt my government would be favorably disposed toward conclusion of any treaty arrangements by SAG which promoted peace and security in Middle East without touching SAG's independence and liberty of action. I said any other comments would have to come from my government.

Feisal said in view of Riyadh meeting on twenty-seventh it was most important His Majesty have by that time any comments which US

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¹The ruling dynasties in Iraq and Transjordan; for documentation on efforts by Transjordan to attain a Greater Syria, see *Foreign Relations*, 1947, vol. v, pp. 738 ff.

² For documentation on this subject, see editorial note, p. 204.

³ Ernest Bevin, British Secretary of State for Foreign Affairs.

Government might have to make on the problem as he had outlined it to me. I promised I would communicate urgently with my government and would endeavor to have reply before he left for Riyadh.

Department will find foregoing development at variance with my estimate situation in Legtels 16, January 13 and 23, January 20.4 I suggest his latest development instance fluctuations to which SAG's policy has been subject during recent weeks as result international developments including Palestine. First shock was to throw SAG into arms Great Britain but there is now a reaction brought about after reflection upon Iraq's dependent status and unwillingness SAG conclude any arrangement suggesting prejudice to its sovereignty. I suspect also Prince Saud's influence has been active to retrieve a balance in our favor.

Sent Department 24, please repeat London 8.

CHILDS

⁴Latter not printed; it requested the Department to note that "as result positions taken by US and British Governments over Palestine partition at UNGA, British Government has virtually overnight replaced us in confidence of King." (741.90F/1-2048)

741.90F/1-2048: Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

SECRET

London, January 20, 1948-7 p.m.

220. Courier January 21 bringing rough draft Anglo-Saudi treaty for Department's information.¹

2. Pyman² advised that when Trott³ took up question treaty with Ibn Saud (Embassy's 163, January 164) King replied that he thought he would like treaty and asked Trott for draft. Foreign Office has just prepared tentative draft which Trott will hand King in Riyadh January 28 following tour previously planned which will take Trott to Dhahran and Bahrein where he has timed visit to coincide with visit Commander-in-Chief East Indies Royal Navy (Embassy's 181, January 16⁴).

¹George Lewis Jones, Jr., Counselor of Embassy in the United Kingdom, trans-⁴George Lewis Jones, Jr., Counselor of Embassy in the United Kingdom, trans-mitted copies of the draft treaty to the Department on January 20, under cover of a letter to Mr. Henderson. The letter noted that the draft had "not been ap-proved higher than the Eastern Department and Michael Wright in the Foreign Office. It was sent today to the Joint Chiefs of Staff and the British Treasury for comment. The Foreign Office expects to receive comments (and very likely approval) of all interested British Departments on Friday, January 23. There-after . . . the text will be telegraphed to Trott in Jidda." (741.90F/1-2048) Mr. Wright was Assistant Under-Secretary of State in the British Foreign Office. ^a Lancelot F. L. Pyman, Assistant Head of the Eastern Department in the British Foreign Office.

British Foreign Office.

⁸ Alan C. Trott, British Ambassador in Saudi Arabia.

⁴ Not printed.

3. Pyman describes treaty as on general lines Anglo-Iraqi treaty without any exclusive features. HMG hopes for Saudi facilities in time of war or threat of war and certain communications and other facilities during peace, these to be specified and provided for in agreement subsequent treaty signature following survey by British military of their peacetime requirements Saudi Arabia.

4. Treaty provides SAG promise British assistance if attacked from any quarter.

5. Embassy emphasized US interests in Saudi Arabia and fact Department, to even greater extent than re Iraqi negotiations, would probably like to have comprehensive information re draft treaty and negotiations with SAG. Pyman said Foreign Office has this very much in mind and consequently is sending Department preliminary British draft. Trott has been instructed to keep Minister Childs fully in picture.

6. After King sees draft it will be decided whether negotiations will be in London with Feisal, due here February 5, or in Riyadh.

7. Foreign Office appreciates Department's helpful preliminary reaction to idea negotiation Anglo-Saudi treaty telegraphed by British Embassy, Washington, and hopes to receive at early date Department's second thoughts, particularly re Dhahran area. Embassy believes Department has unusual opportunity at this stage to make full Department thinking available to Foreign Office. After draft is handed Ibn Saud January 28, communication problem will make it difficult, even for Foreign Office's last minute ideas, to be taken into account.

Sent Department 22 [220]; repeated Jidda 6.

GALLMAN

890F.00/12-1647 : Telegram

The Acting Secretary of State to the Legation in Saudi Arabia

TOP SECRET US URGENT WASHINGTON, January 23, 1948-6 p. m. NIACT

18. Careful consideration being given by Dept[s] State, Army, and Air to King's request for training mission (Legtel 568 Dec 16) and relation this request extension US Army tenancy Dhahran Airbase (Legtel 581 Dec 22).¹

Further consideration required in view projected Treaty UK-SAG (Legtel 24 Jan 20). For your info only, Dept has complete text proposed draft.

Urgent attention being given these matters, reply will be sent you soonest.

LOVETT

¹ Neither Jidda telegram printed, but see footnotes 8 and 9, p. 209.

SAUDI ARABIA

741.90F/1-2348: Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

TOP SECRET

London, January 23, 1948-7 p. m.

272. Embassy's 220, January 20.

1. According Eastern Department, Foreign Office, meeting re draft Anglo-Saudi treaty. It was agreed that original draft, which by now should be in Department's possession, was "too formidable" to present to SAG, and in consequence new and much shorter draft has been prepared omitting supplementary military agreement previously in Article 7 in addition to major omissions annexure in which survey party, financial arrangements, use phrase "essential strategic installations", and all Articles 3 and 5 disappear. Anglo-Saudi Joint Defense Board retained and given responsibility for recommending location and nature airfields and military works and use to be made of them for civil or commercial purposes. New draft is about 1/3 shorter than old and language simplified.

2. Trott has advised Foreign Office that it may be going too fast for SAG. Consequently Trott will show King draft and annexure as finally approved meeting here today; if King agreeable he will suggest Feisal be authorized sign London. If King asks time to study text, Foreign Office legal advisor and officer may go Saudi Arabia to assist Trott and work out treaty on spot. In this event Trott may suggest brief postponement Feisal visit.

3. While anxious conclude new treaty in almost any form, according Burrows,¹ HMG would be criticized if it were to commit itself as in Article 3 without SAG obligating itself to cooperate re essential defence facilities.

4. Burrows expects instructions to be sent today to British Joint Staff Mission Washington to ascertain US views re desirable strategic facilities Saudi Arabia.²

Sent Department 272, repeated Jidda 8.

Gallman

¹Bernard A. Burrows, Head of the Eastern Department in the British Foreign

² The Department, on January 26, advised London that in view of the substantial changes in the draft treaty set forth in telegram 272, it desired detailed information about the changes so that it would be in a position to examine the corrected text and make comment to the British (telegram 253, 741.90F/1-2348).

Editorial Note

Minister Childs, on January 24, sent a note to King Ibn Saud which read : "I have great honor referring Your Majesty's communication of

429-027-75-15

December 13, 1947. I duly communicated full text Your Majesty's communication to me to my Government by telegram. I am now in receipt telegram dated January 23, 1948 stating careful consideration being given by my Government Your Majesty's request for training mission and reply would be communicated as soon as decision may be formulated. It is added urgent attention being given this question". On February 2, Amir Faisal handed to the Minister the King's reply of January 31, in the form of a memorandum. The King called attention to his request of the previous December for a military mission and stated that it was "unreasonable" for the United States to provide such a mission without furnishing arms and other essentials for training Saudi Arabian forces (telegram 46, February 3, 10 p. m., from Jidda, 890F.20 Missions/2-348):

Jidda, on February 3, transmitted a translation of a second memorandum from the King in telegram 45, not printed. The date of the second memorandum was not given. It declared that the British had encouraged the Iraqis to agitate and propagandize "against us", in order to disturb relations between the United States and Saudi Arabia. The memorandum declared it "almost certain" that the purpose of the Anglo-Iraqi Treaty was to move Saudi Arabia away from the United States and to place it in a position where the British would easily gain "what they desire". It then requested the United States to prepare a statement of its attitude regarding these matters and to state whether it was prepared to come to an "understanding" and "agreement" with Saudi Arabia to preserve its sovereign interests.

At the time that Amir Faisal handed the two memoranda from King Ibn Saud to Minister Childs, he stated that Saudi refusal to conclude a treaty with the British might result in their use of the Hashemites to create a disturbed situation. It was to guard against such an eventuality that the King desired to strengthen his realm. Minister Childs pointed out the previous assurances of the United States to support unqualifiedly the territorial integrity and the political independence of Saudi Arabia. The Amir Faisal replied that he was seeking something more practical than these assurances, namely the supplying by the United States of the military requirements essential to defending Saudi sovereignty and maintaining internal stability (telegram 47, February 3, 10 p. m., from Jidda).

The Department, on February 9, authorized Jidda to inform the King, if he brought up the subject discussed in telegram 47, that "we are convinced Brit are not inciting Iraq into acts unfriendly to Saudi Arabia" (telegram 35). The telegrams cited above are filed under 741.90F/2-348.

Ambassador Trott notified Minister Childs that he had discussed the proposed Anglo-Saudi treaty with Saudi officials and then with

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SAUDI ARABIA

the King. Ibn Saud "stated in effect he would have none of it. Trottwas able to pacify him in explaining draft was tentative one which would be left with King for study". The Ambassador suggested further discussion after the King's examination (telegram 38, January 30, 3 p. m., from Jidda, 741.90F/1-3048).

741.90F/1-2648

Memorandum by the Director of the Office of Near Eastern and African Affairs (Henderson) to the Secretary of State

TOP SECRET

[WASHINGTON,] January 26, 1948.

Discussion:

The text of a proposed treaty between the British Government and the Government of Saudi Arabia has been sent to the Department by the American Embassy in London, where it had been received from the British Foreign Office. This treaty is almost identical with the treaty signed last week at Portsmouth, England, between the United Kingdom and Iraq, a treaty whose terms have stirred up such resentment in Iraq that it may not be ratified.

From the American point of view, the most important clauses in this proposed treaty (a copy of which is attached)¹ are to be found in the Annexure, Article 1. This reads in part: "His Majesty the King of Saudi Arabia and His Britannic Majesty will each appoint expert delegates, who will meet together . . . to agree upon the essential strategic installations whose construction and maintenance are necessary to enable His Britannic Majesty to discharge his obligations . . . His Britannic Majesty will meet the cost of construction of these essential strategic installations and, in order to maintain them at all times, whether of peace or of war, in the necessary state of operational efficiency, His Britannic Majesty will provide the necessary technical staff and equipment, and . . . will meet the cost of such maintenance." The treaty sets up a Joint Defence Board which will determine "which are the essential strategic installations" to be constructed or maintained by the British.

As you are aware, the oil resources of Saudi Arabia are being developed by the Arabian American Oil Company, a wholly owned American corporation, which has brought four oilfields into production, erected a refinery, and built a town of 4,000 Americans along with a network of highways, powerlines and other public utilities. A deep water pier is being built on the Persian Gulf and a railroad pushed inland across the oil coast by this firm. The Airport at Dhahran, which

¹ Not found attached to file copy.

was built by the US armed forces and completed in 1946, is now being operated by the Air Transport Command, in an Agreement with the Government of Saudi Arabia which lasts until March of 1949. Furthermore, there is a US Air Force Mission now at Dhahran training a selected group of Saudi Arabian students to operate this airport. The Saudi Arabian Airlines is American operated and American firms are carrying on an extensive development program throughout Saudi Arabia. In contrast to this, British interests in that country are of minor importance.

King Ibn Saud has repeatedly asked for closer military and economic ties with the US. Only a month ago he requested American mechanized equipment and airplanes, and an American training mission to enable him to adequately protect the American pipeline to the Mediterranean and the oilfields on the Persian Gulf.² While the US armed services apparently desire to retain a preeminent position in Saudi Arabia, they have thus far been unwilling to meet the King's requests. It is now obvious that something concrete in the way of a training mission or materiel, or both, will have to be provided Saudi Arabia if our position there is to be maintained in the face of this British offer of an alliance plus technical personnel. Because of its implication to the American position in the area, we have asked the British to defer negotiations on this treaty with the Government of Saudi Arabia until the views of the US Armed Services can be obtained.³

Recommendation:

It is recommended, therefore, that you discuss this matter with the Secretary of National Defence ascertaining his views as to whether he proposes to furnish concrete assistance to the Government of Saudi Arabia which would meet the security needs of that country, thus making this large-scale British entry into this predominantly American area unnecessary.

² This request was conveyed to the Department in telegram 568, December 16, 1947, from Jidda, not printed, but see footnote 8, p. 209.

The request was made in telegram 242, January 24, to London (741.90F/ 1-2448).

741.90F/2-648: Telegram

មរណ៍នៅ

The Secretary of State to the Legation in Saudi Arabia

TOP SECRET US URGENT WASHINGTON, February 6, 1948—6 p. m. 32. Dept has had under consideration matter of proposed Anglo-Saudi treaty of alliance, regarding which SAG has requested US views, also SAG request that US supply equipment for and train mechanized Saudi forces with restricted function of defending Dhahran area and pipeline. These matters have been weighed carefully by Dept and Armed Services.

With respect to proposed Anglo-Saudi treaty you should inform King that both US and UK have common purpose of promoting security of Middle East and of supporting political independence and territorial integrity of all countries of that area including Saudi Arabia. In principle, therefore, US would view with sympathy security arrangements entered into between SAG and Brit for purpose of achieving this aim, provided (1) SAG considers such arrangements to be in Saudi interest, (2) such arrangements are not inconsistent with US-Saudi agreement regarding Dhahran Airbase, (3) such an arrangement would not preclude free development of political military and economic relations between Saudi Arabia and US, and (4) such arrangements would be in harmony with UN charter.

As regards specific Saudi request above mentioned, you should state US regards security of Middle East and particularly of Saudi Arabia as necessary for maintenance of world peace and desires to implement its attitude as concretely as possible. At this particular moment supply and financial considerations and arms embargo to Middle East make it difficult to meet Saudi Arabian Govt request. Nevertheless, desirability of continued contact and discussion of SAG security problems is recognized. US Govt considers that among ways in which it might be able to assist in obtaining of this are following steps:

(a) Accrediting of military attaché and military air attaché to Legation with no unusual restriction except as regards wearing of uniform. If this is not agreeable to SAG US Govt would be willing to assign military personnel to Legation on restricted basis to advise Minister on military matters, but considers result would not be satisfactory to either government unless scope of their activities became gradually enlarged.

(b) Study by US military authorities of measures which US could take to assist SAG in creation force for defense airbase, pipeline and other strategic installations. Such studies are now in progress in Washington. In this connection King pointed out Jidda's 268 [568],¹ Dec. 16, the establishment of such a defense force cannot take place immediately but will require "a long time and a long training program".

 (\vec{c}) ATC which operates Dhahran Airport would like to expend several million dollars to put present buildings and equipment in first-class condition and to expand housing maintenance and repair facilities. These expenditures would be in addition to those made for any expanding of existing training facilities. High Air Force officer plans to visit Riyadh this month to set forth proposed US air force

¹ Not printed, but see footnote 8, p. 209.

plan for further development Dhahran airbase. ATC, however, cannot go ahead with these plans without informing Congress and it is doubtful that it can obtain Congressional approval unless it is able to inform Congress that it will probably continue to operate field on behalf of SAG for considerable period subsequent to Mar 1949. King is undoubtedly aware that although present Dhahran training program is progressing satisfactorily it cannot be completed and Saudi Nationals cannot be adequately trained to maintain and operate airport by Mar 1949.

We are wondering if SAG would be disposed to arrange for extension over term of years of that section of agreement permitting US to operate airfield and to continue training SA nationals. Without some arrangement with King which would assure continued operation by US of field for number of years, we do not see how plans for improving field and for continuing training of SAG nationals can be formulated or carried out.

We suggest at your discretion you discuss this matter frankly with King and endeavor to ascertain what his attitude towards extension might be. If you could prevail upon him to ask us to stay our problems would be alleviated. If he makes no such request but if in your judgment after talking with him it would not be inopportune for us to ask for extension you are authorized to make such request. We would consider extension for period of five years would meet our purposes. We leave it to your judgment to decide whether definite terms should be discussed with King in your initial conversation. Please discuss with King matters contained in this telegram and inform Dept his reaction.²

MARSHALL

³ The Department, on February 8, requested Jidda to suspend further action concerning telegram 32, pending additional instructions. It cited the problems raised in telegram 47, February 3, from Jidda (see editorial note, p. 215) and a desire for further discussion with the British as causing a delay in making a definite approach to the Saudi Arabian Government (telegram 33, 741.90F/2-348).

\$90F.7962/2-948: Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

TOP SECRET MOST IMMEDIATE JIDDA, February 9, 1948-5 p. m. NIACT

56. Deptel 33, February 8¹ received in time enable me ask Foreign Office suspend for time being my request for audience with King.

Action proposed by Department Deptel 32, February 6, believed in general very satisfactory. I believe SAG will welcome comments proposed re Anglo-Saudi treaty and particularly point 3.

¹ Not printed, but see footnote 2, above.

I think it unwise raise at this time question assignment Military Attaché Legation Jidda. We should be satisfied if SAG can be induced assignment Military Attaché for Air. While King has disapproved such assignment "at present" (see Legtel 55 of February 9²) I have not abandoned hope King may be persuaded change decision in light arguments I may use based on general ways we propose assist him, as outlined Deptel 32. SAG's suggestion of difficulty reaching decision at present time will make it easier to point out our own difficulties.

If our support Palestine partition were not the excessive incubus it is in all our dealings with SAG, I would feel very hopeful in being able persuade King to request us to remain at Dhahran after March 1949. King, however, as Department aware, is under heavy attack in Arab world for what is regarded already as his excessive leniency toward US interests, in view of what is regarded as our hostility to Arab world by our Palestine policy. Even if he desired us remain Dhahran, as he probably does, after that date he is likely find it particularly difficult make such request at this extremely unpropitious moment.

I see no reason, however, why subject should not be explored with him. It is entirely possible he may feel question of extension should remain in abeyance for some months until Palestine issue has become clearer and our own relation to Arab world better defined in Arab eyes. I think it important that we make plain our interest in assisting him to the extent of spending considerable sums Dhahran and, as such expenditure obviously cannot be made if our occupancy at Dhahran is to be terminated next year, it seems desirable from point of view of indicating to King our willingness assist him, that question of airport agreement be raised.

CHILDS

² Not printed.

741.90F/2-1248 : Telegram

The Secretary of State to the Legation in Saudi Arabia

TOP SECRET US URGENT WASHINGTON, February 13, 1948-6 p. m. NIACT

40. Favorable reaction now received from London to Dept's suggestions re Anglo-Saudi treaty and US assistance SAG (London's 543, Feb 12, repeated Jidda as No. 16¹). You may therefore approach King as indicated Deptel 32, Feb 6.

¹Not printed.

State and National Defense agree your conclusions unwise now raise question assignment military attaché Jidda in addition military attaché for air (re par. 3, Legtel 56, Feb 9).

In view statement SAG (Legtel 55, Feb 9¹) that appointment Air Attaché with military status could not be agreed upon at present, you may wish to suggest that US Govt would be willing assign Air Officer, preferably Col. Seeds,² to Leg on restricted basis as explained par (α) Deptel 32, Feb 6. Because of high regard with which SAG holds Col. Seeds and because Air Corps [*Force*] plans to send new commander Col. O'Keefe to Dhahran in near future desirable to try for Col. Seeds' appointment as Air Adviser to Leg on military matters pending acceptance by Saudis appointment full fledged Air Attaché.

Also agree (re Legtel 57, Feb 10³) that Anglo-Saudi treaty concluded at this time might abate King's apprehension of Hashemites and their friends. However, Dept believes it would be inadvisable for us to support any specific Anglo-Saudi treaty text that has been or may be proposed and suggests that you comment generally along line of preceding sentence if HM mentions subject.

Sent Jidda 40. Repeated London 494.

MARSHALL

² Col. Dale S. Seeds, Commanding Officer of the Dhahran Air Field. ³ Not printed.

741.90F/2-2148: Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

TOP SECRET

JIDDA, February 21, 1948-5 p. m.

76. [The first seven paragraphs conveyed word from Minister Childs that he had given to King Ibn Saud a memorandum containing the comments of the United States Government on the proposed Anglo-Saudi treaty, as set forth in Department's telegram 32, February 6, and that he had summarized the memorandum at the request of the King. The latter was said to have "expressed great satisfaction" and then to have expounded his views on Hashemite machinations and on his rejection of the "humiliating" treaty with the British. He then sought, by the next day, the views of the Minister on these subjects.]

I replied I would give him my views at once explaining when I was doubtful about matters he raised with me I always told him so but I felt able give him comments at once without necessity deliberation. I could say that at the beginning of His Majesty's remarks I was somewhat fearful but I had been reassured by what he said concerning desirability of our working in close concert with British. I had

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every reason to believe my government had been at great pains assure itself British were not lending themselves Hashemite intrigues against His Majesty. US was deeply concerned with interests of Saudi Arabia. I could assure him that fact and I could assure him likewise we would not advise him to pursue policies we did not conceive to be in his interest. We had strong common interests. We were also convinced we could best serve his interests and our own by working in close contact with British. In doing so we were pursuing the course consonant with his own interests and ours. I emphasized I had no doubt these were the views of my government and I therefore did not need time for reflection to inform His Majesty that the views I had expressed concerning the desirability of our working closely together with British in concert with him represented the considered views of US as well as my own personal objective views.

His Majesty stated that while he adhered strongly to his friendship for Britain they could not always be trusted and reverted to thought they might attempt egg on Hashemites to adventures in western Saudi Arabia. I then recalled that under instructions my government I had communicated with him after my last visit in December (letter December 13 for which see Legations despatch 434, December 15⁻¹) and had assured him of my government's unqualified support of territorial integrity and political independence Saudi Arabia. If, therefore, he had at any time any apprehensions with reference to British Hashemite designs he had only to communicate them to my government for necessary appropriate action and I could assure him we meant what we said.

His Majesty's eyes sparkled and he said "I have no doubt about that".

I have rarely seen him in so pleasant a mood. He was obviously pleased. When I began to proceed with question military aid he said "time is now late. I wish you'd discuss at length with Fuad Bey and after that we can review together tomorrow."²

Sent Department 76, repeated London 19.

CHILDS

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¹ Not printed.

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³King Ibn Saud's formal views on Minister Childs' memorandum were embodied in his memorandum of reply, dated February 20. The King regretted that international circumstances precluded United States military assistance but noted with pleasure that American authorities were studying the situation. He then expressed the hope that "unforeseen policies" would not prevent attaining an understanding in the interests of both countries (telegram 87, February 23, 9 a. m., from Jidda, 741.90F/2-2348).

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The Minister in Saudi Arabia (Childs) to the Secretary of State

TOP SECRET

JIDDA, February 21, 1948-7 p. m.

77. Re Deptel 32, February 6. After informal exploratory discussion with Fuad Bey Hamza¹ who in turn consulted King it was thought best not to raise at this time formally with His Majesty subject paragraph c in reference telegram.

I gathered from Fuad he does not consider for various reasons including question Palestine, recent rejection Anglo-Iraq treaty and King's rejection similar Anglo-Saudi treaty present moment opportune one discuss Dhahran air base.

After Fuad talked with King he said we need have no concern whatsoever that these and other facilities would be granted US freely by SAG in case of any "emergency". In response to my questions he said further SAG might be prepared at an early date discuss nature of this and other aid SAG would be prepared to offer US in case of an emergency or imminent threat of one. When I pointed out some decision would have to be reached before March 1949 regarding operation air base he assured me this question could be dealt with in due time. He admitted SAG would not be able operate air base alone and would need guidance. He gave me as strong assurances as I believe he could under circumstances that if we had faith in SAG and showed our confidence some formula could be found satisfactory to us both.

Fuad said after my first audience with His Majesty, King had developed further idea in private talk with him on a tripartite agreement under UN between US, Great Britain and Arab states possibly through Arab League which would attain same security objectives British had sought in their proposed bilateral treaty with Iraq, Saudi Arabia and Egypt. Such an arrangement would ease the problem of those Arab states in making individual arrangements and would facilitate objectives we all sought. He did not have any precise ideas as to form but thought we should be giving thought to it.

Fuad said he agreeable to visit high ranking air force officer adding King desired I be present at this and all other visits official Americans Riyadh. He also said he thought we could work out together formula for assignment Colonel Seeds Legation.²

Repeated London 20.

CHILDS

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¹ Saudi Arabian Minister of State.

² On the evening of February 20, Fuad Bey brought to Minister Childs a private memorandum, with whose content the King was said to be acquainted, which stated in effect that "we may count upon making use Dhahran air base provided question military aid Saudi Arabia settled satisfactorily. Fuad emphasized we should not separate parts of a whole." (telegram 80, February 21, 9 p. m., from Jidda, 890F.7962/2-2148)

890F.7962/2-2548

The Chief of the Division of Near Eastern Affairs (Merriam) to Mr. Edward Ramsey of the Bureau of the Budget

SECRET

WASHINGTON, February 25, 1948.

MY DEAR MR. RAMSEY: Mr. Sanger, of this office, informs me that you would like an expression of opinion regarding the request of the Department of the Air Force that \$1,500,000 be made available at once for the Dhahran Airbase. It is my understading that this money is to be used (a) to rehabilitate the electric light, airconditioning, plumbing, and sewage facilities of the base, (b) to erect a school for training of Saudi Arabian students, and (c) to construct two barracks for the use of United States enlisted personnel.

This is to inform you that the Department of State supports this request for the following reasons:--

(1) When this Government was given permission to build the Dhahran Airbase the United States agreed to train Saudi Arabians in the maintenance and operation of this airfield, and such a training program is now in process at Dhahran. Unless the sewage, electric light, aircooling, and such facilities, which were originally installed with temporary wartime equipment, are rehabilitated, and the school built it will not be possible to complete this training program.

(2) King Ibn Saud of Saudi Arabia has recently been under very great pressure from other Arab States, particularly Iraq and Transjordan, to cancel the American oil concession in his country, a concession from which the United States Navy is now drawing approximately 40 percent of its oil and from which it is expected that to a considerable extent the Marshall Plan will be oiled. King Ibn Saud has so far resisted this pressure. He is, however, now asking for certain assistance from the United States and for evidence of United States Government interest in Saudi Arabia. Rehabilitation of the rundown installations at Dhahran would be a concrete instance of United States Government interest in Saudi Arabia and one which would be helpful at this time in our negotiations with him.

(3) The Government of Great Britain is endeavoring to work out an agreement with the Government of Saudi Arabia in regard to the maintenance and use of the strategic installations in Saudi Arabia. Although the United States welcomes British moves to stiffen the defenses of the Near East, nevertheless, the British proposal to King Ibn Saud will prove embarrassing to this government, unless we are in a position to show our own interest in the strategic facilities of Saudi Arabia. The Dhahran Airbase is the most important "strategic facility" in the area, and its rehabilitation along the lines mentioned above would be very helpful in strengthening our position in a country whose oil resources are of such vital importance to both our peacetime and wartime economies.

Sincerely yours,

GORDON P. MERRIAM

890F.51/3-148

Memorandum of Conversation, by Mr. Richard H. Sanger of the Division of Near Eastern Affairs

SECRET

[WASHINGTON,] March 1, 1948.

Participants: Sheikh Asad al-Faqih-Saudi Arabian Minister NEA-Mr. Deimel 1 NE-Mr. Merriam² Mr. Sanger

After considerable discussion of Saudi Arabian commodity needs, the Saudi Arabian Minister said that he had been instructed by his Government to approach the United States with a request for a \$20,-000,000 loan from the Export-Import Bank.³ \$15,000,000 of this amount he hoped would be the \$15,000,000 which has been ear-marked on the books of the Export-Import Bank for approximately 18 months. The Minister reminded those present that in January [February?] of 1947 Sec. Marshall had told Crown Prince Saud 4 that under certain circumstances it might be possible to expand this \$15,-000,000 to a total of \$20,000,000 or \$22,000,000 provided the railroad in Saudi Arabia was privately financed. Sheikh Asad al-Faqih pointed out that the railroad, which has been started from Dammam through Dhahran to Abqaiq is being financed by Aramco and not by

³ The Export-Import Bank, on January 3, 1946, approved a \$25,000,000 line of credit to Saudi Arabia; see footnote 7, *Foreign Relations*, 1946, vol. VII, p. 739. In a memorandum of January 16 to Mr. Henderson, Mr. Merriam stated that "Ten million of this was made available to the government of Saudi Arabia beginning in August 1946. This money was used for such items as cereals, sugar, textiles, automotive equipment, agricultural equipment and hospital supplies". Mr. Merriam concluded his memorandum with the following observations: (a)For many years foreign governments and private firms have been making money available to King Ibn Saud to cover his ever increasing deficits. Unless this practice is checked it will go on until a financial crisis is induced in Saudi Arabia of a magnitude far greater than the present serious but limited emergency.

"(b) In view of King Ibn Saud's ever growing income there is no reason why he cannot put his financial house in order and obtain loans on their economic merits and not on the basis of politics.

"(c) The Department would be happy to see the Export Import Bank ask the Government of Saudi Arabia to produce a budget and other data such as is demanded of governments requesting loans from banks. "(d) If sufficiently accurate data of this sort can be obtained and if the bank

feels that on the basis of this information, this would be a sound loan, the Department would have no political objection to the loan unless in the mean-time new political factors bearing on the matter should supervene." (890F.51/ 1-1648). A marginal notation by Mr. Henderson gave his approval of the memorandum.

Regarding the making available of the \$10,000,000 to the Saudi Arabian Government in August 1946, see telegram 185, July 10, to Jidda, and footnote 23; Foreign Relations, 1946, vol. vII, p. 746.

* See Mr. Sanger's memorandum of conversation, dated February 18, 1947, ibid., 1947, vol. v, p. 1331.

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¹Henry L. Deimel, Jr., Special Assistant in the Office of Near Eastern and African Affairs.

² Gordon P. Merriam, Chief of the Division of Near Eastern Affairs.

the Government of Saudi Arabia. He said that the \$15,00,000 was needed for development projects in his country, such as public utilities, airport expansion, etc. and that the \$5,000,000 was to cover purchases which have already been made by the Government of Saudi Arabia in this country. Although some of these purchases were electrical equipment, they were mostly made up of grains, other foodstuffs and various non capital items, such as trucks and textiles.

Mr. Merriam told the Minister that his request would be given earnest consideration. Although it was probable that the Minister's request for a \$15,000,000 loan for development projects would meet with favorable consideration, Mr. Merriam said that in his opinion the Export-Import Bank was not now in a position to finance current non capital imports such as foodstuffs.

It was agreed that Sheikh Asad al-Faqih would make a formal presentation of this request to the Export-Import Bank; and that the Department would have explanatory conversations regarding these matters with the Export-Import Bank.

711.90B/4-648: Telegram

y wolfficit specia-

The Minister in Saudi Arabia (Childs) to the Secretary of State

SECRET MAD THE VELON

JIDDA, April 6, 1948-2 p. m. 182. London's 1347, April 3 to Department.¹ It will be recalled (Legtel 252, June 20, 1947²) as long ago as last year His Majesty King Ibn Saud was thinking along lines Arab League resolution when he suggested multilateral understanding between US, Great Britain and Arab States. Department's reaction contained in its No. 203 to Jidda,³ 3208 to London of July 26, 1947.

When I was in Riyadh in February (Legtel 77, February 21, repeated London as 20) Fuad Bey Hamza, King's principal diplomatic adviser there, informed me His Majesty had developed his original idea of tripartite agreement embracing narrow objectives originally contemplated to one under which US, Great Britain and Arab States would attain those security objectives British were seeking in their bilateral arrangements with Iraq, SAG and Egypt. He emphasized

³ Ibid., p. 752.

¹ Not printed. Beirut, on March 27, had advised that at a meeting of the Political Committee of the Arab League held at Damascus, a resolution had been adopted recommending that "member states consider proposal to be submitted to next session Arab League Council to request US and Britain to resolve outstanding differences with any individual state and thereafter to sign treaties of alliance with each state" (telegram 113, 890B.00/3-2748). Telegram 1347 from London reported the interest of the British Foreign Office in the resolution as a basis for defending the Middle East (890B.00/4-348). ² Foreign Relations, 1947, vol. v. p. 750.

such tripartite or multilateral pact would ease problem of those Arab states in making individual arrangements and would facilitate security objectives we all sought in Middle East.

There has been good deal of thinking along these lines certainly in Saudi Arabia (see Legdesp 36, February 12⁴ reporting conversation with my French colleague in which he advanced similar idea). In my comment in that despatch I remarked on the advantages which appeared to me of multilateral pact embracing US, Great Britain and perhaps French, as well as Arab States, in form of Middle East Locarno Pact.

When Azzam Pasha, Secretary General Arab League, visited Jidda last month we discussed subject at some length and Azzam expressed himself to me as heartily in favor such multilateral mutual defense agreement within scope Charter UN. Azzam stressed as Fuad Hamza had to me very useful purpose such pact would serve relieving countries such as Iraq and Egypt from criticism which might be made by extremist elements those countries of subservience sovereign interests those states to single states [state?], Great Britain, in granting strategic facilities. He thought if such strategic facilities granted under multilateral arrangements to US and Britain, this criticism would disappear. (See Legation's despatch 76, March 16.⁴)

My Syrian colleague has expressed himself to me recently as very much in favor such arrangement and it is believed by me quite certain in view foregoing it would be particularly welcomed by Saudi Arabia. If multilateral pact were not considered feasible comprising US, Britain, Arab States and perhaps subsequently France, consideration might be given bilateral pacts as suggested in Arab League resolution.

It is recognized there are certain obvious disadvantages to inclusion even eventually France in such pact in view low esteem in which France held by Arab States. At same time it occurs to me association France would have very helpful psychological value in France itself in attaching that country more closely to US and Great Britain and propaganda value such inclusion could perhaps be made convincing at least to Saudi Arabia in case it was considered desirable bring France in later after US-Great Britain arrangements had been concluded.

General advantages such pact whether multilateral or bilateral in character on our part and Great Britain's are to me very great. In addition those already mentioned they would or should relieve King Ibn Saud his perpetual apprehensions concerning his being left defenseless against Hashemite designs. Such arrangements would more-

⁴ Not printed.

over supply so far as Saudi Arabia is concerned, answer raised final paragraph mytel 158, March 22, 3 p. m.⁵ concerning desirability our coordinating our strategic arrangements in Saudi Arabia with Britain in which I was looking ahead also their eventual combination whole Middle East area.

It is going rather far afield but thought is thrown out for what worth that these Middle East arrangements might even be made part of larger whole of which western European pact would be one facet and Middle East other.6

Sent Department 182, repeated London 51, Baghdad 14. By pouch to Cairo, Beirut, Damascus.

CHILDS

⁵ Not printed.

⁶London conveyed the substance of this telegram to the British Foreign Office; a spokesman for the Foreign Office, on April 8, stated the British Gov-ernment's opinion that a "multilateral pact would be of very little use: what His Majesty's Government would like is multilateral Arab League resolution under which bilateral but interlocking pacts could be negotiated with Arab states." (telegram 1456, from London, 711.90B/4-848)

- Yaika ku 741.90B/4-748

Memorandum by the Chief of the Division of Near Eastern Affairs (Merriam) to the Director of the Office of Near Eastern and African Affairs (Henderson)¹

SECRET

[WASHINGTON,] April 13, 1948.

11003

Subject: US Support for UK-Saudi Arabian Negotiations for Treaty of Alliance; US Attitude toward Arab Disposition to Favor Alliance between Arab League, UK and US. anpeal to t

In line with our general policy to promote the security of the Middle East and to cooperate with the British to that end, we have been putting in a good word when and where it would do the most good to help the British work out revised treaties of alliance with the Arab countries. Their efforts have succeeded with Transjordan² but have bogged down with Egypt, Iraq³ and Saudi Arabia. However, the Saudi Arabian situation is such that the British can make a new approach designed to elicit counter-suggestions from King Ibn Saud as to the basis on which negotiations might be continued. The first half of the attached draft telegram to Jidda is designed to help the

¹ Marginal notation by Mr. Henderson: "I agree". ² The British Treaty of Alliance with Transjordan was signed at Amman on March 15, 1948; for text, see British Cmd. 7404: Treaty Series No. 26 (1948).

³ Documentation on the unsuccessful efforts of the United Kingdom to enter into revised treaties of alliance with Egypt and Iraq are included in the sections on these countries in this volume.

British in the new approach their Minister has been instructed to make. das Statu

King Ibn Saud, Lebanese, Syrian and Iraqi leaders, and Azzam Pasha (Secretary-General of the Arab League) have indicated to our representatives that they feel the nationalistic leaders in the Arab world have got themselves into a box. The latter will not sign treaties of alliance with the British on terms which will permit the British to carry out their end of the obligation. Therefore, the broader-gauged Arab leaders consider that the Arab countries might enter into a treaty or some kind of arrangement with Great Britain as a group, thus accomplishing together what domestic politics do not allow them to accomplish singly. The possibility of making a group arrangement with the United States as well as with Great Britain is also being considered by the Arabs. There is no doubt that they fear that an alliance between the Arab countries and Great Britain might well. in view of present British weakness, be more of a liability than an asset unless the United States was associated with it in some way.

For their part, the British consider that an Arab League-Great Britain arrangement (with the United States added if we are agreeable) might possibly solve the present impasse. However, they do not want a vague alliance which will commit Great Britain to the defense of the Arab Near East unless facilities are granted enabling them to carry out their commitment. The British will shortly point this out to Ibn Saud and to the Lebanese. The working-level view in the Foreign Office is that the best plan would be an Arab League resolution forming an umbrella under which the British could go ahead with their bilateral treaties. (This transparent device would probably not appeal to the Arabs.)

It is, of course, clear that the United States should not give any encouragement to any idea that we would participate in an alliance arrangement with the Arab Near East. On the other hand, we are interested in the security of the area and should keep informed on the development of Arab ideas coming in so that we can throw cold water on any unrealistic plans before they become formalized, and encourage any trend that coincides with our interests and capabilities. The last part of the telegram is directed to this end.

It is recommended that you sign the attached telegram.⁴

G[ORDON] P. M[ERRIAM]

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ia, 1²⁴

⁴ See telegram 125, April 14, to Jidda, p. 231.

741.90F/3-2448

The Acting Secretary of State to the Secretary of Defense (Forrestal).

TOP SECRET

WASHINGTON, April 13, 1948.

MY DEAR MR. SECRETARY: Attached is a copy of a letter from Mr. T. E. Bromley, First Secretary of the British Embassy in Washington, to Mr. Gordon P. Merriam, Chief of the Division of Near Eastern Affairs, Department of State, dated March 24, 1948,¹ which it is requested be referred to Major General Alfred M. Gruenther, Director-[Joint Staff] of Joint Chiefs of Staff.

You will note that in this letter Mr. Bromley states that it has been decided in London that it would be better not to resume negotiations with King Ibn Saud until it can be seen how the situation will develop in Iraq. In the opinion of the British this period of delay provides a good opportunity to decide in detail exactly what strategic facilities. the British and Americans require from Saudi Arabia.

You will recall that the British previously approached the US-Chiefs of Staff, through the British Joint Services Mission in Washington, and that after discussion the Joint Chiefs of Staff replied that they would prefer that the document should receive prior consideration by the Department of State.² With this in mind the Foreign Office has now asked the British Embassy in Washington to obtain the considered views of the Department on this question, together with those of the US Chiefs of Staff. [Here follows comment on a British paper concerning British strategic requirements in Saudi Arabia.]

Comments of the Joint Chiefs of Staff on this paper and their decision as to what strategic facilities the United States will require in Saudi Arabia will be appreciated. When they have come to a conclusion on this matter it might be well to hold a meeting with members of the Division of Near Eastern Affairs and the Joint Chiefs of Staff to review and coordinate our positions before response is made to the British.

Sincerely yours,

ROBERT A. LOVETT

¹Not printed.

741.90B/4-748: Telegram

The Acting Secretary of State to the Legation in Saudi Arabia

SECRET

WASHINGTON, April 14, 1948-5 p. m.

125. Dept assumes Brit Minister has informed you of his definite instructions from London re resumption treaty talks with King. These appear to have as principal purpose to explain reasons behind nature of original Brit proposal, to invite specific counter-proposal from

429-027-75--16

SAG, and, while giving some encouragement to Arab League as contrasted with bilateral concept, to discourage development of Arab League security concept in a form which Brit would consider ineffective.

In your forthcoming conversation with King Ibn Saud you are authorized to say in your discretion that we believe Brit are sincere in their desire to work out treaty arrangements with Arab countries including SA which will contribute to security of Middle East and that we continue to be hopeful that arrangements which are mutually beneficial and acceptable will be consummated. HM's idea of an Arab League approach to the problem is an interesting one but obviously requires careful thought and friendly consultation at all stages if it is to bear fruit. There would be no gain if Arab League countries were to work out a system of security which would require backing if such a system would be considered impracticable by the British.

You should add that you have reported to your Govt HM's thought that US might in some way participate in ME defense arrangements, and that similar thought has been expressed in other Arab quarters. While US Govt cannot give any assurances whatever in this regard, it would be glad to be kept apprised of development of ideas Arab Govts on security matters of common interest to them.

Sent Jidda 125; rptd London 1317, Cairo 421, Beirut 160, Damascus 107, Baghdad 109.

LOVETT

890F.00/4-1748 : Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

TOP SECRET

JIDDA, April 17, 1948-10 a.m.

207. In accordance request His Majesty [that?] I go urgently Riyadh, I flew there fifteenth and sixteenth returned. I saw His Majesty twice and conferred at length with Shaikh Yusuf Yassin.

Shaikh Yusuf showed me a British communication which had already been subject discussion between Trott and me, and I was shown translation His Majesty's reply and asked state my views. It is presumed Department will obtain text from British Ambassador Washington but if not available, Legation will telegraph.

I cleared up first of all serious misapprehension gained from British memorandum re British desire bring about better relations SAG on one hand and Iraq and Transjordan on other. Shaikh Yusuf had interpreted British memorandum to mean that unless SAG would accept treaty similar British-Transjordan and British-Iraqi treaty or some other similar treaty, British would not defend SAG against aggression. I informed Shaikh Yusuf I felt sure it was not intention British Government insist on conclusion treaty similar to rejected British-Iraqi treaty. Britain in its present memorandum was merely justifying its previous offer of treaty to SAG along lines Iraqian [sic] treaty and instancing this as evidence its desire not to differentiate or show any less friendly feelings for SAG than manifested for Iraq and Transjordan. I pointed out to Shaikh Yusuf that what British in fact had stated in memorandum was that since their previous efforts to bring about better understanding had not been successful, they were now inquiring of SAG for its own suggestions as to how relations might be improved between SAG on one hand and Iraq and Transjordan on other.

I plainly indicated to Shaikh Yusuf my disappointment with paragraph 6 SAG's reply to British. This reads in translation as follows:

[Here follows a translation of this paragraph, which asserted that the way to help the Arabs was to provide them with "arms and necessary factories", as well as training facilities. The King expressed his view that it would be futile for the British to restrict their help to sending troops to occupy Arab countries, which they would not accept. The ideal plan was to follow the example of the aid granted to Turkey. If similar aid were extended to the Arabs, they would, without formal commitment, effect the necessary cooperation.

Then follows another paragraph in which Shaikh Yusuf quoted the last paragraph of the reply, which in general was a summation of the previous paragraph.]

In long discussion, I presented following essential points: We had granted aid to Turkey¹ when international situation was far from as threatening as at present. Turks had basis trained army. Today situation was such we could not improvise or hope to gain time for preparations as we had been able in first two world wars. We and British had planes and ships and motorized equipment. Arab states had very little. First brunt of defense would fall on those powers now in state of preparation. It might take several years to bring forces of Saudi Arabia and other Arab states to point where they could share burden of defense. First and most important task confronting problem of defense measures was providing adequate facilities to those powers capable of taking immediately defensive measures. I expressed also strong hope that insistence upon question of sovereignty or of freedom of territories from occupation did not necessarily mean that in elaboration of any plans necessary facilities for adoption defensive measures would be denied. I cited fact repossessed bases in British and Portuguese sovereign territories, amongst others, which did not detract

¹ For documentation on United States aid to Turkey, see vol. IV, pp. 1 ff., passim.

from sovereignty of those countries, and were not considered a servitude.

I expressed strong personal hope, His Majesty would use his influence with Arab League induce League pass resolution along lines indicated in British memorandum. His Majesty stated he was prepared conclude treaty with both US and Great Britain, and added in consideration very close relations with US our treaty should contain supplementary protocol providing following special circumstances incident to our close relations. Shaikh Yusuf added that His Majesty would be prepared use his influence along lines suggested. Shaikh Yusuf, who appeared impressed by my arguments stated fundamental principles set forth in last paragraph British memorandum quoted above are, of course, subject to discussion and interpretation. He said "we are ready to accept any suggested amendments from you."

Sent Department 207, repeated London 59, Baghdad 17, pouched other Arab capitals.

CHILDS.

890F.00/4-1948 : Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

TOP SECRET

JIDDA, April 19, 1948-2 p. m.

210. Legtel 207, seventeenth. King made following important points my final audience morning April 16:

1. Isolated treaty between SAG and Britain is not sufficient. What is most desirable is network of treaties between Britain and all Arab states and US and all Arab states. His Majesty would prefer multilateral arrangement but form less important than substance and bilateral treaties would be satisfactory provided they were negotiated at same time.

2. Considering closeness Saudi relations with US Saudi treaty with US more important to His Majesty than one with Britain. He is prepared to conclude treaty with Britain in conformity with principles set forth in reply to British memo but he desires most of all treaty with US.

3. His Majesty desires views US Government regarding above and his reply to British memo.

Shaikh Yusef added outside audience satisfactory settlement Palestine and Egyptian questions were necessary to achieve unity between Arabs and US and Great Britain. I replied I thought Arabs should be convinced we were making every effort in UN to bring about Palestine settlement which would attain peace in that country, while British were in our opinion sincerely desirous reaching Egyp-

SAUDI ARABIA

tian settlement which was most conducive security objectives we all shared.

Sent Department 210; repeated London 60; Baghdad 18.

CHILDS

890F.00/4-1948: Telegram

The Acting Secretary of State to the Legation in Saudi Arabia

TOP SECRET

WASHINGTON, April 22, 1948-7 p. m.

142. Cirtel April 21 [22].¹ Reference is made in this connection to desire of SAG to work toward close cooperation with US in matter self-defense against external aggression, particularly through receipt of military aid similar that extended to Turkey (Legtel 207 April 17) and conclusion treaty with US. (Legtel 210 April 19). Your responses to these overtures correctly stated our reaction and have our full approval.

You might also inform SAG that although Dept realizes importance these matters, it sees little to be gained in discussing them so long as security and economic welfare entire ME is threatened as result Palestine situation. (Reference last two substantive paras of cirtel April 21 [22].)

Sent to Jidda for action; repeated to Baghdad 119, Damascus 129, Beirut 181, Jerusalem 287, Cairo 451, London 1447, Paris 1347 and to New York 245 for info.²

LOVETT

¹ This document is included in documentation on Israel, scheduled for publication in part 2 of the present volume.

² In a memorandum of May 18 to Mr. Lovett, Mr. Henderson stated that the decision to withhold military aid from Saudi Arabia "should be looked upon as representing a temporary position held by this Government. At such time as a settlement for Palestine is reached, it will then be necessary for us to know what are to be our strategic interests in Saudi Arabia, in order that our diplomacy may work to protect such interests. To that end, a study is now being made by the Department of National Defense, and the problem will shortly be discussed by the Joint Chiefs of Staff. It may also be discussed by the National Security Council." (890F.00/5-1848)

890F:7962/4-2448: Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

TOP SECRET

JIDDA, April 24, 1948-9 a. m.

224. General Harper¹ and I, Sanger, Colonels O'Keefe² and Snyder ³ spent April 21 to 23 Riyadh where we had several audiences

¹Maj. Gen. Robert Harper, Commanding General of the Air Transport Command.

² Col. Richard J. O'Keefe, the designated successor to Col. Seeds as Commanding Officer of the Dhahran Air Field. ³ Col. Harry R. Snyder, Chief of the Air Training Mission at the Dhahran Air

Field.

with His Majesty and long exchanges views with Thaikh Yusuf Yassin, Deputy Foreign Minister. His Majesty could not have been more cordial in his welcome of us and spoke with great frankness and spirit utmost friendliness his defense problems about which he is deeply concerned. His Majesty exhibited keen realization of threatening world situation and recognized Saudi Arabia might well become one of centers of operations in any world conflict. He stressed present vulnerability and defenseless character in particular oil installations.

General Harper outlined at length what Department Air Force able offer in way funds and training Dhahran air base.4 His Majesty listened most attentively and asked pointedly, "Is that all?" When General Harper assented, His Majesty expressed great disappointment and said he was going to speak frankly as one friend to another. He then said he had requested US Government some months ago for concrete military aid. With present acute situation, he stated Saudi Arabian needs as consisting of four Saudi Arabian groups of 20,000 men each, fully equipped and trained in mechanized warfare. Implicitly we $\lceil he? \rceil$ recognized that he would rely on US for any defense against a major power but emphasized Saudi Arabian forces he had in mind would not only assist our defense plans but would be available to him for use in developing defense his borders against Hashemites whom British were arming. It was stated in event attack by Russia, there was no doubt in His Majesty's mind but what we would come immediately his defense but suppose, by way of example, Saudi Arabia were attacked by Bahrein. We would probably be content to refer matter to UN.

King stated, "Truly and actually, I never believed US Government would give me this kind of reply to my request for aid. What General Harper has to offer is satisfactory for a time of civilization and peace but it is not for today. There are hostilities all around us. War may be with us very soon. If the Americans are to arrange to give such training as offered at Dhahran, at Nejd, and elsewhere in Saudi Arabia, that would not be useful in such critical circumstances. I do not know of any other government except the British from which I can get help. In the past, British have been my friends and have given me considerable assistance but since discovery of oil and granting oil concessions to Americans, British have changed in their attitude. They are now supporting Hashemites. Truly I am in a critical situation. British themselves will not harm me but Hashemites groups will. My enemies are saying I have given Saudi Arabia over to the Americans. My enemies in Islamic countries spread rumors I have even permitted

⁴In telegram 111, April 6, 7 p. m., the Department had informed Jidda that \$1,500,000 had been allocated to recondition the Dhahran Air Base (890F.7962/ 4-248).

SAUDI ARABIA

Americans occupy holy places. If the Americans are really my friends they must change the offer that General Harper has brought. America must help me at least as the British are helping the Hashemites".

It is our thought Departments of State and Defense should draft without delay informal agreement using existing Dhahran air base agreement as basis in which there would be incorporated provisions relating not only continuance our use Dhahran but other airport facilities as well, and in which provision would be made for specific military aid we may be in position furnish for defense Saudi Arabia. One of striking statements made by Shaikh Yusuf was "You should think of Saudi Arabia as your own territory in elaborating your defense plans". As reported previously, His Majesty is averse to treating question continuance our occupancy Dhahran air base apart from broad general question Saudi Arabian defense. One of reasons for this and perhaps controlling one is that if we furnish him specific military aid he has in mind he can then justify to Arab world facilities he is prepared and entirely ready to grant to US at Dhahran as well as elsewhere. Such an agreement, it is believed would satisfy His Majesty's request for mutual defense pact and would have other obvious advantages.

Attitude His Majesty may best be summed up in statement "do something concrete now or tell us that you are going to do nothing". Under these circumstances we suggest the various studies now being carried on in Washington regarding US defense plans in Saudi Arabia be pushed to a rapid conclusion. If decision these studies is negative King should be so informed as quickly as possible. If on other hand it is decided we will take active steps to defend the Arabian Peninsula we suggest that a party of American technicians under auspices Department Defense come to Saudi Arabia and confer with King and his advisers, and be prepared submit cost program to SAG which they would be expected to bear. It is opinion His Majesty and our opinion the time for talk has passed and it is imperative group which is sent to Saudi Arabia should be empowered to make commitments which might be incorporated in agreement referred to above.

To summarize in words Shaikh Yusuf, "if US should offer adequate military aid US Government may ask what help it may need and His Majesty will grant it. In fact His Majesty will not wait for you to make requests. He will make the offers to you when needed".

We are confident if problem Dhahran air base treated on foregoing basis we need have no concern regarding our ability obtain facilities Saudi Arabia we may desire for our own defense needs.

Sent Department 224, repeated Dhahran 125. Department please pass Department of Air for ASNF.

CHILDS

890F.5151/5-648

The Minister in Saudi Arabia (Childs) to the Secretary of State

CONFIDENTIAL No. 129

JIDDA, May 6, 1948.

SIR: I have the honor to refer to my telegrams No. 206 of April 14 and No. 209 of April 17, 1948,¹ and to report that Mr. Judd Polk, United States Treasury Representative attached to the American Embassy in Cairo, arrived in Jidda on April 20, 1948, and remained in Jidda until May 2, 1948, for an investigation of the particular situation created by the payment of Arabian American Oil Company oil royalties to the Saudi Arabian Government in gold sovereigns,² as well as the general financial situation of the Saudi Arabian Government.

Immediately upon Mr. Polk's arrival Shaikh Abdullah as-Sulaiman, Minister of Finance, was informed of his presence by the Legation and it was stated that Mr. Polk was at the disposition of the Minister of Finance and of his advisers for any discussions which they might care to have with him concerning their particular problems. I have reason to believe that both the Minister of Finance as well as His Majesty, were extremely gratified by the promptness with which Mr. Polk made his services available and, as I had anticipated, the peculiar nature of the problems confronting the Saudi Arabian Government as a result of an influx of gold sovereigns made the Minister of Finance peculiarly receptive to a discussion of Saudi Arabian financial problems with Mr. Polk. Mr. Polk had several initial conversations with the Minister of Finance and his principal assistant,

¹ Neither printed.

² The "gold pound controversy" between Aramco and the Saudi Arabian Government was of some two years' duration and concerned the computing of royalties due to the Government and offsets based on dollar advances made by the company to the Government against future royalties.

Final negotiations between Saudi Arabian officials and Aramco representatives began in February 1948 and were brought to a successful conclusion before the end of March. Royalties were fixed at four gold shillings per ton of oil, payable in British gold sovereigns. Should Aramco be unable to obtain gold sovereigns, it was to make payment in dollars at the rate of \$12 per sovereign. It was the contention of Aramco, during the negotiations, that dollar payments should be calculated at the selling price of the gold sovereigns in the United States, i.e., \$8.24. The Saudi Arabian negotiators insisted on payments at the rate of the sovereigns at Jidda, which fluctuated between 16 and 20 dollars. The company finally presented the controversy to King Ibn Saud, after which agreement was reached at the \$12 level (despatch 95, April 3, from Jidda, 890F.51/4-348). Past accounts up to February 29, 1948, were liquidated by payment of 184,549 gold sovereigns by Aramco to the Saudi Arabian Government (despatch 98, April 6, from Jidda, 890F.5151/4-648).

The "particular situation" as reported by Minister Childs on April 13, flowed from the payment of royalties in gold sovereigns. An acute dollar shortage resulted, together with a fall in the local price of sovereigns to \$12 and of the rival to 20 cents, less than its bullion value. These monetary developments were said to threaten a cessation of Saudi Arabian trade with the United States (telegram 204 from Jidda, 890F.5151/4-1348).

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Shaikh Mohammed Suroor, at which Second Secretary Donald C. Bergus and Third Secretary T. Andrew Galambos were present. Mr. Polk requested certain information of the Government to enable him to pursue his inquiries, and Mr. Polk informed me that he was very much encouraged by the very sincere effort made by the Government to supply him with the information which he desired.

Toward the close of his visit Mr. Polk consulted with me concerning a draft communication to Shaikh Mohammed Suroor embodying certain personal suggestions which he felt it would be desirable to offer the Saudi Arabian Government in meeting its financial problems. It was both my view and Mr. Polk's that these suggestions should be made in the most informal manner and that every appearance should be avoided of pressing the Saudi Arabian Government to adopt any particular course of action or to employ financial experts or counselors of American nationality. It was felt that the more disinterested our informal advice was framed, the more likely the chances of such advice being given serious consideration. Local considerations regarding the need for presenting currently unpalatable advice in a manner which might leave the Ministry of Finance in a receptive mood for further patient exposition by their own advisors of the need for future implementing measures largely indicated the form in which the memorandum was cast.

I enclose a copy of the suggestions as finally framed by Mr. Polk, which were communicated to Shaikh Mohammed Suroor on April 30, 1948.3 It will be observed from the enclosed memorandum that Mr. Polk has made an analysis of prospective revenues of the Saudi Arabian Government for the ensuing four years, from which it appears that dollar revenues alone may total in 1948 56 million dollars, in 1949 70 million dollars, in 1950 100 million dollars, and in 1951 120 million dollars. Mr. Polk next analyzes the present losses of the Saudi Arabian Government through its currency and exchange operations and he makes certain suggestions for avoiding these losses, including the giving of consideration to the reduction of the silver content of the rival and the eventual introduction of a paper currency. Mr. Polk also recommends the employment of carefully chosen foreign experts who might prove exceedingly useful in setting up operating and accounting procedures. Finally, Mr. Polk points out the desirability of the employment by the Saudi Arabian Government of one or more foreign consultants who might advise the Saudi Arabian Government concerning its monetary problems.

On May 1, 1948, Mr. Polk, in company of Mr. Donald Bergus and Mr. T. Andrew Galambos, presented his memorandum to Shaikh

⁸ Not printed.

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Mohammed Suroor. At this conference Shaikh Mohammed Suroor indicated his general agreement with the points made by Mr. Polk in his memorandum but expressed disappointment that it did not deal with the specific problem of dollars which Shaikh Abdullah Sulaiman had raised originally with me. I had anticipated that this would be the first point raised by the Saudi financial authorities and Mr. Polk pointed out that the monetary problem arising from a decline in the premium rate on sovereigns was not a genuine dollar problem of the Government. Mr. Polk emphasized that Saudi Arabia's dollar problem was not really a problem of needing credit, but rather a problem of the effective and wise use of the Saudi Arabian Government's very rapidly growing dollar revenues.

On May 2, 1948, Mr. Polk in company with Mr. Galambos called on Shaikh Abdullah Sulaiman to discuss the memorandum previously presented by Mr. Polk to Shaikh Mohammed Suroor. At this conference the Minister of Finance expressed a desire for Mr. Polk's opinion on how the Saudi Arabian Government could best market its sovereigns. Mr. Polk replied that he was incompetent to advise him on this point but expressed willingness to refer his question to the Chase National Bank representative for the Middle East in Cairo.

Shaikh Abdullah Sulaiman then outlined his general plans for handling Saudi Arabian finances. He stated that it was the Government's purpose to establish a central bank in which the Saudi Arabian Government would deposit 214 million paper riyals, an amount equivalent to the recently published budgetary expenditures of the Government. The Government would draw on these riyals against the deposit of gold sovereigns at the rate of 65 riyals per sovereign.

Mr. Polk stated that he was gratified at the direction of Shaikh Abdullah's thinking, but that he was worried over the notion of stabilizing the riyal in terms of the sovereign, inasmuch as the sovereign itself has a fluctuating value. Shaikh Abdullah stated that he would in any event make no decision without first obtaining the advice of competent experts. The Minister of Finance added that the Government proposed to obtain Egyptian advisers, and Mr. Polk mentioned as a suitable candidate Darwish Bey. Shaikh Abdullah asked Mr. Polk if he would approach Darwish Bey to ascertain whether he would be interested in the post of consultant.

In concluding the interview the Minister of Finance stated he had great respect for American financial opinion and knew our advice was disinterested. He reminded Mr. Polk he had first turned to the "friendly American Government" when he needed advice on financial problems, and he assured Mr. Polk he would again turn to the "friendly American Government" for its comments on such advice as the consultants whom he might employ would have to give him. I enclose for the record memoranda of Mr. Polk's conversations of May 1 and 2, 1948.⁴

I believe a very useful start has been made in the turning of the thoughts of the Saudi Arabian Government seriously to a consideration of the modernization of its currency and financial problems. I wish to express my great appreciation of the extremely valuable services rendered by Mr. Polk to the Legation in this instance. I have expressed to Mr. Polk the hope that in the event the wish should be expressed at any time by the Saudi Arabian Government for his presence in Jidda for consultation he make every effort to accede to such desire. I feel strongly we have an exceptional opportunity presented to us at the present time and that if we are prompt in taking advantage of it and prudent in our approach to the Saudi Arabian authorities we may accomplish a great deal in the way of assisting the Saudi Arabian Government to the effective solution of its monetary and financial problems.⁵

Respectfully yours,

J. RIVES CHILDS

* Neither printed.

⁶ Mr. Polk made a second report on Saudi Arabia's financial situation on May 31. A copy was transmitted to the Department by Jidda in despatch 160, June 5 (S90F.5151/6-548). The report, as quoted in the despatch, stated in part: "Saudi Arabia's financial problem is how to convert the revenues from oil into lasting production gains. The problem is dramatic because of the size of prospective aggregate earnings—at least $$21/_{2}$ billion and possibly as much as \$15billion. The problem is sobering because of the very real difficulties in finding promising lines of economic development in so barren a land. The problem is urgent because oil is a depletable resource—its benefits will accrue for perhaps 25 to 50 years. As far as it is now known, there is nothing to take oil's place once it is gone. So the problem may be more definitely stated as how to translate $$21/_{2}$ =\$15 billion into as big a gain in production as possible, and to do so within a generation or two."

890F.51/7-348: Telegram

The Secretary of State to the Legation in Saudi Arabia

CONFIDENTIAL

WASHINGTON, July 3, 1948-noon.

256. 1. Unused portion SAG credit with Eximbank amounting to 15 million was due to expire June 30. At Dept request Board Directors Bank agreed to two weeks extension while SAG is deciding whether or not to ask for further extension.

2. Legation here asked SAG for instructions and has told Dept (a) SAG will not request extension because of current resentment our attitude Israel and (b) if we permit credit to expire without extension this would be considered further evidence of unfriendliness on our part.

3. Eximbank naturally reluctant to grant extension without request from borrower. Strong pressure from Dept might overcome this reluctance, but we have no assurance on this point nor do we believe at present Dept should exert such pressure.

4. If SAG requests extension before July 14 Dept believes chances very good that Board will act favorably.

5. Even without extension Bank would consider loan applications for specific projects on their merits. Thus, no substantive loss to SAG through expiration except remote possibility Bank funds will approach exhaustion. Nevertheless, Dept believes expiration without adequate explanation in advance to SAG would unnecessarily strain relations between US and SAG.

In view attitude of SAG and factors outlined above Dept proposes to take no action regarding this line of credit unless it receives an indication that SAG desires the loan extended beyond July 14.

MARSHALL

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890F.51/7-648: Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

CONFIDENTIAL

JIDDA, July 6, 1948-noon.

396. Finance Minister sent for me today following his return from Riyadh. He referred to inquiry made by Department of Saudi Arabian Government Legation Washington whether Saudi Arabian Government intended take up balance 15,000,000 loan from Exim Bank. Finance Minister stated question had been considered by His Majesty two days ago and it has been decided that no part of remaining loan available would be taken up. He added "decision had been reached in view of attitude taken at this time by US Government". No specific reference was made to Palestine but meaning was obvious. Finance Minister said he had been instructed by King to acquaint me with foregoing.¹

From this and Legtel 395, July 6,² Department will note Saudi Arabian Government is placing its relations with US on more and more formal basis and is turning to British Government for advice and assistance formerly sought from US. In light many telegrams from this Legation prefiguring this development it should not be unexpected to Department.

¹In a memorandum of July 13 to Garrison Norton, Assistant Secretary of State for Transportation and Communications, Joseph B. Knapp, Director of the Office of Financial and Development Policy, stated that in view of telegram 396, the Export-Import Bank credit to Saudi Arabia should be allowed to lapse (890F.51/7-1348).

²Not printed; it reported that the Saudi Arabian Government wished to have the assistance of the Bank of England in introducing a paper currency backed 100% by gold (890F.515/7-648).

Pouched Arab capitals.

Sent Department as 396, repeated London as 118, Amcon Dhahran as 200.

CHILDS

890F.515/7-948: Telegram

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The Secretary of State to the Embassy in Egypt

CONFIDENTIAL URGENT WASHINGTON, July 15, 1948—4 p. m. 998. For Polk from State & Treasury.

1. Ref Legtel 402 July 9, [from] Jidda.¹ Polk authorized travel Jidda as may be required.

2. Believe strongly Saudis should not rush into new currency plan without careful study and preparation. Information lacking in Washington for adequate evaluation of approach to problem outlined in Polk's report No. 160 of June 5 from Jidda² and, although we are in general sympathy with his approach, we feel that he can be most useful to Legation and SAG in this matter only on basis that he can, over period of some months, continue study of situation and report to Washington. Polk should feel free continue informal discussion with Saudis re entire range of problems.

3. For reasons stated in para 2 our comments on SAG's plans are very tentative. However, we would advise strongly against plan to peg riyal at 65 per sovereign for reasons given Polk. Also believe any attempt at present to fix internal value of riyal in terms of sovereigns will fail in view fluctuating gold and silver bullion prices in Middle East.

4. Re question linking currency to dollars or sterling, important question is not formal linking but question of what assets are held as currency reserves. As almost all Saudi exchange earnings are in gold or dollars, it would be reasonable to hold same as principal currency reserve since such assets expendable in any currency area. It follows that principal exchange quotation would be in dollars.³ [State and Treasury.]

MARSHALL

¹ Not printed.

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³ The reference is to Minister Childs' despatch 160; see footnote 5, p. 241.

³ This telegram was repeated to Jidda as No. 280.

741.90F/8-1648

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Forrestal)¹

TOP SECRET

WASHINGTON, 10 August 1948.

Subject: Strategic Requirements of the United States and United Kingdom in Saudi Arabia.

In accordance with the memorandum from your office dated 14 April 1948, the Joint Chiefs of Staff have considered the letter attached thereto from the Acting Secretary of State dated 13 April 1948. . . .

In the formulation of the statement of views requested by the Acting Secretary of State concerning the strategic facilities required by the United States in Saudi Arabia, the Joint Chiefs of Staff found it necessary to appraise the position and security interests of the United States not only with respect to Saudi Arabia but of the entire area of the Middle East and the Eastern Mediterranean.

Because of the changing and critical world conditions, criteria for assessing strategic facilities requirements are difficult to formulate in other than general terms. A summary of the criteria is as follows:

a. At this time the United States and Great Britain have the same over-all complementary but not necessarily mutually exclusive stra-tegic interests in Saudi Arabia as well as in the Middle East-Eastern Mediterranean area.

b. These interests concern:

(1) Peace and stability.

(2) Free access to and transit through and over the entire area.
(3) The development of oil resources together with the facilities necessary for such development.

(4) Preservation of the integrity of the entire area from foreign unfriendly influence and domination, and

(5) Use of bases in the area in the event of major war.

c. United States requirements in Saudi Arabia can only be arrived at following consideration of our over-all requirements within the framework of our global strategy and in the light of changing world conditions.

d. Our interests in the Middle East-Eastern Mediterranean area cannot be viewed from the standpoint of United States security alone but must include like consideration of the security of our potential allies.

Based on the above general criteria, the United States strategic requirements in the Arabian Peninsula-Red Sea-Socotra Island area. are:

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¹Copy transmitted to the Secretary of State by Secretary Forrestal with his letter of August 16, not printed.

a. Denial to any potentially hostile power of any foothold in this area.

b. Friendly relationships which can be promoted by social and economic assistance, together with such military assistance as may be practicable, once the present embargo on the shipment of arms to the Middle East is lifted, to insure collaboration by the indigenous peoples in the common defense of the area.

c. Development of the oil resources in this area by the United States and such other countries as have and can be expected to have a friendly attitude toward the United States.

d. The right of military forces of the United States to enter the area upon a threat of war.

e. The right to develop and maintain in that area those facilities which are required to implement d above.

Not all of the United States military requirements in this area can be foreseen because of the changing world conditions and the possibility of the formation of a general Middle East security system. However, in order to provide for the introduction of United States military forces, arrangements should be made now for the following strategic facilities in Saudi Arabia to implement d and e above:

a. Adequate telecommunications facilities at Dhahran or nearby places.

b. Airbase facilities in the Dhahran area sufficient

(1) for the operational use of all types of modern military aircraft, and

(2) for a United States training mission so expanded that it, in conjunction with Saudi Arabian nationals, can defend United States military installations in the Dhahran area.

The strategic facilities required in the remainder of the area (Arabian states not under the control of the Saudi Arabian government, the Red Sea littoral and Socotra Island) are telecommunications and airbase facilities in Aden, Hadhramaut, Oman, Trucial Oman, Socotra Island and Asmara; air and naval base facilities at Massaua; air and advanced ship repair facilities in Aden; advanced naval base facilities at Bahrein.

In the light of the possibility of far reaching changes in Palestine, Turkey, Iran, and Afghanistan, the Joint Chiefs of Staff are keeping the situation in this part of the world under constant review. Since changes in the situation may affect United States strategic requirements in the Middle East-Eastern Mediterranean area, the Joint Chiefs of Staff will inform the Secretary of Defense when such requirements change.

Although no direct comment has been made on the British memorandum . . . the Joint Chiefs of Staff would point out that the foregoing analysis indicates that the strategic interests of the United States and Great Britain in the Middle East are so interrelated that they should be considered as a whole. They have no objection to the use by the Department of State of the foregoing views as a basis for reply to the Foreign Office.

While the reply to your memorandum was under consideration, the Joint Chiefs of Staff received a memorandum from the British Joint Services Mission. . . . The Joint Chiefs of Staff perceive no military objection to establishment by the British of the three airfields mentioned in their memorandum.

For the Joint Chiefs of Staff: WILLIAM D. LEAHY, Fleet Admiral, U.S. Navy Chief of Staff to the Commander in Chief of the Armed Forces

890F.7962/6-1248 : Telegram

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The Secretary of State to the Legation in Saudi Arabia

SECRET WASHINGTON, August 14, 1948—2 p. m. 310. Because US-Saudi Arabian agreement regarding American activities Dhahran airfield expires Mar 15, 1949, question extension this agreement must be brought up with SAG before long.

Please wire your views regarding timing and best approach in raising this subject. (Re Dhahran despatch 55, June 12,¹ preliminary study by Air [Force] shows reported figures on operating cost of base are fairly accurate.) You may wish consider extension matter with Col O'Keefe before submitting reply. In this connection, Air Force has been informed by Col O'Keefe he and Col Snyder feel bad morale effect continuing training Saudi Arabs in airport operation with present improvised facilities might justify stoppage training program until new school bulding completed.

Col O'Keefe has been instructed discuss training stoppage with you. Dept feels final decision rests with you, O'Keefe and Snyder. From this distance however, in view delicate nature and US commitment train Saudis re airport it would seem effects complete stoppage training program more serious than injury to morale of trainees due to lack new school building.

MARSHALL

¹ Not printed.

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SAUDI ARABIA

890F.7962/8-1748 : Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

SECRET

JIDDA, August 17, 1948-11 a.m.

466. Deptel 310, fourteenth.

1. Question extension agreement discussed with Lt. Col. Rhea representing Col. O'Keefe and Col. Snyder last week in Jidda. We are in agreement that it would be most impolitic raise question with SAG now. I am strongly of opinion we should wait until last possible moment in hope future developments may make SAG more receptive to extension and may even induce it to take initiative in raising question with us. SAG has already intimated to me that we may have extension provided we are ready to treat airport as part of larger defense strategy this country and are prepared to give SAG assistance in equipping and training its forces. I presume that under present situation in Middle East we are not in a position to make any commitments in this regard at this time. This being the case, we would risk either an outright rejection of our request for an extension to be made at this time or would have to face a request from SAG for military assistance which we would have to reject. In my opinion, we should not consider raising question extension with SAG before early 1949 unless in meantime situation had so radically changed to make it appear time and circumstances more propitious than those at present.1

2. Re training stoppage, Legation has had recent exchange views this subject with Col. O'Keefe and we are all in agreement that training must go on. [Here follows further discussion of this subject.]

Sent Department 466, repeated Dhahran 237.

CHILDS

¹The Department informed Jidda, on September 8, after discussions with the Air Force, that "no move will be made at present to begin discussion relative extension Dhahran airport agreement. Situation will be reviewed by State and Air Force about Oct 15 with view to determining date discussions should be initiated." (telegram 340, 890F.7962/8-1748)

Editorial Note

A direct radiotelegraph circuit between the United States and Saudi Arabia was opened on September 16. The first message it conveyed, sent by Secretary Marshall to Minister Childs, is printed in Department of State *Bulletin*, October 3, 1948, page 449. For documentation on the proposed establishment of the circuit, see *Foreign Relations*, 1945, volume VIII, pages 1009 ff.

429-027-75-17

890F.51A/10-1348

Memorandum by Mr. Paul H. Nitze, Deputy to the Assistant Secretary of State for Economic Affairs (Thorp) to the Under Secretary of State (Lovett)

RESTRICTED

[WASHINGTON,] October 13, 1948.

Subject: Monetary Advisors for Saudi Arabia

Reference is made to a letter dated October 1, 1948 on the above subject from Mr. Robert I. Brougham, Financial Vice President of the Arabian American Oil Company¹ (Tab A) also to a similar letter on the subject addressed to Mr. Snyder² of which you have a copy (Tab B). Briefly, the oil company has proposed that Mr. George Eddy, Chief of the Gold, Silver and Stabilization Fund Branch of the Office of International Finance, Treasury Department, go out to Saudi Arabia on or about October 28 in company with Mr. Brougham and other officials of the oil company and as an unofficial observer, to participate in discussions on monetary problems in that country with the Saudi Arab Government.

It is understood that on the basis of this request and after discussion of the matter with Mr. Snyder you have indicated to Mr. Philip Kidd of the Washington office of Aramco that there would be no objection on the part of the Treasury and State Departments to the company's proposal.

Discussions have been taking place concerning Saudi Arabia's monetary problems for a number of months between officers of NEA and OFD, officers of the Treasury Department, and representatives of Aramco. These discussions have brought to light the following pertinent facts:

(1) Although the United States Government has received no written request from Saudi Arabia for a financial advisory mission, the Saudi Arabian Government has indicated on a number of occasions to officers of the Legation at Jidda and to representatives of Aramco that it would welcome technical advice from the United States Government. Last spring the Treasury Representative at Cairo visited Saudi Arabia for this purpose, and the Saudi Finance Minister later expressed the desire that Mr. Polk return to bring him the views of the Treasury and State Departments.³

(2) The Saudi Arab Government has also approached the British Government for monetary advice and assistance, suggesting the possibility of linking the Saudi currency with sterling. The British Government feels that the Saudis may be trying to get the U.S. and the

Telegram 432, July 24, 11 a.m., from Jidda, not printed.

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¹ Not printed.

² John W. Snyder, Secretary of the Treasury; the letter sent to him not found attached.

British to compete for the privilege of furnishing backing for any new currency and possibly loans to support it. The U.K. Treasury Delegation here has informed FN that the British do not want to be drawn into this kind of action and will await clarification of the U.S. position.

(3) In the absence of proffered advice and assistance from either the British or the United States Government, the Saudi Arab Government appears to have turned for advice to the manager of the branch at Jidda of the Banque de L'Indo-Chine. This bank has drafted a set of monetary decrees providing for the issuance of a paper currency and establishing the bank as fiscal agent of the Government and bank of issuance.

There is no assurance that recommendations that might be made by a U.S. technical mission within the framework of U.S. monetary policy would be acceptable to the Saudi Arab Government, or if acceptable would be effectively implemented by that Government. The Saudi Arab Government has at best only a vague notion of the requirements of modern monetary policy but undoubtedly is seriously determined to take maximum advantage of its present gold position which is supported by the payment of oil royalties in British gold sovereigns. Although the British gold sovereign is worth only \$8.24 at the official U.S. Treasury price for gold, Saudi Arabia has been disposing of its current accruals of gold sovereigns through the Banque de L'Indo-Chine at \$12-14 per sovereign. Recent efforts to maintain this advantage have involved the establishment of unrealistic exchange rates between the Saudi Arab silver riyal, the U.S. dollar, and the gold sovereign.

The United States' economic and strategic interests in Saudi Arabia are considerable. While Aramco has been somewhat disadvantaged by the recent monetary decrees in Saudi Arabia, its real interest, according to company representatives, lies in the progressive development on the part of the Saudi Arab Government of an intelligent understanding of its monetary requirements and problems and of a gradual reform of its complicated monetary arrangements in the direction of a single national currency with a fixed foreign exchange rate in terms of gold and the U.S. dollar and with adequate controls over the internal supply of money and the disposition of foreign exchange resources.

It is my understanding that Aramco's proposal, which was made in the above mentioned letters, was motivated by a desire on the part of Aramco to make technical advice quickly available to the Saudi Arab Government and by the misunderstanding that the State and Treasury Departments either are not prepared to act or could not act promptly enough. It is evident from discussions between officers of the Department and representatives of the oil company that in fact the

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oil company would prefer an independent U.S. technical mission.⁴ In order to meet the problem that has arisen, however, I am suggesting the following alternative which has been discussed with representatives of the Treasury Department.

Mr. Eddy should go to Saudi Arabia for a period of two to three weeks, as a representative of the Treasury Department, for the purpose of having informal discussions with Saudi Arab officials concerning their monetary and financial problems. Mr. Eddy should probably be accompanied by one or more representatives of other agencies including a representative of the State Department (OFD). Such representatives, it would be clearly understood, would be in a position if the opportunity arose, to give such technical advice and to make such recommendations concerning Saudi Arabia's monetary problems as, in the light of their previous study, experience and technical competence seem appropriate to them, possibly on an ad referendum basis. Such representatives would not participate in any discussions or negotiations between the oil company and the Saudi Arab Government. It would be made plain to the Saudi Arab Government that the United States Government would have no responsibility for the success or failure of any policies adopted by the Saudi Arab Government on the basis of such recommendations nor any responsibility for assisting the Saudi Arab Government in implementing such recommendations.

It is believed that it would be preferable for the representatives to proceed to Saudi Arabia via commercial air transportation rather than by transportation furnished by Aramco.⁵

⁶The State and Treasury Departments, on October 19, requested Jidda to assure the Minister of Finance of "continuing US interest and preparedness give technical advice" on Saudi Arabian monetary problems and proposed sending Mr. Eddy and Raymond Mikesell of the Office of Financial and Development Policy to Saudi Arabia to give informal comments to the Government, in conversations to be arranged by the American Legation (telegram 397, 890F:515/9-1648). Messrs. Eddy and Mikesell departed New York by plane on October 25 (letter of October 27 from Mr. Lovett to Mr. Brougham, 890F:5151/10-148).

890F.5151/11-448 : Telegram

The Chargé in Saudi Arabia (Bergus) to the Secretary of State

SECRET

JIDDA, November 4, 1948-9 a.m.

576. For State and Treasury from Eddy and Mikesell. We tentatively favoring supporting riyal with dollars probably around 28 cents, without exchange control and leaving sovereign rate open mar-

⁴At this point in the memorandum as originally drafted appeared the sentence: "I, therefore, suggest that you advise Mr. Brougham that after due consideration and further discussion with the Treasury Department, it has been decided that it would be preferable for Mr. Eddy not to accompany Aranco officials to Saudi Arabia in any sort of unofficial or consulting capacity." This sentence has been deleted.

ket with paper riyal convertible silver supervised mixed currency board composition which not yet fully determined. Paper backed hundred percent (1) dollars (2) gold bars both at par (3) riyal coins within limits (4) sterling, Egyptian, Indian, etc., [currencies] at average Jidda market rate but limited to each year's pilgrim dues to meet pilgrim seasonal demand riyals and finance holding sterling for issuing months trade or (5) sovereigns at \$2 under prevailing market price and limited to each month's royalty receipts in sovereigns and all to be sold within 30 days (5) [6] is necessary let government meet riyal monthly payrolls while income is mostly sovereigns. Local market too small exchange necessary riyals without pointless rate fluctuation since government, plus Aramco, needs nearly one-third of estimated total riyals coins in country monthly. SAG still tends wish tie riyal to sovereign for above reasons.

Retarded absence American Minister, though continuing full-time explorations above possibilities with Department Finance and general public investigations. Confident workability program. Prompt Department approval Legtel 563¹ would assist. Facing several points delicate selling though reception so far not unfavorable. Also recommend prompt Washington approval above program which believed conforms principles discussed Washington. Eddy believes SAG should not forgo premium on sovereigns while such flagrant gold dealings reported here many fund members Egypt, Syria, Lebanon, Iran, Iraq, Italy, Greece, France, Holland, Mexico, Indo-China plus Switzerland. Also Indian controls half-hearted. Also smuggling goods, dollars, etc., too wide-spread this area to warrant emphasizing gold.

Both go Dhahran seventh special Gulf problems including [garble] support riyal coins prevent smuggling. Mikesell reaching Washington 13th Eddy return Jidda about 10th await authorizations and explain SAG. Would appreciate promptness.² [Eddy and Mikesell.]

BERGUS

¹ Dated October 24; it conveyed the request of the Saudi Arabian Minister of Finance for the United States to sell to the Saudi Arabian Government \$2,000,000 worth of gold in the form of sovereigns or gold bars (890F.51/10-2448). Jidda reported, on November 1, that the Deputy Minister of Finance had given oral assurances that the gold would be left in the United States as an extra reserve and that it would not be sold above the United States official price (telegram 570). The State and Treasury Departments, on November 8, agreed to the sale of the gold, on the basis of these assurances (telegram 425). Telegrams 570 and 425 are both filed under 890F.51/11-148.

² Mr. Eddy provided supplemental information on November 21, suggesting that an immediate program include the tying of the rival to a strong foreign exchange, namely the dollar and not the sovereign, the discontinuation of exchange restrictions, and the holding of the rival at 25 cents (telegram 600 from Jidda, 890F.5151/11-2148).

Mr. Eddy advised, on November 29, that his personal report did not involve any United States Government commitment and that it had been cleared by Minister Childs for delivery to the Minister of Finance "today" (telegram 608, 890F.5151/11-2948).

741.90F/11-848

The Secretary of Defense (Forrestal) to the Secretary of State

TOP SECRET

WASHINGTON, 8 November 1948.

DEAR MR. SECRETARY: This is with reference to my letter of 16 August 1948¹ transmitting the views of the Joint Chiefs of Staff. . . .

The Joint Chiefs of Staff, as a result of still further studies, have come to additional conclusions as to action which should be taken in Saudi Arabia to improve the strategic position of the United States. Their views as expressed to me are as follows:

"The Joint Chiefs of Staff have recently completed an analysis of the strategic requirements of the United States in Saudi Arabia, which was forwarded to you on 10 August 1948. In elaboration of this analysis, they desire to express the opinion that our world-wide strategic position would be greatly improved if, in the event of war, the means could be developed to defend successfully, and to conduct sustained air operations from Dhahran Air Base. An initial step in achieving this ultimate objective would be to introduce into the area at the earliest feasible moment additional U.S. military personnel. It is believed that this initial increase in personnel could be effected by expanding the Air Force Training Mission now stationed at Dhahran Air Base through the addition of Army and Navy contingents.

"The Joint Chiefs of Staff consider it highly desirable that the Secretary of State be advised of their views and aims in this respect and of their conviction that an approach should be made to the Saudi Arabian Government at the earliest possible moment consistent with diplomatic considerations in order to obtain its consent to such an expansion of the Air Force Training Mission. At such time, they would be most willing to provide representation if the Department of State so desires, to participate in any planning which may be necessary to determine the exact details of the diplomatic approach to be adopted in order to secure a favorable reaction on the part of the Saudi Arabian Government.

"In order to effect this contemplated expansion, it will be necessary for the Joint Chiefs of Staff at the appropriate time to make provision in the Military Establishment budget for the necessary supporting funds. They would therefore appreciate being informed at such time as it appears to the Secretary of State that diplomatic negotiations with the Saudi Arabian Government concerning this expansion can be undertaken."

I concur in the desirability from a military standpoint of undertaking the steps which are recommended by the Joint Chiefs of Staff, and I would appreciate your advice and assistance in this regard.

Sincerely yours,

JAMES FORRESTAL

¹ Not printed, but see footnote 1, p. 244.

811.2300/11-1048: Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

SECRET

JIDDA, November 10, 1948-10 a.m.

579. [The first three paragraphs deal primarily with general discussion involving Major General L. S. Kuter, Commanding General of the Military Air Transport Service, and the Saudi Arabians.]

At final audience King seemed eager give impression he wanted USAF remain Dhahran. Stated, however, he did not feel Americans had fulfilled obligations of their friendship. Cited fact that at time of Bernadotte proposals ¹ British had assured Egypt, Iraq and Transjordan, UK under treaty arrangements would come to their defense. No such treaty with SAG. SAG had for extended period reserved most intimate friendship as well as exploitation all resources for US. This strong preference for US sole reason why USSR so displeased with SAG. King felt US should at least make public declaration US support of SAG against any aggression. Renewed request for arms and assistance training SAG Army.

I reminded King assurances given Prince Saud by Secretary in 1947 later repeated by me in writing. King said words not enough, wanted deeds. I replied (1) our cooperation Dhahran air base would be helpful both sides as beginning longer term military collaboration two governments and (2) speaking personally and without attempt exercise pressure did not in honesty feel executive or legislative branches would be in position supply greatly increased direct military assistance as long as Palestine warfare continued.

Audience terminated most friendly note. Both Kuter and I convinced King desires USAF remain Dhahran after March 15.

Since we will not in all probability be able offer active military aid for some time in future, it is my present belief the most desirable and practical course would be for us to ask only for one to three year extension present agreement deferring seeking long term agreement when conditions negotiations are propitious. Am personally convinced SAG will take no steps toward requesting us evacuate Dhahran air base.

Sent Department 579. Department pass Dhahran 283, and Dept Air. CHILDS

¹ See footnote 6, p. 206.

899. - . L. Collina 398

890F.7962/11-1448 : Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

TOP SECRET

JIDDA, November 14, 1948-noon.

589. Deputy Foreign Minister sent for me today to acquaint me with His Majesty's audience British Chargé (Legtel 584, November 13¹). Shaikh Yusuf confirmed His Majesty had made visit British reconnaissance party contingent upon furnishing arms and equipment SAG army and to the reaching of agreement providing for recognition by Britain Saudi territorial integrity and the coming to Saudi Arabia's aid in event latter attacked. Yusuf added King reviewed his situation vis-à-vis US and Britain along same general lines King had previously followed with me (Legtel 579, November 10). Deputy Foreign Minister said he wished to acquaint me with foregoing and other views SAG on personal informal basis. SAG did not understand why Britain and US approaching SAG separately re air bases when problem one common interest three countries. He knew we're interested in extension terms Dhahran air base agreement but did not know on what basis. Why did we not approach SAG jointly with Britain with view working out tripartite agreement. He then handed me rough draft text proposed tripartite agreement containing provisions by which we recognized integrity Saudi Arabia vital interest to US and Britain, and providing for our coming to defense Saudi Arabia in event it attacked. Saudi Arabia would provide facilities and furnish air bases and ports our use and in return we would equip and train Saudi armed forces.

Deputy Foreign Minister said after some slight changes he would give me copy and would like to have my comment as SAG would prefer submit proposed text in as acceptable form as possible.

[Here follow three paragraphs giving an account of the conversation dealing primarily with the question of Palestine.]

While emphasizing I not competent express any opinion of proposed agreement I did personally invite Shaikh Yusuf's attention absence in proposed draft any reference to obligations parties under UNO. He indicated SAG would have no objection to what was regarded as platitudinous conditions. Text draft will be forwarded when received.²

Sent Dept 589, Dept pass London 152.

CHILDS

² The text was transmitted in despatch 250, November 19, not printed.

¹ Not printed.

741,90F/11-848

The Acting Secretary of State to the Secretary of Defense (Forrestal)

TOP SECRET

WASHINGTON, November 19, 1948.

DEAR MR. SECRETARY: Your letter of November 8th has been received setting forth further conclusions of the Joint Chiefs of Staff as to action which should be taken in Saudi Arabia to improve the strategic position of the United States. I note with interest their opinion that our world-wide strategic position would be greatly improved if the means could be developed to defend successfully, and to conduct sustained air operations from Dhahran Air Base, and that an initial step in achieving this ultimate objective would be to introduce into the area at the earliest feasible moment additional U.S. military personnel, possibly by expanding the Air Force Training Mission. Also, that the Joint Chiefs of Staff consider that an approach should be made to the Saudi Arabian Government at the earliest possible moment consistent with diplomatic considerations in order to obtain its consent to such an expansion of the Air Force Training Mission.

As you are aware, the agreement between this Government and the Saudi Arabian Government covering our rights at the Dhahran Airport expires on March 15, 1949. The Department of State now plans to bring up the question of extending this agreement the latter part of November or early in December.

It is the desire of this Department to have our Minister to Saudi Arabia, Mr. J. Rives Childs, who will conduct the negotiations with King Ibn Saud, as fully informed as possible regarding this problem. Thanks to your letters to me dated August 16th¹ and November 8th of this year, it is possible to inform Minister Childs of the position of the National Military Establishment regarding its interest in the Arabian Peninsula as a whole and in the Dhahran Air Base in particular.

Incidentally, I should like to point out that civil aviation rights are now contained in the Air Base Agreement, as amended by an exchange of notes dated December 20, 1945 and January 2, 1946,² respectively. While as a general policy civil and military rights should be contained in separate agreements, it may be that such a course of action will not prove practical in this case. It is our intention to instruct Minister Childs to remind King Ibn Saud of the continued interest of the United States, first expressed in 1945, in concluding a Civil Air Agreement. However, should the Government of Saudi Arabia not be prepared to conclude a Civil Agreement at this time it would be

¹ Not printed, but see footnote 1, p. 244.

² Neither printed, but for summaries, see bracketed notes, *Foreign Relations*, 1945, vol. vIII, pp. 983, 997.

satisfactory if the present civil air provisions of the Air Base Agreement are extended for a reasonable period of time.

It may well be that King Ibn Saud will wish to bargain in regard to an extension of this agreement. If this happens, the answers to various questions such as the following, should be known in advance: (1) Is the extension sufficiently important to justify the expenditure of additional sums by the Air Force on the development of this base, and if so how much might those sums be? (2) How long an extension would be required in order to justify such expenditures? (3) Is the National Military Establishment prepared, provided the embargo against shipments of arms to the Near East is lifted, to supply the Government of Saudi Arabia with arms and other military equipment? King Ibn Saud has made repeated requests to this Government for equipment for his Army and it is believed that he may repeat his request as a bargaining weapon when we discuss air base renewal with him. (4) How large an expansion of the Air Force Training Mission, mentioned in your letter of November 8th, might be undertaken at Dhahran? (5) Would the National Military Establishment be prepared to extend the scope of the training provided Saudi Arabia to include instruction in fields other than aviation ?

Because the answers to these and similar questions may well require time to prepare, I hope it will be possible to have the benefit of your conclusions in time for them to be made available to the American Minister in Saudi Arabia at the earliest practicable date. As suggested in the fourth paragraph of your letter of November 8th, the Department of State would welcome the immediate assignment of a representative of the Joint Chiefs of Staff to participate regularly in further planning on this subject.³

Sincerely yours,

ROBERT A. LOVETT

³ On December 21, the Secretary of Defense informed the Secretary of State that the Joint Chiefs of Staff had designated Gen. Hoyt S. Vandenberg, Chief of Staff of the Air Force, as their executive agent for matters concerning the extension of the Dharan Air Base Agreement. Gen. Vandenberg then designated Col. Howard Moore, USAF, to discuss with the Department of State further planing in regard to this matter, as well as the Joint Chiefs of Staff views with respect to the questions contained in this letter of November 19. (Information supplied by the Department of Defense.)

890F.7962/11-1448 : Telegram

The Acting Secretary of State to the Legation in Saudi Arabia

TOP SECRET US URGENT WASHINGTON, December 17, 1948—1 p. m. NIACT

471. This Govt most appreciative King's concrete expression friendship in suggesting closer association outlined Legtel 589, Nov 14. We share his wish that US-SA friendly relations be continued and strengthened. While our relations with Brit most friendly and cooperative, Dept does not feel proposed tripartite alliance would now be practicable and instead wishes continue cooperation with Saudi Arabia along present lines which have already brought substantial benefits to SA. Further discussion tripartite suggestion contained following tel.

While not losing sight other lines cooperation which it may be possible pursue in future, USG believes time has come for US and SA reaffirm on long-term basis practical cooperation symbolized in Dhahran Airbase. This Base has been of benefit to US but benefits to SA have been as great if not greater. US hopes SA will recognize substantial US contribution in money, materials, and manpower in constructing and underwriting Base.

Following for your background info to explain policy outlined above:-

Thinking of Nat Mil Estab has not crystalized re Dhahran. US strategic planners do not at present know extent commitments they may be called upon to enforce, such as possible aid to China, expanded aid to Europe, etc. nor do they know amount funds that will be available to finance men and materials needed carry out above. Dept has had almost daily talks with various Air Force and Nat Mil Establ planners but because difficulties outlined can get nothing definite on such questions as expanding facilities and personnel Dhahran Air Base, increasing training given there, and possibility eventually furnishing mil equipment SAG. Weeks and even months must necessarily pass before definite answers can be obtained these and similar questions. Therefore, Dept has reluctantly come conclusion that best course approach is to point out importance Dhahran to King and show extent assistance we are granting him by maintaining and operating air field and air base. If he should counter with certain specific requests other than general tripartite agreement, mentioned above, these will be presented Nat Mil Establ for consideration. For your info only, at present Air Force considers Dhahran important but not vital and is in no position make extensive commitments re expansion training, or providing mil equipment if such should be required for extension of Agreement.

Above considerations prompt Dept suggest you seek personal interview with King or his designated rep and inform him orally as follows:

(1) Expanded US global mil commitments make continuance Base operation heavy burden on our Nat Mil Establ which nonetheless wishes continue operation, both in its own interest and as proof US interest in SA.

(2) In order justify to Congress appropriation in peacetime relatively large sums this purpose, matter must be put to Congress on basis long-term agreement. Substantial long-term benefits must be proved to Congress in order obtain funds for projects outside Western Hemisphere. If Nat Mil Establ continues Dhahran operation it proposes request Congress for more than \$19 million to rehabilitate Base and \$8 million a year thereafter, such sums subject budgetary and administrative adjustment. Period extension on which Nat Mil Estab could expect favorable action would be for additional 25 yrs, cancellation subject to six months' notice either party.

(3) In pointing out advantages which accrue SA you should emphasize (a) Airfield highly important SA oil industry as link with outside world. Also served as stimulus commercial aviation in SA well as facilitating pilgrimage. Its status as international air field dependent on maintenance highest operation standards. SAG has already undertaken keep air field open total ten yrs until March 15, 1956 (para 7 SAG Note Jan 2, 1946). Upkeep will require subsidies millions dols annually (Dept A-76, Oct 121). Such subsidies would be great burden SAG since traffic unlikely achieve sufficient volume to pay for more than small portion necessary outlays. (b) Base provides best and cheapest air field operation training facilities for SA nationals, impossible duplicate except at very great expense to SAG. Dhahran and other SA air fields can continue absorb output ground crew men trained at Base for many yrs with allowance for normal turnover and reserve requirements. Arrangements for advanced training airport personnel in US described Deptel 434, Nov. 121 indicate magnitude US efforts implement its undertaking provide training. SAG would have steadily increasing degree of participation in maintenance throughout period US operation. Overall direction would remain with US but if SAG desires US technical personnel could eventually be replaced to large extent by Saudis and advanced trainees could understudy US officers. (c) US has concluded bilateral Air Agreement with virtually every state except SA through which US certified carriers operate and would like conclude similar agreement with SA. However, if in your judgment extension existing agreement could be facilitated by simple exchange notes you are authorized do so provided civil air rights outlined exchange notes Dec 20, 1945-Jan 2, 1946 are specifically included. Dept must approve draft any such note in advance its submission SAG. For your info should Dhahran Airport be closed or rendered unsuitable for CAA certification, probability exists US airlines could utilize other international airfields existing or being planned at Kuwait, Basra or Abadan.

US Govt earnestly hopes SAG will consider Airbase program on its own merits and be prepared extend agreement on basis outlined above which can be favorably recommended Congress. By so doing SAG will reinforce that friendly spirit in which we will continue to plan and cooperate for our mutual benefit. If you perceive no fundamental objections you may proceed along lines suggested without further authorization from Dept.

LOVETT

¹ Not printed.

SAUDI ARABIA

717263866

890F.7962/12-1748: Telegram

The Acting Secretary of State to the Legation in Saudi Arabia

TOP SECRET US URGENT WASHINGTON, December 17, 1948-6 p. m. NIACT

472. Initial reaction re King's proposal of tripartite agreement bet US-UK-SAG set forth 1st para Deptel 471 based on general policy avoidance such commitments. Furthermore, because text proposed agreement not yet recd comment based only on fragmentary presentation of case re Legtel 589, Nov 14 and related wires.

While it is likely that even after further study our response tripartite suggestion will probably be in negative, nevertheless, we appreciate what we understand to be friendly motives inherent SAG approach. Will you make clear in discussions with SAG that regardless action taken on this specific suggestion, we recognize mutuality of interest bet our two countries and wish explore thoroughly and sympathetically any measures conducive closer relations.

Strictly for your own info we have been approached by certain other countries, including Greece and Turkey, re formation somewhat similar pact.¹ Dept's position as follows:

Exploratory conversations continue re possible formation "Atlantic Pact". There is general agreement that pact would be desirable but final decision can be made only after consultation US political leaders. Any steps toward US association for defense with nations outside Western Hemisphere constitutes radical departure from past Amer peace-time policies. USG proceeding with utmost care.

For these reasons, states such as Turkey have been told we prefer at this time they do not press for inclusion North Atlantic group and we also desire avoid being placed in position of either encouraging or discouraging creation of a Mediterranean Pact.

In light this reaction it is obvious we are hardly in position at this time encourage SA pact idea. At same time we wish avoid impression slamming door in their faces.²

LOVETT

¹ For the attitude of the Department of State toward the possible formation of an Eastern Mediterranean Pact, see telegram 203, April 23, to Ankara, vol. IV, p. 79.

<sup>IV, p. 79.
² The texts of telegrams 471 and 472 to Jidda were transmitted on December 29 to London, which was authorized to pass on to the Foregn Office the gist of the Department's thinking regarding the proposed tripartite agreement (telegram 4812, 890F.7962/12-2348).
In a telegram of December 23, London advised that the initial Foreign Office</sup>

In a telegram of December 23, London advised that the initial Foreign Office reaction to the proposed agreement was favorable, the Foreign Office much preferring a tripartite arrangement to a bilateral United Kingdom-Saudi Arabian agreement (No. 5354, 890F.7962/12-2348).

\$90F.7962/12-1848 : Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

TOP SECRET

JIDDA, December 18, 1948-11 a. m. 647. Legtel 639, December 13.1 Conference yesterday lasting more than two hours with Prince Mansour,² Shaikh Yusuf, Colonel O'Keefe and me. After discussion current problems air base, long discussion

ensued re renewal agreement from which following emerged:

(1) SAG has no intention requesting USAF evacuate base but in order to justify extension agreement its own people and Arab states some justification must be found.

(2) SAG recognizes existing general international situation makes presence USAF Dhahran in interest both US Government and SAG.

(3) Owing existing situation Middle East (Palestine not mentioned but reference obvious) SAG cannot conclude at this time long term agreement. (In course discussions I proposed we examine possibility fifty, forty, thirty, and ten years but Yusuf stated renewal on long term basis not possible at this time.)

(4) SAG wants formal request in writing for renewal.

(5) Term mentioned six months to year. It was obvious to us further extensions might be expected making agreement virtually of indefinite duration.

(6) I mentioned negotiations new agreement might drag beyond January 15 and inquired if we could not be assured 90 days notice. Yusuf reassuring reply was "Ask for it", indicating we need have no concern that score.

Yusuf emphasized SAG not looking for any financial compensation for lease and for first time indicated possible willingness to consider problem separately and apart from larger defense needs SAG. His words were "You have made good case for separation. I do not know at this time whether I will tie problems together".

See following telegrams.

Sent Department 647, repeated London 183, Dhahran 311.

CHILDS

¹ Not printed.

² Saudi Arabian Minister of Defense.

890F.7962/12-1848: Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

TOP SECRET

JIDDA, December 18, 1948-noon.

648. Legtel 647.1 Following suggested draft note to Foreign Office re Dhahran air base agreement:

¹ Supra.

"Have honor acting on instructions my government request, in consideration of friendly ties existing between US and Saudi Arabia, renewal existing Dhahran air base agreement which expires March 15, 1949.

"Renewal of this agreement will permit USAF continue to discharge its existing long range communications commitments and will at same time afford opportunity for continuation and even expansion of training program for Saudi Arabian students Dhahran and in US. It is my government's view, which it is believed SAG will share, maintenance Dhahran air base agreement offers particularly practical means for continuation friendly collaboration already existing between two governments.

"Existing air base agreement provides US Government will turn over these installations in sound condition to SAG for operation, control and maintenance upon expiration of agreement. My government interprets this as obligation which will necessitate expenditure at Dhahran of amount of from 5 to 25 million dollars for new construction during fiscal year beginning July 1, 1949. Moreover, my government interprets such provision as a continuing obligation to maintain Dhahran air base in state to ensure its delivery in sound condition to SAG upon eventual expiration agreement with expenditure of such funds as may be necessary for that purpose. The amounts to be expended, in addition to the sums already mentioned, will naturally depend upon use which it may be desire to make of base in agreement with SAG.

"In view possibility USAF may desire extend base, my government would like an assurance that SAG would be prepared at an appropriate time to consider extension present limitation 2,000 personnel to maximum of 6,000.

"My government requests existing air base agreement be extended for period of at least one year and that its life after March 15, 1950 be subject to annual extensions of 12 months in absence notice from either government to other of intention to terminate agreement upon six months notice."

Sent Department 648; repeated London 184, Dhahran 312.

CHILDS

890F.7962/12-1848: Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

TOP SECRET

JIDDA, December 18, 1948-1 p. m.

649. Legtel 648.¹ Obligation spend minimum \$5 million is one already devolving upon US Government if we are to fulfill strictly provisions existing air base agreement. Maximum figure \$25 million is understood to be amount Department Air has budgeted for Dhahran for fiscal year 1950.

Would appreciate Department's comments earliest possible on this

¹ Supra.

and two preceding telegrams. Would be most helpful in negotiations to have indication from Department Air description new construction plans.

Sent Department 649; repeated London 185, Dhahran 313.

CHILDS

890F.7962/12-1848: Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

TOP SECRET

JIDDA, December 18, 1948-3 p. m.

651. Deputy Foreign Minister called me Foreign Office today and said he had reported to His Majesty our conversation yesterday re Dhahran. His Majesty had instructed him to "facilitate" conclusion agreement. Later Yusuf said he would not attend Arab League meeting Cairo in order be present Jidda for discussions with me. He also said I should get word Colonel O'Keefe to forget about any preparations for evacuation beginning January 15.¹

Yusuf asked if I had any ideas re agreement. I outlined proposals made to Department Legtel 648 this date and gained distinct impression such proposals were satisfactory basis at present time. I emphasized I had no notion whatsoever of what Department desired in way of agreement and he has not therefore to accept outline I had given as foreshadowing proposals we would make.

Yusuf indicated King recognized difficulty for us at this time of joining renewal agreement with satisfying Saudi defense needs. It was suggested temporary agreement could be concluded leaving question conclusion tripartite agreement and examination Saudi Arabian larger defense needs to more appropriate moment which might arise 6 to 12 months hence. Yusuf said it was hoped we would under new agreement assume all costs feeding and maintainance Saudi students Dhahran for which SAG now being billed at rate of approximately \$2500 monthly. He also indicated SAG very pleased USAF treatment Saudis Dhahran and lack any discrimination, remarking, "We would like this to serve as model for Aramco which does not give Saudis equality of treatment to which we insist they are entitled". I remarked importance this problem recognized by US Government and I thought also by Aramco. He said promises had been made to ameliorate situation but he had not been to Dhahran recently to determine if promises kept, expressing considerable skepticism that they had.

Sent Department 651, repeated London 187, Dhahran 315.

CHILDS

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¹Jidda reported, on December 15, that Colonel O'Keefe had received orders from the Department of the Air Force to institute plans for the evacuation of Dhahran on January 15, 1948 (telegram 643, 890F.7962/12-1548).

SAUDI ARABIA

890F.7962/12-2048: Telegram

The Minister in Saudi Arabia (Childs) to the Secretary of State

TOP SECRET

JIDDA, December 20, 1948-3 p. m.

655. Deptels 471 and 472¹ most helpful. Although arguments outlined re Dhahran have been generally used previously in my formal talks with Foreign Minister, I went over ground again today with him although not referring to paragraph 7 SAG note January 2, 1946 inasmuch as it makes operation airfield by SAG conditional upon its not becoming a burden on Saudi Treasury.

Yusuf stated he would await Department's reaction proposals for renewal on basis exchange of notes as submitted (see Legtels 648 and 651²). I do not anticipate SAG will offer any objections re affirmation outlined exchange notes mentioned but as those notes form integral part existing Dhahran airbase agreement particular advantages not perceived to single out certain provisions that agreement for affirmation.

Inasmuch as difficulties set forth by Dept in connection tripartite agreement recognized previously by Legation, I have consistently endeavored throw as much cold water on project as might be done without dampening Saudi spirits.

CHILDS

¹ Both dated December 17, pp. 256, 259. ² Both dated December 18, pp. 260, 262.

890F.7962/12-1848 : Telegram

The Acting Secretary of State to the Legation in Saudi Arabia

TOP SECRET

WASHINGTON, December 30, 1948-4 p.m.

482. Depts State and Natl Defense gratified progress re renewal Dhahran Air Base Agreement reported Legtels 647, 648, 649, 651 Dec 18 and 655 Dec 20, particularly willingness SAG consider problem renewal separately larger defense needs.

Re Legtel 666, Dec 29,¹ discussions here center on question whether adequate funds will be granted by Congress if Dhahran Air Base Agreement on year-by-year basis only. Dept hopes send you reply Legtel 648 Dec 18 in about ten days.

LOVETT

¹ Not printed. 429-027-75-18

TURKEY

[Documentation on United States economic and military aid to Turkey and Greece (Truman Doctrine) is printed in volume IV.]

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SOUTH ASIA

PARTICIPATION OF THE UNITED STATES IN EFFORTS TO RESOLVE THE DISPUTE BETWEEN INDIA AND PAKIS-TAN OVER KASHMIR AND HYDERABAD ¹

745.45F/1-148 : Telegram

The Chargé in Pakistan (Lewis) to the Secretary of State

SECRET IMMEDIATE KARACHI, January 1, 1948—9 a. m. 1. Have talked with Jinnah,² Liaquat Ali Khan,³ Sir Zafrullah Khan,⁴ Secretary General Mohammad Ali and Ikramullah ⁵ and nowhere have detected any trace of anxiety or nervousness such as seems exist in Delhi on Kashmir question, although profound annoyance is felt that GOI is using Kashmir affair as excuse for not making good its commitments on cash balances, failure to pay which under terms recent agreement ⁶ places GOP in difficult fiscal position, as presumably desired by GOI (Deptel 218, December 26,⁷ London's 53, December 29⁸).

GOP answered GOI note night before last.⁹ In nearly two hours review of Pakistan's relations with India, Mohammad Ali and Ikramullah told me yesterday GOI note contained no ultimatum or time limit for reply but did contain some hints of trouble for Pakistan if GOP did not cease alleged aiding and abetting Azad Kashmir Government and raiders. In that connection, these officials said while Pakistan's sympathies were with Azad Government GOP was not aiding Azad movement and could not if it would stop uprising against

⁸ Printed as telegram 6647 to the Department, December 29, 1947, *ibid.*, p. 185. ⁹ The notes referred to here are the letter of December 22, 1947, from Prime

⁶ The notes referred to here are the letter of December 22, 194, from Finne Minister of India Pandit Jawaharlal Nehru to Liaquat Ali Khan, and the latter's reply dated December 30. For text of this exchange, see Government of India, *White Paper on Jammu and Kashmir*, pp. 74–75.

¹ For previous documentation on United States concern over the Kashmir dispute, see *Foreign Relations*, 1947, vol. 111, pp. 179 ff.

² Mohamed Ali Jinnah, Governor General of Pakistan.

³ Prime Minister, Minister of States and Defense, Pakistan.

⁴ Minister for Foreign Affairs and Commonwealth Relations, Pakistan.

⁵ Secretary for Foreign Affairs, Pakistan.

⁶ Reference here is presumably to an agreement between India and Pakistan relating to division of the assets of the Reserve Bank of India. A detailed summary of 1947 Indo-Pakistan financial agreements may be found in the *Hindustan Year-Book and Who's Who, 1948, pp. 304-307.*

⁷ For text, see identical telegram 814 to New Delhi, December 26, 1947, Foreign Relations, 1947, vol. III, p. 184.

Kashmir Government and the struggle against GOI troops in Kashmir without revolution in Pakistan.

Mohammad Ali, who participated in talks with GOI said GOP position in all these talks was that while welcoming in principle plebiscite in Kashmir, GOP must have assurances neutral administration preceding and during plebiscite. Given such administration GOP would exercise every possible influence with Azad Government and raiders to cease activities and abide by plebiscite result. If neutral administration cannot be agreed upon between GOI and GOP, as seemingly it cannot since every proposal that direction by GOP has been rejected by GOI, Pakistan will gladly agree UN Security Council set up appropriate administration with safeguards for honest vote and conduct plebiscite. If GOI unwilling accept latter procedure, GOP will counter any action by GOI in placing before SC question alleged guilt Pakistan in supporting belligerent activities against Kashmir by asking SC conduct investigation all relations between the two Dominions including Junagadh matter.¹⁰ This is substance GOP reply notes.

GOP thoroughly convinced Kashmir's accession to India and sending of GOI troops to Kashmir is only part of GOI's deliberately planned policy dating from acceptance of partition, to strangle and destroy Pakistan in successive stages and will support that conviction before SC if GOI carries its case to SC in form indicated in its last note to GOP.

Department, repeat to London if desired. Delhi informed.

LEWIS

¹⁰ Junagadh, one of the states whose accession was in dispute, received the intermittent attention of the Security Council during the spring of 1948. Security Council action was limited by the general feeling that the accession of Junagadh to India was not of sufficient importance to justify distracting the Council from the more pressing issues involving Kashmir. For summary of Indian and Pakistan statements before the Security Council concerning matters of dispute not covered in *Foreign Relations*, see United Nations, Yearbook of the United Nations, 1947–48, pp. 400–402. Hereafter cited as Yearbook, 1947–48.

745.45F/12-3047 : Telegram

The Acting Secretary of State to the United States Representative at the United Nations (Austin)

SECRET

WASHINGTON, January 1, 1948-2 p.m.

1. Allen of Brit Emb called at Dept at noon yesterday to discuss late developments in Kashmir situation. Among other things he said FonOff had sent instructions that US be informed of immediate action Cadogan¹ had been instructed to take in event India files appeal to SC

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¹Sir Alexander Cadogan, United Kingdom Permanent Representative on the United Nations Security Council.

against Pakistan. As soon as Cadogan knows of actual filing of such an appeal by India, he is to take steps to assure that SC considers matter as soon as possible (retel 6668 from London, Dec. 30 Par. 12²) (Allen has today told us that UKDel in New York has already made an informal approach to UN Secretariat on intermediate level to assure early consideration of case).

Allen then said his Govt was inviting attention of US to possibility of taking similar steps and that Cadogan had been apprised of this also.

Dept. informed Allen later in day that while US agrees Indian appeal should be heard as expeditiously as possible, we believe this can be accomplished by informal methods rather than by any formal approach such as a letter to Sec. Gen. or SC President. We observed further that since Belgian is now SC President, it should be possible to approach him informally and accomplish the desired result with no difficulty.

Dept does not believe it desirable or wise at outset of this case to make political issue of time or speed with which SC should deal with matter. We are, however, willing to support informal methods of obtaining immediate SC consideration of the case. We recognize that after SC commences such consideration Pakistan may desire stay in proceedings pending completion of preparation of case or arrival of additional personnel. In such an eventuality we believe SC should adhere to well-established practice of permitting parties reasonable period of time to make such arrangements as are clearly necessary for a proper handling of the case.

Sent New York, repeated to London, New Delhi and Karachi.

LOVETT

² Foreign Relations, 1947, vol. III, p. 188.

745.45F/1-248: Telegram

The Chargé in India (Donovan) to the Secretary of State

SECRET

NEW DELHI, January 2, 1948-10 a.m. 1. Embtel 1162, December 30 [29].¹ General Bucher Commanderin-Chief Indian Army told me last night no steps had been taken to prepare Indian Army for offensive action against GOP. He said one

month necessary for such steps and he had informed Nehru that he (Bucher) would not hesitate inform HMG that all British officers should be transferred from active operational duties to advisory capacities if war seemed imminent.

¹ Foreign Relations, 1947, vol. III, p. 187.

I inquired re possibility GOI troops in Kashmir entering Pakistan inadvertently. Bucher said this was highly improbable since troops must stay on highways and boundary was clearly defined.

Bucher thinks most dangerous factor is tribesmen in West Punjab who might attempt a raid into East Punjab; he considers Sikhs in East Punjab as possible disturbing factor.

He said Cunningham Governor NWFP had told him NWFP Government could not restrain tribesmen from entering and crossing NWFP.

I feel more optimistic re general situation in light this conversation.

Sent Department, repeated Karachi as 1. Department please repeat London as Delhi's 1.

DONOVAN

745.45F/1-248 : Telegram

The Chargé in Pakistan (Lewis) to the Secretary of State

SECRET IMMEDIATE KARACHI, January 2, 1948—5 p. m. 3. Following message from Prime Minister acting in absence Minister Foreign Affairs has just been handed to me by Ikramullah, Secretary for Foreign Affairs.

Mytel 2 of January 2.1

"The Pakistan Government appreciate the message from the US Government² regarding the Kashmir question and reciprocate their feelings of friendship. The Pakistan Government have throughout been making strenuous efforts to reach a peaceful settlement of the various questions outstanding between the two dominions including that of Kashmir; but unfortunately every proposal made by them had been turned down by the India Government. The Pakistan Government, therefore, welcome the approach to the UNSC. They wish to assure the Government of the US that at no stage did they have any intention of taking any provocative or precipitate action, and that they are firmly determined to continue their efforts to reach a peaceful settlement of all outstanding questions and that they will continue in the future as in the past to do their best to restrain any irresponsible elements in Pakistan". British colleague informed.

Sent Department as 3; repeated New Delhi 2.

LEWIS-

¹ Not printed.

² For text of U.S. note. transmitted in telegram 221 to Karachi, December 31, 1947 (not printed) and delivered by the Chargé to Ikramullah in absence of the Foreign Minister (745.45F/1-248), see identic note transmitted in telegram 817 to New Delhi, December 31, 1947, Foreign Relations, 1947, vol. III, p. 192.

DISPUTE OVER KASHMIR AND HYDERABAD

745.45F/1-348: Telegram

The Chargé in Pakistan (Lewis) to the Secretary of State

SECRET IMMEDIATE

KARACHI, January 3, 1948-noon.

4. Copies Nehru's note December 22, and Liaquat Ali Khan's reply December 30¹ furnished me last night by Secretary Foreign Affairs mytel No. 2, January 2.2 Substance Nehru's note known to Department. Liaquat Ali's reply which runs six long typewritten pages is summary of unsatisfactory relations existing between India and Pakistan and point by point develops thesis that Hindus accepted partition in bad faith, that Pakistan's very existence is the chief casus belli, that GOI has been following calculated pattern to annoy, weaken and destroy Pakistan, that Kashmir affair is but one incident in long chain such events. Pakistan welcomes reference Kashmir problem to United Nations since this is what GOP has been suggesting throughout as the most effective means resolving mutual differences but expressed disappointment that GOI proposal apparently restricts the reference to single issue Kashmir which now considered by itself would look like a sentence torn out of its context. GOP emphatically repudiates charges of aid and assistance to the invaders. Note states that on contrary GOP has continued discourage tribal movements by all means short of war at serious risk of large scale internal disturbances in Pakistan

Prime Minister's note ends with statement that now that Nehru has indicated intention invite intervention UN, a course which GOP has so far ineffectively suggested to GOI for resolving their differences, he takes opportunity invite GOI's attention main differences standing in way amicable adjustment relations, hopes those differences may be speedily composed and trusts Nehru will agree intervention UN should be invited respect all these matters.

Delhi informed.

LEWIS

¹ For text of this exchange, see Government of India, White Paper on Jammu and Kashmir, pp. 74-75. ² Not printed.

Not printed.

501.BC/1-448 : Telegram

The Chargé in Pakistan (Lewis) to the Secretary of State

SECRET IMMEDIATE

KARACHI, January 4, 1948-noon.

6. Liaquat Ali Khan has telegraphed ¹ Secretary General UN stating GOP has not yet seen India's references which Delhi sent Karachi

¹For text of telegram dated January 3, see United Nations, Official Records of the Security Council, Third Year, Nos. 1-15, p. 4. Hereafter cited as SC, 3rd yr., Nos.

in undecipherable code but text expected by air today, impossible prepare case and place it before SC by sixth, that Foreign Minister Sir Zafrullah Khan will be sent as Pakistan's chief delegate to present case before SC but is now in Burma to represent Pakistan in Burma independence celebrations. Prime Minister requests stay of proceedings "to give us reasonable time to prepare our case and to despatch our delegation". Ispahani² directed proceed New York and remain in touch with Secretary General (mytel 5, January 3).3

Ikramullah has expressed GOP's hope US Govt will use its influence effect stay in proceedings Deptel 1, January 1 pending preparation case and despatch of representative.

LEWIS

² Mirza Abol Hassan Ispahani, Ambassador of Pakistan in the United States. ³ Not printed.

745.45F/1-448 : Telegram

The Chargé in India (Donovan) to the Secretary of State

SECRET

New Delhi, January 4, 1948-4 p.m. 10. Deptel 817, December 31,¹ mytel 5, January 3.² I saw Nehru today 3 p.m. He said he had received my note conveying Department's message to GOI.³ I emphasized concern US Government over Kashmiri question and stressed hope US Government no action would be taken by GOI which would aggravate situation.

Nehru assured me GOI had no intention taking any steps against GOP which would cause situation deteriorate further. I asked Nehru what he thought was most dangerous factor in existing situation. He replied that larger part of west Punjab was now for all practical purposes "tribal territory" and that GOP could neither disarm nor control tribesmen. He said GOI troops would not take offensive action against GOP but that he feared Kashmiri irregulars might raid into west Punjab in retaliation raids into Jammu by tribesmen from west Punjab.

No written reply to Embassy note yet received but I consider Nehru's verbal assurances entirely adequate.

I saw Bucher 4 just prior my call on Nehru. Bucher said Defense Minister 5 had approved statements made to me reported in mytel 1, January 2. Bucher still optimistic regarding general situation. He

⁵ Sardar Baldev Singh.

¹ Foreign Relations, 1947, vol. III, p. 192.

² Not printed.

³ Embassy note dated January 2, 1948, not printed, conveyed to Nehru the message transmitted by the Department to the Chargé in telegram 817, December 31, 1947, Foreign Relations, 1947, vol. 111, p. 192.

Gen. Francis R. R. Bucher, Commander in Chief, Indian Army.

said Mohan Singh former head INA was making trouble along east west Punjab border. Bucher said he was taking every precaution prevent trucks and gasoline from getting into Mohan Singh's hands and that without those items Mohan Singh could do little. He said east west Punjab border situation fairly quiet.

Reliable sources report Fourth Indian Division moving north into east Punjab. Embassy feels sure in view Bucher's remarks that this troop movement is purely defensive against possible offensive action from tribesmen in west Punjab.

Nehru said Cabinet member would probably leave for USA immediately after SC meets to present India's case SC. Cabinet member still not selected.

Department please repeat London as 5. Copy to Karachi by courier January 5.

DONOVAN

501.BC/1-648 : Telegram

The Secretary of State to the United States Representative at the United Nations (Austin)

WASHINGTON, January 6, 1948-1 p. m. SECRET US URGENT 5. Dept position re India-Pakistan dispute over Kashmir follows: The Problem

The United Nations' Security Council has been summoned to meet at 2:30 p.m. January 6, 1948 to consider India's appeal for action against Pakistan in the Kashmir dispute.¹ The current paper is designed to deal exclusively with the case as it will probably develop in the initial stages of the Security Council consideration.

Recommendations

1. It is the opinion of the Department that the only solution acceptable to all parties concerned in the Kashmir problem will eventually be a determination, probably by plebiscite, of the wishes of the inhabitants of Jammu and Kashmir with respect to their long-term affiliation with either India or Pakistan, taking into account the possibility that some form of partition may be proposed.

2. It is understood that the reaction of the Pakistan delegation to the presentation of the Indian case will be to request a postponement of consideration of the case until it is able to present its reply. The United States delegation should support postponement of substantive

¹ India's appeal was made in a letter of January 1, 1948, from the Permanent Representative of India at the United Nations, Purushottama P. Pillai, to the President of the Security Council. For text, see United Nations, Official Records of the Security Council, Third Year, Supplement for November 1948, pp. 139-144. Hereafter cited as SC, 3rd yr., Suppl.

consideration of the case without prejudice to any immediate provisional steps which the Security Council may deem necessary.

3. In the event that the Council reaches the latter determination, it is probable that this will be done at the instigation or inspiration of the British delegation and will take the form of proposing a "conservatory move" (provisional measure) under Article 40 of the Charter to freeze the situation, this proposal presumably to be followed by the early establishment of a United Nation's Commission to proceed to the area. The United States would not oppose such a procedure provided that it would lead to the general objective indicated in para one above. To this end any resolution adopted by the Security Council should recognize the existence of a dispute between India and Pakistan related to the ultimate affiliation of the state of Jammu and Kashmir. and the willingness expressed by both governments to have this problem resolved by a fair determination of the will of the people of the state when conditions in the area permit. The resolution should recommend that the two Govts take all necessary action in cooperation to restore peace and order in the area, and to bring about a situation in which the will of the people of Jammu and Kashmir can be freely determined. The role of a Commission would thus be that of performing good offices between the two Govts.

4. It is apparent from the strength of the advisory group being sent to New York from London to supplement the present UK delegation at the United Nations in connection with the Indian complaint that the British are seriously concerned over the implications of the current situation. Indications are, however, that the British delegation, because of the peculiar position which the United Kingdom occupies vis-à-vis India and Pakistan, wishes to avoid assuming the overt leadership in any program adopted by the Security Council. Nevertheless, as the most directly concerned third govt, the British will find it difficult to avoid taking the lead in the present situation. Examination of other possibilities among Security Council members would point to the United States as the virtually inevitable second choice and, as between the British and ourselves, there is clearly no doubt that from the standpoint of both background and direct concern British initiative would be indicated. The Dept therefore feels that we should approach the British in order to come to an understanding in this sense and to assure the British of our desire to be helpful and to support their lead insofar as it is reconcilable with the United States position. The way for such collaboration and subsequent close consultation would seem already to have been cleared by full exchanges of views which have taken place between us and the British and which have made it appear that British objectives in this case are very similar to our own. If it becomes

clear however that, because of historic connections of the British in India, it would be preferable for the United States rather than the British to introduce certain resolutions favored by both delegations, the possibility of such action on the part of the United States delegation should not be completely excluded.

5. In the last analysis, the United States recognizes that the problems involved are of such complexity that solutions, in order to be effective, must of necessity result from the joint action and cooperation of the two Governments directly involved. Such a solution does not, however, preclude the possibility of the Security Council establishing machinery for observation and/or conciliation which can contribute materially to the ultimate settlement.

Comment

A dossier containing full background material on the Kashmir dispute is in preparation in the Dept and will be available to the delegation to assist in the consideration of the cases presented by India and Pakistan."

MARSHALL

745.45F/1-748: Telegram

The Chargé in India (Donovan) to the Secretary of State

SECRET

New Delhi, January 7, 1948-11 a.m.

15. Embtel 10, January 4. EAD on January 6 replied by third person note to Embassy's first person note of January 2¹ addressed to Nehru (Embtel 5, January 3²).

Body EAD's note follows:

"The Government of India appreciate the friendly interest of the Government of the United States of America in a pacific settlement of the Kashmir issue. In the note submitted by them to the Security Council, there is ample evidence of the efforts made by the Government of India to settle this matter by friendly negotiation with the Government of Pakistan and of the patience which they have shown in the face of acts of aggression against their forces and their territory. They feel that they would have been within their rights in entering Pakistan territory in order to strike at bases, situated in that territory, from which the invaders of Jammu and Kashmir state have been and still are operating. That they have, instead, preferred to invoke the aid of the Security Council is proof of their devotion to peace and of their loyalty to the principles of the Charter of the United Nations. They are not aware that there are, in India; any 'irresponsible elements' who are likely to indulge in provocative ac-

² Not printed.

¹ See telegram 10, January 4, from New Delhi, footnote 3, p. 270.

tion while the Kashmir question is being considered by the Security Council; they certainly have no intention of doing so themselves.

All that they desire is that the people of Jammu and Kashmir should be freed as quickly as possible from the horrors of invasion and thus enabled to determine their future by their freely declared will. They will be grateful if, through their representative on the Security Council, the Government of the United States of America will help in the speedy achievement of this object."

Copy of note follows by despatch.

Obviously GOI objects to phrase "irresponsible elements". This objection comes from EAD as Nehru gave no indication displeasure to me. EAD's attitude towards phrase "irresponsible elements" is interesting since Nehru himself mentioned to me possibility "Kashmir irregulars" taking action against GOP which GOI could not prevent.

Embassy considers GOI's assurances adequate especially since Embassy feels GOI is in difficult military position and would like nothing better than to get out of present imbroglio gracefully and without loss of face. Bucher's assurances (Embtels 1 and 10, January 2 and 4) must also be considered connection with GOI assurances.

Delhi press reports today indicate fighting increasing in intensity and that raiders using artillery for first time.

Sent Department as 15, repeated Karachi as 5. Department please repeat London as 6.

DONOVAN

501.BC 1-848 : Telegram

The United States Representative at the United Nations (Austin) to the Secretary of State

SECRET New YORK, January 8, 1948—7:05 p. m. 27. Cadogan brought Noel-Baker ¹ and Lord Ismay ² in to see me this afternoon. They described the local situation in Kashmir and indicated that the danger of the situation there is of great magnitude. Once Jehad gets running it will stir up all of India resulting in a bloody and cruel mess in which all law and order will disappear. The representatives of all countries in India will be exposed to crimes because of the turbulence of the situation.

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¹Philip John Noel-Baker, British Secretary of State for Commonwealth Relations.

² Lord Ismay of Wormington, Principal Adviser to Noel-Baker and former-Chief of Staff to the Viceroy of India.

DISPUTE OVER KASHMIR AND HYDERABAD

It is extremely important for the United Nations to pursue a course that will stop the present fighting as quickly as possible. There may be elements of agreement between Pakistan and India permitting a decision by the UN. Such a decision should be firm and promptly made. They believe both sides would obey an order by the SC since each wishes to avoid the responsibility of yielding to the other.

If a plebiscite were to be held it could not be organized short of six months and could not be conducted without some military policing. On the latter point the view was expressed that Pakistan troops would be the most suitable. This observation is based on the conclusion that the one indispensable condition of peace in Kashmir is to guarantee the security of the Moslems. The whole affair according to my visitors started with the massacre of Moslems instigated by the Prince.³ When threatened with reprisals by the troops he took political refuge by requesting the accession of Kashmir to India. The only effective guarantee of the security of Moslems in the view of the tribes would be supervision by Pakistan troops.

The view was expressed that the partition of Jammu and Kashmir should not be resorted to except as an ultimate alternative.

The British do not want to initiate proposals in the SC. They expressed the hope that the US representative or possibly the President of the Council might initiate proposals. It was not apparent that they felt any other member of the Council might do so.

I replied that I would not exclude the possibility of the US initiating proposals in the SC but indicated that the US position was in reality very much like their own. The position which the US might take would have to be determined in the light of thorough consideration of the circumstances.

They expressed a desire to discuss this matter with the appropriate officers of the Department and in accordance with telephone conversations between Rusk and Ross ⁴ an appointment has been arranged for them with Under Secretary Lovett at 11 a.m. Saturday morning. Austin

³ Heir Apparent Yuvraj Karansinghji Bahadur.

*Dean Rusk, Director, Office of United Nations Affairs, Department of State, and John C. Ross, Assistant to the United States Representative at the United Nations. 501.BC Kashmir/1-1048

Memorandum of Conversation, by the Assistant Chief of the Division of South Asian Affairs (Thurston)

SECRET WASHINGTON, January 10, 1948. India-Pakistan Dispute over Kashmir; Proposed Security Subject: Council Action Participants: Philip Noel-Baker, Secretary of State for Commonwealth Relations and Leader of the British Delegation to the Security Council Lord Ismay, Principal Adviser to Mr. Noel-Baker Lord Inverchapel, British Ambassador to United States Denis Allen, Counselor of the British Embassy

Mr. Lovett, Under Secretary of State

Mr. Loy Henderson, NEA

Mr. L. E. Thompson, EUR

Mr. Harding Bancroft, SPA

Mr. Ray Thurston, SOA

Mr. Noel-Baker opened the conversation by emphasizing the danger of a holocaust on the Indian subcontinent arising from the dispute between India and Pakistan over Kashmir. Neither side can back down, he said. He expressed the opinion that only the voice of international authority can prevent war.

Mr. Noel-Baker and Lord Ismay then outlined the following proposals which may be said to represent the latest British thinking on a peaceful solution on the Kashmir problem:

1. Informal conciliation efforts at New York to begin just as soon as the Indian and Pakistan delegations arrive.

2. Another warning from the Security Council to both parties in somewhat stronger terms than those used in the message already sent by the president of the Council.¹

3. The establishment of an ad hoc Committee of the Council as soon as the preliminary debate is finished to work out details of a plan for peaceful settlement.

4. The early despatch to the scene of a small UN commission which would implement the plan worked out in the Council.

5. A complex plan for stopping the fighting and placing Kashmir under UN control pending the holding of a plebiscite.

a. The appointment of a neutral commander by UN to be stationed in Srinagar.

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¹ On January 6, the President of the Security Council addressed identical telegrams to the Governments of India and Pakistan, urging them to refrain from any action that might aggravate the situation. For text, see SC, 3rd yr., Nos. 1-15, p. 4. The replies assuring compliance with the SC request are found in SC, 3rd yr., Suppl. for Jan.-March 1948, p. 2.

b. A UN commission of experts in Srinagar.

c. A governing council of Indians and Pakistanis working closely with the above UN group and presumably having as their head an aforementioned neutral commander.

d. A division of the country into zones of military occupation with Pakistan troops in the north, Indian troops in the south, and mixed Indian and Pakistan troops in the valley of Kashmir and in Srinagar proper.

e. One thousand international troops in Srinagar.

f. Scores of "UN observers" in the Indian and Pakistan occupied zones.

 \hat{g} . Agreement on all the above details at New York, presumably including agreement betweeen the Indian and Pakistan delegations.

h. Possibility that end result may be some kind of partition between Moslem and Hindu majorities of Kashmir.

In elaborating upon the above scheme, the British emphasized the following points:

1. that while they wished to exercise the leadership of this question, their initiative might prove a handicap since it might look like the "reimposition of the British Raj" after only six months of the transfer of power;

 $\overline{2}$. that they hoped for assistance from the United States both in the informal conciliation efforts and in the working out of the general plan;

3. that Canada was not interested in getting involved in the issue;

4. that they thought it was necessary for a detailed plan to be worked out in New York, both because "a loud trumpet call" from the UN would have a better chance of being accepted by the parties on the spot and also because it was necessary to give Pakistan sufficient assurances of a fair plebiscite in order that the tribesmen might be induced to go home.

5. that Russia would probably be quiescent during the consideration of this case since it did not wish to take sides between India and Pakistan.

6. that Kashmir would probably go to Pakistan under a fair plebiscite except perhaps for those Hindu majority districts in the extreme south.

7. that United States prestige in India and Pakistan is extremely high and could play a decisive role in a peaceful solution;

8. that the present Indo-Pakistan Joint Defense Council is not a useful mechanism to use because of its limited terms of reference and the fact that the Governor-General of India is Chairman.

In giving the United States attitude on the case, Mr. Lovett made the following points:

1. that although the United States wished to be helpful and the possibility of our giving concrete assistance should not be excluded, we shall have to give this matter the most careful consideration;

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2. that the United States is spread out very thinly in its present commitments and must of necessity bear down on the European Recovery program now before Congress;

3. that marked initiative by the United States in this dispute might attract undesirable Russian attention and make a solution more difficult;

4. that we could not be sure of Russia taking a quiescent attitude in this matter merely because it did not wish to take sides since it could adopt an obstructionist role merely in order to keep the pot boiling.

5. that previous experience with the Security Council made it doubtful that quick and effective action could be obtained there.

6. that India and Pakistan have in the past themselves taken an obstructionist role in the UN with respect to United States objectives; reference was made in this connection to previous UN meetings in which Mrs. Pandit² seems to have worked rather closely with the Russians.

In the general discussion some of the US representatives expressed the thought that perhaps the British were setting their sights too high as to what could be done in a short time in the Security Council.

^a Vijaya Lakshmi Pandit, Chairman of the Indian Delegation to the second session of the UN General Assembly, 1947.

501.BC/1-1348 : Telegram

The United States Representative at the United Nations (Austin) to the Secretary of State

SECRET PRIORITY New YORK, January 13, 1948—7:15 p. m. 45. Dr. P. P. Pillai brought Dr. Gopalaswami Ayyangar, who will present India's case on the Kashmir question before SC, in to call on me this afternoon.

Ayyangar was very moderate in expressing his views. He alluded to the "right end" India would have under international law in crossing Pakistan territory as a measure of self-defense against raiders penetrating Kashmir. However, GOI realized that under present state of affairs, this might precipitate war with Pakistan. In an earlier day there was no international organization, no SC to which matter could be referred. Since we now have SC, the GOI preferred to bring matter to the Council and avoid thereby, if possible, risk of conflict with Pakistan.

Ayyangar said that prompt action by Council was necessary. He said that most important thing was to put a stop to the fighting. He confirmed that a plebiscite or referendum might provide the ultimate solution. Because of weather and other physical conditions, it would probably not be possible to initiate action looking towards a plebiscite until April. Thereafter, electoral rolls would have to be prepared and this would take some time.

He thought that the Prince would soon establish a government with Sheikh Mohammed Abdullah as Prime Minister. This government, supported by local forces, would be responsible for maintaining law and order during period of preparation of plebiscite; alternatively Indian forces might be employed.

Abdullah was the head of a national party which cut across religious lines. Only other political party in area is Moslem conference organized on fanatically religious lines. Only 10 or 15 per cent of people had the franchise. Under a plebiscite this would, of course, be extended to cover the entire adult population. Taking account of high degree of illiteracy, methods had been devised which could be applied in Kashmir to guarantee effectiveness of the secret ballot.

Ayyangar was moderate in statements to effect that Pakistan nationals might have joined forces with tribal raiders. In any event, principal question was whether Pakistan Government was willing and able to control these raiders. He implied in his statements that he thought the Pakistan Government was willing. He said that the Prime Minister of Pakistan had indicated to him very recently that his principal difficulty was the adverse public opinion reaction in Pakistan, should Pakistan forces be employed against fellow Moslems. There was a good deal to be said, Ayyangar went on, for the idea of an SC order which would give the Pakistan Government a stronger position vis-à-vis public opinion. If the Pakistan Government wanted help in controlling the raiders, the GOI would be willing to assist.

In conclusion, Ayyangar said that it had been possible for the two governments to arrive at friendly settlements of many of their difficulties and this was only problem of a serious character. He had no doubt that if this problem could be solved amicably, there would be no insuperable difficulties in way of solving other problems between two governments. He gave every indication of intending to follow a moderate course in SC.

429-027-75-19

AUSTIN

1.512

FOREIGN RELATIONS, 1948, VOLUME V

501.BC/1-1448 : Telegram

The Secretary of State to the United States Representative at the United Nations (Austin)

CONFIDENTIAL

WASHINGTON, January 14, 1948-4 p. m.

17. Following views of Dept may be useful to you in SC debate of Kashmir case and in preliminary conversations.¹ Ref is made to memo of conversation between Mr. Lovett and Noel-Baker and other members of UK Del.

1. Leadership in SC. Dept's views remain as expressed in Deptel 5, Jan 6, which are now fully understood by Noel-Baker in light of conversation with Lovett. Although we wish to cooperate to maximum extent with UK we do not wish to take overt lead in SC consideration.

2. UK plan as outlined by Noel-Baker envisages SC decision to be adopted as soon as possible comprising following points:

(a) Movement of Pakistan troops into tribal areas in northern Kashmir and withdrawal of Indian troops into southern part, Kashmir valley to be occupied by joint GOI and GOP forces.

(b) Appointment by SC of neutral military commander of all Indian and Pakistan troops in Kashmir.

(c) Establishment by SC of UN commission in Srinagar of which military commander might be head to exercise interim governmental administration in Kashmir.

(d) This commission to be composed of individuals from neutral states chosen on basis of competence and to be assisted by Indian and Pakistan officials as well as by a corps of neutral observers.

(e) Use of international police force if possible.

(f) This commission or another commission to be established by SC to make necessary preparation for plebiscite and actual observance thereof.

(g) SC decision to be accompanied or preceded by provisional measure under Art 40 or extension of President's communication to GOI and GOP.

3. UK are hopeful that agreement can be reached between Indian and Pakistan Delegations in NY on essentials of this plan and that SC can by resolution make decision that it be put into operation.

4. In Dept's view complexity of UK plan and difficulty of designating military commander, neutral commission, etc. might prolong SC debate and might provide opportunity for obstructionist tactics which would prevent SC decision. However, aside from obvious complications of proposal for use of international troops, some such plan as UK suggests might be feasible if full agreement were reached be-

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¹The Security Council had placed the Kashmir question on the agenda of its 226th meeting on January 6, when the Representatives of India and Pakistan were invited to participate in the discussion. However, consideration of the matter was postponed at the request of the Pakistani Representative, M. A. Hassan Ispahani, pending arrival in New York of the Pakistan Foreign Minister. The official record of the 226th-240th meetings of the Security Council, January 6, Bernard 4, 1948, is printed in SC, 3rd yr., Nos. 1-15.

tween India and Pakistan, including agreement on composition of commission, selection of commander, arrangements for observers, and apportionment of costs on satisfactory basis, etc.

5. In event that agreement between parties directly concerned can not be reached, Dept believes that SC action might be achieved by a less complicated plan for settlement containing 3 basic elements:

(a) Calling on parties to desist from military action, to arrange truce and to consult with each other as to effective means of implementing truce.

(b) Establishment of commission to assist parties in implementation of truce and in settlement of their dispute by peaceful means.

(c) Calling upon parties to carry out intention expressed by both that plebiscite be held at early date and expressing Council's readiness through the commission to assist them to that end.

6. In Dept's view composition of commission might well be established by SC as in Indonesian case ² where each party selects one member and the third to be designated by the two so selected; in this case, however, choice of parties should not be limited to membership of SC. US unwilling to be member of commission selected by a party but could not decline if it were third member selected.

7. Our less complicated suggestion differs from UK plan in one essential point about which Noel-Baker expressed himself strongly; namely, that the process of conciliation should take place in NY and be supported by SC decision rather than left to SC commission in the area.

8. In outlining less complicated suggestion, Dept does not wish it to be advanced in SC debate in competition with UK plan but rather as something to be considered by UK as perhaps more palatable to parties and other SC members and more in harmony with realities of SC capabilities. Nor does Dept wish to eliminate possibility that parties may reach agreement in NY on a more complicated plan which the SC can endorse and implement by appropriate resolution. In this connection US favors and should support British suggestion that, after opportunity has been given to both parties to present their case in SC, President might appoint two members of SC to work with him as a subcommittee in assisting parties in reaching agreement as to most appropriate and effective action which SC could take to effect a peaceful settlement. Dept does not believe that UK, US or USSR should be on this subcommittee but has no objection to France or China. In Dept's view optimum composition of subcommittee would be Belgium, China and Canada.

9. If provisional measure under Art 40 is proposed and generally favored in SC, US should support it. Any such provisional measure should be without prejudice to rights, claims or position of parties and should not impute blame to either side. As to Belgian draft ³ Dept

² For documentation on United Nations Security Council consideration of the Indonesian question, see vol. vi, pp. 57 ff.

³ Reference here is to an early draft of a resolution being prepared for presentation in the Security Council following the Pakistani statement scheduled for the next meeting.

has specific comments which will be telephoned and believes language of any such resolution should be carefully considered.

MARSHALL

Editorial Note

On January 15, at the 227th meeting of the Security Council, Zafrullah Khan took his place at the Council table as special representative of Pakistan for discussion of the Kashmir situation. Also, the Council received notice of the appointment of two alternate representatives for India in the Kashmir discussions: Sheikh Mohammad Abdullah, Head of the Administration, Kashmir and Jammu State, and M. C. Setalvad, Advocate High Court, Bombay. (SC, 3rd yr., Nos. 1-15, page 9.)

501.BC/1-1648 : Telegram

The United States Representative at the United Nations (Austin) to the Secretary of State

SECRET

New York, January 16, 1948-11:40 p.m.

62. From Thurston. At his urgent request I called on Noel-Baker (UK) tonight who is obviously deeply concerned outcome present SC consideration Kashmir case and related issues. He informed me Canada would not serve proposed subcommittee which he had hoped could be established frame concrete proposals, and that he and President SC (Langenhove) (Belgium)¹ had come conclusion that US alone should be designated by Langenhove as rapporteur with function bringing Indian and Pakistani representatives together and submitting findings to SC. When asked by [if] some other third country such as Argentina could not take place Canada, he replied that subcommittee thus composed would be too weak, whereas US advice would be taken very seriously by parties.

After I enumerated various reasons why US not disposed assume proposed role, Noel-Baker appeared willing reconsider either establishment three member subcommittee without Canada or perhaps use President SC in rapporteur capacity. He expressed hope, however, US would informally participate in conciliation task.

Other important points conversation include:

1. UK hopes US representative will make statement in general debate which will probably begin January 19 or 20. Department may wish telephone any suggestions this regard earliest opportunity.

¹Fernand van Langenhove, Belgian Representative on the Security Council and President of the Council in January.

2. Belgian draft resolution regarding UN commission proceeding to area (transmitted mytel 60, January 16²) is British-inspired and is based on British view that such commission would play subordinate and symbolic role while real work of formulating settlement continues in New York.

3. British have now concluded independently that best method selecting such UN commission is that followed in Indonesian case with proviso that membership open all UN countries.

4. British will cite League of Nations administration Saar territory as precedent for neutral administration Kashmir preceding and during plebiscite and will fight any Indian proposal having as its objective placing Sheikh Abdullah in position of power before plebiscite.

5. British continue view general situation India and Pakistan in gravest terms and believe it calls for immediate and positive UN action.

AUSTIN

^a Not printed. See editorial note, infra.

Editorial Note

On January 17, the Security Council adopted a draft resolution (S/651) presented by its President and designed to prevent further friction during the Council's consideration of the matter. For text, see SC, 3rd yr., Nos. 1-15, pages 121-122.

In the same meeting, the Representative of the United Kingdom, Noel-Baker, proposed that the Council's President meet with the Representatives of India and Pakistan to seek together under his guidance some basis for a lasting settlement. The proposal was agreed upon by the parties concerned and by all members of the Council. This procedure continued during the terms of four successive monthly Presidents, the Representatives of Belgium, Canada, China, and Colombia. The proposals and resolutions on Kashmir placed before the Council during this period were in large part the outcome of these continuing consultations.

501.BC/1-1948: Telegram

The United States Representative at the United Nations (Austin) to the Secretary of State

SECRET

New York, January 19, 1948-11:52 p.m.

66. At 9:15 this morning, at their request, Sir Zafrullah Khan, Ambassador Ispahani, and their counsel, whose name I do not remember, came to my office and said in substance:

The pending negotiations under the guidance of President Van Langenhove, between India and Pakistan, encounter difficulties over (1) The time when military and political issues will be agreed on; that is, whether now or at separate times.

Pakistan's position is that the principles of both security and political settlement should be agreed upon now, concurrently.

India claims that the principles of security should be agreed upon now, and the political issues later, under the good offices of a United Nations Commission.

(2) The kind of interim government.

Pakistan stands for an impartial head of the government, and is opposed to Sheik Abdullah.

India stands for Sheik Abdullah.

On the first point, Sir Zafrullah claims that the security of Kashmir and Jammu ought to be guaranteed by an agreement that all armed forces withdraw from Kashmir and Jammu. This includes Indian forces. This is subject, however, to a proviso that enough joint forces of both India and Pakistan be permitted to garrison Kashmir and Jammu to insure the withdrawal of the tribesmen, and to maintain peace and order.

Pakistan claims that if the principles should be agreed upon now for the political settlement, the tribesmen would accept the assurance of India and Pakistan that it is safe for them to withdraw, and that an impartial interim government would provide a fair and uncoerced method of holding a plebiscite to permanently decide such questions as the accession to either India or Pakistan, and the form of government that would give relative liberty to the population of Kashmir and Jammu.

Other areas are involved in the political issue. Pakistan claims they should be considered also.¹ India claims that only the area of Kashmir and Jammu should be considered now.

They left here to go to a meeting being held by President Van Langenhove, to continue the negotiations.

AUSTIN

¹ On January 15, Zafrullah Khan submitted to the Security Council three documents (S/646) which, in addition to covering the Kashmir question, called attention to India's alleged mass destruction of Muslims and military occupation of Junagadh and other states. On January 20 he addressed a letter to the President of the Security Council requesting that the Council extend its consideration of the Kashmir question to include these related matters. The request resulted in a decision at the 231st meeting of the Council on January 22 to change the agenda designation of the dispute from the "January 15 documents, see SC, *3rd yr., Suppl. for Nov. 1948*, pp. 67–87. The letter of January 20 is printed in SC, *3rd yr., Nos. 1–15*, p. 145, in context of the record of the 231st meeting.

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Editorial Note

A draft resolution (S/654) proposing establishment of a threemember commission of the Security Council and defining its composition and functions was submitted by the Council's President, the Belgian Representative, and adopted at the 230th meeting on January 20. For text and discussion of the draft resolution, see SC, 3rd yr., Nos. 1-15, pages 129-143.

501.BC/1-2148: Telegram

The United States Representative at the United Nations (Austin) to the Secretary of State

SECRET

New York, January 21, 1948-4:16 p.m.

76. From Thurston.

1. Noel-Baker (UK) told me last night that Indian attitude re conditions of plebiscite Kashmir had hardened considerably and asked whether the American Embassy, New Delhi, could "soften up" the Indians on this point. He added that UK High Commission until now also engaged in that process.

2. Based on conversations January 20 and 21 with Mohamed Ali (Pakistan) and Abdullah and Ayyangar (India), present Indian position is as follows:

a. Now that UN commission being established, there is very little else to do except await outcome its investigation Kashmir situation which it hopes will lead to withdrawal tribes from Kashmir.

b. India still admits commitment for Kashmir plebiscite but insists that it cannot be held until hostilities stop; popular constituent assembly elected, constitution drafted and popular government elected. At that stage, plebiscite might be held with UN observers invited to watch proceedings. It is contemplated Indian and Kashmir state troops could maintain law and order during this period.

3. Ayyangar (India) outlined plan given above under 2 (b) at some length to Ambassador Austin in conversation January 21. By asking pertinent questions re possibility such plan creating atmosphere for a fair and impartial plebiscite, Ambassador Austin clearly conveyed US doubt that Indian plan could lead to peaceful solution Kashmir problem.

4. I understand Indians and Pakistans meeting again afternoon January 21 under chairmanship Langenhove (Belgium) but it appears extremely doubtful, view wide divergence positions on plebiscite, any agreement will be reached. 5. In the meantime, Nisot (Belgium)¹ has informed US Mission of receipt by SYG (UN) of following letter from Zafrullah Khan (Pakistan):²

"I beg to request that a meeting of the SC may be called at as early a date as possible to consider the situation other than the Jammu and Kashmir situation set out in my letter dated January 3, 1948, addressed to the SYG. These situations have led to a very acute crisis with India and Pakistan, more particularly the continued occupation which the armed forces of India of the State of Junagadh, which is part of Pakistan, and the persecution and spoliation of its Muslim population, constituting a *casus belli*, and may necessitate necessary action on the part of Pakistan unless urgent action is taken by the SC."

6. Above communication probably represents Pakistan counteroffensive against stiffened Indian attitude re plebiscite.

7. Nisot states Langenhove (Belgium) will call SC in session afternoon January 22 to discuss new Pakistan letter and presumably make report on mediation effort. In event SC debate following upon preceding report would appreciate views Department as to whether Ambassador Austin should make statement regarding US position on conditions surrounding plebiscite, also whether US should make any special effort towards concentration SC attention this time on Kashmir dispute in view Pakistan action re Junagadh.

8. Memorandum covering above conversations will be transmitted Department today.³ [Thurston.]

AUSTIN

* Not found in Department of State files.

501.BC/1-2148 : Telegram

The United States Representative at the United Nations (Austin) to the Secretary of State

SECRET

NEW YORK, January 21, 1948-7:04 p. m.

77. 1. US Mission has just learned that mediation meeting India and Pakistan broke up this afternoon with no agreement as to future course of action Kashmir problem. Sheik Abdullah reported to have played prominent role in expressing adamant India position along lines Mission telegram No. 76, January 21.

2. Reference paragraph 7 Mission's No. 76, Noel-Baker (UK) will call on Ambassador Austin 9:30 a. m. January 22, and it is understood he will ask US representative make statement in SC afternoon

¹ Joseph Nisot, Belgian Minister in the United States and Alternate Representative to the United Nations.

³ Letter dated January 20, 1948, referred to in footnote 1, p. 284.

meeting regarding conditions surrounding Kashmir plebiscite. He is believed have in mind US taking lead immediately after Langenhove (Belgium) reports failure mediation effort on plebiscite issue.

3. In January 22 meeting SC understand first item on agenda will be president's report on mediation effort, followed by general discussion, but that Zafrullah Khan (Pakistan) letter paragraph 5 US Mission 76 will be second item on agenda. This connection informal conversations with British Delegation today indicate that they favor concentration SC attention now on Kashmir dispute.

4. Department's views re foregoing should be telephoned early as possible January 22.1

AUSTIN

¹A marginal notation on the file copy of this telegram indicates that the Department's views were telephoned to Austin by Rusk on January 22 at 11 a. m. Memorandum of telephone conversation not found in Department of State files.

501.BC/1-2148

Memorandum of Conversation, by Messrs. R. S. Leach and E. F. Fox of the Division of South Asian Affairs

SECRET

WASHINGTON, January 21, 1948.

Participants: H. E. Abdol Hosayn Aziz, Minister of Afghanistan Mr. Loy W. Henderson Mr. Joseph C. Satterthwaite¹ Mr. Ernest F. Fox Mr. Richard S. Leach

This conversation took place at Mr. Henderson's house between 8:00 and 10:00 p. m. this evening at the urgent request of Minister Aziz upon his return to this country under instructions from his government. Mr. Aziz stated that his government had noted the terms of reference of the UN-Kashmir commission, which included consideration of issues between the GOI, GOP and others. Since the last category might involve the tribes of the Northwest Frontier Province (Pathans) and the tribal areas, Aziz had received urgent instruction from his government to serve notice to the Security Council as follows: If, in the course of Kashmir discussions, any question involving the future status of the tribal areas should emerge, Afghanistan must be represented and participate therein from the outset on a basis coequal with the GOI, GOP and other parties. If consideration of problems in this area should take place without such representation by Afghanistan, that country would not recognize any decisions arrived

¹ Deputy Director, Office of Near Eastern and African Affairs.

at, would not be responsible for any regime set up there or for relations between the tribal elements and Pakistan, nor for the consequences of procedures adopted in dealing with them.

In answer to a question by Mr. Henderson, Mr. Aziz stated that he intended to bring this Afghan position to the attention of the Security Council in the immediate future. Mr. Henderson stated the interest of the United States in a permanent and equitable solution, as to issues between the two countries, which would not jeopardize peace and which would promote stability in the area. Minister Aziz indicated he was aware that the peace of the area and the stability of Pakistan might be involved in any position taken by Afghanistan, but that principles involved in relations between Afghanistan and related peoples to the eastward did not allow Afghanistan to remain silent at this point. Since the Afghan stand might involve a serious train of developments, Mr. Henderson cautioned Minister Aziz that his historical and legal grounds for injecting Afghan interests into the question should be carefully prepared. Aziz indicated he would not wait to prepare a case but would state the position as soon as possible, and support it in due course.

The major portion of the interview followed the general lines of Public Works Minister Ludin's exposition of Afghan views as set forth in previous memoranda on this subject. Of his general remarks, the following are of principal interest: (1) Seemingly, Ludin's observations were based upon a briefing and instructions from Aziz. (2) Anti-Pakistan feelings on the part of the Afghan representatives were again in evidence. (3) In addition, Aziz's remarks indicated a strongly anti-British attitude. He said that British military control has not been withdrawn in the frontier area as advertised; that the British in effect guide Pakistan's policy to the northwest; that British political agents, including Sir George Cunningham,² were responsible for involvement of tribesmen in the Kashmir disturbances; and that British money and British arms had been supplied to the tribes for this purpose. (4) Afghanistan had nothing to do with this movement, was not interested in the Kashmir question, nor in political issues between Pakistan and India, except as they bear upon the future status of the Pushtu-speaking peoples. (5) If an agreement results between Pakistan and India calculated to suppress and control the tribesmen according to former methods, Afghanistan will resist. (6) Aziz stated his personal view that any consideration of establishing diplomatic relations between Afghanistan and Pakistan must be preceded by settlement of the Northwest Frontier Province question, and that he, personally, was ready to abrogate the British-Afghan treaty of 1921.

² Governor of the North-West Frontier Province, 1937-1946, 1947-1948.

The interview tended to confirm our impression that the Afghans are maintaining an intransigent attitude toward Pakistan in the belief that they have a strong hand. Factors upon which such assurance may rest include the following: (1) Ability to initiate Jihad through the Northwest Frontier Province. (2) Possibility of a coalition with the Abdul Ghaffar Khan³ faction. (3) Coordination of Afghan activities with possible efforts of GOI to bring about the collapse of Pakistan.

The question how Afghanistan would survive in the event of chaos in Pakistan is unanswered. The implication, of which we are repeatedly reminded, is that this would necessarily involve resort to cooperation with USSR.

Mr. Henderson directed that a careful analysis of the situation be communicated to our representatives at the United Nations at once.

⁸Leader of the Khudai Khaidmatgars, popularly known as the "Red Shirts," in a movement for autonomy of the Pathan peoples of the Northwest Frontier Province.

501.BC/1-2748 : Telegram

The Chargé in Pakistan (Lewis) to the Secretary of State

RESTRICTED

KARACHI, January 27, 1948-noon.

48. Secretary Foreign Affairs advises me Sir Zafrullah Khan hasjust presented resolution ¹ to Security Council providing for organization holding and supervision plebiscite Kashmir under authority Security Council and expresses hope US will give its full support this resolution. Proposal provides for neutral administration Kashmir and Jammu, withdrawal outside forces both tribesmen and armed forces India, restoration all residents who have been compelled leave Kashmir Jammu since August 1 and holding of plebiscite ascertain free will of people as to whether state shall accede to Pakistan or India. Opinion this Embassy is resolution fair and just.

LEWIS

501.BC/1-2748 : Telegram

The Secretary of State to the United States Representative at the United Nations (Austin)

CONFIDENTIAL WASHINGTON, January 27, 1948—6 p. m. 29. 1. Re possibility that Afghan representative may ask to participate in discussion of tribal question should that arise in India-

¹This resolution, together with a written proposal by the Indian Representative, was submitted to the President of the Security Council on January 27 and read by him in the 236th meeting of January 28. For texts and discussion, see SC, 3rd yr., Nos. 1-15, pp. 266 ff.

Pakistan case, as intimated in letter Afghan representative to President of SC 22 Jan 48 (SC Doc S/658¹), Dept would prefer Afghan representative not take part in SC proceedings this stage. If opportunity arises, suggest you endeavor discreetly to discourage Afghan representative from submitting formal request.

2. This position dictated by Dept's belief that (1) attention of SC in India-Pakistan case be focused on Kashmir question which is only indirectly related to tribal problem proper; (2) question which Afghanistan intends to raise is in essence a problem which would require separate consideration, and (3) Afghanistan hopes to use this occasion to "fish in troubled waters" and agitate for creation of a separate Pathanistan.

3. However, if request is submitted in SC, suggestion might be made by President or by you that SC hear Afghan representative on question of how its interests are specially affected before determining whether invitation to participate should be extended. If convincing argument is presented showing specially affected interest, you should support Afghan particiption in accordance with general US policy in these matters.

MARSHALL

¹ For text, see SC, 3rd yr., Suppl. for Jan.-March 1948, p. 13.

845.00/1-2848: Telegram

The Chargé in India (Donovan) to the Secretary of State

TOP SECRET

New Delhi, January 28, 1948-9 a.m.

82. Embtel 81, January 27.¹ Following substance conversation with Bajpai² January 27 re Kashmir: GOI objects strongly to proposal withdraw Indian troops since in their absence there will be no one to maintain law and order. If opposing troops withdrew, GOI would reduce number its troops, but Bajpai at no time indicated GOI would consider withdrawal all Indian troops from what GOI considers Indian territory.

GOI cannot repudiate Sheikh Abdullah.

GOI feels national government should be formed on basis adult franchise and, after formation this government, plebiscite should be held with UN assistance. GOI will abide results plebiscite.

Russia has manifested no interest either at Delhi or Moscow in Kashmir.

¹ Not printed.

³Girja Shankar Bajpai, Secretary-General of the Ministry of External Affairs and Commonwealth Relations, India.

DISPUTE OVER KASHMIR AND HYDERABAD

GOI will under no circumstances consider partition of Kashmir as "we have already gone through one partition."

Sent Department as 82, repeated Karachi 37. Department please repeat London 31.

DONOVAN

501.BC/1-2848 : Telegram

The United States Representative at the United Nations (Austin) to the Secretary of State

SECRET

NEW YORK, January 28, 1948-10 p. m. 105. Following is an account of conversations this morning with various individuals as indicated on the Kashmir case.

Abdullah, my first caller, initiated our conversation by giving me brief account of discussions between Indian and Pakistan representatives with President of Council over past few days. He said these discussions had broken down because of Pakistan insistence on two points which were unacceptable to India, namely, the provision of an interim administration and armed forces to maintain law and order. He said that he came to seek advice and guidance; his whole attitude and approach being obviously to seek US support for Indian viewpoint.

He said GOI was committed to a fair and impartial plebiscite to determine whether Kashmir would go to Pakistan or India and so far as he was concerned he would certainly abide by the decision. He indicated he did not see that fairness and impartiality would require interim administration which would set aside sovereignty of the Maharajah. Kashmir was a sovereign state. In acceding to India it had merely delegated to GOI powers over foreign relations, defense and communications. Only question before SC was to put end to fighting inspired by Pakistan. Kashmiri Government would then be in position to carry out fair and impartial plebiscite.

Abdullah was unable or unwilling to see that fairness and impartiality in eyes of world would not be possible with one of parties in control of administration. He was likewise unable or unwilling to see that there was no question of SC imposing against sovereign will of Maharajah a government on Kashmir in contrast with free exercise of sovereign will of Maharajah in establishing an interim administration which would command respect of entire world for its fairness and impartiality.

Abdullah pressed for my ideas of what kind of interim administration there might be. I made clear to him I was not advising him nor expressing a US position. A possibility, however, would be a balanced administration including representatives of two major parties in Kashmir together with three man commission already provided for. In this way UN would hold a balance and fairness and impartiality would be assured. On other hand a UN commission charged with responsibility for fair and impartial plebiscite but without any administrative control could readily be a sham.

Abdullah hedged in reply to our question whether his forces were able to maintain law and order in event raiders were withdrawn on one side and Indian army withdrawn on other. The clear implication of his remarks on this question indicated the feeling that Indian army should stay, in effect that he had no other effective forces to rely on.

Abdullah replied with considerable heat to a question regarding possibility of Pakistan troops sharing in military administration of country during plebiscite period. He said he would fight to his dying breath to prevent entry of any Pakistan troops into Kashmir.

It is possible that principal purpose of Abdullah's visit was to make clear to US that there is a third alternative, namely, independence. He seemed overly anxious to get this point across, and made quite a long and impassioned statement on subject. He said in effect that whether Kashmir went to Pakistan or India the other dominion would always be against solution. Kashmir would thus be a bone of contention. It is a rich country. He did not want his people torn by dissension between Pakistan and India. It would be much better if Kashmir were independent and could seek American and British aid for development of country.

I, of course, gave Abdullah no encouragement on this line and I am confident when he left he understood very well where we stand on this whole matter.

Ibrahim accompanied by Tameer came in immediately after Abdullah's departure. Ibrahim represented himself not only as head of Moslem Conference Party but also as President of Free Kashmir Government. He claimed authority over two-thirds of area and stated that all of Moslems in state (more than three million) supported him. Abdullah has no backing at present except among the non-Moslems. Territory claimed by Ibrahim to be under his control includes all of northern Gilgit area, the provinces on western border to and including Mirapur; his capitol was at Tarrarkhad in Poonch. He claimed an army of one hundred thousand.

Ibrahim's idea of an impartial administration to prepare for and supervise a plebiscite would be one in which neither India nor Pakistan, Moslems or non-Moslems, would participate. On other hand, he had considered possibility of a joint administration with a neutral as Prime Minister. His concept of a neutral would be possibly a Swiss, possibly an American, certainly not any representative of a "colonial" power. He emphasized Indian reluctance to agree to an impartial administration and withdrawal of Indian

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army was based on a certainty that if these two objectives were accomplished the plebiscite would unquestionably be in favor of accession to Pakistan. Personally he is in favor of accession to Pakistan; however, in unlikely event that plebiscite should go other way he would accept verdict.

Ibrahim seemed wholly disposed, in contrast with Abdullah's attitude, to submit wholly to any decision by SC.

In course of our conversation and in response to our question Ibrahim emphatically said Kashmir could not remain independent; it could not stand on its own feet. This led him and Tameer to considerable discussion of fact that Kashmir in north borders on Russia through caravan routes in a "no-man's land" at extreme eastern end of Afghan boundary. Sadig, Abdullah's deputy, is a Communist. Abdullah, they implied strongly, is next door to one.

Zafrullah Khan followed Ibrahim. He gave us report on consultations with President of Council, bringing out clearly two fundamental points of difference, namely, Indian objection to combined Pakistan and Indian forces and Indian objection to interim impartial administration.

He had pointed out in consultations that no impairment of Maharajah's sovereignty was involved. In first place interim administration would be temporary and for a specific purpose. In second place the Indian objection to neutral outsider as Prime Minister did not hold water since present Prime Minister is an outsider. Ayyangar himself who was Prime Minister of Kashmir for some eight or nine years was an outsider and there have been other illustrations.

I asked Zafrullah if there were neither Pakistan nor Indian forces in the country whether the Moslem forces claimed by Ibrahim would be able to police the country. He replied quite honestly that this would not do because it would not give security to non-Moslems in country.

Zafrullah said he saw no signs of Indians moving from their first position. Pakistan on other hand is between two fires, their northern border on one side and India on other. Therefore they urgently desire a settlement. They are prepared to request SC to recommend terms of settlement. In response to our question he said he thought there was still room for further consultations with objective of seeing if both parties would not request Council to recommend terms. As in case of Ibrahim and in contrast with Indian position, Zafrullah seemed disposed to go very much further in accepting UN jurisdiction. Before leaving he said our conversation had confirmed him in his intention at SC meeting this afternoon to press in this direction.

Noel-Baker followed Zafrullah and stated his feeling Indians now taking even more stubborn position perhaps as bargaining device. He cited various statements of Nehru both public and in confidential correspondence to show formerly liberal Indian attitude regarding conditions plebiscite and concluded that we should have to bring even more pressure on Indians in SC debate. There was some discussion re desirability introduction formal resolution this stage during which I emphasized that powers of Council re terms settlement were necessarily restricted unless, one, both parties requested SC recommend terms; or, two, Council made finding of threat to international peace under Article 37, Paragraph 2 of Charter. I also informed Noel-Baker re suggestions on Pakistan draft telephoned earlier by Rusk.¹ Noel-Baker stated his colleagues very favorably impressed by Ibrahim.

AUSTIN

 $^{1}\,\text{Memorandum}$ of telephone conversation not found in Department of State files.

745F.90H/1-1948 : Telegram

The Secretary of State to the Legation in Afghanistan

SECRET WASHINGTON, February 3, 1948—6 p. m. 32. Re breakdown Pakistan Afghan negotiations (London 198 Jan 19 rptd Karachi 9 and Kabul 3¹), and Afghan letter to SC² requesting active Afghan participation in any SC discussions tribal aspect Kashmir case (Deptel 26 Jan 24 rptd London 240 Karachi 26 New Delhi 51¹) it may be useful express current Dept thinking on tribal problem to guide informal conversations with foreign officials that may take place at posts to which this message sent.

(1) It is of utmost importance for peace and prosperty South Asia that Afghanistan and Pakistan maintain relations characterized by mutual trust and cooperation. Present-unrest in area arising in large part out of transfer power from British to local hands can be alleviated only if responsible political leaders in region exercise restraint and patience, and realize that South Asian peoples can through own efforts best attain maximum degree security and prosperity.

(2) In light foregoing we hope Pakistan and Afghanistan will reach early agreement exchange regular diplomatic representatives without prejudice to, and in order that they may through this normal channel discuss, tribal and other questions mutual concern.

(3) Both Afghanistan and Pakistan have essential interest in tribal activities and welfare. High officials both govts have informed US officials of projected plans for social and economic advancement tribes. Implementation such plans with resultant eventual elimination conditions fostering tribal unrest appears offer best solution frontier

¹ Not printed.

^a See telegram 29, January 27, paragraph 1, p. 289.

security problem now troubling both countries. Geographic distribution of tribes points to joint Afghan Pakistan approach and we hope both govts will follow policy frank consultation and cooperation re tribal problem.

(4) Re Afghan letter to SC present effort SC should be concentrated on peaceful resolution status Kashmir and injection tribal issue in its broader aspects would only confuse what is already extremely complicated and delicate problem. We trust Af Govt will pursue request for participation only if its interests seriously involved and that in latter case its intervention would be restricted to matters directly pertinent to Kashmir case.

Sent to Kabul, rptd to Karachi 35 New Delhi 75 London 351.

MARSHALL

745.45F/2-748 : Telegram

The Ambassador in India (Grady) to the Secretary of State

SECRET

NEW DELHI, February 7, 1948-5 p.m.

117. I have had two talks with Bajpai in past two days and he in turn has talked to Nehru. GOI (Government of India) is very anxious for settlement Kashmir matter and very anxious to do what our government feels they should do in the circumstances. In my first talk with Bajpai I told him very frankly there was a feeling in Washington and at Lake Success that GOI was most anxious to hold to Kashmir and that the plebiscite offer was eyewash to justify their making the accession to India stick because they know how difficult a proper plebiscite will be and how strong the presumptions are in favor of a verdict for the government controlling the country at the time of the plebiscite. Bajpai communicated this to Nehru and Nehru replied that personally he was most anxious to keep Kashmir in the Indian union but on the other hand he was equally desirous that the will of the people determine the matter, and that he wished to have an honest plebiscite to ascertain people's desires.

In my second talk with Bajpai we discussed the analogy between Kashmir situation and that of Greece. Two situations are not completely comparable, but there are elements in both which make it possible to approach Kashmir question with the Greek experience in mind. In Greece we dealt with interim governments or what were called service governments. It seems to me that the present emergency or interim government of Abdullah is in same category of service governments in Greece. His government represents Kashmir National Conference, the largest and most important political organization in Kashmir and GOI naturally queries what the alternative would be in

429-027-75-20

terms of an interim government or how it would be set up if Abdullah and his government are to be displaced. It seems to me it would be hardly practicable for a UN commission to set up a service government in Kashmir. Service governments in Greece were set up by the Regent who derived his power from the King. Abdullah acquires his power from the Maharaja who is the only one able to exercise such power as well as to exercise the power of determining accession under present circumstances. If plebiscite can be conducted in a manner to give assurances of fairness to Pakistan, question of the service government becomes of lesser importance.

GOI is confident that if Pakistan will use its influence on the tribes, GOI can police the country and insure safety of life and property there so that those who have fled Kashmir can return and participate in establishment of parliamentary government. I believe interim government should promptly take necessary steps for a parliamentary election, once the matter of law and order in Kashmir is established. Setting up of machinery for a parliamentary election would take some months but should not be too difficult a task since Kashmir has not in the past ever had a popular election and there would not be the problems that we faced in Greece where comprehensive election machinery was already fairly definitely set up. Machinery for the election in Kashmir could be simplified and still be effective.

UN commission should scrupulously observe and study the methods and machinery for the parliamentary election and report to the council whether they believe the election was fair and represented the will of the people. Their observation of the methods, etc., would be a definite check on any disposition of the interim government to do other than carry out a fair ballot. If report of the commission to the council is satisfactory, a plebiscite could then be held with the commission again observing. They would again report to council whether they believed plebiscite was fair and representative of the will of the people. It seems to me that if some such plan as this were carried out, natural suspicions of having one of the parties at interest conduct the election would be allayed as the UN commission would be final determinant of legitimacy of the balloting.

Strength of our position in Greece was that the service government in power at the time was most anxious for favorable verdict from the allied observing mission. I think this can be the case in Kashmir. Bajpai has since discussed with Nehru these points which I outlined to him purely in a personal and tentative way and Nehru has approved. Indian delegate at Lake Success will doubtless be instructed attempt solution Kashmir problem along these lines. Department is in no way committed to these suggestions if it sees any reason for withholding support. They will come if they come at all as the suggestions of the Indian Government.

Bajpai after discussion with Nehru stated these suggestions are along lines GOI has proposed to Security Council but Nehru wishes emphasize following conditions for initiation proposals: (a) Cessation of hostilities and departure of raiders from Jammu and Kashmir and (b) return of those people who have either left Jammu and Kashmir or have been displaced.

For Department's information Bajpai advised me that there are now 76,000 tribesmen fighting in Kashmir.

Department please repeat London if deemed advisable.

GRADY

501.BC/2-948

Memorandum of Conversation, by the Assistant Chief of the Division of South Asian Affairs (Thurston)

[WASHINGTON,] February 9, 1948.

Mr. Noyes¹ telephoned this morning to report that the Security Council consideration of the Kashmir case had taken a turn for the worse. He went on to say that over the weekend the Canadian President of the Council (McNaughton) and the Belgian rapporteur (Langenhove) had met with the Indian and Pakistani delegations and had placed before them alternative drafts of resolutions² which might take the form of either an appeal to the two parties or of a joint agreement between the two parties with respect to certain principles. Mr. Noyes did not have the exact texts which were placed before the parties but understands that the proposals were quite similar to those embodied in the enclosed draft.³

The upshot of the negotiations has been a letter 4 just received by the president of the Council from the Indian delegation stating that the proposals put before them are so different from those which they have submitted in previous negotiations that they wish to suggest an adjournment of Security Council consideration of the case so that the Indian delegation could return to New Delhi to consult with their Government.

¹ Charles P. Noyes, Adviser to the U.S. Deputy Representative on the Security Council (Herschel V. Johnson).

² Reference here is to Security Council document S/667 submitted to the delegations on February 6 but dated February 10. For text, see SC, 3rd yr., Suppl. for Jan.-March 1948, pp. 24-25.

⁸ Not printed.

⁴ For text of letter dated February 8, signed N. Gopalaswami, and an answering letter dated February 9 from McNaughton, see SC, 3rd yr., Suppl. for Jan.-March 1948, pp. 26-27.

Mr. Noyes stated that Ambassador Austin and he both strongly felt that the Indian request for an adjournment should be turned down, and he wanted to have the Department's concurrence on this point. However, the principal need for guidance is with respect to what steps the Department believes the American representatives should now take in regard to future action by the Council on this case. Mr. Noyes and I discussed five possibilities as follows:

1. Permitting an adjournment for a few days only in order that the Indians might have an opportunity to get fresh instructions from New Delhi;

2. Proceeding to discuss and to pass a resolution draft as an appeal to both parties to conclude a settlement along the lines of the enclosed document;⁵

3. Proceeding at once to a finding of fact with regard to the threat to peace involved in this issue and passing a resolution embodying detailed terms of settlement somewhat along the lines of the enclosed document;

4. Taking whatever action may be necessary to activate the Tripartite Commission authorized by a previous resolution ⁶ and passing on to that Commission the possibility of working out on the spot the terms of a settlement; or

5. Agreeing to meet at least some of the Indian terms of settlement along the lines of the Indian memorandum presented to the Council some days ago.⁷

Mr. Noyes said that he and Ambassador Austin were considerably dismayed by the contents of telegram No. 117 of February 7 from New Delhi in which Ambassador Grady, while taking at the outset a firm stand on the Kashmir question, ended up by giving his support to a procedure which is almost exactly like the original Indian position in the Security Council. This action by Ambassador Grady might, Mr. Noyes thought, be one factor in the apparent Indian refusal to continue discussing the question in the Security Council. Mr. Noyes hoped that our Embassy in New Delhi was getting full information with respect to the proceedings at Lake Success and pointed out that Ambassador Austin was rather far out in front on the question of an interim question in Kashmir before and during a plebiscite, whereas Ambassador Grady has taken an entirely different attack. Mr. Noyes hoped that we would straighten New Delhi out in this respect.

Mr. Noyes stated that the text of the proposals put before the Indians and Pakistanis this weekend as well as the text of the Indian

⁵Not printed.

⁶ Belgian Draft Resolution (S/654), adopted by the Security Council at its 230th meeting, January 20, 1948. For text and discussion, see SC, 3rd yr., Nos. 1-15, pp. 129 ff.

⁷ Presumably the Indian proposal introduced as document No. 2 in the 231st meeting of the Security Council, January 28, 1948. For text and discussion, see SC, 3rd yr., Nos. 1–15, pp. 266 ff.

DISPUTE OVER KASHMIR AND HYDERABAD

letter, would be telephoned down as soon as received. In the meantime he hoped that the Department would give urgent and serious consideration to the problem presented by the Indian letter and would communicate its recommendations to New York today.

Editorial Note

At the request of the Indian Representative, the Security Council adjourned consideration of the Kashmir question on February 12 to allow the Indian delegation to return to New Delhi for consultation. In the interim before the Jammu-Kashmir case was reopened on March 9th, the Council considered other aspects of the India-Pakistan question. The discussion of these matters may be found in SC, 3rd yr., Nos. 16-35, pages 189 ff.

745.45F/2-748 : Telegram

The Secretary of State to the Embassy in India

SECRET

WASHINGTON, February 17, 1948-5 p.m.

101. Your proposal that plebiscite to determine future status Kashmir be preceded by parliamentary election (urtel 117 Feb 7) virtually identical with scheme put forward by GOI delegation SC Jan 27 with exception UN observation contemplated therein only for plebiscite itself and not for parliamentary elections. Indian scheme provided that parliamentary elections would take place under interim government headed by Sheikh Abdullah.

US position throughout SC debate has been that to bring about termination of fighting by pacific means there must be assurance to all parties concerned that question of Kashmir accession will be determined at earliest possible date by fair and free plebiscite supervised by UN under impartial administrative arrangements. This stand has been taken without prejudice to claims of either GOI or GOP and without intent discriminate between the parties. It does not exclude SC making recommendations that GOP take action re tribal invaders and material assistance in order expedite termination of fighting. US position fully in line with Nehru's stated desire have will of people determined by honest plebiscite and is based on assumption that to achieve this end GOI and Kashmir Govt would cooperate with SC, majority of whose members are not convinced that Indian plan in present form will bring about peaceful settlement. Indian insistence on maintaining Sheikh Abdullah in power in critical interim period and on limiting supervisory powers UN in plebiscite has created doubts

re GOI good faith and these doubts strengthened by sudden departure Indian delegation for New Delhi to consult re Kashmir question with GOI.

US thinking re nature administrative arrangements to insure impartiality plebiscite and maintenance law and order in interim period not yet fully developed. We believe that delaying plebiscite by holding parliamentary elections first would unnecessarily complicate peaceful solution and furthermore that UN role in plebiscite must be more comprehensive than merely observing and reporting, particularly in view internal conditions Kashmir and apparent necessity SC guarantee fair plebiscite as prelude withdrawal invaders and cessation hostilities.

Kashmir interim administration could be given impartial flavor either by establishment of a "service government" composed of technically qualified administrators, or of a coalition government composed of representatives main political parties. View Abdullah's fierce partisan attitude as displayed in SC debate, he would not appear the suitable head for "service government". He might, however, fit into picture of a coalition government.

With return GOI delegation Delhi any change Indian position will obviously crystallize there. Dept would appreciate full information any developments this regard.

Sent Delhi, repeated to USUN New York 67.

MARSHALL

501.BC Kashmir/2-2048: Telegram

The Secretary of State to the United States Representative at the United Nations (Austin)

SECRET WASHINGTON, February 20, 1948—6 p. m. 79. Having examined British suggested plan covering Kashmir question (UNMIS 5 Feb. 13¹), and having discussed it at length with members UK-UN delegation in Washington Feb 16, the Dept offers following preliminary comments:

1. We believe it highly doubtful that GOI will acquiesce in or assist in implementation of Brit plan in present form contemplating as it does virtual UN trusteeship of Kashmir for indefinite period.

2. By providing no alternative to acceptance by India of Pakistan troops in Kashmir and by setting up UN interim government which would completely supersede present regime Kashmir, British exclude any possibility compromise solution in which both parties would cooperate.

¹ Not printed.

3. Aside from GOI attitude we question advisability UN at present stage attempting assume such broad responsibilities for interim civil and military administration Kashmir as envisaged British draft as well as task of establishing "popular" government after plebiscite and transferring power thereto.

4. From attitude various representatives during SC debate as well as their informal comments to USUN it appears questionable that British scheme would receive necessary minimum of seven votes in SC; nor should possibility Soviet veto be overlooked.

5. We further believe that section on "procedure for stopping the fighting" should be given more prominent place than is accorded it in British plan; also that accent given therein to communal aspects should be eliminated. This connection Hadow (UK) has informed us that 26% Kashmir population including considerable non-Moslems probably support Abdullah. It would also be essential include under this heading provision for GOP to withhold material assistance tribal elements and Kashmir insurgents as part general procedure for termination hostilities.

6. Despite grave doubts re above fundamental features British plan we believe that many provisions are acceptable and could be kept intact in revised draft.

Dept will continue study British draft as well as resolutions and suggestions made by other representatives during SC debate with view preparation rather detailed proposals Kashmir settlement to be used by USUN as basis for informal discussion with other SC delegations during present interlude. Dept hopes that these proposals might emerge in an amended form after discussion with other interested delegations as draft resolution which could be put forward by president SC with majority support when consideration Kashmir question resumed.

We are particularly anxious avoid presentation competitive formal proposals by British and ourselves and hope that recommendations may be devised which both we and British can support. We must take care not to be responsible for adoption recommendations which British from wealth of their experience might consider unworkable and to which they would not give their full support.

Pending completion Dept study which may require several days you may be guided in your informal talks by following tentative principles on which your comment would be appreciated :

[The principles that comprise the remainder of this telegram are here omitted because they appear in somewhat altered form in telegram 124, February 25, to New Delhi, page 304.]

MARSHALL

745.45F/2-2148: Telegram

The Ambassador in India (Grady) to the Secretary of State

SECRET

NEW DELHI, February 21, 1948-noon.

148. Reference Deptel 101 February 17. I saw Bajpai yesterday and he expressed a desire which he said had full concurrence of Nehru that our govt take initiative in attempting to find a solution for Kashmir problem. GOI recently received a wire from Attlee which irritated Nehru and Bajpai very much. It was patronizing and pressed the India Govt (and undoubtedly the same wire went to Pakistan) to stop being "bad boy" and to straighten out Kashmir matter with Pakistan. Gordon Walker, deputy to Noel-Baker in CRO (Commonwealth Relations Office) arrived New Delhi yesterday en route from Ceylon. He saw Nehru last night and is to see Bajpai today. Bajpai said both he and Nehru would give Walker a "piece of their mind" on the general attitude of HMG on Kashmir dispute.

Abdullah talked with me later in the day and also stressed importance of USG initiative. He expressed opinion our delegation was blindly following British lead and that we should independently and energetically take the leadership.

Bajpai said that he and Nehru had been giving further thought to Kashmir problem since my conversations with him before leaving for Ceylon and outlined new proposals. In order to have them exact, I requested him to commit them to writing and quote verbatim his letter to me written after our conversation:

"As I explained to you in the course of our conversation this morning, we do not propose, when our delegation returns to resume discussion of the Kashmir issue before the SC, to put forward any fresh suggestions ourselves. We shall, however, be willing to consider a solution which may be put forward by, or on behalf of a member of the SC, and which modifies the proposals already made by us on the following lines.

a. Interim govt: Sheikh Abdullah may include one or two members of the Muslim Conference. Such persons must, however, not be outsiders nor shall their selection be dictated from outside.

b. Election of National Legislature: The commission of the SC which it has been proposed should come out, or some other body on the council's behalf, may advise and observe in respect of this election. However, if, in order to save time, it is desired that the election be dispensed with, we shall have no objection. As you will recall, the idea of a general election before the holding of the plebiscite on the question of accession was principally put forward on our behalf in order to give the electorate in Kashmir an opportunity, if it so wished, to set up a govt of its own choosing.

up a govt of its own choosing. c. Plebiscite: The plebiscite machinery (and that alone) may be placed on the executive charge of an officer, with an adequate number of top deputies—to be appointed by the govt of Jammu and Kashmir

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state. On the nomination of the SC, or to be lent by the SC, from the United Nation's staff, for service with the state govt for this purpose."

Bajpai's verbal statement was somewhat more "liberal" than his written. For example, he said with reference to point (a) two or three members of the Muslim Conference instead of one or two. He again stressed the fact that no one has come forth with practical suggestions as to how and by whom an interim govt could be set up if Abdullah were eliminated. In any case it is clear to the Embassy that there is little possibility of getting Abdullah eliminated and I am convinced that it would be equally impossible to get the Indian Govt to accept the suggestion in your telegram 101 of February 19 [17] that Abdullah might fit into the picture of a coalition govt other than as head. The suggestion of a coalition govt in paragraph (a) assumes that it will function with Abdullah at the head.

With regard to (b) he said that suggestion of Indian delegation with respect to a parliamentary election prior to plebiscite was designed to give people of Kashmir opportunity to "throw out" Abdullah if they wished to do so. They are not now pressing the matter of a parliamentary election before the plebiscite.

With regard to (c) whole machinery can be worked out by SC or administrator and deputies which will be appointed by Govt of Jammu and Kashmir state. However he said that appointment in this manner was to preserve constitutional proprieties. He assured me that any administrator and his assistants that SC would recommend would be formally appointed by Govt of Jammu and Kashmir. I asked him if report to the SC on plebiscite which would be made by administrator would receive whole-hearted support of GOI if plebiscite went against India. He replied very emphatically that it would because GOI is committed to accept verdict of people based on plebiscite.

Dept please repeat London if deemed advisable.

GRADY

745.45F/2-2148: Telegram

The Ambassador in India (Grady) to the Secretary of State

SECRET NEW DELHI, February 21, 1948—3 p. m. 150. Embtel 148 February 21. I had talk with Sheikh Abdullah yesterday evening re Kashmir problem during which he made several observations of significance.

First he said GOI would never accept suggestion GOP forces replace raiders during interim period. He went on to express his opinion GOI and GOP would never be able reach agreement re accession Kashmir either dominion. He said that irrespective of result of

plebiscite re accession India or Pakistan there would be large minority-he said 40 to 45 percent-in opposition majority view. Consequently he offers as suggested solution Kashmir problem that state be independent so far as internal affairs concerned and that defense, foreign affairs and communications of state be administered jointly by GOI-GOP. He considers joint GOI-GOP defense administration would insure security Kashmir against aggression from north. When asked if GOI would agree such a proposal Abdullah replied he did not know but felt it would accept provided US Government took lead in presenting suggestion. He said he would be glad furnish any elucidation this proposal should US Government desire more details.

Abdullah also indicated he would not be returning US as member GOI delegation to SC.

Sent Department 150, repeated Karachi 54. Department please repeat London as 48.

GRADY

745.45F/2-2548: Telegram

The Chargé in Pakistan (Lewis) to the Secretary of State

SECRET

KARACHI, February 25, 1948-3 p. m. 107. Sheik Abdullah's estimate of opposition in event accession Kashmir to Pakistan far exceeds any figures we have heard here. His proposal re joint defense GOI GOP against aggression from north sounds attractive (Delhi's 150, February 21 to Department) but in view unwillingness GOI accept GOP forces Kashmir during interim period, it seems questionable whether atmosphere is such two Dominions could later agree on joint defense or effectively implement it. In any case, it seems to us undesirable for US take lead in presenting any such proposal at this time.

Sent Department 107; repeated London 3; New Delhi 19.

LEWIS

745.45F/2-2148 : Telegram

The Secretary of State to the Embassy in India

WASHINGTON, February 25, 1948-7 p. m. SECRET 124. Dept has found urtels 148 and 150 Feb 21 most useful in its consideration Kashmir problem. For your strictly confidential info and not for discussion with GOI or GOP Dept exploring possibility that settlement may be based on following tentative principles on which your immediate comment would be appreciated :

1. SC recommendations for Kashmir settlement should be based on assumption that both parties have requested such action. It is believed record SC debate supports this assumption and recommendations might be made under Articles 37 or 38 of UN Charter. Agreement or at least acquiescence of both parties to proposals and their cooperation with UN for implementation thereof are essential.

2. Cessation of acts of hostility and violence (truce) in Kashmir to be brought about by cooperation between GOI and GOP under observation and with assistance UN Commission. GOP to take all possible peaceful steps to bring about withdrawal tribal invaders, cessation of fighting by insurgents, and also to withhold material assistance to any of these elements not cooperating in truce. Concurrently GOI to arrange progressive withdrawal its forces from combat zones but not necessarily outside Kashmir territory.

3. To insure fair plebiscite SC to recommend that present Kashmir administration be reorganized as interim government in consultation with UN commission to include:

(1) responsible representatives of principal political elements in the state; and

(2) one or more ministers chosen on basis their technical qualifications, possibly from panel proposed by UN Commission or by some other method, without regard to nationality, race, religion, or creed, to exercise jurisdiction over electoral machinery, police, courts, and other subjects bearing on maintenance of law and order in the state.

4. Interim arrangements for maintenance of law and order would be put into effect by interim government in consultation with UN commission.

5. If interim government wishes use Indian or Pakistan troops, or both, to supplement local forces it may do so in agreement with the two dominions.

6. The relationship between this interim government and the proposed plebiscite commission (see below) to be based on understanding that restoration of law and order and conduct of normal government business will be in hands of interim government subject to exercise by the commission of those powers delegated to it for the period preceding and during the plebiscite. Relationship between all troops in the state and plebiscite commission to be based on understanding that commission through plebiscite marshal (see below) will be authorized issue orders through competent commanders to these forces in situations relating to maintenance of conditions for fair and impartial plebiscite.

7. The SC commission authorized on Jan 20 to act as the plebiscite commission with comprehensive functions and powers relating to preparation for and conduct of plebiscite. These powers would include right of interference in local governmental machinery when necessary for proposed plebiscite. The commission would be authorized employ numerous advisers and specialists. Attached to commission and subject its general supervision there would be plebiscite marshal and plebiscite magistrate appointed by SC or by some other method. Former would exercise powers commission relating maintenance law and order while latter would have appellate jurisdiction over questions arising in state judiciary which relate to plebiscite. Both these officers would require special staffs. 8. Upon the receipt of a report from the commission of the successful completion of a fair plebiscite and of the arrangements between Kashmir interim government and appropriate dominion for accession, SC would authorize termination activities commission.

Please cable expected date return GOI delegation New York. Sent Delhi rept Karachi, New York,¹ and London.

MARSHALL

 $^{1}\,\mathrm{As}$ repeated to New York, this message contained the following concluding paragraph:

"USUN will note some changes in foregoing from principles outlined Deptel 79 Feb 20. These changes based on Dept conversations with British Feb 23 (memo covering conversations being transmitted separately) as well as info contained in Delhi cables mentioned. In conversations with Brit they indicated willingness to revise their position re civil administration generally along lines our proposals for strong plebiscite commission instead but they remained adamant re use Pak troops. Our proposals believed compatible with Chinese suggestions contained USUN memorandum Feb 19 covering conversation between Noyes and Shu and may be discussed with Chinese on informal basis, except for point 5 re Pakistan troops which is still under discussion with British."

The memoranda referred to are not printed.

501.BC/2-2748

Memorandum of Conversation, by the Assistant Chief of the Division of South Asian Affairs (Thurston)

SECRET

NEW YORK, February 27, 1948.

Subject: Exchange of Views with British Representatives with Respect to Kashmir

Participants: British Delegation

Mr. B. R. Curson, Commonwealth Relations Office
Mr. B. Cockram, Commonwealth Relations Office
Sir Cecil Griffin, Commonwealth Relations Office
Mr. M. E. Bathurst, Legal Adviser to UK Delegation to the UN

American Officials Mr. Dean Rusk, UNA Mr. Charles Noyes, USUN Mr. Hare, SOA Mr. Thurston, SOA Mr. Sparks, SOA

It was agreed at the outset that we should begin the discussion by further exchange of views with respect to the use of Pakistan troops during interim period. The US representatives pointed out that they were disturbed by the possibly far-reaching implications of a Security Council resolution recommending the use of foreign troops from one party to a dispute in the territory of another party to the dispute. Reference was made to possible analogous situations in Turkey, Iran, Greece, and China. The British representatives at first attempted to minimize such an analogy by asserting that Kashmir was "territory in dispute." The US representatives agreed that Kashmir was a state about which a dispute had arisen between India and Pakistan but stated that they found it difficult to deny the legal validity of Kashmir's accession to India. In the end, the British representatives agreed with the US point of view that we had to proceed on the assumption for the time being at any rate India had legal jurisdiction over Kashmir.

When it was pointed out that a second objection to a SC recommendation that Pakistan troops be used in Kashmir was that it was extremely doubtful that India would permit the implementation of such a recommendation, the British hastened to state that, of course, they had assumed that India would in the last analysis agree to the use of Pakistan troops but only if "morally compelled" to do so by virtue of a UN recommendation. The US representatives said that they wished to make it clear that they agreed with the British that the entry of Pakistan troops into Kashmir would be in itself a desirable thing in that it would no doubt help to bring about a better psychological situation both for the withdrawal of the tribesmen and for the holding of an impartial plebiscite. We felt, however, the furtherest [sic] we could go would be to envisage the use of Pakistan troops as a result of an agreement between the Government of Kashmir and the Governments of India and Pakistan. When the British asked what provision we had in mind for the maintenance of law and order in areas where fighting had taken place (and from which presumably both Indian troops and irregular forces had withdrawn), we stated that it was our thought that local militia could be set up in these areas on a provisional basis.

At the end of the discussion of Pakistan troop question, we referred to several other features of our proposals for an interim regime in Kashmir. The British appeared to be more favorably inclined to the concept of a coalition government than they had previously and they were particularly interested in the proposal for the placing of an outsider in the Kashmir Government with jurisdiction over such functions as the police, courts, etc. There was a brief but inconclusive discussion with respect to the role to be played by the plebiscite marshal and the plebiscite magistrate. With regard to the coalition government proposal, the British seemed very reluctant to agree to any scheme whereby Sheikh Abdullah would remain Prime Minister even if only on a nominal basis. On the other hand, the British commented that if we could get an outsider in the Kashmir Government, he would hold the balance of power in any voting. At the end of the meeting we turned over to the British several copies of our draft resolution,¹ and they said they would transmit it immediately to London. They stated that the Parliamentary Undersecretary for Foreign Affairs² was returning from Ceylon via New Delhi and Karachi and that he would be in London during the early part of the first week of March with the latest information on Indian and Pakistani thinking. They promised to give us the reaction of their government to the US proposals by March 2nd or 3rd.

In response to an inquiry of the British we told them that we had discussed with the Chinese the principles involved in our proposals and that we did not contemplate further discussions with the Chinese until we heard more from the British. The British seemed particularly anxious to arrive at a satisfactory agreement with us before discussion of detailed plans was undertaken with other delegations. The British made it clear that their own proposals, including those with respect to Pakistan troops, were to be considered as extremely fluid and subject to revision.

¹ Not identified in Department files. ² C. P. Mayhew.

745.45F/2-2848: Telegram

The Ambassador in India (Grady) to the Secretary of State

SECRET MOST IMMEDIATE NEW DELHI, February 28, 1948-noon. 170. Your 124 February 25. During past few days in addition to Abdullah have talked with Jaya Prakash Narayan,¹ Symon acting British High Commissioner, and Kearney Canadian High Commissioner and have several general impressions. First, a feeling which seems to be growing that HMG and USG have taken side of Pakistan. Thursday night Ayyangar publicly accused both governments and the SC of bias and cited statement of Senator Austin with reference to the necessity of satisfying the tribal invaders in connection with any solution of the Kashmir problem.² He said to his "astonishment" British delegates concurred in statement of Senator Austin. Nehru likewise has bitterly criticized SC without singling out HMG and USG. On other hand, Dawn newspaper frequently indicates belief in successful outcome for Pakistan of Kashmir dispute at UN. Kearney returned on plane recently with Pakistan official who had been at Lake Success and who indicated growing confidence of Pakistan victory before SC.

GOI feel their case badly handled and there is some tendency criticism GOI circles of Ayyangar. Also public criticism GOI for

¹ Leader of left-wing elements of India's Congress Party.

^a Statement by Austin not identified.

DISPUTE OVER KASHMIR AND HYDERABAD

submitting question to SC. Nehru says privately as justification for submission he felt case so strong there could be no doubt of outcome. GOI feel matter a simple one of invasion with the demonstrable assistance of Pakistan and that SC should only have considered evidence this point and enjoined Pakistan to desist its aid to tribesmen and make every effort to get them out of Kashmir. Kearney feels that a defeat for Nehru before SC might well lead to fall his government and I agree. Plebiscite defeat would not have this effect. As indicating possibility Pakistan being effective in helping keep law and order in Kashmir, Abdullah stated his belief tribesmen would shortly be returning home for the sowing their spring crops. Once they leave, problem of keeping them out, especially if Pakistan made clear to them it would not continue assistance from West Punjab, would be greatly simplified.

Referring your suggestions 1 to 8 inclusive, would stress the importance from standpoint GOI of maintaining strictly constitutional procedure. As you know, GOI case based primarily on legal grounds. I have little doubt GOI can control Maharaja³ and Abdullah and they will accept whatever program GOI agrees to. They would wish the appointment of administrator and his assistants to be formally made by emergency coalition government. I am convinced GOI will continue to insist Abdullah remain head of any coalition government that might be set up. General feeling here is Abdullah has the confidence of people of Kashmir as no other Kashmiri could possibly have. I believe if authority of administrator and staffs is entirely confined to the plebiscite and matters directly connected with the plebiscite and the absolute authority of the emergency coalition government is recognized, that GOI might accept your suggestions.

Drawing analogy Greek situation, I believe coalition government would have every reason to wish to have favorable verdict rendered as to fairness of the elections by the UN Commission and therefore be meticulous in its conduct. This should be reassurance to Pakistan. I believe your plan the basis upon which a solution may be worked out keeping in mind the points I have made in my endeavor to appraise the situation.

Ayyangar leaving for Lake Success end of first week in March. Will cable exact date when definite. Abdullah not returning with him.

Sent Department 170, repeated Karachi 58.4 Department please repeat London 50, and New York.

GRADY

⁸ H. H. Maharaja Sir Harisingh.

⁴Commenting on this cable, Ambassador Alling in Pakistan informed the Department in telegram No. 128 of March 2, not printed, that he seriously doubted whether India would have the slightest confidence in the fairness of a plebiscite as long as Abdullah remained head of the Kashmir Government (745.45F/3-248).

745.45F/3-148 : Telegram

The Ambassador in India (Grady) to the Secretary of State.

SECRET MOST URGENT NEW DELHI, March 1, 1948—4 p. m. 178. ReEmbtel 148 February 21 and 170 February 28. When Kearney talked with Bajpai several days ago, Bajpai outlined to him same plan as covered in his letter transmitted to you in telegram 148 February 21.

Kearney asked Bajpai if GOI would consider an alternative which would be agreement two dominions for plebiscite solely on question of Kashmir independence, and second plebiscite on preference accession if vote was against independence. Bajpai expressed interest and said he would discuss matter with Nehru. Kearney saw Nehru last night and has just talked with me. Nehru said he favored plebiscite for independence based on joint guarantee both dominions maintenance independence of Kashmir. Nehru stated he preferred what we may call plan two (plebiscite on independence) as against plan one (my telegram 148 February 21) because it would take the heat out of the situation and form a basis cooperation two dominions. When matter first mentioned to me by Kearney, the other day, I expressed my fears of northern aggression through infiltration of independent Kashmir. Nehru minimizes such danger. When asked by Kearney what he thought outcome of a plebiscite on independence in Kashmir would be, Nehru replied he thought it would be favorable. Kearney wired today his government giving comprehensive report his conversation with Nehru. Department will doubtless wish to discuss this matter with Canadian Delegation.

Have unofficial intimation Bajpai going as consultant with Ayyangar. Will advise as soon as can confirm.

Sent Department 178; repeated Karachi 60. Department please repeat London if desired.

GRADY

745.45F/3-448 : Telegram

The Secretary of State to the Embassy in India

SECRET

143. For background use on Kashmir question Dept offers following comment on recent useful cables from Delhi and Karachi this subject:

WASHINGTON, March 4, 1948-6 p.m.

1. In formulating proposals for Kashmir settlement we do not have in mind US formal initiative in SC but have rather attempted to incorporate suggestions made by various members SC as well as GOI and GOP reps which might serve as basis of formal resolution to be put forward by president SC or of joint resolution several interested delegations representing majority sentiment. This connection we have collaborated closely with British on basic assumption that Anglo-American split this question must be avoided. Informal conversations with Chinese rep¹ who is now president SC have also been most useful. We have no intention putting forward proposals on behalf either GOI or GOP but are directing efforts toward equitable settlement in working out of which each dominion would be asked to give full cooperation even though certain features of plan might not be entirely satisfactory from GOI or GOP viewpoint.

2. Nature of informal proposals contained Deptel 124 Feb 25 to New Delhi are such that concessions and cooperation from both sides would be required.

(a) GOP would be asked give full cooperation in truce arrangements calling for withdrawal tribesmen, withholding material assistance from tribesmen and insurgents, etc. despite obvious political embarrassments involved. GOP must also recognize that SC cannot impose settlement under Chapter VI UN Charter but can only make recommendations to parties. Such recommendations must necessarily be made in light of India's present legal jurisdiction over Kashmir which makes complete civil and military neutralization of kind envisaged by Jinnah impracticable unless with Indian consent. Even if latter given, project for neutral army unrealistic. Obvious conclusion is that only available facilities for civil administration and maintenance of law and order in interim period are those which can be found locally. Hence our proposals for interim coalition government from which it would be difficult even if considered desirable to exclude Abdullah by SC action.

(b) Indian attitude toward plebiscite arrangements has apparently become more reasonable in that GOI now willing have plebiscite machinery in hands neutral official who would, however, be constitutionally part Kashmir coalition government. We believe that such a neutral official might serve very useful purpose inside Kashmir Government (along lines para 3 Deptel 124) but that majority members SC will insist on control and supervision plebiscite by agency directly responsible SC. Since powers and functions such UN agency would be prescribed in terms of plebiscite, which GOI has already agreed should be held under international auspices in order to insure impartiality, we find it difficult to conclude that such an arrangement would violate constitutional proprieties.

3. Re various proposals for Kashmir independence we have in the past, as you know, followed line that princely states should be incorporated in either India or Pakistan on assumption that Balkanization of Indian subcontinent would jeopardize and complicate political and economic transition and create conditions of instability ultimately ad-

¹ Tingfu F. Tsiang. 429–027–75–21 verse to broad US interests that area. Our current thinking re Kashmir is influenced by these considerations subject to proviso that should concept of independence appear to be basis for GOI-GOP peaceful settlement Kashmir issue, we would probably not oppose such a solution, but certainly would take no initiative in supporting it.

4. Re suggestions for partition of Kashmir between GOI and GOP we shall certainly take no initiative this regard but would carefully consider proposals calling for partition by agreement between GOI and GOP.

5. We have noted Mountbatten's ² view that possible alternative this stage would be despatch SC Commission to area with mediatory powers as means bringing about eventual bilateral settlement GOI and GOP. Should efforts reach more comprehensive settlement New York fail, we believe Mountbatten's idea has possibilities, particularly since it is based on assumption that in last analysis GOI-GOP agreement is essential prerequisite to peaceful settlement Kashmir issue.

Sent to New Delhi repeated to Karachi, London, and New York.

MARSHALL

² Governor General of the Dominion of India.

Editorial Note

The Security Council resumed discussion of the Jammu-Kashmir question at its 266th meeting on March 10, 1968. India and Pakistan were again represented in the Council debate by N. Gopalaswami Ayyangar and Mohammed Zafrullah Khan, respectively. For text of the proceedings, see SC, 3rd yr., Nos. 36-51, pages 66 ff.

On March 18 in its 269th meeting, the Council resumed the discussion with presentation of a draft resolution (S/699) by Security Council President Tsiang. For text, see SC, 3rd yr., Suppl. for Jan.-March 1948, pages 38-40.

745.45F/3-1948 : Telegram

The Ambassador in Pakistan (Alling) to the Secretary of State

SECRET IMMEDIATE KARACHI, March 19, 1948—1 p. m. 167. I should like stress my conviction that any plan for solution Kashmir problem which does not have both appearance and substance providing strictly impartial plebiscite under neutral control is almost certain make matters worse. Given such plan, I believe GOP can with good hope success prevail upon tribesmen and Kashmiris cease fighting. On other hand, if plan does not provide above elements, GOP will be unable bring its influence bear and real danger exists tribesmen, perhaps extent 300,000 or more, marching through Punjab toward Delhi. Jinnah only day before yesterday characterized tribal situation "million times more dangerous" than it was a few months ago. Sent Department 167; repeated New Delhi 28.

ALLING

501.BC/3-1948 : Telegram

The Secretary of State to the United States Representative at the United Nations (Austin)

CONFIDENTIAL

WASHINGTON, March 22, 1948-6 p. m.

158. 1. While we doubt if Chinese resolution (urtel 314, Mar 19¹) is acceptable to both parties and could not vote for it in present form unless it were, we believe it constitutes framework within which fair settlement can be achieved.

2. In informal conversations with other delegations comment on Chinese draft resolution may be made as follows:

a. There should be more definite indication of role of SC Commission in observing implementation of provisions for terminating the fighting and holding the plebiscite.

b. Draft lacks provision as to how law and order to be maintained in areas from which Indian troops and tribal fighters withdrawn; we believe that this problem can be met by stipulating that local personnel in each district be utilized insofar as possible for this purpose, subject to additional requirements which may arise from the holding of the plebiscite.

c. There are no provisions giving the Plebiscite Director and his staff such powers for maintenance of law and order as the Plebiscite Administration considers necessary for the purpose of holding a fair plebiscite, including judicial powers.

d. It fails to provide Director with authority to report to the Security Council Commission and through it to SC.

3. As to tactics to bring about desired changes in Chinese draft resolution, we are still anxious avoid formal and overt initiative. In view President's invitation to parties for them to submit amendments in writing, suggest that you use friendly influence with Pakistan representative to encourage him submit amendments along lines indicated above and also discuss with Chinese representative possibility his amending his own resolution in these respects.

4. We believe that whether or not above procedure has successful results it would be desirable for President SC to ask for assistance representatives of Belgium, Canada and Colombia to constitute in-

¹ Not printed.

formal drafting committee (thus consisting all SC members who have submitted formal proposals). You may suggest this move to President earliest opportunity. Such of US proposals set out under paragraph 2, above, as had not been incorporated in Chinese draft by time this drafting committee met could then be informally intimated to the members thereof.

5. Foregoing discussed informally with Sir Paul Patrick (UK Del) in Wash Mar 20.² US and UK thinking found to be virtually identical. It was agreed that US and UK dels should take separate but parallel action along above lines.

MARSHALL

² No memorandum of this conversation has been found in the Department files.

501.BC Kashmir/3-2248

Memorandum of Conversation, by Mr. Charles P. Noyes of the United States Mission to the United Nations

SECRET

[NEW YORK,] March 22, 1948.

Participants: Mr. Ayyangar, Indian Delegation Mr. Bajpai, Indian Delegation Mr. Velodi, Indian Delegation Ambassador Austin, United States Mission Mr. C. P. Noyes, United States Mission

After a short discussion on Palestine and a few remarks regarding Korea in which Bajpai noted that we had asked their Government to support us on the Korean case, we got down to a discussion of the Kashmir question. Ambassador Austin told them that we thought the Chinese proposals with a certain number of amendments to strengthen it up might form the basis of a settlement of the case, which we were very anxious to see happen. He referred to the four points in the telegram of March 22¹ as points in which we would like to see a strengthening of the resolution. The Indians agreed to point a without any difficulty. As regards item b in respect to forces being constituted locally, there were several objections. The Indians raised the difficulty of anything which would give any recognition to the provisional Azad Government or which would in any way give authority to such a Government or its forces. Bajpai said this was like asking the poacher to turn into the gamekeeper. He repeated several times that after law and order had been established, the Indian forces would be perfectly agreeable to withdrawing from the areas concerned and making appropriate arrangements so as not to interfere with the Plebiscite. He

¹ Telegram 158, supra.

stated that they were making plans to reorganize the State troops and that of course they would be made up, as they had been, of elements all over the State. He also referred in this connection to the desirability of the police in the State taking over the responsibility in local areas for law and order. Ambassador Austin indicated that we had two things in mind on this point:

- First: That elements from outside the Azad area might not be welcome if they came in there and attempted to maintain law and order; and
- Second: That the Plebiscite Director should have the powers with regard to the maintenance of law and order. (Item c in our list.)

Not much headway was made on the first point. On the second, however, many protestations were made that the Indians were quite willing that the Plebiscite Administrator should have certain functions with relation to law and order. They said that of course if he requested the Indians to help him maintain law and order they would be very glad to make their troops available to him. Ayyangar also made it quite clear that they would not wish to use their troops in any way which the Plebiscite Administrator felt amounted to action adversely affecting the fairness of the Plebiscite. I do not recall that any specific reference was made to the Plebiscite Administrator's powers over the police or the State troops. This may well have been implicit in the Indian remarks.

Bajpai did, however, to my mind, water down the value of Ayyangar's remarks by referring to the fact that if the Plebiscite Director needed an additional staff to *observe*—in addition to the eight regional directors—the Indians would of course have no difficulty whatever in agreeing to his having as large a staff of observers as he required. My impression was that he made a clear distinction between a regular staff to run the Plebiscite and to control the police, and simply observers who would report what was happening.

As far as our item d was concerned, there was no difficulty. They agreed entirely.

Ambassador Austin asked them about the position when they first brought up this case. Ayyangar indicated that there might well have been real trouble between India and Pakistan if the Security Council had not been available. Ayyangar also referred in this connection to the present situation, saying that the Indian Army was fighting and that it was of the greatest importance that a political settlement should be reached before any substantial change in the military situation could take place. He intimated that the fighting could result in a clinching crisis which might settle the issue.

CHARLES P. NOYES

501.BC Kashmir/3-2248

Memorandum of Conversation, by Mr. Charles P. Noyes of the United States Mission to the United Nations

SECRET

Participants:

[New YORK,] March 22, 1948.

Zafrullah Kahn, Pakistan Delegation Ambassador Austin, United States Mission Mr. C. P. Noyes, United States Mission

Zafrullah Khan said he was very disturbed about the present situation before the Security Council. He said that apart from the substance of the Chinese amendment, he felt he had been very unfairly used in the matter of procedure. On March 11 he had lunch with Tsiang who had discussed generally with him the concept contained in his resolution with respect to the Plebiscite Administrator. Zafrullah Khan had made no substantial comments or commitments. On March 18 he was again asked to see Tsiang at 12:15, to have lunch and drive out with him. This was the first time he had seen the Chinese draft. The placing of this draft before the Council with this background, he thought, was most unfair; was a method different than followed by the previous Presidents who had taken great pains to present a draft to both parties at the same time and to ask for their comments in front of each other. In this case he was convinced that the Indians had had a great deal to do with preparing the draft. Tsiang had told him that he understood the Indians would accept it except for certain minor details. In spite of British protestations, he knew they had been in consultation with Tsiang on the draft. Tsiang had, in front of Zafrullah Khan, told Noel-Baker that one of the provisions was put in at the suggestion of Noel-Baker. He was concerned at the close parallel between the newspaper story which appeared in India early in March and the President's draft resolution.

Zafrullah was worried about the English position. He said they had changed their tone. He had had a talk with Attlee¹ in London who had tried out on him some of the ideas contained in the Chinese draft. He was personally convinced that Mountbatten also had a hand in it and indicated that Mountbatten was concerned that Britain by her previous stand had come close to forcing India to renounce her dominion status.

Zafrullah Kahn handed Ambassador Austin a copy of a telegram from the Azad Government² to the Security Council. (Copy attached) He said that the Chinese resolution was entirely unacceptable to him as a basis of discussion. He had passed it along to his Government

¹ British Prime Minister Clement R. Attlee.

² Telegram from the Free Kashmir Government, infra.

presumably with this comment. He said if his Government felt differently about it he would not resign but would carry on loyally.

He wanted to emphasize one particular aspect of the matter to us. In looking at the map it was quite clear that Kashmir was essential to the strategic defense of Pakistan and was of vital interest to it. From many points of view, the people of Pakistan had a great interest in the State. He suggested there were three possible outcomes of the present situation :

First that an arrangement for a truly fair plebiscite should be agreed upon. Under these circumstances if the plebiscite verdict went to India, the people of Pakistan and the Government would accept it and that would be the end of the issue.

Second that a plebiscite should be held which the people of Pakistan could not accept as fair and that the verdict in such a plebiscite should go to India. Under these circumstances the dispute would remain and the people of Pakistan would be smarting under a feeling of having been done out of what was legitimately theirs. The situation might easily deteriorate to the point of war between the two dominions which might spread and be a danger to other States.

Third that there was no settlement at all. In this case again the situation might deteriorate and result in fighting between the two dominions. However, if Pakistan had to choose between the latter two, Zafrullah Khan intimated that it might well choose the last course since it would have nothing to gain from a plebiscite which it con-sidered would be a farce. He said that a Pakistan which was not satisfied and whose people were thoroughly upset about a situation as vital to them as Kashmir would constitute a serious danger to India not only in itself because Pakistan essentially was the only protection of India from the northwest-meaning the Russians. Zafrullah Khan made a strong statement of the position of Pakistan with relation to the U.S.S.R. He said that Pakistan was not sympathetic with Communism and that their position was taken in the event of any major struggle. They could not go along with the U.S.S.R. If, however, Pakistan lost a plebiscite which it considered unfair, he asked whether the Pakistan people would have any heart to fight against the U.S.S.R. If the U.S.S.R. cross through the Khyber Pass into Kashmir, the Indians would have no defense whatever unless Pakistan was with them. He said that throughout history the Moslems had not cherished luxury. They were not rich people. If a conflict arose between their honor and their desire to obtain their worldly goods, they would undoubtedly choose their honor. However, they did not wish to be driven to that choice.

Zafrullah Khan then came back to the Chinese resolution. He said that the main objective was Abdullah. He pointed out that the main reason for talking about safeguards was that the Chinese resolution allowed Abdullah to remain and therefore placed the entire governmental machinery in the hands of a very partial person. If Abdullah were taken out, very few safeguards, if any, would be necessary, but having made this concession to the Indians it was obvious to everyone that very substantial safeguards would be necessary.

Ambassador Austin then outlined the four points contained in the draft telegram of March 22. Zafrullah Khan said again that the main difficulty was Abdullah and that if he is left in his present position Pakistan would not attempt to persuade the Azad Government that they should enter a coalition with him. If the Azad Government (which he doubted) was able to reach agreement on their own hook with Abdullah on a coalition, Pakistan would not raise any particular objections. Zafrullah Khan also remarked that it would be essential to keep the Indian Army out of the situation so that it could not affect the result of the plebiscite.

Zafrullah Khan said that he had received no word from his Government and doubted whether he would receive any in the immediate future as the Governor General was in East Pakistan and was not expected back immediately. He said he had sent him the Chinese draft with the request that they do not issue any wild public statements which might make matters more difficult.

Ambassador Austin said we were working on the case as a whole and we thought we would probably be talking with Zafrullah on details before taking any final position.

C. P. Noyes

[Enclosure]

TELEGRAM DATED MARCH 20, 1948 FROM PRESIDENT AZAD KASHMIR GOVERNMENT TO PRESIDENT SECURITY COUNCIL

China's Resolution on Kashmir as put before the Security Council is absolutely unacceptable to the Azad Kashmir Government. We have always affirmed unequivocally that we will accept any proposal which will lead to a fair plebiscite under a neutral and impartial administration but the Chinese proposal gives to India what India has failed to achieve in the battlefield. It is a preposterous idea that the Hindu Army of India is necessary for the maintenance of law and order in our country. We know the peace that the Indian Army can bring to Kashmir; it [is] the peace of the grave. We will fight to the last man to resist such a dishonourable peace the very presence of Sheikh Abdullah at the head of the administration and of the Indian Army on the soil of Kashmir will make the free exercise of vote an impossibility and any plebiscite held under such conditions will be an utter farce in the eyes of the Azad Kashmir people. It will not end war. We warn the members of the Security Council that they will defeat the very aim which they seem so anxious to achieve by coming to any agreement to which the Azad Kashmir Government is not a party.

Pakistan cannot deliver the goods on our behalf and we will not submit to any coercion from any quarter. It is a matter of life and death for us. The Indian Army has acted so brutally, it has violated provisions of international law as regarding prisoners of war civil population and political prisoners so flagrantly that their proposal is totally unacceptable to us in all its details.

501.BC Kashmir/3-2348

Memorandrum of Conversation, by Mr. J. Wesley Adams, Jr., of the United States Mission to the United Nations

CONFIDENTIAL	[NEW YORK,] March 23, 1948.
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Participants:	Mr. Henry Carter, Canada
	Dr. Ting-fu Tsiang, China
	Dr. Shuhsi Hsu, China
	Joseph Nisot, Belgium
	André Wendelen, Belgium
	Sir Paul Patrick, United Kingdom
and manufact	Robert Curson, United Kingdom
	Mr. Ray Thurston, United States Mission

Mr. J. Wesley Adams, United States Mission

At the request of Dr. Tsiang, as President of the Security Council, the above representatives met this morning in Tsiang's offices to discuss the Chinese draft resolution on the Kashmir question introduced in the Security Council on March 18. Invitations to participate in the meeting were extended to those Delegations which had presented resolutions regarding the India-Pakistan question or which had submitted suggestions to the President of the Council in connection with his resolution. On this basis, Mr. Lopez (Colombia) was invited to attend but presumably because of pique over the scant attention given his resolution by the Council did not attend the meeting.

The only paper was that submitted by the British which, as Sir Paul explained, contained several United States suggestions. The British document, in fact, incorporated the amendments on which informal agreement had been reached between ourselves and the British in discussions in the Department on March 20.¹ Discussion on the British paper was virtually restricted to the representatives of China, United Kingdom, and the United States. In general, Tsiang expressed his agreement with the amendments suggested but appeared to be somewhat reserved with respect to British amendments dealing with the distribution of Indian troops.

¹ Memorandum of conversation not found in Department of State files.

In connection with the proposed amendments expanding the powers of the plebiscite administration with reference to maintenance of law and order, Tsiang explained that he had discussed this question with the Indian Delegation and that the latter had expressed its willingness to place at the disposal of the plebiscite administration both such troops and police as might be necessary for any powers granted him in this category.

After completion of the discussion regarding the detailed amendments, Tsiang raised the question of how he should proceed in endeavoring to obtain the support of the parties to this resolution. In this connection, he emphasized the importance of broadening the base of support for his resolution as amended and inquired whether the Delegations represented at the meeting would be willing to join him in sponsoring the amended resolution. At this point, the Canadian Representative said that he had been instructed to state that Canada must enter a reservation regarding its position, that he could not make any commitment whatsoever, and that the Canadian position had always been that we should strive towards the achievement of an agreement between the parties. He clearly indicated that Canada did not wish to join in the sponsoring of a resolution to which one of the parties was not willing to give its approval. Thereupon Nisot (Belgium) stated that his position was very much like that of Canada, and he entered a similar reservation. The British representatives mentioned that they did not wish to participate formally in the sponsorship of the resolution, and Nisot then turned to the United States representatives and said that while he could understand the British reluctance, he did not see why the United States could not give its formal support to a resolution. He clearly implied that if the United States was willing to take such a step, Belgium might follow suit. Mr. Thurston said that he also would have to reserve the position of his Government on the amended resolution but that the possibility of United States joining like-minded Delegations in a formal support of such a resolution as the one under consideration was not entirely excluded.

The question of sponsorship was left unsettled, and it was agreed that representatives of China, United Kingdom, and United States would meet in the afternoon to work out refinements in the wording of the draft resolution. The representatives of Belgium and Canada stated that they would be unable to attend because of a shortage of personnel. Mr. Tsiang, indicating that he would not need to have the formal approval of the Governments of those representatives, stated that he would undertake to discuss the resolution, as amended, with the representatives of Pakistan and India in an effort to obtain the greatest possible measure of agreement. Earlier in the meeting, Tsiang had emphasized that while it would probably never be possible to obtain complete agreement of both parties, the effort of the Council should be directed toward narrowing the area of this disagreement to the end that the parties would at least acquiesce in a settlement along the lines under discussion.

In a brief discussion with the British after the completion of the meeting in the offices of the Chinese Delegation, it was agreed that there could be no objection to the Chinese representative approaching the parties with his amended resolution, and telling the parties, if necessary, that his resolution, together with the changes made therein had the informal approval of the United States and the United Kingdom Delegations.

In the afternoon meeting, attended by representatives of China, United Kingdom, and United States, proposed amendments to the Chinese resolution, as contained in the attached draft,² were tentatively and informally agreed to. Dr. Hsu indicated that he would have to discuss certain of the amendments with Tsiang, particularly those relating to the disposition of troops, before he could undertake Chinese sponsorship of them. Mr. Thurston stated that he entertained some doubts regarding the necessity of stipulating detailed provisions with respect to the disposition of Kashmir State troops in view of the other safeguards on this point contained in the draft resolution.

^aNot printed. This draft, and later amendments to it, were discussed in the week that followed in similar, semiformal meetings with a varying list of individual and country participants. Memoranda of conversations of March 25, 26, 29, and 30 are in Department of State file 501.BC Kashmir.

845.00/3-1048 : Airgram

The Secretary of State to the Embassy in India

CONFIDENTIAL

WASHINGTON, March 29, 1948.

A-40. Urdes No. 218, Mar 10, 1948¹ entitled "Comments of Secretary of Ministry of States on Hyderabad Negotiations" which requested views of Department of treatment to be accorded Agent General of Hyderabad should such an officer be sent US.

In view India-Hyderabad standstill agreement of Nov 29, 1947 under terms of which foreign affairs, defense, and communications will continue on same basis as before Aug 15, 1947, US Government in its treatment of representative of Hyderabad will avoid any act which might be interpreted as a recognition of Hyderabad's sovereignty or of right to conduct external affairs independently of GOI. While the treatment accorded Hyderabad Agent-General will depend on terms

¹ Not printed.

under which he comes to US as well as on arrangements made between Hyderabad and GOI for coordinating his activities with Embassy of India and/or Indian Consulate New York, he will probably be regarded as having status analogous to that of trade commissioner. It is likely that he would not be permitted to communicate direct with Department, but, like Consular Representative or foreign trade mission, would be obliged to use regularly established diplomatic mission, that is, Embassy of India, as channel for correspondence with US Government.

US policy re princely states remains unchanged, and Department will avoid encouraging aspirations of princely states for independence and the further political division of the Indian sub-continent. All matters of political or diplomatic nature or questions with political overtones which concern princely states which have associated themselves with Dominion of India will continue to be dealt with by Department through Embassy of India in Washington or US Embassy, New Delhi.

A copy of this airgram is being sent the Embassy at London, with the request that London also inform Department re treatment accorded the Nizam's representative in the United Kingdom.

MARSHALL

745.45F/4-148: Telegram

The Embassy in India to the Secretary of State

SECRET

New Delhi, April 1, 1948-5 p. m.

255. Iengar¹ asked to see me² last evening and stated that Prime Minister wished him to convey to Department following:

GOI is most anxious to have Kashmir issue settled as soon as possible. People of Kashmir are suffering as result of delay. In their anxiety to get agreement on resolution they have accepted one amendment after another to Chinese resolution and after each concession Pakistan delegation has rejected it.³ GOI feels that urging to accept amendments is primarily on their delegation. It is determined to make no further concessions. On other hand it does not intend to withdraw its case from SC. GOI feels GOP delegation has been delaying in order to get Dr. López ⁴ as President as his proposed amendments to Chinese resolution seemed more favorable to GOP. GOI may have

¹ H. V. R. Iengar, Principal Private Secretary to the Indian Prime Minister. ⁹ Presumably Ambassador Grady.

^{*}The representatives of India and Pakistan were kept informed of the various revisions of the Chinese resolution. Their reactions were reflected in the revision process, and they participated in the meeting of March 29. See footnote 2, p. 321.

⁴ Alfonso López, Representative of Colombia on the Security Council and President of the Council during April 1948.

to cut down its delegation and let its regular representative stand by until SC gets something worked out that they can accept. In meantime GOI will probably have to take military action to protect people in certain areas of Kashmir. They are particularly incensed with Pakistan because they have recently captured some howitzers that could only have been brought into Kashmir over bridges. On questioning Iengar as to whether what he said meant intensification of military operations by Indian Army, he said "no but military steps would inevitably have to take place".

Iengar apparently desired to impress upon me that change in policy he was describing should not be construed as any sort of threat or ultimatum. Nevertheless it is difficult for me to interpret his statement other than as warning India intends to pursue military campaign in Kashmir energetically in future.

Sent Department 255; repeated Karachi 76.

[GRADY]

501.BC/4-248: Telegram

The United States Representative at the United Nations (Austin) to the Secretary of State

CONFIDENTIAL

New York, April 2, 1948-7 p. m.

371. For SOA-Thurston from Ross. Referring to our phone conversation this noon, Zafrullah Kahn at his request, came in to see Ambassador Austin at noon today and spent about an hour with us discussing the current situation in the Kashmir case. He allowed us to read two telegrams he had received from Jinnah. The first long telegram he had received two or three days ago on the basis of the first Chinese draft resolution. It was very strongly worded and developed the following line: discussion of this whole matter in SC to date was more than sufficient to indicate all the facts and requirements of the situation. If the Council were to act on the basis of the Chinese resolution, it would be performing a complete about-face. This resolution was the product of a small and willful group instigated by the British. Whenever a situation reached the point of crisis the British abandoned Pakistan in favor of India because they somehow felt that Indian support in the world was more important. Pakistan could not agree to any solution of this problem that did not involve the complete withdrawal of Indian troops and the replacement of Abdullah.

The second very brief telegram of instructions was dated March 31 after the meeting of the Pakistan Cabinet on this question and was received here that night. This telegram in effect repeated what the longer telegram had said but in a somewhat milder language. It was based on consideration not only of the original Chinese draft but also of the first revised draft.¹

Zafrullah's attitude towards these instructions was that they of course stated an extreme position and [if] he in his position here at the moment, reminding us that he had quite wide latitude, was to find a way of dealing with the practical political realities of the situation, some formula must be found to deal with these essential points.

As the situation was developing Pakistan would be obligated to perform three tasks. They must make arrangements for cessation of fighting, they must get the tribesmen out of Jammu-Kashmir, and they must keep them out. In order to get the tribesmen out and keep them out it was essential that Pakistani troops be permitted to go into the Azad-Kashmir area.

The second point Zafrullah made was that any troops in Jammu and Kashmir, whether Pakistani or Indian, must be under the control of the Commission.

As a matter of practical politics, Pakistan could no more expect their view to prevail than the Indian view. They consider that Jammu and Kashmir are economically and strategically far more important to Pakistan than to India. They could not expect the Indians ever to agree to this principle, however, so he was trying to find ways of equalizing the situation. He then went on to discuss some of the specific language of the draft resolution dated March $30.^2$

In the course of the discussion with Zafrullah, the Senator asked him how much chance he thought there would be of the Indian Government accepting the changes along the lines of those indicated. Zafrullah replied quite frankly that he thought it might be difficult but that he did not know. Before leaving, Zafrullah repeated that he would send us this afternoon revised language which he also said, in response to my question, he planned to present to President López this afternoon. He did not think any useful purpose would be served in having a Council meeting at this stage. [Ross.]

AUSTIN

¹This draft, not printed, is the first of many revisions of the March 18 Chinese draft resolution.

^aThe March 30 draft was, according to a summary statement by Tsiang in the 284th meeting of the Security Council on April 17, the third revised draft resolution since the one he had submitted on March 18. (SC, 3rd yr., No. 59, pp. 4-5) A copy of the March 30 draft, not printed, is in Department of State file 501,BC/4-1248. It was followed by further revisions and was not presented in the Security Council.

DISPUTE OVER KASHMIR AND HYDERABAD

501.BC/4-648: Telegram

The United States Representative at the United Nations (Austin) to the Secretary of State

SECRET

NEW YORK, April 6, 1948-5:56 p.m.

388. At a meeting today called by the President¹ in his office at which representatives of the UK, China, Belgium and Canada were also present, the President reviewed the position in the Kashmir case. He had talked separately with each of the two delegations. He had received a letter from the Indian delegation containing a statement of their position together with changes which they stated would be required in the March 30 Chinese revised draft resolution before they could accept it.² In this letter which he read, the Indians stated their position very flatly and seemed to have withdrawn certain concessions which they previously made. The delegate of Pakistan had also submitted to the President a redraft of the Chinese proposal, a copy of which has been forwarded to the Department.³ The President thought the parties' positions were further apart at this time than previously and he was very pessimistic. This view was shared by several other members present. The consensus of opinion was that the Indians over the weekend had substantially hardened their position. They were no longer talking about acquiescing in a SC recommendation.

There was a discussion as to what should be done and the following decisions were reached:

(1). The President would ask Pakistan, which had not seen a copy of the Indian letter, to provide the President with a similar letter 4 indicating the changes it required in the March 30 Chinese draft.

(2). The President would circulate to those delegations present both the Indian letter and the Pakistan letter.

(3). The President would meet with both parties and show them each other's draft.

(4). The President would state to the parties that it was his view that the stage of negotiations between the parties should be brought to an end in view of their inability to reach agreement and that he would recommend to the SC that the Council should start a new stage of preparing a recommendation to the parties (presumably under Article 37).

¹ President of the Security Council, Alfonso López.

^a This letter, and one of similar import from the Pakistan delegation, was re-ferred to by López in the 285th meeting of the Council on April 19. López informed the Council that he had received them on April 5 and 7, respectively. For his remarks, see SC, 3rd yr., No. 60, p. 51. The Indian letter, not printed, is not found in Department of State files. However, Indian thinking on the latest Chinese draft was presented by Ayyangar at the 285th meeting of the Council, *ibid.*, pp. 2–19. For presentation of Pakistan's letter of April 7 at the same meeting, see *ibid.*, pp. 43–47. ³ Not found in Department of State files.

^{*} See footnote 2 above.

(5). The President stated that there was no commitment as to what action those present should take after that point.

The Chinese representative stated that he would be unable under his present instructions to propose the March 30 redraft of his resolution by himself. It would be necessary that other delegations join in sponsoring this draft resolution. No other delegations offered to sponsor the resolution. I said that all the other delegations present should consider this question of sponsorship and should be ready at an early date to inform their colleagues whether they were or were not in a position to sponsor this resolution or some modification of it. The British representative, Noel-Baker, said that if the parties did not agree this would place his government in a peculiarly delicate position. He already had, however, asked for instructions on this point.

The Chinese representative seemed to be expressing the consensus of opinion when he said that the March 30 draft seems to be about halfway between the positions of the two parties and that from that point of view it was an excellent draft to be placed before the Council as a basis for its proposed action.

There was also agreement that time was an important factor; that the parties seemed to be drifting apart and with the spring weather it was quite possible that they would turn to other solutions of the problem. The Chinese delegate urged strongly that the Indians might well give up hope very soon that they could get any solution from the Council, and turn to unilateral measures. The President expressed his view that time was on the side of India because she, so to speak, had possession. It was unanimously agreed that some decision before April 16 when the special session ⁵ on Palestine starts was essential. Noel-Baker said that if it was not done, it would be impossible to hold a plebiscite before the snow falls in October.

The Chinese suggested that it would be necessary in undertaking this new course for the members of the SC to do some real missionary work not only with the delegations of the parties here in New York but also through diplomatic channels in India and Pakistan in order to persuade the two governments to acquiesce in any recommendation which the Council makes. He suggested that we should not finally pass a resolution in the Council until we had through these channels satisfied ourselves that the two parties would be likely to acquiesce in a specific recommendation.

It was also agreed that the parties should not be asked at this stage to come before the SC to state their positions publicly as this might commit them to fixed positions.

⁵Second Special Session of the United Nations General Assembly.

In our view we must now proceed with a recommendation under Article 37 of the Charter. For this purpose it will be important to reach agreement on the introduction of a resolution along the lines of the March 30 Chinese draft. I believe it likely that if the US indicates its willingness to be a co-sponsor of this draft, the British, Canadians and Belgians will do so as well. This may mean some difficult negotiation, particularly with the British. I therefore recommend that I be authorized to be a co-sponsor of the March 30 draft. My intention would be to use this authority to obtain the agreement of the other three, also to be co-sponsors. I have in mind taking a particularly strong line with the British on the ground that this is their problem and that they must face up to the responsibilities involved.

AUSTIN

501.BC/4-648: Telegram

The Acting Secretary of State to the United States Representative at the United Nations (Austin)

SECRET

WASHINGTON, April 7, 1948-2 p.m. 194. Reference telephone conversation ¹ Noves-Thurston April 6 re Kashmir dispute and urtel No. 388 April 6.

1. Though Dept believes informal draft resolution Mar 30, which is revised version Chinese original resolution, represents fair basis settlement Kashmir issue, it is believed inadvisable for US join with Chinese alone in formal sponsorship this resolution. Such sponsorship by US in view strongly pro-Indian flavor original Chinese resolution would either too closely associate this Govt with pro-Indian position or, alternatively, give impression that US is representing Pakistan interests and China continuing represent Indian views.

2. If, however, representatives UK, China, Belgium, and Canada, who participated in preparation Mar 30 draft resolution, will agree joint formal sponsorship US rep may also participate.

3. However, should final effort by President SC (López) to achieve agreement among parties on terms of a resolution fail, it is believed for following reasons that before proceeding to Art 37 recommendation effort should be made to persuade parties to request SC recommendation under Art 38: (a) if they could be so persuaded the parties would be morally stopped from refusing to carry out terms so recommended; (b) by proceeding first under Art 38, possibility that one or both of parties might refuse to accept terms recommended under Art 37 would be delayed and, if successful, entirely avoided; (c) procedure

¹ Not found in Department of State files. 429-027-75-22

under Art 38 is more in line with our basic approach of attempting to obtain largest possible measure of agreement among the parties; (d) the parties are doubtless aware of large measure of support for March 30 draft and so would realize that in requesting recommendation under Art 38 they would be requesting a formal recommendation of substance of March 30 draft. Quite possibly they may be willing accept such a recommendation when proposed formally which they have not been able to accept in informal negotiations where their approval of disagreeable, but not necessarily unacceptable, provisions has been required.

In any event it is believed that parties should first be given opportunity of requesting recommendation under Art 38 and that López at time of meeting with parties should put question squarely before them in order that they may make definite affirmation on this point.

4. In expressing willingness US jointly sponsor Mar 30 draft resolution with other reps mentioned above, door should not be closed to consideration appropriate amendments either at suggestion parties or other members SC. Joint sponsors should of course agree to hold informal consultations re any proposed amendments, in order to present and maintain united front in SC.

LOVETT

501.BC/4-1048: Telegram

The Ambassador in Pakistan (Alling) to the Secretary of State

CONFIDENTIAL

KARACHI, April 10, 1948-1 p. m.

213. Jinnah asked me to see him today and said he wished once again discuss Kashmir, particularly Chinese resolution.¹ I said I had no recent information on subject but that toward end of March our attitude had been that although we could not vote for resolution in its then existing form since we thought it unacceptable both parties, we did consider it offered framework within which fair settlement could be reached (Depintel March 25).

He said all Pakistan wanted was fair plebiscite but that impossible if Abdullah government continued in power and Indian troops remained in occupation. Pakistan had agreed to plebiscite only save India's face since it was foregone conclusion overwhelming majority Kashmiris, if given free choice, would favor Pakistan. However, GOP in spirit accommodation was quite agreeable go through formali-

¹Presumably the Resolution of March 18 (S/699), printed in SC, 3rd yr., Suppl. for Jan.-March 1948, pp. 38-40.

ties of vote. Jinnah considered earlier draft resolution ² before UN as fair both parties and could not understand "somersault" proposed by Chinese resolution. He attributed change to British wire-pulling instigated by Cripps ³ whose operations, he said, had many "wheels within wheels". He hoped US would not be misled by British arguments that they knew situation here better than we did.

He inquired what did Pakistan get out of Chinese resolution and replied it certainly did not get fair plebiscite which was *sine qua non* of settlement. It did receive honor of requesting tribesmen withdraw and asking 60,000 embattled Kashmiri troops lay down their arms. He said he was leaving for NWFP (Northwest Frontier Province) tomorrow and did anyone seriously believe he could, while there, propose any such thing without being laughed out of town or thrown into lunatic asylum? Before he could induce Kashmiris and tribesmen stop fighting, he must convince them there would be fair and honest plebiscite, and that he could not do since they knew meaning Chinese resolution as well as he did.

He continued, suppose Chinese resolution passed and tribesmen and Kashmiris refused stop fighting: he could not use force against them since he did not have such force. Suppose further he then said to India "I can't stop them. You come and do it." Did anyone suppose Indian Army was in position to take on half million tribesmen when well armed and officered British had not dared attempt such feat? He stressed Pakistan policy not oppressing tribesmen by force but endeavoring civilize them through education, economic and social development, and said he was convinced that was surest way keep them quiet. Using force against them in Kashmir dispute would open Pandora's box, result of which no one could foresee.

He ended by appealing to sense fairness and justice influence rapid decision for really impartial plebiscite under really neutral control. Given such decision, he was confident he could influence tribesmen and Kashmiris cease fighting. Given anything less he could accomplish nothing.

I reiterated throughout discussion our desire for prompt and peaceful settlement on basis fair to all and stressed responsibility we all

⁸ Sir Stafford Cripps, British Chancellor of the Exchequer.

² Jinnah was probably referring to the Canadian proposal (S/667) dated February 10 which was submitted to the Indian and Pakistan delegations on February 6, discussed in the 243rd meeting of the Security Council on February 10, and substantially accepted by Pakistan. For text, see SC, 3rd~yr, Suppl.for Jan.-March 1948, pp. 24-25. An alternative possibility, a Colombian draft resolution of February 11 (S/671), was not well received by the Pakistan delegation. For text, see *ibid.*, pp. 27-28. The Colombian draft was introduced as a memorandum in the proceedings of the 241st meeting of the Security Council on February 5 and formalized and discussed as a draft resolution in the 245th meeting of the Council on February 11. For proceedings of the 241st-245th meetings, see SC, 3rd~yr., Nos. 16-35, pp. 1-131.

bore toward that end. His last word was beg us not be misled by UK. Sent Department 213; repeated London 15, Delhi 31.

ALLING

501.BC/4-1048: Telegram

The Acting Secretary of State to the Embassy in India

SECRET

WASHINGTON, April 10, 1948-2 p. m.

211. Re Kashmir dispute SC reps China UK US Belgium and Canada have informally and privately prepared a revision dated Mar 30 of Chinese resolution formally introduced SC Mar 18. Revised draft embodies following principal procedures for settlement:

1. GOP to do utmost effect withdrawal tribesmen and Pakistani intruders and prevent further intrusion such elements; also to prevent furnishing material aid thereto.

2. In consultation SC Commission GOI to put plan in operation for progressive reduction GOI troops and stationing remainder in such fashion as not to afford any intimidation to inhabitants of state.

3. Reestablishment law and order insofar as possible to be effected by personnel recruited locally in each district.

4. If local forces inadequate SC Commission to arrange the agreement GOI GOP for use such forces either Dominion as deemed necessary.

5. GOI to ensure that Govt Kashmir invite participation major political groups in administration at ministerial level.

6. Safeguards re victimization, freedom of speech, political prisoners, etc.

7. GOI to see that Plebiscite Administrator headed by neutral administrator appointed by SGUN be established Jammu and Kashmir to hold plebiscite on question accession and to excercise such powers as Administrator considers necessary for holding a fair and impartial plebiscite including control and supervision of state forces and police.

8. SC Commission to certify to SC whether or not plebiscite really free and impartial.

GOI and GOP reps have not agreed to settlement along foregoing lines but reps govts mentioned first para, believing plan represents practical solution problem, will probably introduce a formal resolution SC at early date embodying substance thereof in hope that parties will accept it and cooperate in implementing it.

When formal resolution introduced SC it may be desirable for you to discuss merits thereof with GOI and GOP but such discussions should be deferred pending further instructions.

Full texts original Chinese resolution and March 30 revision being airmailed. You will be informed by cable of any substantial changes in March 30 draft.

DISPUTE OVER KASHMIR AND HYDERABAD

Sent New Delhi as 211 rptd Karachi as 132, London as 1262, New York as 205.

LOVETT

501.BC/4-1048

Memorandum of Conversation, by the Director of the Office of Near Eastern and African Affairs (Henderson)

[WASHINGTON,] April 10, 1948.

During the course of a conversation I had with the Afghan Minister¹ this afternoon, he handed me the attached document, which he said was a copy of a document which he had given to the British Delegation to the Security Council during the course of the discussions with regard to the future of Kashmir. The Minister said that he had given this paper to the British Delegation in order that it would be clearly understood that Afghanistan considers itself to have a vital interest in the future of the tribal areas.

L. W. H[ENDERSON]

[Enclosure]

A. Afghanistan is naturally concerned with her internal peace, tranquillity, security and the economic well-being of her people.

B. Because of inextricable and inseverable racial, linguistic, geographical, blood, cultural and economic ties existing between the Pashtoon people on both sides of the Durand Line, our internal peace, tranquillity, security and economic well-being are closely tied with such peaceful conditions as may prevail amongst these Pashtoons.

C. Whatever factors will affect peace and tranquillity amongst the independent tribes will inevitably affect the internal peace, tranquillity and internal security of Afghanistan.

D. In the discussions which are taking place before the Security Council concerning the current Kashmir question, between Pakistan and the Indian Union, the representative of the latter has claimed that Pashtoon tribesmen have passed through the Dominion of Pakistan and have invaded Kashmir. The representative of the Dominion of Pakistan, admitting this fact, disclaims any responsibility for it, and infers that Pakistan is unable to prevent these tribesmen from passing through Pakistan.

E. The representative of the Indian Union, even though he does not accept Pakistan's explanation, nevertheless expresses India's con-

¹ Abdol Hosayn Aziz.

cern, and states that under such circumstances India is ". . . quite willing to cooperate with Pakistan to get rid of these tribes".

F. If solution of the present situation should develop into negotiations that might lead to and perhaps reach some kind of agreement, which might affect the independent tribes within their tribal areas, Afghanistan cannot afford to remain out of the picture.

G. Further, Afghanistan realizes that administration of the affairs of the tribal areas, though not really beneficial and of permanent usefulness for the cause of peace, and much remained there to be desired, was carried out by qualified and experienced British personnel, and the expenses involved by their methods of control were sustained by the financial resources of the Indian Empire, none of which is in the possession of our southern neighbor. Therefore, we are justified to have our grave doubts and anxieties over any arrangements in this area, to which we will not be a party, because our peace, tranquillity, internal security and economic well-being, more than those of any other nation, are susceptible and involved.

845.00/4-1248: Telegram

The Ambassador in India (Grady) to the Secretary of State

CONFIDENTIAL

New Delhi, April 12, 1948-3 p. m.

287. Embdesps 374 December 3, 270 March 28, 340 April 10.1 Nizam's Agent-General New Delhi sent Embassy note April 6² which referred standstill agreement provisions authorizing Hyderabad appoint Agents-General and stated Nizam wished appoint Ahmed Mohiuddin former general manager Hyderabad State Bank Bombay Branch as Agent-General Washington. Note expressed hope US Government would extend "all reasonable facilities to Agent-General on his arrival in US" and said GOI had been informed selection Mohiuddin.

Agent-General's note was discussed External Affairs Ministry. Embassy has now received note from External Affairs ³ setting forth GOI views on scope of function of Hyderabad Agents-General in foreign countries. Note states GOI must consider "whole position afresh" as Hyderabad Government has committed breach several provisions standstill agreement and that "any action taken re appointment by Hyderabad Government of Agents-General abroad might well lead to further difficulties". Note suggests Embassy inform Nizam's Agent-

¹ None printed.

Note 178 dated April 6, 1948, not printed.
 Note 350–PA/48 dated April 10, 1948, not printed.

General that matter will be dealt with by GOI. Texts of notes follow airmail.⁴

Embassy believes only course of action is to advise Nizam's Agent-General that GOI has informed Embassy GOI will deal with matter and that until question is settled between Hyderabad and GOI Embassy will defer consideration Hyderabad request for appointment Agent-General Washington. Embassy will await Department's telegraphic instructions this point before communicating with Nizam's Agent-General Delhi.⁵

Department please repeat London if desired.

GRADY

⁴Notes transmitted to the Department in despatch 350 from New Delhi, April 12, 1948, not printed.

⁵ The Acting Secretary, in telegram 221 of April 15, not printed, replied as follows: "Dept agrees (Embtel 287, April 12) Nizam's Agent-General should be informed Emb deferring consideration Hyderabad request for appointment Agent-General Washington pending GOI-Hyderabad clarification nature his status. Refer Depts Airgram A-40, March 29" (845.00/4-1248).

501.BC/4-1348: Telegram

The Ambassador in India (Grady) to the Secretary of State

SECRET

New Delhi, April 13, 1948-10 a.m.

289. When I called on Iengar today in response to his request he said GOI had received wire Bajpai reporting conversation Senator Austin Friday evening. Bajpai stated Senator Austin proposed administration be divided equally between representatives Kashmir Muslim Conference, Azad Kash group and Abdullah. Bajpai pointed out such govt could not function and Senator Austin replied that during plebiscite it might be well to have govt that did not function. Nothing in Deptel 211, April 20[10], which Embassy had received before I saw Iengar but which I did not discuss with him, to indicate plan reportedly proposed by Senator Austin but I told Iengar I would communicate concern of GOI this matter.

GRADY

501.BC/4-1348 : Telegram

The Ambassador in Pakistan (Alling) to the Secretary of State

CONFIDENTIAL

Какасні, April 13, 1948—11 а. т.

217. I think plan outlined Deptel 132, April 10, 2 p. m.¹ offers reasonable possibility acceptance GOP. In talking last night Secretary-General Azad Kashmir government who here for few days, he

¹ Printed as telegram 211 to New Delhi, p. 330.

indicated as acceptable to Ibrahim² coalition government with equal number ministers from Azad and Abdullah group with neutral administrator and plebiscite director. He felt it would take several months prepare plebiscite during which time Indian troops could be reduced to minimum or withdrawn entirely, order being kept by locally recruited police or troops. He thought it might be necessary however bring in few battalions Pakistan troops. He claimed Azad forces were keeping good order area they occupied, including Gilgit which territory he said USSR was watching closely. Secretary-General added Azad forces would have no objection visit American military officer their sector.

ALLING

² Sardar Mohammed Ibrahim, President of the Azad Kashmir Government.

501.BC/4-1748: Telegram

The Acting Secretary of State to the Embassy in India

SECRET

WASHINGTON, April 17, 1948-3 p.m.

236. Full text SC resolution Kashmir being transmitted separately OIE wire. This resolution sponsored by UK US China Colombia Belgium Canada and to be introduced SC April 17.1

Emb will note this resolution retains all of major points contained Mar 30 draft as summarized Deptel 211 (132 to Karachi). It differs principally in that present preamble places emphasis on good offices role of SC Commission in bringing about cooperation parties for termination fighting and holding fair plebiscite while at same time expressing SC view as to measures which in its opinion are most likely to lead to these objectives. In view enhanced role Commission, provision also made for enlarging it to five members.

March 30 draft on other hand was straightforward recommendation to parties of articles of settlement.

Considering resolution in entirety following points are emphasized :

1. Resolution is a new one and while drawing in part on Chinese resolution Mar 18 is not to be considered mere revision that resolution. It is joint product work six SC delegations.

 Resolution does not endeavor judge merits respective complaints.
 Resolution is responsive Indian complaint in provisions designed stop fighting and in calling upon Pakistan cooperate that end, and to Pakistan complaint in its provision that future status Kashmir be

¹ For text of this resolution (S/726), adopted at the 286th meeting of the Security Council on April 21, see SC, 3rd yr., Suppl. for April 1948, pp. 8-12. The record of the proceedings of the 284th, 285th, and 286th meetings, in which the Resolution was presented, discussed, and approved, may be found in SC, 3rd yr., No. 59, No. 60, and No. 61.

decided by people of state through plebiscite and in safeguards provided ensure impartiality plebiscite.

4. Resolution framed in terms suggested procedures of settlement and so depends entirely for success on cooperation parties with each other and with commission and plebiscite administrator. In particular, disposition of troops, police and state forces and constitution and operation coalition government will require utmost cooperation and good will.

5. Phrase "to share equitably and fully" in para 6 of resolution does not have any specific numerical significance and negotiation this point will presumably be among first problems facing commission upon arrival in area.

Dept informed Attlee has communicated direct with Nehru and Jinnah stressing gravity situation and desirability full and dispassionate consideration resolution; also that no immediate action required other than cooperation with SC Commission. In view strong terms Attlee's message and peculiar position British vis-à-vis two dominions British desire any approach we make those govts not appear to be concerted. We agree fully with British this point but as one of cosponsors resolution naturally desire encourage acceptance by GOI and GOP of proposals embodied therein. Dept leaves to your discretion and subject your appraisal local situation nature and timing your efforts this regard.

Sent Delhi as 236, rptd Karachi 148, London 1377, Usun 226.

LOVETT

501.BC/4-1748 : Telegram

The Ambassador in Pakistan (Alling) to the Secretary of State

CONFIDENTIAL

KARACHI, April 17, 1948-7 p. m.

225. Prime Minister asked me call today discuss Kashmir. Since I had not received text Chinese resolution (Deptel 132, April 10¹) and since Prime Minister's version was telegraphed from New York and somewhat garbled we lacked authoritative text. However, Prime Minister was definite that resolution was unacceptable GOP. He said it showed complete lack understanding Oriental psychology, that as long as Abdullah remained in charge Kashmir Government populace would not dare risk voting against him since they would consider he would remain in power wreak vengeance on them. This plus presence Indian troops made impartial plebiscite impossible.

I pointed out that presence new Ministers Abdullah Government presence SC commission and possibility Pakistan troops being invited help maintain order Kashmir gave reasonable guarantees fair vote.

¹ Same as telegram 211, April 10, p. 330.

He replied this might appear be case to western mind but it would not impress Kashmiris who were to be asked lay down their arms. He was certain they would refuse stop fighting on such flimsy guarantees, particularly since they now felt they had military advantage which they would not give up for "vague promises". I asked what sort settlement he considered would be acceptable GOP and Kashmiris within framework Chinese resolution. He replied (1) definite statement in resolution that Pakistan forces were to be invited help maintain order not vague procedure outlined point 4 Deptel 132 April 10 and (2) that government to have representation Kashmir Cabinet equal that Abdullah with neutral outside administrator head of coalition. I pointed out that this was not far different from what I understood revised draft resolution provided since plebiscite administrator had broad powers. He replied if SC really intended such solution let resolution clearly show intention. I urged that confidence be placed fair intentions SC commission. He was willing do so, he said, if the instructions were clear and unequivocal on two points mentioned above.

Finally he pointed out that GOP had been extremely patient Kashmir case. It was only with greatest difficulty he had been able induce members Constituent Assembly refrain from raising issue at recent session. In contrast he claimed India had made Kashmir public political issue which he considered improper when case was sub judice before UN.

Sent Department 225, London 17, Delhi 33.

ALLING

845.00/4-1848: Telegram

The Ambassador in India (Grady) to the Secretary of State

CONFIDENTIAL

NEW DELHI, April 18, 1948-noon.

299. GOI-Hyderabad talks have again ceased and both Governments have agreed make no statement re status negotiations which according Hyderabad spokesman have reached "delicate stage". Following is substance information given Donovan by Layard of UK High Commissioner's Office:

GOI has told Hyderabad responsible government must be introduced immediately and that constitution must be framed by elected Constituent Assembly, also that communal armies must be dissolved. Symon¹ believes GOI will force matter and that if Hyderabad is compelled to accede by undue pressure, serious civil disturbances will occur. V. P. Menon² told Mountbatten recently that if Mountbatten

¹ A. C. B. Symon, Deputy High Commissioner, India. ³ Secretary of the Ministry of States, India.

were not here, question of Hyderabad would have been settled by this time. Layard interprets Menon's remark to mean GOI has refrained from drastic measures because of Mountbatten's presence.

Layard said 300 British residents in Hyderabad city had worked out their own defense scheme which includes 14 Americans residing there. UK High Commissioner³ is working out plans for evacuation by air to Madras or Bombay in case trouble occurs.

UK High Commissioner is sending radio operator with small transmitter to Hyderabad today.

Layard believes there will be lull in situation for few days at least and he admits that even if riots occur, foreigners might not be molested but points out and Embassy agrees that population of Hyderabad at such times frequently reacts in violent and unpredictable manner. Further information will be available afternoon twentieth re evacuation scheme.

Bombay Madras informed. Department please repeat London if desired.

GRADY

⁸ Sir Archibald Nye.

501.BC/4-2048 : Telegram

The Ambassador in Pakistan (Alling) to the Secretary of State

CONFIDENTIAL KARACHI, April 20, 1948—1 p. m. 230. Saw Prime Minister today and handed him copy draft resolution ¹ Kashmir. I explained some of points in Deptel 148, April 17,² and told him in my opinion resolution offered all necessary guarantees protect GOP position and afford fair honest plebiscite. I said if I had responsibility for Pakistan, I would immediately inform UN resolution was acceptable and that GOP would cooperate fully with SC Commission. Prime Minister made no commitments and I judged he had received no instructions from Jinnah who is still NWFP. I gathered, however, that Prime Minister's attitude was much more favorable than it was when I last talked with him April 17. He still objected idea troops remaining Kashmir and speculated whether GOP would be able under such conditions induce Azad forces lay down arms.

Sent Department 230, which please repeat London if desired. Delhi informed.

ALLING

¹ Resolution of April 21 (S/726). See telegram 236, April 17, p. 334. Same as telegram 236 to India, p. 334.

FOREIGN RELATIONS, 1948, VOLUME V

501.BC/4-2648 : Telegram

The Secretary of State to the United States Representative at the United Nations (Austin)

CONFIDENTIAL

WASHINGTON, April 26, 1948-5 p.m.

257. 1. Dept considers that Kashmir Plebiscite Administrator must be man outstanding qualifications with established reputation India and Pakistan. This would seem limit choice to Brit nationals or US nationals known to India and Pakistan leaders through military or other service in area. In view delicacy Brit position designation Brit national probably impracticable. Dept is therefore willing have US national designated Plebiscite Administrator.

2. In event SC Pres must appoint member or members to complete Commission, Dept does not wish US to be so appointed and Pres should be so informed. If Pakistan does not appoint its nominee within ten day period, Dept believes Turkey would be sound choice for appointment by SC Pres as fourth Commission member. New Zealand or Scandinavian state would be appropriate fifth member whether appointed by Pres with Turkey or singly as a result of India and Pakistan nominees failing to agree on fifth member.

3. As exception to first sentence, para 2, Dept considers US could scarcely refuse appointment by SC Pres as neutral fifth member Commission if it is clear that US national is not to be designated Plebiscite Administrator.

4. If Pakistan does appoint its member Commission and if that member and Czechoslovakia choose US as fifth member Commission, Dept considers that US responsibilities as UN member would require acceptance.

5. Dept does not consider it desirable for US national to serve as Plebiscite Administrator and for US to serve also as Commission member. However, if US is chosen Commission member pursuant to para 4, it may be necessary for US fill both posts.

MARSHALL

501.BC/5-548: Telegram

The Secretary of State to the United States Representative at the United Nations (Austin)

CONFIDENTIAL WASHINGTON, May 5, 1948—7 p. m. 283. Kashmir case (1) Despite failure thus far GOI and GOP to indicate acceptance recommendations for settlement Kashmir dispute SC resolution Apr 21,¹ Dept believes that SC Commission established

¹ See telegram 236, April 17, to India, p. 334.

under that resolution should in accordance with operative provisions thereof proceed to Indian sub-continent earliest possible date to perform good offices functions; (2) establishment Commission and directive to proceed to area are SC decisions which UN members cannot ignore under Article 25 of Charter. Failure or undue delay in Commission's proceeding with assigned task, particularly in view wide approval this step in SC and lack any apparent conflict between US and USSR in matter, would seriously damage prestige SC and UN; (3) While it is possible that GOI and GOP might reach peaceful bilateral settlement re Kashmir, recent history GOI-GOP relations and experience bilateral conversations NY both point to strong probability that two governments will not reach peaceful accord except with assistance good offices Commission of nature established SC resolution Apr 21; (4) Emphasis upon good offices functions SC Commission does not necessarily mean rejection detailed measures recommended SC resolution Apr 21 and care should be taken not to disavow these measures. Realistic appraisal situation, however, does point possibility that alternative procedures may eventually be found, but it is difficult envisage any means finding such alternative solution other than through dispatch SC Commission to area; (5) Re Deptel 257 Apr 26 Dept now inclined view that US could probably make greater contribution settlement Kashmir dispute by serving as member SC Commission than by merely acquiescing in choice US national as plebiscite administrator. If, therefore, USUN is approached regarding US willingness to serve as fifth member Commission, you should indicate that we are willing to participate in Commission but that if selected, we should prefer that someone other than US national be appointed as plebiscite administrator; (6) Role of plebiscite administrator at present time is highly problematical in view GOI-GOP disapproval many recommendations SC resolution Apr 21. Membership in SC Commission on other hand offers possibility for constructive leadership by US but with responsibility shared with four other governments. Sent to USUN, repeated to Delhi and Karachi.

MARSHALL

Editorial Note

The United Nations Commission for India and Pakistan was composed of the following members:

Czechoslovakia—nominated by India, February 10. Belgium—appointed by the Council, April 23. Colombia—appointed by the Council, April 23.

Argentina-nominated by Pakistan, April 30.

United States-designated by the President of the Council, May 7, in the absence of agreement between Argentina and Czechoslovakia on the member to be designated by them.

745.45F/5-848 : Telegram

The Ambassador in Pakistan (Alling) to the Secretary of State

SECRET

KARACHI, May 8, 1948-1 a.m.

265. Chamberlin¹ from Hoskot.² Information received this morn-* ing indicates possibility armed conflict India Pakistan imminent unless present conditions change drastically, quickly. Pakistan has three regular Pakistan Army battalions Kashmir now, one vicinity Uri, one vicinity Poonch, one vicinity Mirpur, all lying well back present fighting but on war scale prepared immediate action event India advances any above three places should cause serious withdrawal Azad forces. Two ack-ack guns on Pakistan side Kohala bridge have instructions fire and have fired at Indian planes attempting bomb bridge. One ack-ack gun on Pakistan side suspension bridge near Palandri which is supply line for Pakistan battalion near Poonch. Indian drive northwest from Naushera towards Mirpur would result headwaters Jhelum which feed large irrigation canals western Punjab coming under their control and possible shut off this water. Same true headwaters Chenab which canal controls located in Kashmir southwest Akhnur. Shut off this water could precipitate local action by residents area which turn bring about invasion Pakistan by India forces. Baridoab canal which has headworks and controls in east Punjab and which has been dry for four weeks causing serious crop damage eastern part of west Punjab now full water supposedly due agreement between east west Punjab provincial governments. Actually Indian Army had blocked Ravi flow water into canal vicinity Basantpur and diverted it to east Punjab. Back-up water so high interfering construction military bridge for military road running from Palbankot to Basantpur thence to Jammu, and only reason water flowing in canal is lower level allow completion bridge. Upon completion of bridge water will again be blocked leaving thousands acres west Punjab dire straits. Pakistan Army on practical war footing along entire Indo-Pakistan border Bahawalpur State to Domel. 10th Division Lahore with brigade[s] Lahore, Sialkot, Rawali [Rawalpindi?] has complete war plan ready to be put into action. By bringing 7th Division which

¹ Presumably Lt. Gen. Stephen J. Chamberlin, Director of Intelligence, General Staff, War Department. ² Lt. Col. Nathaniel R. Hoscot, Military Attaché in Pakistan.

is mobilized on war footing in Pindi into action sending 3rd Armored Brigade from Rimalpur into positions along border north of Jhelum and robbing 9th Division Peshawar, Pakistan can throw at most corps into action. Lack supplies and reserves would mean short but bloody engagement with India certain and quick victor. Ammunition ordered from UK report arriving Karachi by sea next couple of days but problem transport to west Punjab difficult. Shipment includes 303, mortar and 25 pounder stuff. Governor General India told Commanderin-Chief Pakistan recent defense meeting Delhi that India converting 12 C-47's a month at Hindustan aircraft [airfield?] Bangalore with bomb racks and machine guns. This report confirmed by American who saw actual work being performed. Event hostilities, position British officers both Dominions presents delicate situation. Unquestionably UK order their immediate withdrawal but reliable sources here feel many British officers with Pakistan might refuse obey withdrawal order due firm belief Pakistan's cause and continue their service. Pakistan Defense Council meeting today and tomorrow consider ways and means further combatting this threatened possibility and requesting aid from UK and US not remote if threat materializes or danger of possible Indian aggression increases.

A(2). Rumor that India stated airborne invasion Hyderabad for 5 May current here. Movement cancelled last minute by demand HMG and Sir Walter Monckton, Constitutional Advisor Hyderabad, who had just returned to UK, immediately flew back to India and now further consultation Hyderabad India taking place effort avert Indian armed entry into Hyderabad. Felt that India actual aggression into Hyderabad would be calculated risk and would necessitate withdrawal many Indian troops from internal defense duty. However, if does occur, predict large-scale riots in India and consequent minority suffering which unquestionably break to Pakistan. Necessity for UN Commission presence here immediately most obvious. Developments being closely observed this office and writer has appointment Commander-in-Chief Pakistan Army at termination Defense Council meeting on ninth, Further report be submitted.

Department please pass to War from Hoskot, MA, Pakistan, CLN 46 Crypto War pass to MA London and Delhi. [Hoskot.]

ALLING

745.45F/5-848

The Secretary of State to the Embassy in Pakistan

SECRET

WASHINGTON, May 12, 1948-6 p. m.

180. As member SC Commission we shall exert maximum effort assist in speedy organization and despatch Commission to area in belief that with cooperation from GOI and GOP Commission will be able play constructive role in peaceful solution Kashmir dispute. Urtel 264 May 8.1

If either GOP or GOI should prior arrival Commission take precipitate action, military or otherwise, possibility Commission's assisting in settlement Kashmir question by pacific means would be seriously jeopardized. Developments reported urtel 265 May 8 may have such effect. Info contained therein discussed informally with Brit Emb who disclaim any knowledge but are cabling London urgently. Emb Delhi will appreciate that utmost care should be taken to avoid any leak to GOI through US source of reported GOP military plans. Sent to Karachi as 180 rptd to Delhi as 293, London 1720, USUN 300. MARSHALL

¹ Not printed.

501.BC/5-1348

The Ambassador in the United Kingdom (Douglas) to the Secretary of State

SECRET

London, May 13, 1948-1 p. m. 2093. Patrick CRO (Commonwealth Relations Office) spoke Embassy officer May 11 as follows re Kashmir Commission :

1. Since parties are not agreed re SC resolution, chairman, rather than administrator, is number one job. Patrick hopes and expects American to be elected chairman and believes chairman should proceed by air to Srinagar at earliest possible moment without stopping either at Delhi or Karachi. He thinks chairman should depart if necessary before other commission members ready to go and later convene commission Srinagar. Presence chairman, preferably with personal guard 10 or 20 US Marines to build up his prestige, would in Patrick's view, go far steady situation. Another prestige builder would be to fly chairman Srinagar in US military or presidential airplane. 2. For post of administrator CRO has asked Australian Government

make available Judge Kirby.

3. Patrick said CRO has been hoping US Government could spare Lieutenant General Wheeler 1 for post chairman. However he was sure anyone USG could produce quickly would do good job.

Sent Department 2093, repeated Karachi 40, New Delhi 34.

DOUGLAS

¹ Lt. Gen. Raymond A. Wheeler, Chief of Engineers, U.S. Army, 1945-1948, and formerly Deputy Supreme Commander of Allied Forces in Southeast Asia.

DISPUTE OVER KASHMIR AND HYDERABAD

501.BC Kashmir/5-1848: Airgram

The Ambassador in India (Grady) to the Secretary of State

CONFIDENTIAL

New Delhi, May 18, 1948.

[Received May 27.]

A-222. Reference Embassy's despatch No. 524 dated May 18, 1948 entitled "Transmission of Text of GOI Message to Security Council Regarding Kashmir Resolution."¹

Mr. V. P. Menon, Secretary of the Ministry of States, told an officer of the Embassy that the GOI was prepared to receive and cooperate with the United Nations Commission and that the Indian Government had great hopes that the Commission would be able to offer a constructive plan for the solution of the Kashmir problem.

Mr. Menon said that the Government of India would be willing to accept a solution based upon the partition of the State. According to him the GOI would be willing to let the areas of Mirpur and Poonch go to Pakistan. In reply to a question he said that Gilgit could also go to Pakistan, which would make that Dominion responsible for the defence of this area of the world against Soviet aggression. He expressed his great fear of Soviet infiltration through Gilgit and expressed doubt that Pakistan would effectively prevent such infiltration. Mr. Menon said that the GOI would never suggest the partition of Kashmir as outlined above but would accept such a solution if it should be made by the United Nations Commission. He anticipates that if a solution is arrived at on the basis of partition no plebiscite would be held.

In reply to a question, Mr. Menon admitted that it was true that there were some Communists in the Kashmir National Conference but that he was certain that their influence was not extensive.

In the opinion of the Embassy, Mr. Menon's statement that the Government of India would accept a solution of the Kashmir problem based on partition is significant since in their past utterances both Pandit Nehru and Sheikh Abdullah have declared that they were unalterably opposed to partition. The Embassy believes—particularly since Mr. Menon emphasized that, if the solution of partition is adopted, no plebiscite will be held—the GOI is beginning to doubt that it would win a plebiscite of all the inhabitants of the State on the question of accession of the State to India or Pakistan.

GRADY

429-027-75-23

¹ Despatch 524 not printed. The message it transmitted to the Department was a copy of a letter from the Indian Prime Minister which was read at the 290th meeting of the Security Council on May 7. The letter (S/734) stated that it was not possible for the Indian Government to implement certain parts of the Resolution of April 21 but that if the Council should still decide to send out the Commission, the Government of India would be glad to confer with it. For text, see SC, 3rd yr., No. 64, p. 37.

FOREIGN RELATIONS, 1948, VOLUME V

501.BC/5-2548 : Telegram

The Secretary of State to the United States Representative at the United Nations (Austin)

CONFIDENTIAL

WASHINGTON, May 25, 1948-6 p. m.

324. With reference next SC discussion India-Pakistan question now scheduled May 26 Dept understands that of the three inter-Dominion issues other than Kashmir now before SC Pakistan intends press for discussion only of Junagadh question. While Dept appreciates strategic value Junagadh issue to Pakistan in connection latter's endeavor obtain fair plebiscite in Kashmir Dept believes no useful purpose will be served by further inconclusive debate Junagadh issue in SC. Dept remains of opinion that satisfactory settlement Kashmir issue will facilitate resolution other outstanding issues bilaterally.

Principal alternatives to continued SC discussion appear to be: (a)agreement by SC to defer consideration Junagadh question pending developments in Commission efforts to settle Kashmir question; or (b) reference Junagadh issue by SC to SC Commission in accordance provisions para (D) SC resolution Jan 20.1 Of these Dept prefers latter in belief it would be partially responsive Pakistan request for consideration this matter and also that it might prove useful to SC Commission as counterweight to possible Indian recalcitrance in Kashmir negotiations.

Accordingly, it is suggested you support but not propose resolution referring Junagadh question to SC Commission with same terms of reference as those set forth in para (C) of SC Resolution Jan 20. Dept opposed US sponsorship such proposal believing that in view US membership on Commission US motives might be impugned. Any such resolution should, of course, incorporate understanding that SC Commission would concentrate its efforts initially on Kashmir issue taking up Junagadh question in its discretion.

MARSHALL

ans het to be

¹ For text of resolution (S/654), see SC, 3rd yr., Nos. 1-15, pp. 130-131.

745.45F/6-348: Telegram

The Secretary of State to the Embassy in India

WASHINGTON, June 3, 1948-7 p. m. US URGENT SECRET (DELHI ONLY) NIACT

346. Emb Karachi reports Pak battalion vicinity Uri engaged active combat Indian army and military situation developing such manner that continued advance Indian army and resulting contact

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with Pak seventh division vicinity Mirpur could force official public recognition hostilities between Ind-Pak troops in Kashmir which might result open declared war. Emb believes in view seriousness situation unless urgent action taken Kashmir question may be settled by military decision prior arrival SC commission.

Delhi please cable appraisal situation. London please discuss foregoing with Brit Govt and cable Brit views.¹

Sent New Delhi 346 London 2065 Karachi 213.

MARSHALL

¹ Ambassador Douglas, in his telegram 2509, June 7 from London, not printed, advised that Gray and Tull of the Southeast Asia Department of the British Foreign Office said on June 3 that the Office was unaware of any active combat between India and Pakistan, though it considered it possible at any time (501.BC Kashmir/6-748).

745.45F/6-948: Telegram

The Chargé in India (Donovan) to the Secretary of State

SECRET

New Delhi, June 9, 1948-4 p. m.

464. Deptel 346, June 3. Both British and American military attachés summoned to general headquarters yesterday afternoon and informed by Chief of Staff Kalwant Singh that GOI now possesses conclusive evidence presence Pakistan battalion in Kashmir west of Uri. Battalion identified as first 13 frontier force rifles. Apparently Indian troops in latest advance west of Uri came in contact Pakistan battalion which according Kalwant Singh retreated toward west.

Kalwant Singh also said he "believes" there were two or three other Pakistan battalions in Kashmir. It is as yet too soon determine what action GOI will take re this development. Department will be kept informed.

Sent Department 464; repeated Karachi 102. Department pass London.

DONOVAN

Editorial Note

The first normal meeting of the United Nations Commission for India and Pakistan was held on June 16 in Geneva. The delegations of the five countries which constituted the Commission were as follows:

(1) Representatives:

Argentina Belgium Colombia Czechoslovakia United States Minister Ricardo J. Siri Minister Egbert Graeffe Minister Alfredo Lozano Ambassador Josef Korbel Ambassador J. Klahr Huddle

(2) Alternate Representatives:

Argentina	Minister Carlos A. Leguizamon
Belgium	Mr. Harry Graeffe
Colombia	Mr. Hernando Samper
United States	Mr. C. Hawley Oakes

(3) Advisers to the Representative of the United States:

Mr. J. Wesley Adams, Jr. Major Francis M. Smith (U.S. Army)

The Secretary-General of the United Nations, in compliance with the Security Council resolution of January 20, 1948, designated the following personnel to assist the Commission:

Mr. Erik Colban

Mr. Arnold V. Kunst Mr. Henry S. Bloch Mr. Richard Symonds Personal Representative of the Secretary-General Principal Secretary Deputy Principal Secretary Personal Adviser and assistant to Mr. Colban¹

¹ For greater detail on the composition of the Commission, see SC, 3rd yr., Suppl. for Nov. 1948, pp. 21-22.

501.BC Kashmir/6-2348: Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

CONFIDENTIAL

GENEVA, June 23, 1948-3 p. m.

744. Comkas 6.¹ With approval texts 3 letters to be sent GOI 2 of which will also be sent GOP Kayulm [*Comkas? Kabul?*] on June 22 completed preparatory work and will despatch advance officer, Richard Symonds June 24 to Karachi and Delhi to make necessary local arrangements. Comkas requesting assistance American Embassies Karachi, New Delhi. Committee [*Commission*] which has yet to discuss program in sub-continent tentatively plans leave Geneva for Karachi first week July.

Since preliminary meeting June 15 Committee has held 8 meetings. Ambassador Huddle² unanimously elected temporary chairman at first meeting. Committee then proceeded adopt after discussion and amendment provisional rules procedure proposed by Secretariat.³ Of

¹Telegram 6 from the United Nations Commission for India and Pakistan.

³ J. Klahr Huddle, Ambassador to Burma, was appointed in early June to serve concurrently as United States Representative on the Commission for India and Pakistan.

³ For the rules of procedure, adopted at the 4th meeting of the Commission on June 18 in Geneva and amended at the 11th meeting on July 3, see SC, 3rd yr., Suppl. for Nov. 1948, pp. 109-116.

these perhaps most important is Rule 9 [Section IX] providing in effect that substantive decisions be taken by majority not less than 3 concurring votes. Election of *rapporteur* to prepare and present committee report before SC was deferred.

Committee adopted official title of "Security Council Committee for India and Pakistan"⁴ but agreed adoption this title should be given no special publicity, its general acceptance to be gained rather by usage.

Besides drafting letter to Nehru in compliance June 9 letter from SC president,⁵ committee prepared letter of notification to be sent both governments concerning travel and related arrangements. As adopted both letters expressed committee's desire be of service both governments "for the settlement of the situation in the state of Jammu and Kashmir".

This phrase followed in both letters by sentence reading "with regard to its further dispositions the committee has reserved its decision." Committee adopted this formula after long deliberation as most suitable answer to Nehru's expressed and implied reservations.

Notification letter sent both governments also contains following paragraph:

"The committee travel arrangements will probably require that it fly to Karachi and from there to New Delhi. This should give opportunity to pay compliments to the Pakistan Government before proceeding further to New Delhi, where conversations with the Indian Government will begin in due course. The committee will return to Karachi for conversations with the Government of Pakistan. Subsequently it is its intention to proceed to Kashmir."

Committee also prepared letter both governments inviting them in accordance Paragraph 16 SC resolution April 21 designate liaison representatives to be attached committee.

Secretariat telegraphed all 5 letters June 23. Copies these letters and rules procedure being airmailed Department.

At beginning discussion chairmanship US representative introduced draft resolution providing for rotation on two week basis. Belgian representative then proposed, and representatives other than US supported idea US representative serve as permanent chairman or at least until end first phase committee work, presumably with submission committee report to SC in Paris during October. In opposing this suggestion Ambassador Huddle emphasized that election permanent

⁴ This title was subsequently changed to "United Nations Commission for India and Pakistan."

⁵ For texts or descriptive information on the Commission's correspondence and action in the first five months of its existence, see the November 9 "Interim report of the United Nations Commission for India and Pakistan," SC, 3rd yr., Suppl. for Nov. 1948, pp. 17–144.

chairman would lead almost inevitably to conviction work of committee being dominated that representative. He also said prestige element could not be ignored since number of countries and individual delegates were making notable effort to afford appropriate representation and also that participation each representative as chairman would stimulate and sustain his interest. In course discussion representatives both Argentina, Czecho stated they intended participate as impartial and objective members committee and not as advocates countries by which they were chosen answering suggestion by Belgian that there might be tendency on part some to raise this point. Although Belgian advanced his suggestion with considerable force he finally withdrew it in view strongly stated position US representative this matter and 3 week rotation adopted.

To date committee has worked harmoniously and expeditiously in friendly atmosphere and unanimity in decisions has been achieved although only few matters real significance. Ambassador Colban personal representative SYG brings to commission long previous experience and knowledge technique and indicates every desire be helpful committee deliberations.

US representative has designated Oakes to serve as his alternate.

[HUDDLE]

501.BC Kashmir/7-1448: Telegram

The Secretary of State to the United States Representative on the United Nations Commission for India and Pakistan (Huddle), at New Delhi

SECRET

WASHINGTON, July 14, 1948-11 a.m.

430. Kascom 14.1 Brit again fear India and Pakistan near open hostilities. UK cites following threatening factors:

(1) India has clear evidence presence regular Pakistan troops in Kashmir which have already clashed with Indian troops.

(2) India trying very hard improve military position before UN Commission enters Kashmir.

(3) India believes Pakistan plans air attack on Indian bases Kashmir.

(4) India may undertake military action against Hyderabad.
(5) RIAF may attempt intercept planes allegedly running arms between Pakistan and Hyderabad. In view foregoing Brit hope Com-mission will proceed Kashmir in immediate future without protracted discussions Delhi or Karachi and Dept also considers this advisable. Please report Commission's plans.

¹ Telegram 14 to the United Nations Commission for India and Pakistan. The Commission was at this time in New Delhi after a stop in Karachi from July 7 to 9.

Brit fear GOI may endeavor impose conditions on Commission's entry into Kashmir. In latter connection Dept would welcome your evaluation present attitude GOI toward Commission.

MARSHALL

501.BC Kashmir/7-1548: Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

SECRET

NEW DELHI, July 15, 1948-6 p. m.

574. Comkas 11. Kascom courteously received arrival both Karachi and New Delhi when paying formal calls on Prime Ministers and Foreign Secretaries Pakistan 9th and India 12. Pakistan Governor General absent but delegates were guests his house. Foreign Minister Zafrullah Khan invited delegates second interview 9th when he repeated substance his representations previously made SC adding that Pakistan now has about three brigades at front in Kashmir territory but insisting troops for defense only, holding line and preventing conditions ensuing which threaten very existence Pakistan.

At Commission's first business session New Delhi 13th Bajpai who has been named liaison for Indian Government with Vellodi¹ made forceful ex parte statement India's case saying state undeclared war existed which, unless Pakistan forces withdrew, would be decided India. He denied all Pakistan allegations at same time protesting alleged Pakistan activities. Said no possibility plebiscite until Pakistan forces withdrawn. However, Bajpai offered Commission collaboration Indian Government in efforts find solution.

At meeting 14th Bajpai was handed copy Commission resolution delivered same afternoon Pakistan High Commissioner Delhi requesting parties take all measures improve situation and refrain making or causing be made statements aggravating situation.2 Text being telegraphed separately. Commenting Bajpai said GOI could not muzzle press and Indian military action within its constitutional moral obligations. He reviewed military situation briefly but urged Commission hear Indian military experts. On possibility cease-fire gave personal opinion minimum Indian condition would be withdrawal Pakistan troops Kashmir but said would refer question his Government for official comment.

Commission following cautious policy which thus far seems to be achieving some results and reception by Indian officials was more

¹ M. K. Vellodi, a member of India's delegation to the Security Council meetings on the Kashmir dispute, January-May 1948. ² For text, see SC, 3rd yr., Suppl. for Nov. 1948, p. 127.

wholehearted than expected. Tone press previously tending to unfriendly and cynical has softened somewhat and while it is too early to attempt forecasts Commission has not at least been confronted with cold opposition which might have been looked for. Reconcilement diverse views remains baffling problem. Commission's attention currently devoted discovery way achieve cessation hostilities and situation this respect not without hopes.

Sent Department 574, repeated Karachi 118, Department pass London from Comkas.

[HUDDLE]

745.45F/7-1948 : Telegram

The Chargé in India (Donovan) to the Secretary of State

SECRET

NEW DELHI, July 19, 1948-8 a.m.

583. Following Embassy's evaluation threatening factors in Indo-Pakistan relations mentioned Deptel 430, July 14.

1. Presence regular GOP troops in Kashmir, widely publicized by GOI in recent weeks, has strengthened GOI determination demand withdrawal raiders and GOP troops before accepting cease-fire order.

2. There has been intensification Indian military action Kashmir during past few months with obvious objective pushing western front approximately to Pakistan Kashmir border. GOI cannot hope, however, clear all Kashmir of hostilities in near future and Embassy doubts that campaign was primarily undertaken to strengthen GOI position for UNCIP deliberations.

3. According information from UK High Commissioner, GOI has received "assurances from Pakistan" that latter government will not make air attacks on GOI Kashmir bases.

4. There is school of thought in Cabinet which feels military action by GOI is only solution Hyderabad problem and there is always possibility outbreak hostilities. Embassy considers unlikely, however, GOI will initiate military operations for time being. In conversation with Embassy officer July 16, V. P. Menon, Secretary, States Ministry, said although he personally was convinced military solution would be necessary his government felt there was still chance for peaceful settlement and was working toward that end. Embassy agrees with UK High Commissioner that Hyderabad situation has deteriorated markedly past few days.

5. It would be extremely difficult RIAF intercept night flying planes allegedly running arms between Pakistan and Hyderabad, which could vary their routes from time to time.

While Embassy believes UNCIP should visit Kashmir during its stay in India, it does not see that its presence Kashmir would materially lessen chances open conflict GOI-GOP, or greatly contribute solution Kashmir problem at this time. During stay UNCIP Srinagar, Sheikh Abdullah will attempt prove his overwhelming support by Kashmir people by organizing parades, etc., and will submit evidence atrocities by raiders. Peaceful solution Kashmir problem, if found at all, will be found Delhi and Karachi, and not in visit UNCIP to Srinagar at this time.

Commission plans remain Delhi until all available information is obtained and then proceed Karachi. Commission is exploring possibility which may lead in effect to cessation hostilities and has approached both governments that connection. Commission is endeavoring not to confuse issue of Hyderabad with Kashmir.

M. K. Vellodi, ad hoc Indian liaison officer to Commission, categorically stated to Embassy officer that GOI had no objection to UNCIP visiting Kashmir and would impose no conditions on Commission's entry.

Regarding GOI attitude to Commission, Embassy feels GOI would sincerely welcome any settlement satisfactory to itself which UNCIP could arrange. Embassy also believes GOI attitude towards Commission has been adequately courteous and helpful. No indication, however, GOI will retreat from its position that present Kashmir difficulties result solely from incursion raiders encouraged if not actually instigated by GOP. Clear-cut evidence presence GOP troops Kashmir, moreover, has resulted hardening Indian attitude and GOI will probably refuse accept any solution suggested by UNCIP which does not voice open approval Indian legal and moral position and clearly recognize Pakistan complicity in present conflict.

Sent Department 583; Department pass London; pouched all offices India, Pakistan.

DONOVAN

501.BC Kashmir/7-2148 : Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

SECRET

New Delhi, July 21, 1948-2 p. m.

594. Comkas 14. In pursuance efforts find basis agreement parties on cease-fire (Comkas 11) Commission despatched Lozano, Adams Karachi July 17 discuss subject Pakistan Foreign Minister. Informally Zafrullah indicated three minimum conditions cease-fire (1) withdrawal Indian troops, (2) consideration views Azad forces, (3) protection Moslem population in areas evacuated Indian troops. Zafrullah agreed endeavor obtain views Azad forces and suggested that following withdrawal Indian troops law and order be maintained Moslem areas by Moslem troops and non-Moslem areas by non-Moslems, both forces officered by neutral.

Zafrullah said GOP categorically denies legality Kashmir accession India and stated Pakistan troops had more right enter Kashmir in support majority population than had Indian troops. Said Pakistan troops entered Kashmir to prevent occupation by Indian Army strategic points essential defence Pakistan; to prevent occupation all Kashmir by Indian Army so as to present Commission fait accompli; and to forestall mass influx refugees fleeing advance Indian Army. Zafrullah said GOP absolutely would not agree partition saying possession Jammu by India would create exposed flank Pakistan frontier. Zafrullah said Pakistan Army would withdraw Kashmir if Indian Army would do likewise.

In informal conversations, Nehru has indicated Indian troops would withdraw some distance if Pakistan troops evacuated Kashmir but would insist holding certain strategic points against tribal incursions. He also wants announcement by Commission withdrawal Pakistan troops as minimum recognition guilt Pakistan and validity Indian complaint. While he would not insist area evacuated Pakistan troops be occupied Indian troops Nehru has indicated he wants authority state government over all Kashmir recognized. Czechoslovak representative reports Nehru unwilling delay settlement one year as probably required by plebiscite and appears inclined accept partition along present line Indian troops.

Formal Indian statement conditions cease-fire expected shortly. Meanwhile Commission adopted resolution twentieth requesting GOP designate representative come Delhi discuss cease-fire.

Commission currently thinking cease-fire along present front opposing forces or slight withdrawal both sides. In anticipation agreement Commission adopted resolution twentieth requesting SYG UN be requested supply observers.¹ Resolution also requested SYG appoint third country officer high rank as military adviser Commission. Commission informing SYG it believes appointment General Llovd this post questionable in view announcement his consideration plebiscite administrator.

Military subcommittee consisting Lozano, Captain Graeffe,² Major Smith, Samper with Symonds adviser had prepared list questions on military situation Jammu Kashmir before and after cease-fire to clarify actual conditions. Indian Army officials who on sixteenth appeared before Commission to give summary military events Kashmir endeavored establish presence Pakistan troops Kashmir which GOP had not vet admitted GOI. Commission planning inform SC presence these troops Kashmir but primarily on basis Zafrullah's admission to delegates.

¹ For text, see SC, *3rd yr., Suppl. for Nov. 1948*, p. 129. ² Harry Graeffe, Belgian Alternate Representative on the Commission.

USRep planning propose Commission that military subcommittee proceed Kashmir soon as feasible. Full Commission expects proceed Kashmir following discussions Karachi.

Sent Department 594; repeated Karachi 123 Department pass London from Delhi.

[HUDDLE]

501.BC Kashmir/7-2148: Telegram

The Chargé in India (Donovan) to the Secretary of State

SECRET

NEW DELHI, July 21, 1948-4 p.m.

595. From Chairman UN Commission Ind-Pak for President SC UN. UN commission India-Pakistan during official conversations in Karachi was informed that three brigades Pakistan troops are inside Kashmir frontiers. India has not been notified of this. Indian representatives strongly insist these troops be withdrawn as essential condition cease-fire with which commission concerned. Commission is informally sounding both governments concerning various solutions to dispute. Competent Indian officials indicate plebiscite this year impracticable and that whole years prolongation present crisis dangerous. Karachi officials favor plebiscite having thus far made no reservations regarding possible delay. Begin joint discussions with both governments still premature. List of questions to both governments on military situation prepared. Commission intends go Karachi after preliminary talks with Pakistan special representatives invited from Karachi to Delhi. No objections going Srinagar, when appropriate, expected. Commission cordially and courteously received in Karachi and Delhi. Commission asks to treat this message highly confidential for your internal information.

Sent Department 595, repeated Karachi 124, and London.

DONOVAN

845.00/7-2348

CONFIDENTIAL

The Chargé in India (Donovan) to the Secretary of State

NEW DELHI, July 23, 1948.

No. 842

Subject: Conversation Regarding Hyderabad and Kashmir With Secretary of the Ministry of State.

SIR: I have the honor to refer to my telegram no. 577 dated July 16, 1948¹ quoting excerpts from a speech made by the States Minister, Sardar Patel, on July 15 on the occasion of the inauguration of the

¹ Not printed.

Patiala and East Punjab States Union in which he touched upon Indo-Hyderabad Relations.

The Department will recall from this telegram that Sardar Patel stated that the Government of India had now withdrawn its recent offer to Hyderabad² and that the State must now accede to the Indian Union under the same conditions as all the other Indian States. One of the officers of the Embassy called upon Mr. V. P. Menon, Secretary of the Ministry of States, on July 17 in order to ascertain definitely if the Government of India had officially withdrawn the terms recently offered to the Nizam. Mr. Menon stated that the offer had been withdrawn because it had been rejected by the Nizam, and the Government of India did not feel that it could hold its offer open for an indefinite period. Mr. Menon added however that if the Government of India considered it advisable it might offer the Nizam equally advantageous terms in the future. It is the belief of the Embassy that Mr. Menon's remark can be interpreted only as an indication that the Government of India will not insist that the Nizam must accede on precisely the same terms as that of the other Princely States.

Mr. Menon divulged some significant information regarding the negotiations which took place in connection with the offer made to the Nizam, the text of which was transmitted to the Department with my despatch no. 702 dated June 19, 1948 3 on the subject "Breakdown of Indo-Hyderabad Negotiations". In the first place Menon said that he did not "honestly approve" of the terms offered to the Nizam. He also said that the Governor-General at that time, Earl Mountbatten, had obtained Sardar Patel's approval of the draft agreement before he (Menon) had had an opportunity to discuss it with Sardar Patel. Mr. Menon had planned to reach Dehra Dun, where Sardar Patel was then staying, for the purpose of discussing the draft agreement before Earl Mountbatten arrived. Mr. Menon's plane was delayed, however, and Earl Mountbatten was able to obtain the Sardar's approval after stating that Menon concurred in offering such terms to the Nizam. Mr. Menon said that if he had been able to reach Sardar Patel first and inform the Sardar that he did not "honestly approve" of the plan he was certain that the Sardar would have refused to approve it.

Mr. Menon said that he had told Mountbatten that, although he did not object to Mountbatten "obtaining another feather in his cap" by settling the Hyderabad problem, he doubted very much that the Nizam would accept the terms of the offer, favorable as they were to Hyderabad. Mr. Menon also stated that Sir Walter Monckton had been

^a Reference here is to the terms of settlement worked out during the preceding month between Hyderabad and the former Governor-General of India, Earl Mountbatten, who relinquished that position to Shri Chakravarti Rajagopalachari on June 21.

³ Not printed.

genuinely eager to arrive at an agreement. He said that Sir Walter had personally drafted every provision of the offer made to Hyderabad and that he himself "had not touched a pen" to the paper. According to Mr. Menon, Sir Walter considered the terms offered as most generous and told Earl Mountbatten and Mr. Menon that in his opinion India was entitled to demand accession and the establishment of responsible government in the State.

It is the firm view of Mr. Menon that Razvi⁴ exerts a controlling influence over the Nizam and consequently over the policy of the Hyderabad Government. Mr. Menon said that during the course of the Indo-Hyderabad negotiations the Government of India had intercepted a letter from Razvi to a "Pakistan authority" informing the latter that he did not have to worry about the possible conclusion of an agreement with India as Razvi would always "remain loyal" to Pakistan. When this letter was shown to Mountbatten he expressed doubts regarding its authenticity. Mr. Menon believes, however, that the refusal of the Nizam to accept terms drafted by his adviser is clear evidence of a close relationship between Pakistan policy and Hyderabad intransigence. Another evidence which Mr. Menon cited of the dependence of the Nizam on the counsel of Razvi was the fact that Sir Walter had been unable to see the Nizam alone for the past four months. According to Mr. Menon either Razvi or one of his followers was present at all interviews between the Nizam and Sir Walter.

With reference to the future trend of Indo-Hyderabad relations Mr. Menon expressed the opinion that the economic sanctions now being applied by the Government of India against Hyderabad would not be effective in compelling the Nizam to come to an agreement with India. Mr. Menon believes that economic sanctions are effective only when they are applied against a modern industrial state and not against a feudal unit such as Hyderabad in which the standard of living is extremely low; food resources are adequate; and the average inhabitant is almost self-sufficient from the economic point of view. As reported to the Department, Mr. Menon stated that although he felt that military action against the State would afford the only solution to the Hyderabad problem, his Government still believes that a peaceful settlement may be achieved and is working towards that end.

Mr. Menon then began on his own initiative to discuss the Kashmir problem. He expressed the hope that the United Nations Commission for India and Pakistan would be able to achieve a peaceful settlement of this problem. Mr. Menon believes that the Indian psychology must be taken into consideration by the Commission in solving the Kashmir problem. According to him the Indian Government and people are

⁴ Syed Mohamed Kasim Razvi, President of a politico-religious organization of Muslims in Hyderabad.

convinced that their action in going into Kashmir to defend the people of the State against depredations of the raiders was morally right. They feel that their motives have been impugned and that the United Nations has refused to take this aspect of the problem into consideration in its deliberations, and has deliberately refused to recognize an obvious fact, namely, that the Pakistan Government has been actively assisting the raiders even if it did not directly instigate the invasion. Consequently, Mr. Menon feels that unless the United Nations Commission makes some gesture to recognize the moral motives behind the Kashmir policy of India as well as the complicity of Pakistan in the invasion, there is no chance of acceptance by the Government of India of any settlement terms submitted by the Commission.

Mr. Menon feels that once such recognition is made the Government of India will be willing to accept a solution based upon partition of the State. Mr. Menon requested that this information be treated in the strictest confidence as it would greatly weaken the Indian position vis-à-vis Pakistan if the latter Government discovered that India would accept partition. According to him, the Government of India will accept a settlement based on the cession of Mirpur, Poonch, Muzaffarabad and Gilgit to Pakistan. He also said that the Government of India would accept the results of a plebiscite held in the Vale of Kashmir to determine whether that area would go to India or Pakistan and that it would be willing to withdraw all Indian troops from the Vale during the time that the plebiscite was being held. The only qualification which Mr. Menon made to the acceptance of such a settlement by the Government of India was that the United Nations must ensure the withdrawal of the Pakistan troops and the raiders from the areas which they now occupy before any cease-fire is issued. He said that the Government of India would not take advantage of such a withdrawal by sending Indian troops into the areas concerned and that, if the cease-fire order should break down, Indian troops would not take advantage of the withdrawal of the Pakistan troops to enter the area.

In the evaluation of Mr. Menon's statement it should be taken into consideration that, in opinion of the Embassy, Mr. Menon, along with Sardar Patel, is much more interested in Hyderabad than in Kashmir. Consequently, it is likely that he would be more conciliatory—as the foregoing statements would appear to substantiate—than would certain other Government of India leaders, particularly Pandit Nehru. Nevertheless, the Embassy has been advised by various other key officials in the Government of India, including Mr. M. K. Vellodi, General Bucher and others, that they favor a solution of the Kashmir problem predicated on the partition of the State and the Embassy is therefore inclined to believe that such a solution is the most feasible one at present.

The information contained in this despatch has been brought to the attention of the United States Delegate on the Commission.

Respectfully yours,

HOWARD DONOVAN

845.00/7-2648: Telegram

The Chargé in India (Donovan) to the Secretary of State

CONFIDENTIAL

NEW DELHI, July 26, 1948-noon.

612. Embtel 610, July 26.1 Delhi press today carried account attack by Razakars on Indian troops going from Sholapur to Indian enclave of Barsi. Deputy UK High Commissioner states five Indian troops killed in attacks, made from ambush, cause GOI react strongly as Hyderabad Government had agreed free passage Indian troops across this strip Hyderabad territory.

In view atrocities described by Joshi (Embtel 606 dated July 24¹) Nehru's fighting speech Madras yesterday² and this attack on Indian troops, Embassy considers situation has deteriorated and is no longer completely convinced India will defer taking military action against Hyderabad until expiration standstill agreement November 15. UK High Commissioner's office also considers situation grave. GOI ministers apparently believe they can localize military operations against Hyderabad and do not take in consideration that operations against that state could cause repercussions all over India and particularly Indo-Pakistan relations already strained to breaking point as result failure resolve Kashmir problem. Some sources believe GOI might try take advantage present lull Kashmir operations as result monsoon to march into Hyderabad in expectation that state could be brought under Indian control before resurgence military activity Kashmir after monsoon.

UK High Commissioner's office is sending Fry, an official Deputy High Commissioner's Office Bombay, to Hyderabad today so that he can be on spot to take necessary steps for safety British and American residents that state.

Sent Department 612; repeated Karachi 127; Department pass London from Delhi; pouched Bombay; Calcutta; Madras.

DONOVAN

¹ Not printed.

[•]Not printed. ⁹The speech made by Nehru in Madras on July 25 was bitterly critical of Pakistan's action in regard to Kashmir. The Chargé in Pakistan, in his tele-grams 386 and 389 of July 27 and 31, respectively (not printed), expressed an-noyance with Nehru's words and informed the Department that an editorial of July 27 in Pakistan's newspaper *Dawn* considered Nehru's strong language a breach of the agreement on the U.N. Commission's resolution of July 14 calling for restraint in the use of provocative statements (745.45F/7-2748 and 7-3148).

FOREIGN RELATIONS, 1948, VOLUME V

501.BC Kashmir/7-2748: Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

[Extracts]

SECRET

New Delhi, July 27, 1948-1 p.m. 617. Comkas 16 July 23. Mohammed Ali and Ayub¹ despatched Delhi by GOP response Commission's request reported no significant changes GOP standpoint reported Comkas 14. Formal statement GOI conditions cease-fire expected shortly. Informally Nehru has indicated these will include (1) formula establishing Pakistan guilt (2) withdrawal Pakistan troops Kashmir (3) Indian army to stand approximately present line plus Domel area considered strategically essential by GOI (4) Kashmir territory evacuated Pakistan troops to be administered local authorities, but theoretically remaining part Kashmir until final settlement.

On eve departure [of Commission] for Karachi must be stated situation has not been appreciably building up to such extent as to forecast satisfactory constructive decisions. Extended conversations with all Indian officials and others give no indication possible withdrawal their self-righteous intransigent stand, nor has press at any time reflected any inclination toward modification. Official and public attitude that Commission is here on sufferance and is more or less under tutelage and benevolent guidance Indian authority is being jealously maintained. Weather is undoubtedly causing let-up activities several Kashmir fronts notwithstanding which Indian press continues publish official communiqués local engagements. Chief of Staff reliably quoted to contrary effect that he quite uninterested in Kashmir front for at least two months to come as activity practically impossible. To check actual situation and as first step undertaking something like productive activity Kashmir, Commission dispatched observer team consisting Smith, Harry Graeffe, accompanied Symonds, which departed Delhi July 27 seven day trip Indian side Kashmir front to study and report military situation. Indian army arranging visits Jammu City, Jhangar, Naoshera, Punch, Chakothi, Baramula, Uri, Tithwal, Srinagar.

Commission proceeding Karachi July 30 for conversations and investigations expected last one week or ten days, expecting thereafter go to Srinagar via New Delhi.

[HUDDLE]

¹ Mohammad Ayub, liaison officer.

DISPUTE OVER KASHMIR AND HYDERABAD

501.BC Kashmir/7-2948: Telegram

The Chargé in India (Donovan) to the Secretary of State

CONFIDENTIAL

New Delhi, July 29, 1948-11 a.m. 622. NR UNIPQ¹ 28. For Secretary General UN from Kunst. Please convey following message to President SC "Commission terminated work Delhi establishing personal contact and ascertaining Indian Government's present view and now proceeds Karachi with corresponding purpose Pakistan Government. Estimated stay Karachi fortnight or less (Kashmir advance mission now arrived and operating). From Karachi Commission going Srinagar air route through Delhi. Signed Chairman UN Commission for India and Pakistan". [Kunst.]

DONOVAN

¹ Presumably "Number United Nations India Pakistan Question".

745.45F/8-548: Telegram

The Chargé in Pakistan (Lewis) to the Secretary of State

CONFIDENTIAL

KARACHI, August 5, 1948-noon.

396. India-Pakistan commission which arrived Karachi Saturday July 31 met mornings August 2 and 3 to discuss program of work in Karachi and possible points for discussion with representatives GOP. First formal meeting with representatives of GOP held yesterday morning. At meeting which lasted more than two hours Sir Zafrullah Khan, who was accompanied by Mohammad Ali,¹ reviewed history Kashmir matter and replied in detail questions from members of commission. Commission formally received August 3 communication from GOP relative to Nehru's speech at Madras July 25. GOP inquired what action commission proposed take respect this matter. Commission acknowledged receipt communication but made no comment.

LEWIS

¹ Secretary General of the Pakistan Cabinet. 429-027-75-24

845.00/8-648

Memorandum of Conversation, by Mr. W. L. S. Williams of the Division of South Asian Affairs

SECRET

[WASHINGTON,] August 6, 1948.

Participants: Mr. E. G. Mathews Mr. C. W. Adair¹ Mr. J. S. Sparks Mr. W. L. S. Williams

The above officers foregathered in Mr. Mathews' office to discuss the Hyderabad situation in the light of the letter received yesterday afternoon from the Nizam of Hyderabad to the President in which the Nizam appeals to the United States Government to lend its good offices to secure a peaceful settlement between India and Hyderabad.² A re-examination was made of various documents relating to the matter, particularly the Indian Independence Act, the Stand-Still Agreement between India and Hyderabad and, from Hansard, a number of pertinent speeches made during the debate in Parliament over the Indian Independence Bill. The purpose of this preliminary reexamination was to attempt to clarify the legal aspects of the matter, particularly the Nizam's contention that with the British withdrawal from India, the Princely States were given freedom to associate with one or other of the Dominions or to remain independent. It was unanimously agreed that on the basis of the Independence Act and the discussions of the question of the future of the Princely States which took place in Parliament that the Nizam did, in fact, have a rather strong argument. Mr. Attlee is quoted on 10 July 1947 as follows:

"With the ending of the treaties and agreements, the States regain their independence. But they are part of geographical India, and their rulers and peoples are imbued with a patriotism no less great than that of their fellow Indians in British India. It would, I think, be unfortunate if, owing to the formal severance of their paramountcy relations with the Crown, they were to become islands cut off from the rest of India. The termination of their existing relationship with the Crown need have no such consequence. In fact, already a large number of the States have declared their willingness to enter into relationships with the new Dominions, and some have been represented in the Constituent Assembly of India. It is the hope of His Majesty's Government that all States will, in due course, find their appropriate place within one or other of the new Dominions within the British Commonwealth, but until the constitutions of the Dominions have been framed in such a way as to include the States as willing partners, there must necessarily be a less organic form of relationship between them, and

³ This letter, not found in Department of State files, was dated July 4, 1948 and received via the Nizam's Agent General in London (845.00/8-648).

¹Vice Consul at Bombay, December 1941 to July 1946.

there must be a period before a comprehensive system can be worked out.

"If I were asked what would be the attitude of His Majesty's Government to any State which has decided to cut adrift from its neighbours and assert its independence, I would say to the ruler of that State, 'Take your time and think again. I hope that no irrevocable decision to stay out will be taken prematurely'."³

Mr. Harold Macmillan, member of the opposition was also quoted as follows:

"We warmly approve the decision of His Majesty's Government to resist the pressure to transfer paramountcy to the successor governments. They have been very wise in that. I was glad to hear, or think I heard, the Prime Minister say that the States were to be absolutely free in their choice as to whether or not they should join one or other of the new Constitutent Assemblies; whether they should subsequently join one or other of the Dominions as they emerge from the Constituent Assemblies, or whether, finally, they will declare themselves free and independent sovereign authorities. I trust that this is true not only in words but in fact, because there have been disturbing rumours reaching us of a good deal of moral and even physical pressure which has been exercised, perhaps by misunderstanding of some of the official statements made in India or elsewhere".⁴

It was suggested that it was these statements and others like them, made by British officials at the time of the passage of the Independence Act, which now cause British officials to say, as they have to our Embassy in London, that if the case of Hyderabad were brought to the UN, the British would be very embarrassed. Following a telephone conversation with Mr. Allen of UNA, Mr. Mathews suggested that the letter of the Nizam to the President as well as the Nizam's letter to the King ⁵ were quite possibly steps, taken after careful planning by the Hyderabad Government to insure that the case might be given a hearing in the UN. Hyderabad would be able to argue quite plausibly, in the event its appeals for good offices are not granted, that it has exhausted every means except the UN to settle the question. Various approaches to the letter were considered and the ramifications of each approach were explored. It was generally felt quite possible, indeed probable, that the Indian Government had seen the Nizam's letter. It was considered likely that it had been carried by Beaumont who was searched by Indian Customs officials in Delhi on July 22, at which time a letter of the Nizam to the King was opened by Indian officials.

³ Comments during the second reading of the Indian Independence Bill, Parliamentary Debates, House of Commons, 5th series, vol. 439, col. 2451. ⁴ Ibid., col. 2471.

⁵ Reference to the Nizam's letter to the King, together with information on a similar letter to the Prime Minister and Attlee's reply, was conveyed to the Department in telegrams 3628 and 3636 of August 11, neither printed (845.00/8-1148).

It was agreed that the British Government should be informed of the receipt of the Nizam's letter. It was also agreed that the Embassy at London should be asked to be informed by the British Government of the nature of the Nizam's letter to the King, of the official reaction to it, and of British thinking regarding Hyderabad generally.

It was also agreed that probably, but dependent on London's report, it would be desirable to inform the Indians of the receipt of the letter. particularly since it was felt quite likely that they already knew of its existence and were probably deeply concerned about it. It was conceded by all that the Indian Government would take an extremely dim view of U.S. good offices in the Hyderabad dispute. It was suggested that by conveying to the Indians the fact that the letter had been received and was being given careful study, apparent Indian plans to settle the question by a resort to force might be retarded. Suggestion was made that the U.S. could not, for obvious reasons accede to the request for good offices, unless a parallel request was also made by the Government of India. This development was considered extremely unlikely, and therefore a suggested sequence of events might be (this, again, depends on the nature of the British Government's view) (1) for the U.S. to inform the Indian Government of the receipt of the Nizam's letter and the fact of our considering it, and to ascertain the Indian reaction, (2) at the same time taking the opportunity thus afforded to urge the Indian Government to attempt again to reach a settlement through peaceful negotiations. An acknowledgment of the letter from the Nizam might be made verbally by our Embassies at London and New Delhi to the Hyderabad representative at both posts, and the opportunity would be taken to point out our feeling that our good offices would be unavailing unless both parties to the dispute desired them.

The possibility of a Commonwealth meeting or roundtable conference to solve the problem was also discussed. The fact of heavy British responsibility for the Hyderabad situation was noted.

It was suggested that if a written reply were to be made to the Nizam's letter, it should be sent through the GOI in view of the Stand-Still Agreement in which Hyderabad agreed that GOI would handle Hyderabad's foreign affairs.

501.BC Kashmir/8-1048 : Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

SECRET

KARACHI, August 10, 1948-noon.

404. Comkas 18. At end first week Karachi Commission endeavoring draft cease-fire proposal acceptable to both India and Pakistan for simultaneous presentation both governments. Proposal would be designed effect truce while Commission attempted persuade contending parties agree long range settlement.

Appearing before Commission fourth Zafrullah Khan concentrated effort demonstrate illegality Kashmir accession India. He contrasted GOI refusal accept even provisionally accession Junagadh to Pakistan and emphasized principle now accepted at India's insistence that rulers decision can be considered binding only if in accord popular will. Zafrullah attributed failure GOP inform SC presence Pakistan troops Kashmir to anticipated imminent arrival Commission. He left for answer by Pakistan military representatives scheduled appear Commission ninth questions on relations GOP with Azad forces and extent assistance rendered by GOP to Azad and tribal elements.

Commission's military observers arrived Karachi fifth from Kashmir reporting weather seriously impeding military operations all fronts with Indians contemplating no immediate offensive and conducting patrols largely for morale purposes. During seven day tour mission encountered no fire from Pakistan side although artillery shelling reported by Indians one night. Morale and efficiency Indian forces appeared high. Team expected leave for inspection Pakistan side front about eleventh.

Commission contemplates obtaining views Azad Kashmir representatives informally either in Karachi or through military team when in area next week. Azad's aspirations and activities complicates situation considerably and Commission particularly desirous learn their attitude toward cease-fire.

Commission members anxious begin consideration final settlement and on third US representative introduced working paper suggesting for tentative consideration if overall plebiscite impracticable three other possible solutions (1) definitive and final partition, (2) partition except for plebiscite in Vale, and (3) partition with self-governing status for Vale under joint protection India Pakistan. Members appear inclined toward partition as most practicable solution, Czechoslovakia opposes plebiscite arguing that those held among more politically conscious Europeans had doubtful results and would be more impracticable here. Belgian suggests possibilities independence and joint protectorate be canvassed. All representatives stress present thinking highly tentative.

Press both Pakistan India published this week Lahore despatch quoting *Civil and Military Gazette* that city to effect GOP had officially informed Commission presence Pakistan troops Kashmir. Zafrullah informs GOP not responsible for Lahore story. Publicity given London this week to presence large number British officers in armies two dominions was fully repeated India Pakistan. Publication these two stories has not materially affected Commission's viewpoint since Commission has known both conditions but Commission's endeavors stimulated to formulate cease-fire terms acceptable to contending parties and consensus is that Commission must in some manner publicly recognize fact of Pakistan invasion Kashmiri territory.

Commission hoping complete conversations Karachi around fourteenth and proceed Srinagar via Delhi.

[HUDDLE]

501.BC Kashmir/8-1648: Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

CONFIDENTIAL

NEW DELHI, August 16, 1948-11 a.m.

702. Comkas 21. Proposals for cease-fire agreement ¹ transmitted Embtel 701² were presented simultaneously governments India and Pakistan Saturday 6 p. m. American delegation accompanied party Delhi and reports that when Prime Minister read document he stated it would obviously require considerable study and reference his government as well as consultation with Sheikh Abdullah.

American delegation not yet informed of reaction Karachi.

American delegation is not sanguine that proposals will elicit favorable response either government but even if accepted only as basis mutual conversations between [governments] together with Commission result would not be considered entirely unsatisfactory.

Must frankly be stated Commission has received no expression sympathy with agreement principle from either Indian or Pakistan officials collectively or individually or any indication there might be possibility for mutual agreement two governments on Kashmir question. American delegations feeling is that position both governments thus far is precisely same as when they presented their views to SC except that advance Pakistan troops into Kashmir territory may have lessened chances agreement unless they are promptly withdrawn. Majority commission appeared convinced request for simple cease-fire agreement with no conditions would be rejected. Consequently attempt was made to present conditional proposals which might just possibly meet with not too unfavorable reaction both gov-

¹The resolution incorporating these proposals was adopted by the Commission on August 13 and released by the Security Council as document S/995. For text, see SC, 3rd yr., Suppl. for Nov. 1948, pp. 32-34. The text of correspondence on this resolution between the Commission and the Governments of India and Pakistan follows the resolution, pp. 34-49, 129-138. Notes of meetings held by the Commission with the Indian Prime Minister and the Pakistani Minister for Foreign Affairs concerning the resolution are printed in the same source, pp. 94-107.

² Telegram 701, August 15, not printed.

ernments. Result is document which probably will need considerable clarification and which Indian and Pakistan officials will accept if they consider it at all only as basis for debate in which old arguments will be repeated. At this writing, impossible speculate with any certainty on outcome much less make prediction, though American delegation view not hopeful.

During Commission's 5-week stay Delhi and Karachi position between two governments has not noticeably improved. Inflammatory speeches by Nehru in spite of Commission's request for cooperation worsened matters and in this respect Pakistan maintained correct attitude except for remarks several obscure officials. Press both countries continues play up hostilities but reports exaggerated present time since action reduced to minimum by adverse weather conditions. Rumors of strained relations circulate among observers situation, one of which concerns possibility India severing diplomatic relations with Pakistan unless Pakistan troops withdrawn to Pakistan territory. Another rumor heard by American delegation after return to Delhi says India only awaiting departure of UN Commission before launching all-out blitz attack upon Hyderabad expecting Pakistan at same time attempt big offensive Kashmir. This latter rumor seems extremely improbable and is reported only because source who informed American delegation is well informed and has hitherto proved reliable.

It is of interest to report that on Friday just before departure Commission group from Karachi to New Delhi, Zafrullah Khan demanded hearing before Commission. After some quibbling in which he said he could not be prepared until some time next week, he agreed appear late Friday afternoon, when he made what he termed exposé to Commission of subjects on which he felt Pakistan's and his point of view had not been sufficiently explored by Commission before its decision which he "understood had been arrived at and was about to be presented". Zafrullah's attitude toward Commission has been patronizing and approaching arrogance and he has tended to endeavor to assume position of superiority.

On this occasion he endeavored put Commission in a false position, his purpose evidently being to establish grounds in case he felt reaction Commission's proposals necessary. American delegation was not favorably impressed by his conduct and instead of improving he prejudiced his personal standing. However there is little to choose between Nehru and Aptel on one side and Johhan (who was not seen by Commission) and Zafrullah Khan on the other. Competent circles here and in Karachi continue to believe that Kashmir problem is dispute between individuals highly placed rather than between peoples of India and Pakistan.

[HUDDLE]

501.BC Kashmir/8-2148: Telegram

The Chargé in India (Donovan) to the Secretary of State

CONFIDENTIAL

NEW DELHI, August 21, 1948-noon.

724. Embtel 723.¹ I saw Razvi Hyderabad Agent General this morning. He could not confirm that Syria would present Hyderabad case to UN. Razvi said GOI planes had been flying over Hyderabad State for past six weeks in an endeavor to terrify the people; that raiders from India were equipped with Sten guns and rifles of same caliber as Indian Army used (this caliber is prohibited from use except for Army); a 1000 pound bomb made in Glasgow had been found concealed in Hyderabad territory by subversive elements who intended to use it to destroy a bloc.

He said GOI refusal to arbitrate any of the points in dispute made it necessary for Hyderabad to appeal to UN.²

I gave noncommittal reply to Razvi's query re attitude US might be expected to adopt re Hyderabad appeal to UN.

Sent Department 724; repeated Karachi 142. Department pass London from Delhi.

DONOVAN

² Hyderabad's appeal to the UN was made in a cable dated August 21, 1948. For text, see telegram 1059 from New York, August 25, p. 370.

501.BC Kashmir/8-2348: Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

SECRET

New Delhi, August 23, 1948-2 p.m.

732. Comkas 23. India has indicated its acceptance Commission's proposals for cease-fire and truce agreement presented to Prime Minister fourteenth but acceptance is premised on interpretations certain moot points which do not precisely accord with those of Commission. Commission is therefore now endeavoring establish with India satisfactory mutual understanding but until this is done American delegation considers India's acceptance only provisional though several other delegations hold more hopeful view.

Delegations returning from Karachi were discouraged Pakistan reception of proposals, feel Pakistanis have been offended by Commission, and anticipate Pakistan rejection. American delegation inclined accept this view but nevertheless believes hope eventual qualified Pakistan acceptance may be entertained, if only because after reported

¹ Telegram 723, August 21, not printed.

unanimous decision to reject (Karachi telegram 418¹), Foreign Minister did not announce rejection and several days later presented Commission long list of points on which his Govt desired clarification.

Sir Zafrullah's questionnaire characteristic in some respects needless and may be intended primarily embarrass Commission (some elements of Commission feel he is preparing for complaint to SC) or to prolong negotiations. Commission's proposals difficult to reject and he may wish to prepare other grounds for ignoring them.

Some credence may be given report that Pakistan now wants to delay any decision in Kashmir question to embarrassment India while Hyderabad problem is being agitated. India undoubtedly is in difficult position and might wish to dispose of Kashmir matter before tackling Hyderabad.

Commission may return in body to Karachi later this week if points of difference with India adjusted and will make every endeavor mollify Pakistan Govt and procure acceptance its proposals.

If agreement cannot be reached and India and Pakistan cannot be persuaded work out Kashmir problem together with mutual good will and good faith, outlook for further constructive effort by Commission is dim.

[HUDDLE]

¹ Telegram 418, August 19, not printed.

845.00/8-1348

The Chargé in India (Donovan) to the Secretary-General of the Indian Ministry of External Affairs and Commonwealth Relations (Bajpai)

No. 323

NEW DELHI, August 23, 1948.

SIR: I have the honor to enclose the original of a note dated August 23, 1948 to the Agent-General of the Government of Hyderabad which contains the text of the reply of the Government of the United States to the Nizam's letter of July 4, 1948 addressed to the President of the United States. It would be appreciated if you would forward the letter to Mr. Razvi.

I am transmitting the letter to Mr. Razvi through you in view of Article I of the Standstill Agreement concluded between the Government of India and the Nizam.

Accept [etc.]

HOWARD DONOVAN

[Enclosure]

NEW DELHI, August 23, 1948.

SIR: I am instructed by my Government to transmit through you the following message to His Exalted Highness The Nizam of Hyderabad and Berar in reply to his letter of July 4, 1948, addressed to the President of the United States:

"The Government of the United States noted the information contained in the Nizam's communication and has given attention to the request of the Nizam to extend the good offices of this Government with a view to effecting an amicable settlement of differences existing between the Nizam's Government and the Government of India.

"The United States Government has repeatedly supported employment of pacific means in the settlement of disputes and maintains the hope that differences between the Nizam's Government and the Government of India may be settled peacefully and amicably by direct negotiation or in terms of existing agreements.

"With reference to the question of good offices it should be pointed out that this instrument by its very nature is voluntary and can be successful only if assented to by both parties to the dispute and if the country or countries willing to extend good offices are likewise acceptable to both disputants. Under the circumstances the United States is not in a position to consider the extension of its good offices in the present situation in the absence of agreement of both India and Hyderabad to settlement of their differences in this manner."

Accept [etc.]

HOWARD DONOVAN

845.00/8-2448: Telegram

The Chargé in India (Donovan) to the Secretary of State

CONFIDENTIAL

New Delhi, August 24, 1948-1 p. m.

737. Deptel 505, August 9 [19].¹ Embassy transmitted Department's note to Hyderabad Agent General through GOI August 23. Razvi saw me 10 a. m. today and said he had unexpectedly received orders last night to proceed Hyderabad for consultation. He then said he had received Department's note from GOI. He inquired whether penultimate sentence of Department's note implied US would be willing act as arbiter in event both Hyderabad and GOI made such request. I replied that such an interpretation had not occurred to me and that the phrase "good offices" which Razvi had cited in support of his interpretation, was frequently used in diplomatic correspondence without involving any implication of arbitration. I stressed that point. I then said I had no authority to speak for our government regarding its acting as arbiter between GOI and Hyderabad and cautioned

¹ Not printed.

Razvi against raising any hopes in Hyderabad that US would if requested act as arbiter.

I am convinced Razvi's visit to Hyderabad is not connected with Department's note and that his query was based solely on his desire to clarify in his own mind foregoing point prior to his unexpected departure. Embassy does not believe GOI would under any circumstances consent to arbitration, so point raised by Razvi is not a live issue.

Sent Department 737, repeated Karachi 145. Department pass London from Delhi.

DONOVAN

501.BC Kashmir/8-2448: Telegram

The Secretary of State to the United States Representative on the United Nations Commission for India and Pakistan (Huddle), at New Delhi

SECRET US URGENT WASHINGTON, August 24, 1948—7 p. m. 512. Kascom 21. USUN is informed that SYG is about to ask each member SC to furnish two observers for Kashmir cease-fire. Circumstances surrounding this request are set forth in separate telegram from USUN to Dept,¹ being relayed to you.

Dept considers question of observers of considerable political importance. Although number now being requested appears small, basis for meeting present request would become more significant if eventual number of observers is greatly increased. Important elements in problem of furnishing observers for Kashmir are: (1) remoteness of Kashmir and great expense involved in providing large numbers of personnel and considerable equipment from outside; (2) special experience of British with area and peoples involved; (3) experience of Muslim and Hindu troops in operating together prior to partition of India; (4) conditions in Kashmir exposing it to those whose primary objective would be to make trouble.

Dept would prefer not to make issue in SC on the selection of observers and would hope that a workable arrangement could be made by the Commission itself. Our preference would be to use British observers, assisted by truce teams furnished by military personnel from Indian and Pakistani armies. Kashmir Commission might be able to arrange such observation either on basis of consultation with India and Pakistan or on basis of decision of Commission itself. As minimum, Commission might ask British to make twenty observers

¹Telegram 1057, August 24, from Ambassador Austin, not printed.

available as a temporary measure pending further development of negotiations on the cease-fire.

We understand that Kashmir Commission has not acted officially on this matter and that Chairman and Secretary of Commission might be acting in anticipation of Commission decision. Please inform Dept. present status this matter in Commission and any comments which might help Dept. in deciding what instruction should be furnished you on this point.

MARSHALL

501.BC Kashmir/8-2548: Telegram

The United States Representative at the United Nations (Austin) to the Secretary of State

NEW YORK, August 25, 1948-1:43 p.m.

1059. Following cablegram dated August 21 was sent to SC President by Hyderabad:

"The Government of Hyderabad, in reliance on Article 35 (2) of the Charter of the UN, requests you to bring to the attention of the SC the grave dispute which has arisen between Hyderabad and India and which, unless settled in accordance with international law and justice, is likely to endanger the maintenance of international peace and security. Hyderabad has been exposed in recent months to violent intimidation, to threats of invasion, and to crippling economic blockade, which has inflicted cruel hardship upon the people of Hyderabad and which is intended to coerce it into a renunciation of its independence. The frontiers have been forcibly violated and Hyderabad villages have been occupied by Indian troops. The action of India threatens the existence of Hyderabad, the peace of the Indian and entire Asiatic continent, and the principles of the UN. The Government of Hyderabad is collecting and will shortly present to the SC abundant documentary evidence substantiating the present complaint. Hyderabad, a state not a member of the UN, accepts for the purposes of the dispute the obligations of pacific settlement provided in the Charter of the UN.

"It is understood that the submission of the present complaint to the SC does not prejudice the submission of the dispute to the GA."¹

(In circulating cablegram to SC members, SYG said he was not in position to determine whether he was required by rules of procedure to do so, but was bringing it to SC attention for such action as it might desire to take.)

AUSTIN

¹ This cablegram is printed in SC, 3rd yr., Suppl. for Sept. 1948, p. 5.

DISPUTE OVER KASHMIR AND HYDERABAD

501.BC Kashmir/8-3148: Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

CONFIDENTIAL

KARACHI, August 31, 1948-noon.

434. Comkas 29. Commission returned Karachi Saturday to resume conversations with Pakistan officials endeavor persuade Pakistan Government to accept its proposals for cease-fire and truce agreement. First indications are that Pakistanis remain firm that it must be either unconditional cease-fire or if conditional then entire program for plebiscite must be worked out and agreed upon.

Commission's standpoint is that latter is not feasible and that unconditional cease-fire would be flatly rejected by India. Thus neither is workable.

India demands withdrawal Pakistan troops from Kashmir territory probably justifiably. Pakistan is equally insistent Indian troops get out of Kashmir perhaps less justifiably. Commission feels its proposals meet Indian demands and at same time satisfy what may be reasonable demand by Pakistan that majority Indian forces be required to withdraw so that they will no longer constitute what Pakistan claims is menace to its existence as state.

Pakistan officials however now claim Commission's proposals do not enable them to assure tribesmen of ultimate fair plebiscite and protection their co-religionists, so they cannot control tribesmen. Commission insists that this is explicitly called for in proposals.

I get impression in going over these and other points that Pakistanis do not want to be convinced; that they wanted some action on Commission's part which would in some way recognize or tacitly approve Pakistan Army invasion of Kashmir and leave these forces there, with result that no plebiscite or any other peaceable measures could ever be worked out; and that they are grievously disappointed at failure. On other hand while India has signified acceptance, it is undeniable that Nehru looks on proposals with great disfavor.

Moreover I feel that Zafrullah Khan finds his government now bearing onus of rejection which he had formerly passed back to Security Council with criticism of its plan but he was not standing alone since India for other reasons had also rejected SC proposals. Refusal to agree to cease fighting and arrange truce so that negotiations for peaceful solution can proceed is not easy to justify. He is therefore resorting to all available devices in effort to evade issue. That he may decide ignore Commission and take issue to SC is possibility. He is not aware of India's decision so far as I know.

India's approach is very like that of Pakistan. India originally expected SC decision its favor otherwise would never have presented case and has continued same position. But India's present troubles have occasioned increasing desire some influential elements Delhi to end "this Kashmir business". Both Maharajah and Sheikh Abdullah losing favor and former almost completely ignored.

Situation is something like tri-cornered war nerves. Some members of Commission showing strain to certain extent and their judgment and decisions tending to be less wisely considered.

This leads me to suggest that Department and USUN might think of desirability of appointment of moderator to succeed Commission if perchance both governments accept its proposals and also in event of failure. My experience leads me to believe that one man, of international stature, if acceptable to both governments, would be in better position to work out this problem than is an unwieldly commission. He would need small corps expert advisers.

In case Commission does not succeed matter would become urgent, and some action might have to be taken by SC to avert disastrous results. General Eisenhower¹ presumably would be unavailable but disinterested figure of similar international repute might be able to save situation.

[HUDDLE]

¹General of the Army Dwight D. Eisenhower, President of Columbia University.

501.BC Kashmir/9-148: Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

CONFIDENTIAL KARACHI, September 1, 1948—11 a. m. 437. Comkas 31. Appreciate action USUN as reported Tuesday's press in opposing discussion SC of Kashmir question. Until Pakistan decision in hand consider unguided publicity may endanger results. Commission had spirited discussion today with FonMin which gave some favorable indications but Pakistan decision still in doubt.

[HUDDLE]

501.BC/9-148: Telegram

The Secretary of State to the United States Representative at the United Nations (Austin)

CONFIDENTIAL WASHINGTON, September 1, 1948—7 p. m. 570. Re Hyderabad request to SYG to bring dispute with India to attention SC (Doc S/986),¹ Dept agrees that US rep should take no initiative toward SC consideration.

¹The text of this request was transmitted to the Department in telegram 1059 of August 25, p. 370.

If another Member SC proposes placing it on agenda and question arises as to Hyderabad's right as "state" to present matter under Art 35 (2) you should take following position:

1. There is considerable doubt as to Hyderabad's legal status as "state" within meaning of Art 35 in light of its past position and terms of UK Indian Independence Act and Standstill Agreement;

2. It would be futile to have extended debate on the question of whether or not Hyderabad is a "state" within the meaning of Article 35 (2). It is clear from the known facts that a dispute exists and that Hyderabad is a party to that dispute;

3. Broad intent of Charter and general philosophy of UN is to allow parties to a dispute at least some hearing;

4. On balance, therefore, US should vote in favor of placing matter on SC agenda for consideration without prejudice to question whether Hyderabad is or is not a State within the meaning of Article 35 (2). If motion is not strictly limited to Nizam's communication but in effect can be taken as placing Hyderabad-Indian dispute on agenda, this may be taken as satisfying requirements of Art. 35 (1) and Rules 6 and 7 of SC Rules of Procedure without reference to Article 35 (2).

Similarly, if matter is placed on agenda, Hyderabad should be invited to participate in discussion without deciding whether it is or is not a State within the meaning of Article 32. See Deptel 344 Aug 8 1947² re participation of Indonesian Reps in SC discussion.

In view of unavoidable delays even in most expeditious ICJ procedure and in view fact Standstill Agreement will expire November 29, Dept considers impractical reference to ICJ question of Hyderabad's status.

MARSHALL

² Not printed.

501.BC Kashmir/9-148: Airgram

The Chargé in Pakistan (Lewis) to the Secretary of State

KARACHI, September 1, 1948.

A-352. In a conversation with a representative of the Embassy, Akhtar Hussain, Joint Secretary, Ministry of Foreign Affairs and Commonwealth Relations, declared that Pakistan would support vigorously Hyderabad's case if it were to be considered by the Security Council or General Assembly. Hussain did not indicate whether or not Pakistan would act as sponsor for Hyderabad, although the Embassy's representative did not put this question to him directly. Hussain emphasized the fact that his Government feels there is a close relation between the Kashmir and Hyderabad problems. Pakistan is inclined to think that it would gain considerable advantage in the Kashmir dispute if India's arguments in the two cases could be placed side by side. He also remarked on the obvious military relationship of the two problems as far as India was concerned and expressed the opinion that if Hyderabad was out of the way "India would not allow the UNCIP to set foot again in India". Hussain reiterated the fear that India's first step in Hyderabad would be the complete liquidation of the Muslim minority which would be accompanied by wide anti-Muslim outbreaks in the rest of the Dominion.

LEWIS

501.BC Kashmir/9-248: Telegram

The Chargé in India (Donovan) to the Secretary of State

CONFIDENTIAL

New Delhi, September 2, 1948-10 a.m.

772. Menon Secretary Ministry States told Embassy yesterday he feared GOP would not accept cease fire proposals submitted to Government India and Pakistan by UNCIP. Menon said he was afraid UNCIP would alter proposals in order make them more nearly acceptable GOP and would press GOI make additional concessions. According Menon GOI will make no concessions in addition those required by present proposals and will not accept alterations unfavorable to India of "even so much as a comma".

Sent Department 772, repeated Karachi for US representative Kascom, Department pass London.

DONOVAN

501.BC Kashmir/9-448: Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

CONFIDENTIAL KARACHI, September 4, 1948—noon. 442. Comkas 33. Busy week concluded with commission's proposals under consideration by Pakistan and Zafrullah proceeding quietly over weekend to lay them before Jinnah. After much urging Foreign Minister promised might be possible give oral reply Sunday afternoon. Commission considered urgency increased because Nehru advised us Thursday he proposed expose Kashmir situation Indian parliament before its adjournment fifth. This implied publication commission's proposals before Pakistan response received and to save Pakistan any possible embarrassment commission has endeavored persuade Nehru delay and sent Belgian representative with personal message.

Intimation has been given to Pakistan of possibility Nehru's action. They know commission has India's answer. I suspect however, Pakistan is not much concerned about India's reception proposals and

that their decision will not be particularly influenced by that consideration and my belief was partly confirmed by their seeming indifference when informed possible developments.

Pakistan effort during whole week of almost continuous conferences has been to obtain either modification of proposals or explanation which would convey meaning other than that actually stated and intended. They particularly endeavored obtain commitments re administration and maintenance law and order in territory under Indian control which we know India would not accept and are determined to find some means whereby they could infiltrate to expand their activity and influence. But they insisted most on commission adding to proposals commitments regarding plebiscite which commission could not consistently undertake. In this both Prime Minister and Foreign Minister especially latter were unreasonable and Foreign Minister resorted to every forensic artifice in his efforts. Their position was that they must have plebiscite program settled so that they could give positive assurances to tribesmen and Azad Kashmir in endeavoring persuade them to lay down their arms.

Commission exercised great patience, satisfied every reasonable demand for hearing, listened to Foreign Minister for hours, and endeavored to give firm well reasoned and logical explanations.

Commission is more than ever convinced that military activity must cease if any plebiscite is to be worked out and that two phases must be handled separately. It would be simply impossibility to comply with Pakistan demand that terms of plebiscite be agreed upon simultaneously with cease fire because such complicated agreement could not be effected in present temper both disputants and meantime fighting would continue with all its dangers of sudden engulfment entire subcontinent.

But Pakistan correct in apprehension that India will be difficult in plebiscite problem if that stage is reached. SC and commission must be prepared to adopt very firm procedure and when required may have to be tough.

As I suggested in my 23 (Embtel Delhi 732¹) Pakistan like India found proposals couched in such form that they realize responsibility they would assume by rejection. Proposals have therefore not been summarily turned down but on contrary have been thoroughly debated. Now there is at least an even chance of their acceptance but no prediction can be made with any degree of certainty. Perhaps they themselves do not know until they have the decision of their volatile and redoubtable Governor General whose authority in this matter, so intimately related to his empire building, seems supreme.

[HUDBLE]

¹ Ante, p. 366. 429–027–75–25

501.BC Kashmir/9-648: Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

RESTRICTED US URGENT

KARACHI, September 6, 1948-5 p. m.

443. Comkas 34. Pakistan reply September 6¹ to proposals Commission's resolution August 13 received today purports to accept Commission's resolution as clarified to Pakistan Government by Commission but is qualified by proviso which nullifies so-called acceptance and reads as follows:

"Subject to clarifications and elucidations furnished by Commission to Government of Pakistan being accepted by Government of India and elucidations and clarifications if any furnished by the Commission to Government of India being acceptable to Government of Pakistan and provided Government of India accepts conditions laid down in part B (Articles 6 to 15, both inclusive) of SC resolution of 21 April 1948 as explained by sponsors of resolution UN SC for a free and impartial plebiscite to decide whether state of Jammu-Kashmir is to accede to India or Pakistan."

Commission has not required acceptance of Government of India to portions of SC's April 21 resolution specified in foregoing and is convinced introduction controversial details at present stage would simply and needlessly prolong discouraging negotiations while dangerous hostilities continue. Effect, therefore, of Pakistan decision is nonacceptance Commission's August 13 proposals cease-fire and truce agreement.

In addition Foreign Minister's letter September 6 states views of Pakistan Government not binding on Azad Kashmir Government nor do they reflect Azad Kashmir views. This is in contravention to assurances previously given to Commission by both Pakistan Foreign Minister and Pakistan High Command. As now presented Pakistan confronts Commission with necessity obtaining independent Azad Kashmir consent to present and future proposals. In other respects Foreign Minister's communication misstates Commission's standpoint and endeavors commit Commission to future dispositions regarding which it has advisedly held decisions in abeyance pending effectuation cease-fire and truce agreement.

While acceptance by India of Commission's August 13 proposals need not be taken at complete face value, it did express agreement of India to cease-fire and negotiations for truce. Pakistan's proposition introduces subjects for negotiation which have previously been points of controversy and in effect were rejected by both India and Pakistan.

¹Letter addressed to the Commission by Zafrullah Khan. For text, see SC, 3rd yr., Suppl. for Nov. 1948, pp. 41-45.

This Pakistan fully aware of and it knows, therefore, that injection of controversial features at present stage will effectively obstruct attainment objectives Commission's August 13 proposals.

Commission today issuing press release correspondence between Commission and respective governments on August 13 resolution which will doubtless create hubbub. Copies all documents have been forwarded Department by airmail with exception Foreign Minister's letter September 6 and Commission's reply ² same date which will be sent earliest pouch. Please repeat USUN Paris.

[HUDDLE]

² In this letter to the Minister of Foreign Affairs (S/995), the Chairman of the Commission stated that the Commission was prepared at an early opportunity to consider the questions raised by Pakistan. For text, see SC, 3rd yr., Suppl. for Nov. 1948, p. 45.

501.BC Kashmir/9-1048: Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

RESTRICTED NEW DELHI, September 10, 1948—11 a. m. 809. Comkas 37 (information GA Delegation).¹ While neither Pakistan nor India official or private circles or press ever indicated confidence success mediation efforts commission, general feeling disappointment sensed Karachi and also seems reflected by press from India because Kashmir problem no nearer solution.

In its acceptance commission's resolution India wins first round but India was not committed re plebiscite arrangements. India flatly rejected SC plebiscite proposals and indicated plebiscite could take place only as India dictated. Commissions hope was that with armies out of Kashmir, India's position might be modified and plebiscite terms could be agreed upon. Pakistan claims to want plebiscite but not on Indian terms and position now seems to be that Pakistan army will hold positions in Kashmir until plebiscite arranged or failing that would not evade military action to gain Kashmir and its Muslim peoples for Pakistan.

Pakistan Government, however, seems unhappy with prospect. A prominent official made special personal visit to me and also to Colban Wednesday further explain point of view his government, to assure me of Pakistan confidence in commission and said in playing down some of terms Pakistan reply to commission that Pakistan would be satisfied with any plebiscite arrangements which had approval of com-

¹This telegram was relayed to Paris where the U.S. delegation to the United Nations General Assembly was gathering for the Third Session of that body scheduled to open at Paris September 21, 1948.

mission. But suspicion must remain that Pakistan protracting Kashmir settlement hoping profit by developments Hyderabad dispute which has been seriously troubling India.

Nehru's statement to Parliament September 7 on Kashmir issue charged Pakistan army invaded Kashmir, termed invasion "aggression of Pakistan on Indian union territory" and added "country that was an aggressor nation according to its own showing now rejected and refused proposal for cease-fire or put forward conditions tantamount to refusal." Nehru repeated previous charges that Pakistan case built upon falsehood and deceit.

Zafrulla responded Nehru at press conference September 8 gave spirited defense Pakistan invasion Kashmir saying Pakistan not bound under any moral or international obligation to inform India and no occasion inform SC which had already committed Kashmir case to commission. Zafrulla said Pakistan under no obligation international or otherwise that prevents her from sending her troops into Kashmir, basing Pakistan position on non-recognition legality accession to India. Otherwise he rehashed for most part old controversy.

Have requested Karachi forward full reports Zafrulla's press statement for it should be studied as forming probable theme his presentation to SC if Kashmir placed on agenda.

After first shock and 24 hours silence Karachi *Dawn* and *Observer* broke out September 9 in rash editorial misrepresentation and distortion facts situation. India is main object of attack of [on] commission but that does not improve matters.

On return to Delhi ninth, commission had interview with Nehru and Bajpai and informed them personally re Pakistan's qualified acceptance which amounts to rejection its proposals. Nehru plainly disappointed result. Commission asked whether his government would consider first, simple cease-fire; if not, second, codicil or supplement to agreement, giving Pakistan some assurance re plebiscite such as requested by Pakistan; and third, whether India would be willing engage conferences with Pakistan to break present stalemate. Nehru pointed out futility conversations at present stage. He apparently ruled out cease-fire but seems to have thought possibility working out supplement to commission's proposals to cover plebiscite might just possibly be worthy further consideration. In any event, he did not flatly reject commission's suggestion.

Conclusion, however, seems almost inevitable that India and Pakistan will not come together on mutually satisfactory terms now; that matter may again have to be aired SC; that SC will have to find some means whereby real pressure will have to be exerted on one or both disputants if peaceful settlement is to be arrived at; and that if this is not possible India and Pakistan will have to be left to settle problem in own way with prospect of disaster.

Suggestion Comkas 29² that SC appoint prominent moderator might be seriously considered. New terms of reference should be adopted calling upon India and Pakistan as members of UN confer together with him and agreed terms settlement, at same time calling for cease-fire and truce agreement as prescribed by commission.

Sent Department 809, Department pass Paris.

[HUDDLE]

² Dated August 31, p. 371.

501.BC Kashmir/9-1048

The Chargé in Pakistan (Lewis) to the Secretary of State

RESTRICTED

KARACHI, September 10, 1948.

No. 409

Subject: Kashmir Dispute: India-Pakistan Commission

SIR: I have the honor to refer to my telegrams No. 446 of September 8 and No. 450 of September 9, 1948¹ with regard to the release for publication by the United Nations India-Pakistan Commission of the correspondence exchanged between the Commission and the Governments of India and Pakistan since the presentation of the Commission's resolution of August 13, and the comments of Sir Zafrullah Khan, the Minister of Foreign Affairs of Pakistan, at his press conference on September 8 on the statement of Pandit Nehru before the Indian Parliament on September 7.

Ambassador Huddle has furnished the Department copies of the documents released to the press by the Commission. There are enclosed copies of the "Sind Observer" of September 9 which contain an account of Sir Zafrullah's press conference. It is assumed that the Embassy at New Delhi is furnishing the Department with the text of Prime Minister Nehru's statement before the Indian Parliament. All of these documents should be read in close connection if a fair understanding is to be obtained of the problems which perplexed the Commission before it finally decided that further effort toward a solution of the Kashmir question would probably be largely useless, or, as indicated in the communiqué which it issued as an accompaniment to the released documents, that "immediate effectuation of its proposal of August 13 is not to be envisaged."

It was perhaps a foregone conclusion that however impartial, sincere and understanding the members of the Commission might be their

¹ Neither printed.

mission was foredoomed to failure because any concessions which the Commission might make to meet the point of view of the Government of India would be unacceptable to the Government of Pakistan and vice versa. The Commission also felt itself obliged to work under the very serious handicap of the presence of regular Pakistan army forces in Kashmir.

The Government of India has held from the very beginning that its quick acceptance of the Maharaja of Kashmir's hasty offer of accession to India was occasioned and necessitated by the invasion of Kashmir by hostile forces from Pakistan, and India's case before the United Nations Security Council was based exclusively on the cry that aggression against Indian territory was being committed by Pakistan although at that time Pakistan had no regular troops in Kashmir and had none in Kashmir until May of this year. India has at no time admitted that there was an uprising of people in Kashmir against the Maharaja and his dictatorial regime, which is more accurately what sent the Maharaja on his hurried way to seek accession to India, and through that medium Indian assistance in crushing the rebellion. Whatever the true facts may be, however, the Commission accepted the fact of accession as legal, and on that basis the Commission logically followed with the conclusion that Pakistan was, as represented by the Government of India, guilty of aggression in this sense against India because of the presence of regular Pakistan forces in Kashmir. While I have no knowledge that the Commission actually accused the Government of Pakistan of aggression in this sense, I know that the members of the Commission held that view and that the Government of Pakistan felt that there was this implication in the Commission's resolution of August 13, which requires the withdrawal of Pakistan troops, the presence of which "in the territory of the state of Jammu and Kashmir constitutes a material change in the situation since it was represented by the Government of Pakistan before the Security Council," prior to any movement for the withdrawal of Indian forces.

The Government of Pakistan has not been willing to concede that it is in any sense guilty of aggression against Indian territory. As Sir Zafrullah points out in his interview with the press, the Government of Pakistan is not even willing to acknowledge that Kashmir has legally acceded to India. The Government here holds that it is strange reasoning on the part of Pandit Nehru that carries him to the conclusion that whereas the accession of Kashmir to India is legal the accession of Junagadh to Pakistan is illegal and that while he cries out against Pakistan's aggression against Indian territory (Kashmir) he sees nothing wrong in India's aggression against Junagadh. Although he searches his soul to put his actions on a high moral plane he sees nothing wrong in Hari Singh's² carrying his predominately Muslim state into the Indian Union without any reference to the will of his people (because he was in a hurry) but sees much wrong in the Nawab of Junagadh's carrying his predominately Hindu state into a union with Pakistan. The Maharaja had the authority to accede but the Nawab had no such authority.

The presence of raiders from Pakistan, and later of Pakistan troops, in Kashmir has sorely troubled Pandit Nehru. He makes a great moral issue of Pakistan's perfidy and duplicity in this connection but he makes no allusion to the invasion of Junagadh by Indian troops and the complete suppression by India of the former government of that state. Perhaps he, like his colleague Patel, regards Junagadh as no longer an issue, or, at best, it is an irrelevant issue. The feeling in Pakistan is quite the contrary, and the thinking of the Government of Pakistan with particular reference to the Commission's resolution of August 13 is definitely conditioned by its own conception of Indian perfidy and duplicity in Kashmir, in the matter of Junagadh, and in no small measure in the matter of Hyderabad, and its consequent utter lack of faith in the word and good intentions of Nehru and Patel and, going further, its probable lack of faith not in the good intentions of the Commission but in the ability of the Commission to suppress or control Indian perfidy.

It was for the latter reason particularly that Sir Zafrullah, to the chagrin and perhaps even to the amusement of the members of the Commission, so insistently held on behalf of Pakistan that any "clarifications and elucidations" which may have been given to India by the Commission must be plainly stated for the information of Pakistan and vice versa. The Commission has felt that this has been nothing more or less than quibbling and stalling on the part of Sir Zafrullah, and there may, in fact, be much to support this conclusion, but on the other hand it also seems probable that Sir Zafrullah knows his opponents.

Pandit Nehru says that the Government of India, notwithstanding that there were many matters in the resolution which went against the grain, nevertheless accepted the resolution without reservation. He says that India accepted the cease fire proposal without qualification because of Indian interest in peace and international order and as a gesture of good will towards the United Nations, whereas Pakistan after much delay and the writing of many letters refused to accept the proposal. One has but to read Pandit Nehru's two letters of August 20³ in reply to the Commission's resolution of August 13 to observe how unconditionally Nehru accepted on behalf of the Government of India

² Hari Singhji Bahadur, Maharaja of Jammu and Kashmir.

³ For texts, see SC, 3rd yr., Suppl. for Nov. 1948, pp. 34, 37.

the resolution. Among other reservations Pandit Nehru states twice in his first letter that should it be decided to seek a solution of the future of the state of Jammu and Kashmir by means of a plebiscite Pakistan shall have no part in the organization and conduct of the plebiscite or in any other matter of internal administration in the State. Is it honestly to be expected that Pakistan could accept such a condition? Apart from other considerations, this reservation is hardly in line with the Security Council's resolution of April 21, 1948 and with the spirit of the discussions which clearly indicated the acceptance by the Security Council of a legitimate interest by Pakistan in the holding of the plebiscite.

Actually the position of Pakistan with regard to the Commission's resolution of August 13 is that the resolution is not rejected but that it cannot be accepted without Pakistan being given further "clarifications and elucidations" on the subject of verbal or other assurances given to the Government of India by the Commission. As already stated, the members of the Commission regarded this request as quibbling and stalling, and as their patience had already been worn thin they decided to discontinue further discussions of the problem unless resumption of negotiations may subsequently be found desirable as a result of any change of attitude which may occur on the part of either of the two governments. Inasmuch, however, as it appears to be the determination of the Commission to alter in no particular whatever the terms of its resolution of August 13 or to offer any further clarifications it is freely conceded that in all probability the work of the Commission is finished. The Commission is not necessarily to blame for its failure, and there is no indication that the Government of Pakistan holds any grudge against the Commission, although it does feel that the resolution was plainly unfavorable to Pakistan and involved concessions on the part of Pakistan which could not, for practical reasons as well as for reasons of principle, be conceded.

From a practical point of view the Government of Pakistan was faced, or believed that it was faced, with the necessity of sending its troops into Kashmir to take up a defensive line to meet an offensive which the Government of India was mounting and which if carried through successfully would have had disastrous consequences to Pakistan through the submerging of the northern part of the country with refugees from Kashmir and exposing the rear and flank of Pakistan to an invasion by Indian forces. Pandit Nehru dismisses this explanation out of hand as being false and fictitious and nothing other than a cover for wanton aggression against India. Whatever Nehru's real thinking on the subject may be, and his thoughts might well be different from his words, Pakistan looked at the problem in terms of the estimated danger to its own security and took such measures as it felt necessary for the protection of that security in what was regarded as a purely defensive sense. There is no doubt that had Pakistan informed the Security Council, as Nehru suggests, of its movement of regular troops into Kashmir, Pakistan's moral position vis-à-vis the Commission would have been stronger although legally and technically the probabilities are that the Commission would have regarded Pakistan's position as still being weak and indefensible in that particular. Incidentally it would also have deprived Nehru of one of his crying points at this time, to the advantage of Pakistan, a point perhaps not beyond his appreciation.

One is inclined to wonder what might have happened to Pakistan had the regular troops not been moved into Kashmir. The consequences of its failure to protect itself might then have been better understood by the members of the Commission, for there is no denying that it was the presence of Pakistan troops in Kashmir that broke the back of the Indian offensive which, incidentally, was mounted long after India, like Pakistan, had agreed to the Security Council's request that neither party do anything to aggravate the situation in Kashmir. In any event, Pakistan feels that it has no apologies to offer for what it did in the above connection, and though Nehru may proclaim to the world, as he does, the guilt of Pakistan there is little or no likelihood that Pakistan will put itself in the position of voluntarily accepting from the Commission what it regards as a proclamation of guilt.

There is another consideration also to be taken into account in explaining why the Government of Pakistan would probably be unwilling, as required under the terms of the present resolution, to withdraw its troops from Kashmir even if the Government of India could be relied upon not to resume its offensive. The withdrawal of Pakistan troops from Kashmir without something very practical and substantial in return, something which the tribal peoples of the North West Frontier and the people of Azad Kashmir could understand in their simple minds as a satisfactory return for this concession, there is little doubt but that these peoples would rise up in holy wrath against the Government of Pakistan for surrendering, as they would regard it, to the Government of India on so vital a matter. There is a serious question in my mind whether the Government of Pakistan feels that it is strong enough to resist any such movement. The tribesmen, being restive about the situation of their brethren in Kashmir, were only partially satisfied when Pakistan finally sent its regular troops into that territory. The three or four hundred thousand already armed fighting men of the North West Frontier area, entirely apart from the inhabitants of Azad Kashmir territory, would be a serious problem for the Government of Pakistan should they decide, as they might

very well decide, to rise against Pakistan if this country should now give the appearance of abandoning the Muslims of Kashmir.

Reference is made to Despatch No. 1005 dated August 28, 1948 * from the Embassy at New Delhi enclosing an "unofficial note" issued by the Bureau of Information of the Jammu and Kashmir government reporting that dissension exists within the Azad Kashmir movement. This Embassy has no information which would support that report. Chaudhry Ghulam Abbas and Sardar Mohammad Ibrahim, who describe themselves respectively as Supreme Head of the Azad Kashmir Liberty Movement and President of the Azad Kashmir Government. appear to be working in close cooperation and in complete harmony, and while there may be, as is natural in human affairs, differences of opinion between these persons and others, no intimation has reached Karachi that there are any serious rifts in the Azad movement, nor does there appear to be any reason to believe, as has lately been rumoured, that there are any differences between the Azad Kashmir leaders and the Government of Pakistan. It is my opinion, however, as previously intimated, that the Government of Pakistan did not dare to make any concessions to the India-Pakistan Commission which would have aroused intense disgruntlement amongst the Azad Kashmir or tribal leaders. In the latter connection it should be pointed out that Chaudhry Ghulam Abbas and Sardar Ibrahim have expressed strong disagreement with Nehru's statement before the Indian Parliament and have issued a joint statement, published in today's press, in which they assert that the Commission's proposals in their present form are totally unacceptable to Azad Kashmir. A copy of this joint statement as published in "Dawn" of September 10, is enclosed as being pertinent, even though the Commission has so far shown what superficially appears to be little interest in the Azad Kashmir Government and its point of view.

Meanwhile, the fighting in Kashmir continues as far as monsoon conditions and the terrain permit. Although aerial attacks by Indian bombers have lately been more frequent the Azad Kashmir forces appear to be holding their own and to be operating in some areas at an advantage.

Respectfully yours,

CHARLES W. LEWIS, JR.

⁴ Not printed.

845.00/9-1248 : Telegram

The Chargé in India (Donovan) to the Secretary of State

CONFIDENTIAL New DELHI, September 12, 1948—noon. 822. Embtel 813, September 11¹ reporting Nehru's statement that final reply to letter from GOI to Hyderabad demanding facilities for stationing Indian troops at Secunderabad had not been received.

Embassy advised by UK High Commissioner's office that Hyderabad has now replied in the negative. GOI has also written Hyderabad that, in view of refusal Nizam grant necessary facilities, GOI reserves all freedom of action. Cabinet defense committee meeting to be held today to make final decision. Decision will be political not military as army is convinced its ability carry out campaign successfully but has pointed out certain risks to government, particularly possible intensification military pressure from GOP in Kashmir.

Bucher told me yesterday all British officers with Hyderabad army had resigned. He said Indian army would be in Hyderabad city five days after it crossed frontier taking into account maximum resistance which might be offered. He said Hyderabad had no bombers but that they might use Dakotas to drop bombs; however he does not consider bombing by Hyderabad planes a problem.

He expressed concern over presence in Hyderabad of 5,000 Pathans including civilians and soldiers and said they would be serious problem in event civil disturbances.

Sent Department 822, pouched Karachi, Consulates India. Department pass London.

Nélitalené ali tetreman. T

Donovan

¹ Not printed.

501.BC Kashmir/9-1348: Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

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RESTRICTED NEW DELHI, September 13, 1948—7 a. m. 824. Comkas 42. Commission decided eleventh that developments its work now require presentation interim report to SC, that Commission has accumulated necessary information and that report should be completed in Europe. As result after trip Srinagar, Commission will start for Geneva on or about September 22 provided that meantime nothing happens to alter decision. Nehru on eleventh summoned Commission and gave them final reply inquiries addressed to him as reported Comkas 37, September 10.¹ He stated India unable undertake

¹ Telegram 809 from New Delhi, p. 377.

simple cease-fire agreement, second, unable pursue negotiations regarding plebiscite under present conditions, and finally, could not enter into conversations with Pakistanis since subjects such conversations would be per se ruled out.

Sent Department 824; Department pass Paris info GADel.

[HUDDLE]

845.00/9-1348: Telegram

The Chargé in India (Donovan) to the Secretary of State

CONFIDENTIAL NIACT NEW DELHI, September 13, 1948—4 p. m. 830. Razvi, Hyderabad Agent-General, advises me Mir Laik Ali¹ telephoned him at 10:30 a. m. today stating that GOI troops had entered Hyderabad from Sholapur, Bezwada, and Chanda. Hyderabad troops have clashed with Indian Army at Naldrug in Hyderabad state near Sholapur.

Razvi expects to leave for Hyderabad under safe conduct within next 48 hours.

Sent Department 830. Department pass London.

Donovan

¹ Prime Minister of Hyderabad.

845.00/9-1448 : Telegram

The Secretary of State to the Embassy in India

SECRET US URGENT WASHINGTON, September 14, 1948—12 noon. NIACT

551. Request early interview Bajpai for discussion Hyderabad following lines:

1. On Sept. 3 Indian Amb¹ informally requested Dept give its views re Hyderabad. Problem given urgent attention but following observations are only of preliminary nature to be made GOI on informal and confidential basis.

2. US believes GOI aware our favoring close association all princely states with one or other Dominion. In specific case Hyderabad we have carefully avoided any encouragement Nizam's aspirations independence. It has been and continues our opinion general welfare Indian subcontinent best served by close association Hyderabad with GOI and highly desirable this association be brought about expeditiously and in such manner as to promote peace and stability in area.

¹Benegal Rama Rau. He presented his credentials as Ambassador to the United States on August 5, 1948.

3. Re present Indian military action Hyderabad US has noted with interest press reports of proclamation Indian Army Command to people of Hyderabad stating "As soon as our task is completed, the people of Hyderabad will be given the opportunity to decide their future, both as regards internal government and relations with India".

4. US not intending sponsor Hyderabad's complaint UN, but military events may encourage other UN members place Hyderabad issue on agenda either UNSC or UNGA. While US views on legal and other aspects Hyderabad question not formulated, it possible various complex legal aspects could arouse lengthy discussion UNGA or UNSC and perhaps even lead to reference matter ICJ, thus protracting uncertainty Hyderabad status which Indian Amb here states GOI wishes avoid.

5. Bearing in mind reported intention GOI to give people Hyderabad opportunity freely to express their desire re future status their state, we feel that India might derive significant advantages taking initiative in proposing course of action by which UN could contribute to early solution problem without prejudice its position re legal status Hyderabad. For example, GOI might wish consider as first step in this direction making immediate announcement that it would invite UN to undertake, when conditions permit, supervision of free plebiscite Hyderabad accordance its adherence highest principles international peace and cooperation and in firm conviction that its objectives would be more fully appreciated if subjected to moral scrutiny of world.

6. Should Bajpai react favorably foregoing and ask whether US would support such Indian proposal, you are authorized reply in sense that although we cannot give commitment without full info, we would be disposed consider sympathetically such proposal as advanced by GOI.

7. Dept informally conveying foregoing views to Indian Amb here. MARSHALL

845.00/9-1448 : Telegram

The Secretary of State to the Embassy in India

SECRET US URGENT WASHINGTON, September 14, 1948—12 noon. NIACT

552. Ref Deptel 551, you should bear in mind that if Hyderabad situation comes to SC or if Pakistani-Indian relations already before Council deteriorate significantly because of Hyderabad, US must be free to pursue policy in SC in support of maintenance of international peace and against use of force for settlement of differences. In discussing Deptel 551 with GOI, therefore, you should not in any way imply that we condone use of force respecting Hyderabad.

MARSHALL

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501.BC Kashmir/9-1448: Telegram

The Secretary of State to the United States Representative on the United Nations Commission for India and Pakistan (Huddle), at New Delhi

SECRET

WASHINGTON, September 14, 1948-2 p. m.

554. Kascom 27. Dept believes highly desirable Commission remain Indian Subcontinent and continue negotiations so long as any hope remains inducing agreement, modifying Aug 13 proposals as necessary. This is particularly important present time in view possible effect Jinnah's death ¹ on Pakistan attitude and in view current Hyderabad crisis. Commission decision explain Pakistan reservations GOI and Huddle's decision visit Azad territory (Comkas 35, 37 and 38 2) wisely taken in Dept's view, showing intention continue efforts and allaying professed disappointment expressed by Zafrullah that Commission was breaking off discussions (Karachi's 450 °). This feeling perhaps based on interpretation Commission's press communique (Karachitel, Sept 8, unnumbered)⁴ stating Commission expects continue negotiations "should it find it desirable". Dept understands feeling discouragement some members Commission. However, experience Commission to date and experience other good offices commissions shows value as deterrents continued presence such bodies in area and necessity long, patient efforts for successful completion task.

Re Pakistan's insistence GOI accept Part B SC Resolution 21 Apr (Comkas 34⁵), Dept inclined agree best hope appears lie in working out supplement to agreement dealing with plebiscite, as suggested to Nehru (Comkas 37). However, in order avoid involvement in details plebiscite arrangements this stage, it might be possible employ brief, general language effect that such arrangements will be worked out "along general lines of" SC resolution, or "taking Part B SC resolution as working basis" or some similar language.

Re possibility reconsideration matter by SC (Comkas 35 and 37)

⁴ Not printed.

¹ Mohamed Ali Jinnah, Governor General of Pakistan, died on September 11, 1948. He was succeeded on September 14 by Khwaja Sir Nazimuddin.

²Comkas 35 (telegram 447, September 8, from Karachi) and Comkas 38 (telegram 808, September 10 from New Delhi); neither printed. Comkas 37 (telegram 809 from New Delhi), p. 377.

³ Telegram 450, September 9, from Karachi; not printed.

⁵ Telegram 443, September 6 from Karachi, p. 376.

Dept assumes that so long as any chance remains for agreement through negotiation, any interim Report to SC will be merely informative and not call for consideration matter by Council. If, however, situation reaches such complete impasse that Commission feels it necessary seek further SC consideration. Dept believes it essential that Commission submit recommendations for specific SC action. Dept presently doubts advisability requesting SC to replace Commission by moderator with new terms of reference, as suggested Comkas 29 6 and 37. We feel such recommendation might provoke unnecessary extended debate in Council re desirability Commission vs. moderator and re new terms reference. Also feel such step might have psychological disadvantage of appearing abandon progress reached so far, instead of building on action already taken by SC and Commission. Furthermore selection moderator might raise serious difficulties since Dept doubts advisability appointment US national and practicability of finding acceptable candidate another nationality. Dept would like your further views on this.

If maximum efforts Commission to accomplish results by persuasion prove fruitless, Dept might be able support report by Commission to Council stating it believes Aug 13 proposals, with some indicated modifications, constitute most reasonable basis for restoration peace and order, and recommending that SC call on parties under Art 40 to comply with them. Such action by the SC might be desirable if show of firmness by SC would induce compliance, by enabling both Govts to save face domestically by pointing out that they had no alternative but accept or risk sanctions by international community. Indicate your views.

MARSHALL

⁶ Telegram 434, August 31 from Karachi, p. 371.

501.BC Kashmir/9-1448: Telegram

The Acting Secretary General of the United States Delegation to the United Nations General Assembly (Power) to the Secretary of State

PRIORITY

PARIS, September 14, 1948.

Delga 28. Following text of cablegram from Hyderabad to SC President, dated September 12, circulated as S/998, September 13, with SYG's forward identical to that in S/986 August 24[21].¹ Cable signed by Zahir Ahmed,² as in S/986.

¹Security Council Document S/986, Hyderabad's appeal to the U.N., is printed in telegram 1059 from New York, p. 370. ²Secretary to the Government of the Nizam of Hyderabad and Berar in the

² Secretary to the Government of the Nizam of Hyderabad and Berar in the Department of External Affairs.

"In view of the officially proclaimed intention of India as announced by its Prime Minister to invade Hyderabad and in view of actual preparations for imminent invasion, the Government of Hyderabad earnestly request that the complaint of Hyderabad against India be put on agenda of SC at the earliest possible date such as Wednesday, September 15. Invasion is bound to cause unrestrained communal war throughout the Indian continent. International peace fundamental principles of the Charter and the duty to prevent widespread bloodshed demand immediate consideration of the matter by SC."³

Department please relay New Delhi and Karachi.

Power

³ Printed in SC, 3rd yr., Suppl. for Sept. 1948, p. 6.

501.BC Kashmir/9-1448: Telegram

The Secretary of State to the United States Representative on the United Nations Commission for India and Pakistan (Huddle), at New Delhi

SECRET

WASHINGTON, September 14, 1948-7 p.m.

556. Kascom 29. Notwithstanding Commission's decision Sept 10 proceed Geneva (Comkas 42¹ and Delhi 828²) Dept believes Com should remain Indian Subcontinent (Kascom 27³) and requests you seek reconsideration decision on basis that subsequent death Jinnah and invasion Hyderabad represent new political developments which may affect its task. While impossible predict exact effect these developments on Kashmir negotiations and while Dept appreciates reasons that may have prompted decision move Geneva. Dept feels Com should remain available to take advantage developing situation and that its continued presence even more desirable as stabilizing factor in generally troubled area. Additional reason is if Commission decides submit interim report SC with recommendations, Dept believes before any report submitted, Com should inform both Govts proposed recommendations to afford final opportunity voluntary agreement. Suggest therefore Com prepare report some convenient location subcontinent.

Would like detailed summary Nehru's final reply (Comkas 42) particularly re his statement GOI unable pursue negotiations re plebiscite under present conditions and your evaluation possible openings for further negotiations both govts.

MARSHALL

¹ Sent to the Department as telegram 824 from New Delhi, p. 385.

Telegram 828, September 13, 1948, not printed. * Sent to New Delhi as telegram 554, September 14, 1948, p. 388.

845.00/9-1548: Telegram

The Chargé in India (Donovan) to the Secretary of State

CONFIDENTIAL

NEW DELHI, September 15, 1948-2 p. m.

841. According communiqué issued September 14 by Headquarters, Southern Command, Poona, Indian forces advanced on all fronts sincebeginning action Monday and have captured important objectives. Points captured include Daulotabad, Jalna in extreme northwest state, and Osmanabad. Communiqué also stated "lightning advances" along Sholapur-Hyderabad Road have brought Indian troops to Rajasurabout half way to Secunderabad. RIAF have bombed Hyderabad airfields and have lost two planes.

UK High Commissioner said today he did not consider it beyond bounds of possibility that there was "a deal" between Bucher and El-Edroos.¹ Bucher told Symon that to date Hyderabad State troops: had withdrawn when GOI forces appeared. However, Symon emphasizes his comment is pure speculation. He agrees with Embassy that next 48 hours will be critical and that unless Hyderabad resistance increases during that period there will probably be very little trouble.

Fry reported 8:30 a.m., September 15, all quiet in Hyderabad and that 58 Europeans were at Sanatnagar concentration point; so far as known only one American is there (Embtel 840, September 15²).

No incidents in Delhi up to 1 p. m., September 15, and Embassy has heard of none elsewhere in India.

Sent Department 841, pouched Indian consulates, Karachi. Department pass London.

DONOVAN

¹ General El-Edroos, Commander in Chief of the Hyderabad army. ² Not printed.

501.BC/9-1548: Telegram

The Secretary of State to the Embassy in France

SECRET NIACT WASHINGTON, September 15, 1948—7 p. m. 3651. For Jessup.¹ Re Hyderabad you should be guided by Deptel⁴ 570² on procedural aspects. On merits, US general position based following considerations:

(a) On historical, economic and ethnological grounds and for security and stability Indian Subcontinent, US believes that, subject will Hyd people, accession to GOI on equitable terms is best solution, preferable to either complete independence or accession Pakistan;

¹ Philip C. Jessup, Deputy U.S. Representative on the Security Council.

⁸ September 1, to New York, p. 372.

⁴²⁹⁻⁰²⁷⁻⁷⁵⁻²⁶

(b) Ultimate solution should not be by force and US regrets that situation has arisen leading to use of force, particularly in view provision Standstill Agreement governing GOI-Hyd relations stating that it does not "confer any right on Dominion send troops assist Nizam in maintenance internal order" nor station troops Hyd except in wartime; and provision calling for arbitration;

(c) Practical alternatives to ultimate solution by force this case appear to include: (1) resumption negotiations or (2) reference question Hyd future status to direct vote people under international supervision or observation. Though every effort should be made under (1), circumstances this case indicate (2) more feasible course.

In course negotiations since Aug 1947, GOI has several times expressed view favorable plebiscite and Indian Army command issued proclamation Hyd people Sept 12 stating they will have opportunity decide own future. We likewise understand Nizam agreeable plebiscite, but in any event he would find it difficult oppose such procedure. Believe, therefore, SC decision that plebiscite shall be held offers practical hope solution.

You may discuss problem immediately Cadogan along above lines, informing him sense Deptels 551 and 552 to New Delhi and exploring with him possibility that should no GOI initiative be forthcoming, UK or other friendly delegation might propose that SC recommend that plebiscite will be held under UN supervision or observation and instruct President SC conduct immediate negotiations both parties work out basic conditions under which plebiscite can take place, including cessation hostilities and peaceful deployment troops both govts to maintain law and order.

You are also authorized informally convey above general lines US thinking in answering inquiries other delegates, bearing in mind Dept does not desire take formal initiative in SC at this time.

Please inform Indian Delegate sense Deptels 551 and 552.

At same time Dept would wish cooperate with any practical movement which may develop in Paris toward mediation or other means pacific settlement in accord with Charter provided question of Hyd statehood is reserved.

Dept initially inclined oppose immediate SC cease fire order on grounds such step not practicable in circumstances and any US support would seriously jeopardize US-GOI relations.

Embassy London requested inform FonOff contents this tel and Deptels 551 and 552 to New Delhi.

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MARSHALL

DISPUTE OVER KASHMIR AND HYDERABAD

501.BC/9-1648: Telegram

The Deputy Representative of the United States on the Security Council (Jessup)¹ to the Secretary of State

CONFIDENTIAL URGENT PARIS, September 16, 1948—1 p. m. Delga 52. Hyderabad Foreign Minister neglected opportunity yesterday SC meeting to press for debate and immediate vote on a cease-fire. Now he urges necessity SC requesting immediate cease-fire in view military situation without prejudice any issues involved. Cadogan, SC President, will call meeting tomorrow upon request any member and says UKDel will vote for cease-fire without prejudice any issues involved including Hyderabad's statehood.

In view Department's 3651 to me, dated September 15, please instruct.

JESSUP

¹The United Nations Security Council was meeting in Paris concurrently with the September opening there of the Third Regular Session of the General Assembly.

845.00/9-1748: Telegram

The Chargé in India (Donovan) to the Secretary of State

SECRET NEW DELHI, September 17, 1948—noon. 848. In conversation with Bajpai today he read me letter from Liaquat Ali Khan to GOI re intervention in Hyderabad; Ali Khan stressed danger communal disturbances India Pakistan and Srubal areas and said considerable feeling had been aroused in Pakistan by GOI entry Hyderabad. Bajpai read to me GOI reply this note which was conciliatory in tone. It said there had been no communal trouble in India and that GOI had taken every precaution prevent such outbreaks. It also said GOI entry Hyderabad had been prompted by GOI desire stop deterioration communal situation in India created by Razakars raids.

Bajpai was very critical Bevin's statement in Parliament that "warlike spirit" ¹ had developed in India. Bajpai said "we have sent him a snorter in reply." He then remarked "how do they expect us to stay in Commonwealth after such a remark."

Sent Department 848; repeated Karachi 156. Department pass London from Delhi.

DONOVAN

¹ Parliamentary Debates, House of Commons, 5th series, vol. 456, col. 90.

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501.BC/9-1748 : Telegram

The Chargé in India (Donovan) to the Secretary of State

SECRET US URGENT NEW DELHI, September 17, 1948—1 p. m. NIACT

849. Deptels 551 September 14 and 559 September 15.¹

1. When I advised Bajpai this morning of observations of Department contained Deptel 551 he said any remarks he might make should not be construed as in any way prejudicing GOI position that Hyderabad question is purely internal problem. He said he appreciated friendly spirit in which Department had approached GOI. Before commenting on question UN supervising plebiscite Hyderabad, he wished inquire exactly what role US envisaged for UN. While Bajpai did not commit himself definitely, it is my impression that UN role, according to Indian view, would have to be limited to observation.

Telegram from Rama Rau re his report on conversation with Satterthwaite² in which Department's observations imparted arrived Delhi yesterday afternoon. V. P. Menon then called me his office and expressed his resentment at trend US policy was taking as indicated Rama Rau's telegram. He apparently did not fully understand contents of telegram as he said GOI would never on principle permit UN interference, but GOI might on own initiative invite UN observer plebiscite when held. When it was pointed out Department envisaged voluntary action by GOI somewhat along these lines, Menon retreated and said while GOI might ask UN, US and Great Britain, furnish observers it would not extend invitation now "on matter of principle" but might or might not do so when preparations plebiscite nearer completion.

Menon reiterated GOI view Hyderabad issue purely internal issue since Hyderabad has no international *locus standi*. He also said Hyderabad was in identical position as other Indian states and asked if, in case GOI had difficulty with Baroda, UN would feel it should intervene. He also said if principle UN intervention in GOI-Princely state relations accepted, it was possible that whole structure of accession states to India would collapse. He emphasized that Jodhpur, other Rajputana states and Jaipur were waiting for any indication weakness GOI policy before challenging GOI authority and, at least in one case Jodhpur, acceding Pakistan.

Embassy suggests Department give careful consideration following aspects situation before supporting Hyderabad case or insisting

¹ Not printed.

³Ambassador Rau called on Satterthwaite, Director of the Office of Near Eastern and African Affairs, on September 14. A memorandum of their conversation is in Department files, No. 845.00/9-1448.

UN intervention in GOI-Hyderabad dispute: (1) While V. P. Menon possibly exaggerated danger, Embassy believes Princes would not hesitate take advantage any evidence weakness central government to reobtain former position of power or even attempt establish independence: (2) moreover Embassy feels India will strongly oppose attempt bring Hyderabad dispute within purview UN and would so greatly resent efforts US and Great Britain achieve this objective that friendly relations between India and democracies would be seriously, if not irreparably, damaged. Thus instead of neutral India which despite its neutrality has many bonds friendship and affection uniting it with west, India might become more closely associated with USSR in international field; (3) lack of resistance by Hyderabad troops and speed Indian advance leads Embassy believe UN may find itself dealing with a fait accompli with respect Hyderabad. While Embassy appreciates UN position with respect Hyderabad dispute, there is strong possibility UN intervention will increase difficulties solution Hyderabad problem because of encouragement it will give Nizam not to arrive agreement with India; (4) moreover, Embassy suggests Department bear in mind that disintegrative forces in India are already strong and any encouragement given to Hyderabad, leaders of which interested mostly in maintenance their own power, would to certain degree jeopardize stability India which, with all its weakness, is probably strongest bastion against further advance communism on Asian continent.

Sent Department 849; repeated Karachi 157. Department pass London, Paris for US GADel.

DONOVAN

501.BC/9-1648 : Telegram

The Secretary of State to the United States Delegation at the United Nations General Assembly, at Paris¹

SECRET US URGENT WASHINGTON, September 18, 1948-2 p. m. NIACT

Gadel 20. Hyderabad case:

1. From reports Nizam has ordered his forces cease resistance and has announced intention Hyderabad withdraw its complaint SC it would appear that GOI will be able to present SC and world on Sept 20 with *fait accompli*. Re Delga 52 Sept 16 we assume problem SC cease fire order no longer exists.

¹ This cable was repeated to the American Embassies in India, Pakistan, and the United Kingdom as telegrams 564, 359, and 3691 respectively.

2. Presumably Nizam already engaged in negotiations with GOI re future internal government Hyderabad and its relationship with GOI.

3. We may therefore anticipate that on Sept 20 Hyderabad and GOI reps will inform SC foregoing developments and request removal Hyderabad complaint from agenda.

4. We feel that dropping item from agenda (without further consideration) would create dangerous precedent by encouraging use of force by aggressive states to induce favorable negotiations on recalcitrant states. Attempt Iran in 1946 remove its case from SC agenda pertinent here.

5. Therefore suggest that your action be along following lines:

a. Discourage presentation formal motion for dropping item from agenda this time.

b. Suggest to Cadogan that following statements both parties he make statement to effect that in view resumption negotiations he believes that prior any consideration by SC their request for dropping item from agenda both parties should inform SC outcome their current negotiations.

c. If statement by President along above lines insufficient and matter comes to vote, you should vote against immediate dropping item from agenda and favor motion taking note statements made and requesting parties advise Council outcome current negotiations.

6. Emb Delhi requested reiterate US view that, whatever outcome SC consideration Monday, if possible for GOI give definite indication intention include UN participation in early Hyderabad plebiscite, such action would have strong salutary international repercussions and would create favorable climate UN. UN participation might take form of UN group assisting and advising in plans for plebiscite and observing and reporting on conduct and results thereof. Suggest GADel take similar line with GOI rep Paris.

7. Re Menon's resentment trend US policy (Delhi's tel 849) Dept believes it important Emb Delhi have early frank discussion with him along lines (a) US suggestions resulted from definite urgent request Indian Amb; (b) US has consistently been in sympathy with ultimate GOI objectives Hyderabad; (c) re his concern over applicability any UN role Hyderabad to states which have acceded GOI you should reiterate our views set forth Para 2 Deptel 551.

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MARSHALL

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DISPUTE OVER KASHMIR AND HYDERABAD

501.BC Kashmir/9-1948: Telegram

The Chargé in India (Donovan) to the Secretary of State

SECRET US URGENT NEW DELHI, September 19, 1948-noon.

860. Deptel 564, September 18.¹ In accordance Department's instructions Embassy will of course reiterate US request that GOI give definite indication intention include UN participation early Hyderabad plebiscite and will point out such action would have favorable effect international attitude towards India. Embassy strongly doubts, however, such representations will be effective and if too strongly pressed may cause definite unfavorable reaction US. GOI elated at successful termination military activities and considers Hyderabad problem finally solved.

In this connection Embassy strongly believes any "association" Hyderabad and India other than accession Hyderabad on terms accession agreement other states would not constitute solution problem but would give continuance unsatisfactory conditions which have existed from August 15, 1947 to present. Situation in India has radically changed during past year as GOI has implemented its policy that full integration of states, for all practical purposes, with Indian union is only method by which strong and stable political unit Indian continent could be achieved.

Embassy feels, although it has no definite evidence in support its conclusion, that whole military campaign and consequent capitulation Nizam was to certain degree prearranged plan between Nizam and El-Edroos on one hand and GOI officials on other. Nizam, interested only in future himself and dynasty and almost helpless vis-à-vis Razarkar extremists, decided there should be no effective opposition to Indian Army by Hyderabad state troops. Razarkars notably oppose organized force. With Indian Army in control, Nizam can now effectively disband Razarkars and come to terms with GOI which under states ministerial policy of benevolence to Indian princes should not be too difficult.

I shall see Menon first opportunity.

Sent Department 860, Department pass London; USGADel, Paris. Donovan

¹ Telegram 564 to India was a copy of telegram Gadel 20, supra.

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-501.BC Kashmir/9-2048: Telegram

The Chargé in India (Donovan) to the Secretary of State

SECRET URGENT NEW DELHI, September 20, 1948-3 p. m.

NIACT

864. Deptel 564, September 18.¹ I saw Bajpai this morning. He had just received from Indian Ambassador Washington similar information to that contained paragraph 6 Deptel 564.

Bajpai said it was too early as yet for GOI to give answer regarding form which plebiscite might take or as to what GOI felt UN participation should be. He said GOI had been out of touch with Hyderabad for some months and that Munshi² and General Rajendra Sinhji would arrive Delhi evening September 22 to report on affairs in Hyderabad and that until GOI had firsthand information re conditions Hyderabad nothing could be said re paragraph 6 Deptel 564.

Bajpai said GOI hoped military administration would not last more than two weeks but that again it was impossible give definite answer this question until extent of guerilla activities in which Razarkars might engage could be ascertained.

He said plebiscite might be held on basis adult suffrage or by election to legislative body but emphasized none of these questions could be answered now.

He said GOI must take into account public opinion in India which is incensed over atrocities Razarkars; for example, Socialists are urging Nizam be deposed while other groups are urging immediate setting up of congress government in Hyderabad. Bajpai said task of GOI in dealing with foregoing groups would not be made easier if impression was obtained in India that pressure was being put on India from outside with respect to dealing with Hyderabad. By this I am sure he meant too much debate on the subject at UN especially at this time. Embassy believes that extended discussion of Hyderabad question at Paris at this time will not make GOI position easier vis-à-vis public opinion in India.

I emphasized that interest of US Hyderabad question sprang only from US position as outlined paragraph 2 Deptel 551, September 14 and repeated that US had at all times carefully avoided encouraging aspirations of states such as Hyderabad and Travancore. Bajpai again said he appreciated friendly spirit of US approach and said he had discussed question with Prime Minister and that his remarks to me today should be considered as Prime Minister's as well as his own.

¹ Printed as Gadel 20, p. 395.

^aKanialal Maneklal Munshi, Agent-General to the Government of India in Hyderabad.

Re Razarkar atrocities Bucher telephoned me today to say that American missionaries in Bidar Hyderabad state had some harrowing stories to tell. Bucher said he had sent two American press correspondents to Bidar to obtain story. Embassy will endeavor get in touch these missionaries soonest for factual account. Bucher said no Americans injured these incidents of which apparently Americans

V. P. Menon is in Hyderabad and I shall see him upon his return.

Embassy has heard of no disturbances in India and Indian press were spectators only.

and radio have been advised by GOI, according Bajpai play down one communal incident reported in Pakistan.

Sent Department 864; Department pass London, Paris for USGADel.

DONOVAN

845.00/9-2048: Telegram

The Chargé in India (Donovan) to the Secretary of State

SECRET

NEW DELHI, September 20, 1948-8 p. m.

865. Embtel 864, September 20. Governor General sent for me 5 p. m. today. He referred my talk with Bajpai today and expressed his appreciation US approach Hyderabad question.

He said he was faced with very difficult position re Hyderabad owing to high state of feeling in India against Nizam and Razakar. He said he hoped to keep Nizam on throne and that he was working to that end because it was best for India that Nizam and his dynasty should be maintained. However, his Governor General's position was already sufficiently difficult owing internal opposition (Asaf Ali's speech at Bombay¹) without added difficulty of pressure from outside to hasten plebiscite and bring UN into plebiscite. He told me he would do everything possible to retain Nizam as constitutional monarch and could practically assure me he would succeed provided public opinion in India was not still further irritated by outside interference. He assured me people of Hyderabad would be given every opportunity to have representative government of their own choice.

Governor General made it plain he thought UN participation unnecessary and, in view state public opinion India, unwise.

Embassy requests Department to evaluate foregoing in light of Governor General's well-known policy of tolerance, common sense, and forebearance in political questions; Nizam's penchant for intrigue and double-dealing as exemplified by fact that practically no resist-

¹Asaf Ali was India's first Ambassador to the United States, February 1947 to April 1948.

ance was offered to Indian Army and finally that in last analysis Hyderabad is not entitled to any better treatment than Gwalior, Indore, Bhopal or Baroda. States problem is a matter of life and death to India and Embassy must emphasize that putting Nizam on different plane that foregoing states must inevitably lead to difficulties with other states which have acceded to Indian Union.

Embassy believes American interests would best be served by not insisting Hyderabad case be kept on UN agenda in face of Nizam's withdrawal and in not insisting UN participation in plebiscite. In arriving this conclusion character and integrity of Nizam, which Embassy cannot consider high, must be considered. People of Hyderabad barring ruling clique and small group extremists, will be just as happy under GOI rule as under Nizam and over period of years they will benefit. Foregoing represents considered opinion Embassy, in arriving at which, American interests have at all times been the paramount consideration.

Sent Department 865. Department pass London and Paris USGADel.

DONOVAN

501.BC Kashmir/9-2148: Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

SECRET NEW DELHI, September 21, 1948—noon. 868. Comkas 46. Commission considers its departure from sub-continent necessary and expects arrive Geneva about 26th, resuming sessions 30th. Interim will afford me opportunity lay situation before American delegation Paris if desired (Kascom 27 and 29¹).

Nehru declined categorically to modify his attitude and stands on demand for withdrawal Pakistan forces as preliminary to any plebiscite negotiations. With its army in Kashmir and revolutionary Azad Kashmir forces having had some success, Pakistan now undoubtedly stronger position than last spring, and will not willingly give up its evident gains. Agree too early estimate effect Jinnah's death on Pakistan policy, but previous experience similar conditions might lead to expectation intensification nationalistic aspirations, at least for time. On other hand, India's present success Hyderabad will strengthen India, disappoint Pakistan in Kashmir case.

Actually situation in an impasse. It may be that some simple formula supplementing Part III Commission resolution August 13 will prove acceptable both parties, though I am doubtful, and form this will take

¹ Dated September 14, pp. 388 and 390, respectively.

can be discussed when I arrive Paris. My present feeling is it should not be proposed in interim report but may form subject of separate documents for consideration GOI and GOP.

Advantage may be taken of visit to Paris of both Pakistan and Indian representatives, it is hoped, by our and British delegations, as well as others represented on Commission, informally to impress upon them urgency of coming to agreement, without subject coming up for SC debate.

Zafrullah Khan is, I am convinced, of belief he can divide SC and win support there, though he is worried by Pakistan military invasion Kashmir. He has been most difficult of all officials dealt with in subcontinent, and has succeeded completely alienating majority Commission by his tactics. He has sorely tried my own patience by obvious forensic trickery. His regret because "Commission breaking off discussions" (Karachi telegram September 8, unnumbered ²) is to be interpreted as hypocritical misrepresentation actual conditions to cover his own rejection of Commission's proposals, and his disappointment at being unable delay Commission and utilize it to India's disadvantage in Hyderabad case. He also has consistently endeavored put on Commission burden which can only be borne by Pakistan and India, and from beginning resented terms of Commission's proposals which clearly placed responsibility.

Both India and Pakistan demand for selves all of Kashmir. Both fear result of plebiscite in Valley. Neither is in mood to compromise at moment. In background is religious question.

However, informal discussions in Paris might tend first to press for acceptance Commission's resolution August 13 as it stands; Zafrullah's objections are not well founded. If that effort fails, then, second, to press Indians to accept brief outline of plebiscite arrangements under UN supervision, supplementing Commission's resolution. It is this alternative to which Nehru gave unqualified negative in response to Commission's request after rebuff by Pakistan.

Failing solution along one or other of these lines, future is obscure. To throw case into SC and to agree upon course of action with threat sanctions raise troublesome prospect.

Sent Department 868; Department pass Paris US GADel.

[HUDDLE]

² Not printed.

845.00/9-2448: Telegram

The Chargé in India (Donovan) to the Secretary of State

SECRET

New Delhi, September 24, 1948-noon.

873. Reports from Hyderabad show complete control by Indian forces who are now conducting minor mopping up operations. Reports are that some Razakars have gone underground with arms and ammunition, but any overt action has been met with immediate and overwhelming police action. Despatches confirmed by Hyderabad Military Governor (*Statesman* September 23) from Bezwada report arson and looting by Communists, but apparently principal disorders come from roving bands Razakars.

Embtel 872, September 24¹ reports Nizam's radio broadcast on September 23 declaring he was victim of Razakars and calling people of Hyderabad to give Military Governor fullest support in restoring peace. Report with Paris dateline of September 23, states Nizam cabled UN direct withdrawing Hyderabad complaint against India.²

Local press reports that speaker Indian Parliament urged at public address Madras September 21, that Hyderabad be divided into three areas on linguistic basis and merged into adjoining provinces. This address only one example of pressure on GOI from responsible people for dismemberment Hyderabad (Embtel 865, September 20). Division now would lead to boundless administrative confusion, bitter competition among surrounding provinces for share of spoils, would disrupt Hyderabad governmental structure, destroy faith of Hyderabad Muslims that their interests would be protected, open way for further Communist uprisings in areas where they are strongest, would seriously threaten peace in Hyderabad and would shake political stability of princely states which have been given place of responsibility and prestige in Indian union. It is to forestall such results that GOI wishes establish Hyderabad as integral part of India but with Nizam as constitutional head of state. Despite internal pressure from Indian political figures GOI probably will be able to bring about a solution which will largely satisfy Hyderabad Muslims and Indian extremists if pressure from outside powers is withheld.

Press report from Karachi quotes radio broadcast by Pakistan Prime Minister on September 22 who referring to Nehru's recent appeal for peace with Pakistan and after declaring Pakistan's desire to promote peace averred that he had appealed to Nehru not to use military force against Hyderabad. Embassy's viewpoint is that Liaquat

¹ Not printed.

² For text of the telegram, as read by the Indian representative, Ramaswami Mudalier, at the 359th meeting of the Security Council in Paris on September 20, see SC, 3rd yr., No. 111, p. 3. For summary of the Council's discussions of the Hyderabad dispute, see Yearbook, 1947-48, pp. 459-460.

Ali Khan's address not only will not promote peace, but will further aggravate present disturbed conditions. Indian leaders are hypersensitive on Hyderabad issue, but feel no other solution was possible and criticism especially from Pakistan is bitterly resented.

Sent Department 873, pouched Karachi. Department pass London, Paris, USGADel from Delhi.

DONOVAN

845.00/9-2448

The Chargé in India (Donovan) to the Secretary of State

CONFIDENTIAL No. 1117

Subject: Reasons for Hyderabad Army Offering Only Token Resistance.

SIR: I have the honor to refer to New Delhi's telegram no. 865 of September 20, 1948 regarding the Governor-General's remarks to me on the question of Hyderabad's appeal to the United Nations. There is enclosed a press despatch from the Delhi *Statesman* of September 24, 1948 which in the Embassy's opinion offers an excellent analysis of the military fiasco staged by the Hyderabad Army when GOI troops entered the State. The Department is also referred in this connection to New Delhi's telegram no. 872 of September 24¹ in which the Nizam stated in a broadcast on September 23 that he was helpless in the hands of the Razakars and the Laik Ali Ministry.

The political commentator who prepared the enclosed press despatch inquires why the Nizam's Government, in apparent disregard of the superior power of the Indian Army, saw fit to offer resistance. India had in the field an armored division comprised of a massed force of armored, motorized infantry, paratroops and the necessary auxiliary services, in addition to infantry and artillery units. Against this welltrained and equipped force the Nizam's Army and Razakar irregulars, although more than five times in number, had practically no armor, less experience and leadership, limited ammunition and arms, and no air force. The fantastic stories circulating around India regarding Hyderabad bombers in the State, in Pakistan, and in Goa were never credited by the Embassy.

According to the enclosed press despatch, there were two basic reasons for the Nizam's Government offering no resistance. First, although he never hoped for a decisive military success, the Nizam's Government gambled until the last minute against the chances of India taking precipitate armed action. The Razakars and the Laik Ali

¹ Not printed.

Ministry counted on the possibility of outside help, both military and political, and on the effect of world opinion as expressed through the United Nations.

The second reason for Hyderabad offering no resistance to India's overwhelming strength is that the Nizam expected, by means of a military clash with a superior opponent, to get rid of the Frankenstein he had created in the form of the Razakars. As it turned out, the Nizam was right and the Laik Ali Ministry wrong. The State is now able to liquidate military Fascism with the help of the Indian Army but the Nizam will probably continue as ruler of the State with his powers circumscribed in the same manner as the other Indian princes. The Embassy considers the foregoing explanation of Hyderabad's token resistance as entirely correct. The method adopted by the Nizam was the easiest and in fact the only way of getting rid of the Razakars without a terrific toll of lives and serious civil disturbances. The Embassy also believes, although this belief will probably never be substantiated by any tangible evidence, that high ranking officers of the Indian Army who were friends of General El-Edroos, Commanderin-Chief of the Hyderabad Army, made a deal with him (El-Edroos) whereby the Hyderabad Army would not fight. General Bucher himself told me some weeks ago that he had written to El-Edroos advising him not to be so foolish as to resist the Indian Army. High ranking Indian officers who were also personal friends of El-Edroos were also in touch with him. Saadat Ali Khan, son of Nawab Zain Yar Jung, former Hyderabad Agent-General at New Delhi, told me in August that there was bad blood between the Hyderabad Army and Police on the one hand and the Razakars on the other. He also said, however, that it was a question of just how far the Army and Police would go in putting down the Razakars because all three organizations were almost exclusively Muslim.

There is no doubt that the Nizam's Government lost control of the civil administration in certain areas adjoining Madras Province and that the Communists were having a "field day" in those areas. The Embassy feels that the GOI action in entering Hyderabad was the only possible remedy for an impossible situation and that it was the only way India could deal effectively with such a trickster as the Nizam. The Embassy has come to the conclusion that the question of a plebiscite in Hyderabad is immaterial since the result would be a foregone conclusion. The Embassy also believes that the GOI will exercise tolerance and discretion in dealing with the Nizam and the Muslim ruling clique in Hyderabad despite the fact that there is a great deal of pressure on the GOI to break up the State, to depose the Nizam, etc. Finally, the Embassy believes that American prestige and interestsin India would be seriously damaged by the United States taking up the cudgels over the question of a plebiscite in Hyderabad. If theplebiscite would serve any useful purpose then such action might bejustified on our part but as the situation exists today, the Embassy believes it would be a useless gesture which would only tend to impair relations between India and the United States. In other words, the Embassy believes that from now on the less said by our Government the better so far as the Hyderabad question is concerned.

Respectfully yours,

HOWARD DONOVAN

501.BC Kashmir/9-2448

The Chargé in Pakistan (Lewis) to the Secretary of State

RESTRICTED

KARACHI, September 24, 1948.

No. 427

Subject: Kashmir Dispute: India-Pakistan Commission

SIR: I have the honor to refer to my despatch No. 409 of September 10, 1948 with regard to the publication by the United Nations-India-Pakistan Commission of the correspondence between the Commission and the Governments of India and Pakistan, on the subject of the Kashmir dispute, and to enclose for the information of the Department a copy of a letter addressed to the Minister of Foreign Affairs of Pakistan under date of September 19¹ by the Chairman of the Commission (Ambassador Huddle) in response to Sir Zafrullah. Khan's letter of September 6.² The Commission's letter was released for publication by the Commission on its transit through Karachi from New Delhi to Geneva on September 22. There is likewise enclosed a copy of a resolution adopted by the Commission at a meeting held in Srinagar on September 19 calling upon both India and Pakistan "touse their best endeavors during the absence of the Commission to lessen the existing tension in this dispute so as to further prepare the ground for its peaceful final settlement which both Governments have declared to be their most sincere and ardent desire." 3 There is also enclosed a copy of the reply 4 of the Government of Pakistan to this resolution.

It will be observed that in the last part of the Chairman's letter to. Sir Zafrullah it is stated that, as regards the conclusions contained in Point 11 of Sir Zafrullah's letter of September 6, "upon presentation. of the resolution (of August 13) the Commission requested the Govern-

⁴ Not printed.

¹ SC, 3rd yr., Suppl. for Nov. 1948, pp. 48–49. ² SC, 3rd yr., Suppl. for Nov. 1948, pp. 41–45. ³ For text, see SC, 3rd yr., Suppl. for Nov. 1948, p. 49.

ments of Pakistan and India to consider and accept this document as a whole. It was intended that the details for the implementation of the Resolution be discussed at common meetings between the representatives of both Governments and the Commission in subsequent stages, and following the cessation of hostilities." The Chairman's letter then continues:

"The Commission observes with regret that the Government of Pakistan has been unable to accept the Resolution without attaching certain conditions beyond the compass of this Resolution, thereby making impossible an immediate cease fire and the beginning of fruitful negotiations between the two Governments and the Commission to bring about a peaceful and final settlement of the situation in the State of Jammu and Kashmir."

The letter then concludes with the statement that the Commission sincerely hopes that the Government of Pakistan "may find it possible to reconsider their position and to accept the proposals contained in its Resolution of August 13, 1948, as clarified and elucidated in the present letter and the correspondence mentioned therein."

Inasmuch as the Commission seems clearly to have placed the onus for the non-acceptance of the Commission's resolution of August 13 upon Pakistan it is perhaps desirable that certain features of the situation be carefully analyzed with a view to determining whether that onus has in fact been well placed.

Point 11 of Sir Zafrullah's letter of September 6 reads as follows:

"Although there are several features in the Commission's proposals which from the point of view of Pakistan Government are not satisfactory, nevertheless as a step towards the solution of the situation in the State of Jammu and Kashmir, and in the interest of furthering international peace and security, the Pakistan Government have authorised me to inform the Commission that:

"Subject to the clarifications and elucidations furnished by the Commission to the Government of Pakistan being accepted by the Government of India, and the elucidations and clarifications, if any, furnished by the Commission to the Government of India being acceptable to the Government of Pakistan, and provided the Government of India accept the conditions laid down in part B (article 6 to 15, both inclusive) of the Security Council's resolution of 21st April, 1948, as explained by the sponsors of the Resolution in the Security Council, for a free and impartial plebiscite to decide whether the State of Jammu and Kashmir is to accede to India or Pakistan, the Government of Pakistan accept the proposals contained in the Commission's Resolution of the 13th August, 1948, as clarified and elucidated to the Pakistan Government by the Commission."

The above quotation from Sir Zafrullah's letter indicates that the Government of Pakistan did attach reservations to its acceptance of the proposals contained in the Commission's Resolution and that it did not accept the Resolution "as a whole" in the sense intended by the Commission.

It is well to bear in mind, however, that the Government of India also did not, contrary to the representations of India and, by implication, of the Commission, accept the Commission's Resolution as a whole and without reservations.

Point 3 of Pandit Nehru's letter of August 20,⁵ in reply to the Commission's Resolution of August 13, stated in part as follows:

"Since our meeting of the 18th August, we have given the Commission's resolution our most earnest thought. There are many parts of it which we should have preferred to be otherwise and more in keeping with the fundamental facts of the situation, especially the flagrant aggression of the Pakistan Government on Indian Union territory. We recognise, however, that, if a successful effort is to be made to create satisfactory conditions for a solution of the Kashmir problem without further bloodshed, we should concentrate on certain essentials only at present and seek safeguards in regard to them. It was in this spirit that I placed the following considerations before Your Excellency:

(1) That paragraph A.3 of Part II of the resolution should not be interpreted, or applied in practice, so as

(a) to bring into question the sovereignty of the Jammu and Kashmir Government over the portion of their territory evacuated by Pakistan troops,
 (b) to afford any recognition of the so-called "Azad Kashmir Government,"

(b) to afford any recognition of the so-caned Azar Rashing dovernment, or

(c) to enable this territory to be consolidated in any way during the period of truce to the disadvantage of the State.

(2) That from our point of view the effective insurance of the security of the State against external aggression, from which Kashmir has suffered so much during the last ten months, was of the most vital significance and no less important than the observance of internal law and order, and that, therefore, withdrawal of Indian troops and the strength of Indian forces maintained in Kashmir should be sufficient to ensure security against any form of external aggression as well as internal disorder.

(3) That as regards Part III, should it be decided to seek a solution of the future of the State by means of a plebiscite, Pakistan should have no part in the organization and conduct of the plebiscite or in any other matter of internal administration in the State."

Pandit Nehru repeated the latter condition in Point 4 of his letter, saying: "Finally, you agreed that Part III, as formulated, does not in any way recognize the right of Pakistan to have any part in a plebiscite."

The subject of most vital concern to the Government of Pakistan among Pandit Nehru's reservations, or "considerations," is this precise

429-027-75-27

⁵ See SC, 3rd yr., Suppl. for Nov. 1948, p. 35.

point, that Pakistan should not in any way be recognized as having a right to participate in the organization and conduct of a plebiscite in Kashmir. This is totally out of line with the United Nations Security Council resolution of April 21, 1948, yet in the Commission's reply of August 25 6 to Pandit Nehru's letter the Chairman of the Commission. Mr. Korbel, stated that the Commission requested him "to convey to Your Excellency its view that the interpretation of the Resolution as expressed in paragraph 4 of your letter coincides with its own interpretation," and added that "the Commission wishes me to express to Your Excellency its sincere satisfaction that the Government of India has accepted the Resolution and appreciates the spirit in which this decision has been taken."

In another letter from Pandit Nehru to the Commission under date of August 207 the Prime Minister of India presented another, and from the point of view of the Government of Pakistan, an extremely important reservation. In that letter Pandit Nehru, referring to the "sparsely populated and mountainous region of Jammu and Kashmir State in the North," said that the authority of the government of Jammu and Kashmir over that region as a whole had not been challenged or disturbed "except by roving bands of hostiles, or in some places like Skardu which have been occupied by irregulars or Pakistan troops." Pandit Nehru then went on to say that the Commission's Resolution, "as you agreed in the course of our interview on the 18th, does not deal with the problem of administration or defence in this large area. We desire that, after Pakistan troops and irregulars have withdrawn from the territory, the responsibility for the administration of the evacuated areas should revert to the Government of Jammu and Kashmir and that for defence to us. (The only exception that we should be prepared to accept would be Gilgit.)"

Briefly, the salient features of the Commission's cease fire and truce proposals were that the governments of India and Pakistan would issue separately and simultaneously a cease fire order to apply to all forces under their control in the State of Jammu and Kashmir, that the Commanders-in-Chief of the forces of India and Pakistan should promptly confer regarding any necessary local changes in present dispositions which might facilitate a cease fire, that simultaneously with the acceptance of the proposal for the immediate cessation of hostilities the Government of Pakistan would withdraw its troops from the State of Jammu and Kashmir, that the Government of Pakistan would use its best endeavor to secure the withdrawal from the State of Jammu and Kashmir of tribesmen and Pakistan nationals not

⁶ For text, see SC, 3rd yr., Suppl. for Nov. 1948, pp. 36-37. ⁷ For text, see SC, 3rd yr., Suppl. for Nov. 1948, p. 37.

normally resident therein, and that pending a final resolution the territory evacuated by the Pakistan troops would be administered by the local authorities under the surveillance of the Commission. Nowhere in the Resolution is authorization given to the Government of India to advance its forces into areas occupied either by Pakistan troops or by irregular forces. By whatever name called the Government of Pakistan and the Azad Kashmir authorities regard the forces in northern Kashmir as organized forces under the Azad Kashmir authorities. Nevertheless Pandit Nehru in his letter insisted that the Government of India should be permitted to reoccupy a very large part of northern Kashmir now admittedly held by non-Indian forces. His position was that permission for Indian troops to occupy or reoccupy those areas was a further condition or "consideration" precedent to his acceptance of the Resolution yet the Commission did not consider the condition as a reservation. This is confirmed by the Commission's letter of August 25 to Pandit Nehru in which it stated with reference to this question: "The Commission wishes me to confirm that, due to the peculiar conditions of this area, it did not specifically deal with the military aspect of the problem in its Resolution of 13 August 1948. It believes, however, that the question raised in your letter could be considered in the implementation of the Resolution." The phraseology used in the latter sentence is not exactly clear, but the Government of Pakistan understood it to mean an acceptance of Pandit Nehru's position, never denied by the Commission, and Pandit Nehru certainly accepted the Commission's letter as a confirmation of his position on that point.

If, therefore, in the light of the documents on the subject, the Government of Pakistan did not accept the Commission's Resolution "as a whole" can it be logically said that the Government of India did accept it as a whole? The difference, of course, is that the Commission accepted Pandit Nehru's interpretations but did not accept Sir Zafrullah's, holding that his "were beyond the compass" of the Resolution.

Whatever may have been the intentions of the Commission the onus of rejecting its Resolution has thus been placed on Pakistan while India is permitted to pass before world opinion as in effect an aggrieved and injured party, which has accepted without reservation the Commission's Resolution. The Pakistanis feel, with due deference to the Commission, that what in effect seems to have happened, although the Commission may not be conscious of it and would resent the implication, is that the Commission has been unable, as stated by Dawn in an editorial in its issue of September 24 "to persuade Pakistan to surrender to the will of India to whom the Commission most inadvisedly and against the specific terms of the Security Council Resolution of April 21, itself surrendered."

The observations in this despatch reflect the authentic views of the Government of Pakistan and yet throughout this period when the tide of the Commission's opinion has steadily and obviously been running against Pakistan the Government of this country and the press have borne, and still bear, themselves with dignity and without any signs of malice. This is perhaps all the more remarkable in that it has not escaped them that the question has recently become a matter of far more importance than the mere question of the settlement of the Kashmir dispute, for if world opinion is to gain the impression that Pakistan has been the guilty and obstructive party that impression would inevitably, and perhaps disastrously, affect the very existence of Pakistan should India avail itself of the presence of Pakistan troops in Kashmir, or avail itself of any other excuse, for waging war on this country. India's press has always been far more effective than has the press of Pakistan. In the final analysis, therefore, should India have aspirations in the direction indicated, Pakistan would be functioning not alone at tremendous odds in terms of military potential but also in terms of world opinion. One has only to read the article in the September 20 issue of Time entitled "Pakistan. That Man", and particularly the last paragraph, to grasp the significance of this observation.

It is accordingly vital to Pakistan that its position in relation to the Kashmir dispute and to the Commission's Resolution be objectively stated and objectively understood and that the same should be done with reference to India's position in these matters. There may never be agreement, but there is no need for either party to suffer the injustice of misrepresentation.

I know that most, if not all, of the members of the Commission believe that Kashmir, or most of it, should logically fall to Pakistan, but I also know that they are extremely annoyed with Pakistan for not having bowed to their judgment in the matter of the approach to the settlement of the problem and thereby having made the Commission's efforts to achieve a settlement infructuous. Entirely apart from questions of principle, little or no consideration was given by the Commission to the practical reasons, to which I referred in my despatch of September 10, why Pakistan could not bow to the Commission's judgment. Had the Commission bowed less to India's intransigence on the plebiscite issue those practical reasons would largely have disappeared and with them the questions of principle which troubled Pakistan. Respectfully yours, CHARLES W. LEWIS, JR.

DISPUTE OVER KASHMIR AND HYDERABAD

501.BC/9-2748: Telegram

The Acting Secretary of State to the United States Delegation at the United Nations General Assembly, at Paris

SECRET US URGENT WASHINGTON, September 27, 1948—3 p. m. Gadel 67. Jessup's remarks Hyderabad case Sep 20¹ were excellent presentation US views that time. In light recent developments, including reported discharge Hyd delegation, reported claim by Nizam that he had been virtual prisoner of small Muslim clique for past eight months, and in light Delhi's 865 which casts strong doubt on possibility GOI will follow US suggestion re UN participation plebiscite, Dept inclined conclude US should now assume somewhat passive role, pending reports two govts.

When matter again comes before SC, Dept feels US action should be predicated on nature info presented by GOI Rep and Hyd Rep or govt and on attitude other members SC. We still believe that even limited UN participation plebiscite or election constituent assembly Hyd would (1) improve Indian prestige UN; (2) neatly tie up loose ends of case as it now stands and (3) avoid impression UN closing eyes to use of force.

However, we wish avoid taking rigid position re Hyd question which would not contribute to realistic solution but probably adversely affect Indo-US relations. We therefore inclined feel SC should not insist on UN participation plebiscite in absence GOI request or acquiescence. If this not forthcoming, then best course action SC might be decision stating that consideration of problem is adjourned, but that matter remains on list matters of which SC seized and that SC may resume consideration in future at request any member. Such action might stand until Hyd constitutionally a part of Indian Union (and despite GOI fears to contrary might actually help GOI to resist Indian extremists who favor dismemberment Hyd. See Delhi's 873). However, we do not believe US should actively oppose dropping item from agenda if such step appears general will of SC.

LOVETT

¹When the Indian Representative stated that he considered the Hyderabad case closed because of recent developments, Jessup pointed out that the use of force did not alter legal rights and that all member states of the United Nations would be watching Hyderabad with the hope and expectation that India would now act there in accordance with the principles of the United Nations Charter. For text of his statements, see SC, 3rd yr., No. 111, pp. 4–5.

501.BC Kashmir/9-2948: Telegram

The Acting Secretary of State to the United States Representative on the United Nations Commission for India and Pakistan (Huddle), at Geneva¹

SECRET

WASHINGTON, September 29, 1948-7 p.m.

1391. Kascom 35 for Huddle.

1. Dept approves suggestion urtel 868 Sep 21 that informal discussions Paris GOP and GOI Dels be undertaken in effort obtain their acquiescence Commission's resolution Aug 13 with such modifications as may be necessary. We believe that it would be desirable for any efforts made by US GADel along these lines be accompanied by similar approaches by UN reps Paris other members Com. We feel that even though Com plans initiate preparation its report to SC Sep 30, informal efforts Paris should be continued as outlined until such time it is clearly evident Coms report must be negative thereby necessitating formal SC debate.

2. For your guidance and that GADel we believe that most practicable course pursue during these informal talks would be endeavor persuade GOI and GOP reps accept brief outline plebiscite arrangements under UN supervision as supplement Aug 13 resolution. Dept inclined believe GOP attitude conditioned by deep-seated fear Indian aggression which leads GOP insistence on safeguards after withdrawal Pakistan troops along lines Part B SC res April 21. After preliminary examination SC Document S/995² Sep 15, Dept questions whether GOI response Coms proposals points 2 and 3 GOI letter Aug 20 fully compatible with sections IB, II B 1 and 2, and III Coms Aug 13 res. Although in view Korbel's letter Aug 25³ Com probably unable reverse its position this matter, we feel GOP attitude re plebiscite should not necessarily be considered as rejection Coms proposals and that every effort should be made with GOP and GOI reps to indicate that Com has not yet closed door on this point.

3. Nature Coms report will no doubt be influenced to some degree by outcome in formal talks Paris. If such talks fail produce definitive results, please endeavor persuade Com include in its report specific recommendations for SC action, in order provide new terms reference for Com or any other UN authority that may replace it. SC resolution 21 April contains general proposals cease-fire and truce and more

¹ The Commission had arrived from New Delhi on September 25.

² SC Document S/995 is the Commission's resolution of August 13 and related

correspondence, printed in SC, 3rd yr., Suppl. for Nov. 1948, pp. 32 ff. ³ As Commission Chairman, Korbel signed two letters addressed to Nehru on August 25. These are printed in SC, 3rd yr., Suppl. for Nov. 1948, pp. 36-37.

detailed proposals for plebiscite in Part B. Coms efforts to date have resulted in elaboration and clarification plans for cease-fire and truce. It would appear desirable for Com, building on these bases, to submit specific recommendations to SC covering cease-fire, truce and plebiscite, modifying both SC resolution and Coms proposals as necessary in light positions taken by GOI and GOP during negotiations. Diminution military action Kashmir due to winter conditions may offer best opportunity place such plan in operation and plebiscite might be scheduled May 1949 prior to weather permitting resumption military activity.

4. As to SC action on Coms recommendations, choice appears lie between (1) taking further action under Chapter VI (2) adopting recommendations as provisional measures under Art 40 (3) issuing cease-fire order under Art 40 and recommending truce and plebiscite arrangements under Chapter VI. Pls indicate your views and discuss GADel. We have in mind that whatever course decided upon it might be desirable Com submit its views on this as well as recommendations on substance.

5. Dept wishes stress importance tone and approach Coms report. Wherever justifiably permissible, criticism should be directed equally against both sides. For example, note might be taken of GOI military campaign in Kashmir last spring as factor in present situation. In light continued strained GOI-GOP relations and recent reports from several sources that Pak officials sincerely fear military invasion Pak from India, Dept somewhat concerned New Delhi radio report that Com has published letter to GOP placing onus on GOP for break-down negotiations. If report correct, Dept feels GOI may interpret Coms attitude as moral victory and as possible justification military action against Pak. In view this and in view desirability general support for Coms recommendations in SC and importance acceptance or acquiescence by both parties, we feel it would be tactical mistake for Coms report seek place on either side major blame for lack agreement.

Keep Dept closely advised development thinking in Com.4

LOVETT

⁴This telegram 1391 was repeated to Paris as telegram 91 for information of the U.S. Delegation to the General Assembly, and to Karachi, New Delhi, and London as telegrams 370, 593, and 3814, respectively.

501.BC/9-3048

The Chargé in India (Donovan) to the Secretary of State

NEW DELHI, September 30, 1948.

CONFIDENTIAL No. 1133

Subject: Editorial in Delhi Statesman, September 30, regarding Hyderabad.

SIR: I have the honor to refer to New Delhi's telegram no. 896 of September 30, 1948¹ and to enclose the full text of the editorial which appeared in the Delhi Statesman of September 30, 1948 entitled "The UN and Hyderabad".1 The views expressed in this editorial are shared by the Embassy. There is no question but that the Nizam, surrounded by a small minority of Muslim extremists, was a menace to the peace and security of India. The question whether Hyderabad was an independent state can no doubt be argued for hours but the blunt facts are that India could not permit a hostile government to function within its borders.

The Embassy cannot too strongly emphasize that American interests in India would best be served by considering the Hyderabad question as closed.

Respectfully yours,

HOWARD DONOVAN

¹ Not printed.

501.BC Kashmir/10-148: Telegram

The Chargé in Pakistan (Lewis) to the Secretary of State

CONFIDENTIAL

KARACHI, October 1, 1948-11 a.m. 483. Prime Minister Liaquat Ali Khan, now on tour in northern

Pakistan, has just sent me through Minister Foreign Affairs text telegram from Nehru dated September 27¹ in which Nehru states that since India Pakistan Commission has confirmed presence Pakistan troops in Kashmir and Jammu, which confirms GOI's information, presence of Pakistan troops on Indian Union territory is "an act of aggression against Indian Union and can only lead to conflict." Nehru then says: "I must therefore ask you to withdraw these troops. You have expressed your desire to maintain and develop peaceful and cooperative relations with India. We entirely agree with this. We have absolutely no wish to interfere in any way with Pakistan. You will appreciate, however, that development of peaceful and cooperative relations cannot take place while army of Pakistan continues an act of

¹ Copy transmitted to the Department by the Chargé in his despatch 432, October 1; received October 18, not printed.

aggression against India. Hence I would request you to take early steps to withdraw all Pakistan troops from Jammu and Kashmir state."

Prime Minister Liaquat Ali Khan asked me to call to see him evening prior his departure September 25 for Lahore. Told me he was very apprehensive India with its easy conquest of Junagadh, Hyderabad and present position in Kashmir would very soon seek an excuse for waging war on Pakistan and that he apprehended presence Pakistan troops Kashmir would be utilized that purpose although if necessary other reasons to justify aggression would be advanced. He expressed hope I would keep USG informed any developments above direction and hoped USG along with other powers interested suppression aggression and maintenance peace in world would take appropriate action protect Pakistan from Indian aggression if latter should develop. Said he was "no fool" to attack India or to provoke an Indian attack but that if India did attack Pakistan will resist with all its resources. Ghulam Mohammad, Minister of Finance, spoke to me along similar lines September 27 and Ikramullah, Secretary Minister Foreign Affairs, has likewise done so. None these officials have advanced threat that if we do not help Pakistan GOP will turn to Russia. Argument for outside help in protecting Pakistan based solely on right of nation to exist.

Telegram from Nehru is precisely in line with pattern anticipated by this Embassy including Military Attaché and if Department is interested continued existence Pakistan, as I believe it is for obvious reasons, I feel this is time for USG to intimate to GOI in terms which cannot be mistaken that an attack on Pakistan or an attempt to eject Pakistan troops from Kashmir territory while Kashmir dispute is still before Commission will be strongly opposed by USG.

Sent Department 483, repeated Delhi 82,2 pouched Lahore; Department pass London 34, Paris 1, Geneva 1.

LEWIS

² Regarding the suggestion in the penultimate paragraph, the Chargé in India cabled the Department on October 5 that he felt sure the Prime Minister and Governor General of India would exert all possible influence to maintain peace and that he considered U.S. representations to India at this time unnecessary and ill advised (telegram 915 from New Delhi, not printed: 745.45F/10-548).

501.BC Kashmir/10-248: Telegram

The Embassy in Pakistan to the Secretary of State

CONFIDENTIAL

KARACHI, October 2, 1948-10 a.m.

486. Prime Minister Liaquat Ali Khan returned Karachi last night and at Cabinet meeting GOP decided instruct Foreign Minister Sir

Zafrulla Khan now in Paris to apprise SC of Nehru's telegram concerning Pakistan troops in Kashmir (mytel 483, October 1). GOP hopes reference matter to SC will tend stay Nehru's hand but feels GOI has scant respect that body and even if strongly rebuked by SC will probably continue on present course. Nehru being informed by Liaquat Ali Khan reply his message that as Kashmir dispute is still before SC his telegram is being communicated to SC.

[File copy not signed]

501.BC Kashmir/10-248: Telegram

The Acting Secretary of State to the United States Representative on the United Nations Commission for India and Pakistan (Huddle), at Geneva

SECRET US URGENT WASHINGTON, October 2, 1948-2 p. m. NIACT

1399. Kascom 36. View Karachi's 483 Oct 1 to Dept (#1 to Geneva) and other reports increasing tension India-Pakistan you are requested place urgently before UNCIP question its taking some restraining measure such as sending messages immediately to GOI and GOP reminding them calls by SC Res Jan 24 [17?] 1 and UNCIP Res July 15 [14]² to avoid provocative action while SC and UNCIP seized of matter.

UNCIP may wish include in admonitory messages statement to effect that pending full consideration by SC thereof preliminary findings UNCIP should not be interpreted as justification by either party for military or other action which might jeopardize eventual peaceful solution Kashmir problem.

Such action by UNCIP appropriate and desirable since GOI note to GOP which has appearance ultimatum apparently based in part on UNCIP findings re Pak troops Kashmir.

Note: Sent to Geneva, rptd Gadel Paris 117, Delhi 597,3 Karachi 372, London 3832.

LOVETT

reasons for his belief that Pakistan's fears of Indian attack were greatly exaggerated (telegram 914 from New Delhi, not printed: 501.BC Kashmir/10-448).

¹A preliminary draft resolution was drawn up on January 24, 1948, by S.C. President Langenhove (SC, *3rd yr., Nos. 1-15, pp. 265-266, 269).* However, it seems more likely that Lovett was recalling the S.C. resolution of January 17 (S/651) which called upon India and Pakistan to refrain from acts of aggression for the second se (S/051) which called upon india and rakistan to remain from acts of agencs sion. For text, see SC, 3rd yr., Nos. 1–15, pp. 121–122. ² For text, see SC, 3rd yr., Suppl. for Nov. 1948, pp. 127–128. ⁸ In reply, the Chargé in India cabled the Department on October 4 giving

DISPUTE OVER KASHMIR AND HYDERABAD

501.BC/10-348: Telegram

The Secretary of State to the Acting Secretary of State

SECRET URGENT PARIS, October 3, 1948-11 p.m.

Delga 195. On October first Nawab Moin, Hyderabad spokesman, wrote Austin in latter's capacity President SC requesting interview. Reply being telephoned today that Austin will as matter of courtesy see him Tuesday morning in office of President SC at Palais de Chaillot. We have already made it clear, however, that in our view SC heard Nawab on twenty-eighth as individual reserving decision as to his credentials or representatives character.

This morning GADel members met informally at Lauterpacht, Hyderabad legal adviser, at his request. Keynote of talk was our frank observation at outset that we had no encouragement to offer him and warning that most likely practical result of further discussion in SC now would be action to drop case from agenda. However he made strong appeals for appointment of UN subcommittee and despatch of observers or alternatively US mediation to revive Indian proposals of June 1948. We told him first suggestion unrealistic in view of SC preoccupation with Berlin issue and prior lengthy discussion necessary to settle question of Hyderabad status and SC competence in case. On second suggestion we merely said we would let him know if we could offer any encouragement. Result of meeting was obvious realization by Lauterpacht that our attitude is passive and assumption by him that we do not accept view that Hyderabad is a state.

Department please repeat to New Delhi unnumbered.

MARSHALL

501.BC Kashmir/10-448: Telegram

The Chargé in India (Donovan) to the Secretary of State

SECRET NEW DELHI, October 4, 1948—3 a. m. 913. With reference paragraph 2 Deptel 593, September 29,¹ Embassy strongly recommends that in informal talks with GOI and GOP representatives American representative not urge modifications August 13 resolution of UNCIP which would tend to favor GOP and react to disadvantage GOI. Embassy believes if this action taken GOI would take stand moral principles were being sacrificed to expediency and might go so far as refuse cooperation in further attempts by UN arrange peaceful settlement.

Possibly most fruitful course pursue is to direct efforts towards long-term settlement either on basis of acceptance by India, Pakistan

¹ See footnote 4, p. 413.

of brief outline plebiscite arrangements under UN supervision, as suggested Deptel 593, or on basis partition of state. Nehru and other GOI leaders have publicly stated their intention allowing Kashmiris determine their future by free plebiscite and it might be difficult for GOI refuse accept arrangements which would guarantee free plebiscite. GOI, however, is still determined not to jettison Abdullah or permit GOI [GOP] participate either in plebiscite supervision or in interim administration any part Kashmir. Embassy sees no reason why adequate safeguards for free plebiscite could not be established with Abdullah in power and suggest action be taken along these lines. Moreover, Embassy believes GOI would still accept partition, possibly even with plebiscite in vale of Kashmir, as solution.

Sent Department 918, repeated Karachi 158. Department pass London, Paris for USGADel, Geneva or Huddle.

DONOVAN

501.BC Kashmir/10-448: Telegram

The Chargé in Pakistan (Lewis) to the Secretary of State

CONFIDENTIAL KARACHI, October 4, 1948—2 p. m. 491. Prime Minister Liaquat Ali Khan replied October 2 to Nehru's telegram reference mytel 486, October 2. After reviewing Pakistan's position matter Kashmir dispute, Liaquat Ali Khan closed his message with following paragraph:

"I regret to note that while professing desire for peaceful and cooperative relations with Pakistan, you have in your telegram under reply threatened Pakistan with war. This is hardly the way to promote peaceful and cooperative relations between two countries. I must make it clear that the Pakistan Government cannot allow themselves to be intimidated by a threat of the use of force by your government. Such a threat is a violation of the Charter of the United Nations and is a serious challenge to the authority of the Security Council which is seized of the Kashmir dispute. Moreover, this threat is in complete disregard of the UN Commission's resolution of 19 September in which the Commission appealed to the Government of India and Pakistan to use their best endeavors during the absence of the Commission to lessen the existing tension in Kashmir dispute. Consequently, I have felt it my duty to bring your telegram and my reply to the notice of the chairman of the UN commission."¹

Sent Department; repeated Delhi 84, pouched Lahore; Department pass London 36, Geneva 3, Paris 3.

LEWIS

¹Copy of complete text transmitted to the Department by the Chargé in his despatch 437, October 4; received October 18, not printed.

DISPUTE OVER KASHMIR AND HYDERABAD

501.BC Kashmir/10-448: Telegram

The Chargé in the United Kingdom (Holmes) to the Secretary of State

SECRET

LONDON, October 4, 1948-8 p. m. 4376. Sir Paul Patrick volunteered following re Kashmir

October 1st.

1. While acute apprehension exists in Pakistan regarding GOI military intentions in Kashmir, CRO has "best reasons" to think GOI fears Pakistan military aggression in Kashmir. However, Patrick said as he saw situation in Paris and on basis other information he could not believe there is much risk GOP-GOI war at the moment. For example, Indian and Pakistan general headquarters are still in daily telephonic communication. Patrick believes both sides sincerely would like to have out-of-court settlement and that both sides recognize that sooner or later each will have to make concessions. Immediate question to be decided, Patrick said, is whether publication Kashmir Commission report would help or hinder out-of-court settlement. Patrick said view CRO is that if two sides could get together on a settlement it might be better for Kashmir Commission report never to be made public even though it is as even-handed as Department suggests (paragraph 5, Department's 3814 September 29 to London sent Geneva for Kashmir Commission as 1391). If report is published Patrick believes it should be as short as possible.

2. Patrick said His Majesty's Government has in mind that following lines of action would be desirable during next two weeks:

(a) Step one, which is now in progress, involves informal conversations between Mudaliar 1 and Zafrulla in Paris with a view to an out-of-court settlement. Two men are old friends and are stopping at the same hotel.

(b) Step two would be advising Kashmir Commission not to rush preparation of its report. In any case CRO understands report could not be ready before October 11.

(c) Step three, because it is important to know whether Mudaliar and Zafrulla are in fact making progress, would involve President SC quietly requesting Secretary General to ask Colban to go to Paris and there discreetly sound out GOI and GOP representatives as to how close they are to a settlement.

(d) Step four would be Colban's report of his investigation to President SC via Secretary General: If genuine progress towards settlement has been made President SC would direct Kashmir Commission not to publish its report, if progress is slight or non-existent President SC would give directions for publication report with or without prior discussion of its contents with GOP and GOI representatives.

(e) Step five would involve such help toward out-of-court settlement as Prime Minister Attlee might be able to give by urging

¹A. Ramaswami Mudaliar, Representative of India on the U.N. Economic and Social Council.

such settlement upon Nehru and Liaquat (or his representative) at time of Commonwealth conference.

3. Patrick said Cadogan has been instructed to speak to Senator Austin along above lines.

Sent Department 4376; repeated Paris (for Gadel) 702, Geneva (for Kashmir Commission) 84, Delhi 74, Karachi 76.

Holmes

501.BC/10-448: Telegram

The Secretary of State to the Acting Secretary of State

SECRET US URGENT

PARIS, October 4, 1948-9 p. m.

Delga 206. Nawab Moin, Hyderabad spokesman (reference Delga 195, October 2 [\mathcal{J}]) cancelled October 5 appointment with Austin, sending word merely that "in all the circumstances" he hoped be excused. Lauterpacht, legal adviser, going back to Cambridge 5th, but says may return later.

Zafrullah Khan told GA delegation today Pakistan Government has instructed him present to SC Pakistan viewpoint Hyderabad case. Zafrullah wants file letter before October 8 and present Pakistan views orally to SC meeting in about two weeks or immediately following Commonwealth meeting London which Zafrullah will attend. Austin meeting Zafrullah tomorrow endeavor dissuade him from expressed intention to carry out instructions forthwith.

Neither British nor Canadian Delegations intend call up case near future, but latter feels committed at next discussion in SC to move it be dropped and is also embarrassed by Chinese Delegation leak to press that China and Canada working together to bring about deletion from agenda.

If Zafrullah cannot be dissuaded, we feel that under present circumstances, we should take no further action. If meeting SC results, and motion to drop comes to vote should we interpret last sentence GaDel 67, September 27, as requiring US to abstain?

Department please repeat New Delhi and Karachi.

MARSHALL

501.BC/10-548: Telegram

The Acting Secretary of State to the Embassy in India

SECRET

WASHINGTON, October 5, 1948-7 p.m.

602. If Nehru's invitation forthcoming (Delga 172, rptd New Delhi as 4)¹ pls discuss with colleagues dipcorps ascertain their views re acceptance. Keep Dept currently informed this question and request final instructions prior taking any formal action.

Dept feels dipcorps tour Hyderabad undertaken on unilateral invitation GOI in Delhi would be ineffective substitute UN participation in plebiscite or UN investigation and might set undesirable precedent. GOI apparently does not intend invite or acquiesce any UN action along these lines and it appears unlikely SC will itself take such action. Danger therefore exists dipcorps visit would be interpreted India and elsewhere as representing some kind of international approval India's actions re Hyderabad since members dipcorps would not be in position counteract impression by critical public statements.

We recognize, however, you probably not in position refuse invitation if general will dipcorps is accept. In that case you should make clear and seek persuade colleagues make clear GOI that visit undertaken as individual representatives govts and not as international group to observe conditions and not on behalf of or in representation of UN. Ur discretion you may suggest to colleagues that in view foregoing they should avoid making any public statements on results visit.

Should GOI propose in SC use dipcorps Delhi as some kind UN agency for Hyderabad investigation, we should look more favorably on it as approximating our original suggestions.

LOVETT

501.BC/10-448: Telegram

The Acting Secretary of State to the United States Delegation at the United Nations General Assembly, at Paris

SECRET

WASHINGTON, October 7, 1948-5 p.m. Gadel 140. Dept concurs attitude taken with Lauterpacht (Delga 195) and believes best avoid further SC consideration at moment if possible, particularly since such consideration likely result SC dropping matter from agenda immediately which might give GOI un-

¹Telegram 172, September 30, from Paris, not printed, stated that a member of the Indian Delegation had, that same day, informed the U.S. Delegation that Nehru was inviting the New Delhi diplomatic corps to Hyderabad to inspect the situation there (501.BC/9-3048).

warranted encouragement take more uncompromising position Kashmir case.

However, if SC meets on question and expected majority sentiment develops in favor dropping case from agenda, suggest you concert with UKDel in seeking have Council accompany action to drop with request GOI keep SYG advised developments for info SC. If this not possible and majority, including UK and Canada, favor dropping case without such request, suggest you vote affirmatively (Delga 206).

Response further inquiries suggest you advise HyDel US not prepared mediate.¹

LOVETT

¹New Delhi and Karachi were informed of the contents of this telegram, Delga 195, by circular telegram dated October 8, not printed (501.BC/10-848).

501.BC Kashmir/10-548: Telegram

The Acting Secretary of State to the United States Representative on the United Nations Commission for India and Pakistan (Huddle), at Geneva

SECRET

WASHINGTON, October 7, 1948-7 p. m.

1408. Kascom 37.

1. Deptel 1399 Kascom 36 Oct 2 sent without knowledge that Comm had issued Sep 19 appeal.¹ Dept gathers Kascom [Comkas] 51 (Geneva's 1357 Oct 5)² that UNCIP decided no additional restraining measure required.

2. Dept would appreciate fuller UNCIP and GADel reaction suggestions contained Kascom 35 Sep 29³ re informal discussions Paris. Re Brit suggestion Step b contained London's 84 Oct 4 to Geneva,⁴ Dept inclined concur that UNCIP not rush preparation report, and avail UNCIP's proximity Paris try persuade GOI and GOP delegations along lines paras 1 and 2 Kascom 35. Give Dept your reaction Brit plan, which might appeal to UNCIP in view your feeling there is not much UNCIP can do at this time. Dept reserving opinion pending your comments.

3. Dept has impression that in view your feeling UNCIP can accomplish little this stage and that wisdom Pak laying Nehru telegram before SC questionable, and in view your comments re possible course

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¹The Commission, before leaving the subcontinent, adopted a resolution appealing to India and Pakistan to "use their best endeavors during the absence of the Commission to lessen the existing tension. . . ." For text, see SC, *Srd yr., Suppl. for Nov. 1948*, p. 49.

² Not printed.

⁸ Printed as telegram 1391 to Geneva, p. 412.

⁴ Printed as telegram 4376 from London, p. 419.

DISPUTE OVER KASHMUR AND HYDERABAD

Pak PM might take, you may have in mind that negotiations should revert to bilateral talks without any further UN action. Although submission UNCIP report may be briefly delayed, it will no doubt have to be presented SC near future. Submission report will almost certainly result in further consideration by SC possible means achieving peaceful solution Kashmir problem unless parties reach agreement in meantime by direct negotiations.

4. Inform Dept progress UNCIP's work on report. Hope you and GADel may be able furnish Dept views re paras 3, 4 and 5 Kascom 35.

5. Talk with Oakes now Washington has been helpful although he obviously unable discuss case beyond time his illness forced him abandon work.

6. Reply urgently.

LOVETT

501.BC/10-848: Telegram

The Secretary of State to the Acting Secretary of State

SECRET

PARIS, October 8, 1948-6 p. m.

Delga 251. Following brief talks October 5 and 6 (reference Delga 206, October 4 [5]) between Zafrullah Khan and Austin, former filed formal request with Austin as President SC for opportunity under Article 3 on presentation Pakistan views when discussion Hyderabad resumed. This letter, which was not request that meeting be called, has been sent to UN secretariat for documentation. In second informal letter to Austin Zafrullah referred to first, and asked that discussion be before October 9 or after October 25 when he returns from London.

As it thus appears further discussions Hyderabad case unlikely until late October, and as Kascom interim report should reach Paris about then, Department will observe possibility that Hyderabad and Kashmir cases may come before SC at approximately same time.

To date, Zafrullah has not mentioned to us his instructions apprise SC Nehru's telegram to Pakistan Prime Minister (Karachi telegram 486, October 2, to Department) asking withdrawal Pakistan troops in Kashmir.

Department please repeat New Delhi and Karachi. Pouched to London and Geneva.

MARSHALL

501.BC Kashmir/10-948: Telegram

The Secretary of State to the Acting Secretary of State

SECRET PRIORITY

PARIS, October 8, 1948–10 p. m.

Delga 257. Following *aide-mémoire* handed Austin by Cadogan late yesterday:

"1. We understand that the UNCIP have now arrived at Geneva to write an interim report. Since this report will then come before the SC we are anxious to obtain some advance indication of:—(a) the probable date when it will be available; (b) the main points which the commission contemplate including in it. Owing to our lack of contact with the commission we have no direct source of information.

2. In view of the present deadlock it seems important that the report should contain some constructive indications of the lines of which the commission themselves would propose to make further progress. Otherwise we fear that the whole question will be thrown back upon the SC with a repetition of the debates which preceded the resolution of 21 April.

3. As regards the timetable we are particularly anxious to know whether the report will be available before or during the meeting of Commonwealth Prime Ministers in London when there may conceivably be an opportunity for some talk with the Indian and Pakistan representatives on Kashmir. Such discussions, if practicable, might be useful, without of course, in any way affecting the functions of the SC or its commission. Pandit Nehru will be here from about 6th to 25th October. We hope that Mr. Liaquat Ali Khan will also be here and if he cannot come owing to the responsibilities falling on him consequent of Mr. Jinnah's death, Sir M. Zafrullah Khan will take his place.

4. We understand that the commission may be thinking in terms of partition. We have hitherto believed that it would be a mistake for the SC to abandon the relatively firm ground of the proposal to have a plebiscite which has been accepted in principle by both sides and which is enshrined in the SC's resolution of 21 April, unless there is really solid reason to think that India and Pakistan are ready to agree on some alternative arrangement and one which promises to provide permanent solution. We still think that to abandon the agreed principle of a fair plebiscite would be a most dangerous proceeding, unless both sides are really agreed. On the other hand, we are conscious that a plebiscite covering the whole state would involve considerable administrative difficulties and is open to the objection that, if the fate of the whole state of Kashmir and Jammu is decided by plebiscite as a single unit, either south-eastern districts with a Hindu majority might go to Pakistan or Poonch and Gilgit etc, might go to India. Our information suggests that India might now be ready to consider partition, although Pakistan appears to be increasingly confident that a genuinely fair plebiscite covering the whole state would go in their favour.

5. In these circumstances, we would see some advantage in the commission mentioning partition in their report as a possible solution. But since straightforward partition does not seem politically practicable this suggestion could therefore best take the form of proposal that:

1. Certain areas in south-east of the state should be conceded outright to India and certain other areas should be conceded outright to Pakistan;

2. Plebiscite conducted on lines suggested in SC's resolution of 21 April should be held in remainder of state.

It seems essential to keep this resolution in the foreground in this way, since it has the authority of the SC and lays down minimum conditions for the conduct of a fair plebiscite. It also seems of great importance that the commission should not attempt to define at this stage the areas which under any partition should go to either India or Pakistan, because this would make it difficult for either side subsequently to accept less.

6. It is important that, if partition is to be discussed, the initiative should come from the commission. Any chance of progress would be seriously prejudiced if the Indians and Pakistanis believed that the UK Government had taken steps to promote a solution of these lines."

Air-pouched to Geneva and London.

MARSHALL

501.BC Kashmir/10-1148: Telegram

The Acting Secretary of State to the United States Representative on the United Nations Commission for India and Pakistan (Huddle), at Geneva

SECRET

WASHINGTON, October 11, 1948-6 p.m.

1416. Kascom 39.

1. Re para 1 Cadogan memo Delga 257 Oct. 8, pls furnish GADel such info as available and appropriate for transmission Cadogan, repeating to Dept. View close US-UK collaboration which has prevailed during UN consideration Kashmir question we feel frank exchange info desirable particularly this crucial stage.

2. Brit views re desirability UNCIP report containing constructive recommendations based on principles embodied Apr 21 SC resolution are in line with Dept opinions Kascom 35 Sep 29.¹

3. Re possibility combining scheme plebiscite with outright partition certain areas Jammu and Kashmir between GOI and GOP, Dept has for some time believed such a formula worthy careful and serious consideration though for reasons probably similar to Brit we have so far not been disposed take initiative.

Before taking any definite steps this direction, Dept wishes: (a) ascertain from Brit whether they have in mind any particular plan re

¹ Printed as telegram 1391 to Geneva, p. 412.

plebiscite and partition and, if so, to discuss details with them as necessary prelude to supporting any general proposals which may originate in UNCIP or SC. This connection Dept would appreciate info whether Brit contemplate informal discussions with any other govts represented on UNCIP re type recommendations UNCIP might make; (b) obtain your views re current thinking UNCIP with particular reference to partition question and possibility that initiative this direction might be forthcoming from some delegation other than US.

4. Dept not informed re probable date on which UNCIP contemplates submitting its report SC. We hope report will not be completed until we have had opportunity exchange views with Brit re their proposal.

5. GADel requested convey substance foregoing informally Cadogan and inform him our willingness have further talks this subject.

LOVETT

501.BC Kashmir/10-1148: Telegram

The United States Representative at the United Nations (Austin) to the Acting Secretary of State

SECRET

PARIS, October 11, 1948-8 p. m.

Delga 281. 1. British Delegate told us 9th British Government felt most desirable Kascom report be withheld until results apparent of efforts bring Nehru and Liaquat together in London. We concur especially as report would be delayed few days if at all. British Government also inclined hope report will contain at least passing reference to idea of partition.

2. London 70 [702] to Paris, October 4,¹ mentioned Foreign Office hopes Mudaliar and Zafrullah meeting here as first step toward out of court settlement. This bit wishful as neither we nor British Delegate source can find any evidence their having met at all. Also with Nehru and Liaquat nearby both delegates reluctant discuss Kashmir Hyderabad cases. For these reasons informal discussions approved by Gadel 91, September 29,² now believed impractical quite apart from fact that Indian Delegate must be aware that Nehru on September 11 rejected Kascom suggestion of adding to August 13 resolution brief outline plebiscite arrangements under UN supervision.

3. We feel strongly any approach now on either Kashmir or Hyderabad can only be effective if made at top level and US efforts should be coordinated with British efforts London. If Secretary meets Nehru

¹ Printed as telegram 4376 to the Department, p. 419.

^a Printed as telegram 1391 to Geneva, p. 412.

as planned October 15 imperative British keep us closely informed so decision can be made whether Secretary should refer these issues specifically and, if so, what line. Suggest Foreign Office keep us up-todate through British Delegate as our communications overloaded and subject delay. We have not told British Delegate yet of probable meeting Secretary and Nehru.

4. On receipt information from Kascom which we requested urgently will answer queries in Cadogan *aide-mémoire* re time table and Kascom thinking (Delga 257, October 8). We attach greatest importance to unique opportunity bring parties together London and, however slim chances out of court settlement are, we believe all else including time table Kascom report should for moment be subordinated to this. At same time both India and Pakistan must believe SC action will follow, if necessary under VII, if they fail reach agreement privately.

Repeated Geneva for Kascom.

Sent Department Delga 281, repeated London 1042, Geneva 120. Department repeat New Delhi and Karachi.

AUSTIN

501.BC Kashmir/10-1148: Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Acting Secretary of State

SECRET US URGENT

GENEVA, October 11, 1948.

1374. For GADel from Huddle. Your 8¹ received 10.

(a) First draft report probably not ready before two weeks or more;
(b) It will be historical and probably harmless and should not prejudice future negotiations and usefulness of commission but by same token may be of small utility;

same token may be of small utility; (c) Report will probably contain little by way of recommendations beyond expressing pious hope that India and Pakistan can be induced to agree on plebiscite under Article 3 of August 13th resolution and to accept cease-fire and truce provisions;

(d) I know no reason why submission report cannot be delayed indefinitely. Certainly commission is extremely desirous harmonize its efforts with those about to be exerted at Dominion conference and SC;

(e) Report will not discuss partition which was not formally considered by commission: It was learned soon after arrival subcontinent that partition idea was very unpopular especially among Muslims of both Pakistan and Kashmir, who fear that by any partition they would lose Kashmir valley.

Pakistan wants all Jammu-Kashmir and would probably win it in a general plebiscite of whole state; India does not want to give up

¹ Delga 257, p. 424.

Kashmir valley and south eastern Jammu and fears their loss by general plebiscite. But Pakistan has objected to UNCIP resolution because it fears Indians now in possession valley would somehow manipulate plebiscite to Pakistan disadvantage. Pakistan officials have assured me Pak. would accept resolution if it assured UN control and management of plebiscite in Kashmir. This is objected to by India. If discussions London can get agreement on this point it would be important step toward solution problem.

Patrick program outlined London's 702 to Paris for GADel² is sensible approach. India and Pakistan should best settle this matter within Commonwealth and Prime Minister Attlee's conversations with Prime Ministers Liaquat and Nehru might get results. Would appreciate being informed developments London.

Sent Paris as 265; repeated Department 1374, London 110.

[HUDDLE]

² Sent to the Department as telegram No. 4376, October 4, p. 419.

501.BC Kashmir/10-1248: Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Acting Secretary of State

SECRET

GENEVA, October 12, 1948-6 p. m.

1383. Comkas 54. Kascom 37 Deptel 1408 to Geneva 1359 [1391 1], to Geneva.

Material information requested by Department mostly contained Huddle's October 11 No. 265 to Paris repeated Department 1374 October 11. The Commission is working with regularity on report which will be completed ready for Commission in interim phase. Commission does not regard report as final and expects either to be able to take some positive action on its own initiative at later date or as result further consideration by SC which might possibly find it possible issue instructions depending on developments.

Commission considers that Indo-Pakistan troubles are such as could best be solved by negotiations India and Pakistan but believes its services might be useful in ultimate solution Kashmir problem since notwithstanding original coolness both governments, Commission did succeed in winning certain amount confidence both Karachi and Delhi in its explorations Kashmir problem.

Consequently if, in conversations with General Marshall Paris and Prime Minister Attlee at London, Nehru and Liaquat Ali Khan could be prevailed upon to agree to general plebiscite in Jammu-Kashmir to be held under control of UN agency, I believe Commission could ap-

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¹ September 29, p. 412.

propriately assume task or be delegated thereto. Plebiscite administrator with powers envisaged by SC in its April 21 resolution would naturally have full powers for administrative tasks, but should be agent of Commission rather than of Secretary General of UN. This however is speculative and it seems that no steps can be taken with any certainty until temper of India and Pakistan Prime Minister has been ascertained in London and Paris.

Commission is desirous of having benefit of independent and hitherto unprejudiced appraisal of Pakistan and India attitudes to support or correct its own convictions and is awaiting with grave interest results of expected conversations.

Would prefer not speculate relative desirability SC action under Chapters VI or VII UN Charter pending outcome these negotiations. Adams however discussed this matter last week with GADel which also was of opinion this subject should be deferred.

Have forwarded by airmail complete text Nehru's telegram replying to Liaquat Ali Khan's telegram of October 3 (Karachi 483). In his reply, Nehru said his telegram of September 27 "was designed explore possibility solution problem by direct negotiation" between India and Pakistan. It will be recalled that Nehru had given negative reply to Commission when Commission asked whether he would agree to negotiations with Pakistan (Comkas 42²). Notwithstanding this negative reply, I had feeling that Nehru's telegram dated September 27 gave opening to Pakistan and it was that which prompted last paragraph Comkas 51³ in which I suggested possible reply by Liaquat Ali Khan. Perhaps it is not too late for Pakistan to admit misinterpretation Nehru's first telegram and accept his proffer negotiations.

Repeated Paris 270, London 112.

[HUDDLE]

² Sent as telegram 824 from New Delhi, September 13, p. 385.
 ³ Sent as telegram 1357 from Geneva, October 5, not printed.

501.BC Kashmir/10-1548: Telegram

The Secretary of State to the Acting Secretary of State

TOP SECRETURGENTPARIS, October 15, 1948—10 p. m.Delga 345. I have just received following personal message fromBevin in regard to talk I will have with Nehru late this afternoon.

"I understand you are going to see Nehru. I should like you to know that the whole of our discussions with the two parties have been in an endeavour to try to persuade them that what they ought to do is to arrive at a mutual agreement. Of course, this matter is before the United Nations and the commission have been appointed and we must be careful not to do anything which would detract either from the influence of the commission or its activities, but I assume you will be talking to him in an informal and congenial way, and you might well wish to have in your mind what our attitude to the Kashmir problem is.

2. For your very private information and guidance, Prime Minister Attlee and Noel-Baker have been having talks with the Indian and Pakistan Prime Ministers here and they have been doing their best to try to create a situation in which they might come to a discussion and reach agreement.

3. HMG take the view that it is of vital importance to India, Pakistan, Kashmir and the whole world that a settlement should be quickly reached, preferably by direct agreement between the two parties, and we do not think that is impossible. We have based all our actions on a policy to get a cease-fire, as you well know, and we continue to attach the utmost importance to this. The first attitude of India was a plebiscite and they proposed that the United Nations should undertake it and Pakistan agreed to this proposition. Now the next thing both parties agreed was that the plebiscite should be fair. If they are both agreed on this, they ought to be able to agree on what is a fair plebiscite, and therefore there ought not to be any substance to divide the parties, and certainly nothing which anybody could feel is worth while to run the risk of war.

4. The best solution would be if India and Pakistan could agree and jointly announce to the UN in Paris that agreement had been reached. This would give them a great moral ascendancy and if you could emphasize to Nehru the tremendous effect it would have on the course of events in Asia and the whole world, and if he would accept that, this would be a great achievement.

5. Both India and Pakistan must appreciate that they are faced with the risk of the Russian menace and if they would make a supreme effort to settle their differences it would make a great contribution to peace.

6. It might be that one or other parties, or both, might have proposals for accelerating a decision, and if they could reveal what is in their mind, and put it forward quickly, it would help."

Hector McNeil¹ was instructed to add to foregoing oral message to effect that British Government hope I could indicate to Nehru that Kashmir dispute was matter within British Commonwealth and that it would be much better if two members concerned could settle it together.

His message concluded that British Government considers not only would this be helping them towards settlement, but might save us further embarrassment arising from our association with matter through membership in UNCIP.

Repeated London as 1065.

MARSHALL

¹ British Minister of State.

501.BC Kashmir/10-2048: Telegram

The Secretary of State to the Embassy in the United Kingdom

TOP SECRET URGENT PARIS, October 20, 1948—7 p. m. 1086. Please deliver following personal message to Bevin from Secretary (reference Gadel 234, October 18,¹ repeated London 3992; also London's 758, October 15²):

"I am grateful for your message of the fifteenth which duly reached me before Nehru called. As you know, I left for Greece and Italy thereafter and have only just returned.

Nehru and I had a very long general talk during which he seemed primarily interested in having my views on the world situation and, most particularly, on Russian objectives. It was, as you anticipated, quite informal but even with the help which your message gave me I found him most sensitive on the subject of Kashmir. Although I touched on this matter only in passing and continued talking on other matters for some time, he found it difficult when his turn came to talk about Kashmir in a moderate way. The following from my notes of the conversation will give you the line he took:

Nehru remarked that as I had mentioned Kashmir, he wished to say that he felt he had a real grievance there. If he felt for a moment that legally, morally or practically, India did not have a just case, he would at once recede from his position. However, on none of these counts was there any merit in Pakistan's case. India had accepted the Kashmir Commission's resolution, whereas Pakistan had rejected it. Kashmir was Indian territory by virtue of its legal accession to the Indian union, it was a center of Indian culture in arts and crafts, contained much wealth that it owed to the capacity of Indian elements in its people who were far superior to the others. As a frontier province it was threatened by tribesmen who had laid waste many of its towns, aided by gangsters from Pakistan. No Indian government could have remained in power for a week had it not risen to the defense of Indian territory by flying in the few hundreds of troops which saved Srinagar. Unfortunately this local action had, bit by bit, led to greater complications and now he acknowledged it was a serious situation.

Nehru then launched into a recital of the contrast between the democratic and secular character of India, and the backward and theocratic nature of Pakistan. India wished to develop a country wherein all elements of the population could share, whereas in Pakistan the underlying idea was the advancement of the most bigoted group of Moslems. Nehru said that these people were unreasonable extremists, and had even had the effrontery to state that after conquering Kashmir they would march on New Delhi. As another illustration of their character, he spoke of a young Moslem doctor who was stoned to death in Lahore because he dared to defend his wife for having defied old fashioned custom. There was even a growing movement for the restoration of the old eighth century law of the Koran.

¹Not printed.

² Telegram 758 to Paris, not printed.

I did not comment on the foregoing. I rather suspect that Nehru felt he may have overdone it. At any rate he came back to Kashmir briefly just before we finished and in a more conciliatory vein as the following further quotation will indicate:

Late in the conversation, Nehru reverted to Kashmir in a much more moderate vein. He said that he was very conscious of this problem, was sincerely desirous of having it settled, and he hoped that some solution could be worked out. He also alluded to the Hyderabad incident briefly, saying that in India in recent weeks there had been a marked improvement in the internal situation. This was in large measure due to the settlement of the Hyderabad incident. This crisis and the restraint of both elements of the population at that time had removed a source of much anxiety and distrust.

There was one other reaction which you may find interesting. I took some care to outline our support of the UN and our hopes for its future, and was quite gratified at the response. Although Nehru made it clear that India had had disappointments in matters of interest to it, he did not labor the point. On the contrary, he said that India would support the UN despite its weaknesses since it was the only hope of the world, and therefore could not be abandoned. He also said that while it might sound trite, he completely agreed with me in condemning deceit and force in international affairs.

I hope the foregoing will be of some value to you and that with the congenial atmosphere which has been created in London you can bring the two men to talk together on this subject. There was nothing in my conversation with Nehru which suggested any better approach to him than your line of the great moral ascendancy and the impression of statesmanship which would result if he and Liaquat were able to settle this problem of such moment to Asia and the world. It would surprise me very much if our talk did not add to his appreciation of the Russian menace."

Notes of conversation plus substance paragraph on UN sent Huddle Geneva.

Sent London as 1086, repeated Department as Delga 418.

MARSHALL

501.BC Kashmir/10-2048: Telegram

The Acting Secretary of State to the United States Delegation at the United Nations General Assembly, at Paris

SECRET US URGENT WASHINGTON, October 21, 1948—7 p. m. Gadel 267. If Secy's plans permit, Dept feels his returning Nehru's call would be greatly appreciated by India (re Delga 406¹) and might serve further purpose discussion Kashmir problem.

Dept has in mind this primarily courtesy call. However, if no conversations held Nehru-Liaquat London today, there appears be little

¹ Not printed.

prospect progress settlement Kashmir problem without further prolonged debate SC. Suggest therefore that Secy might wish take advantage any opening in conversation to seek draw Nehru out on any specific suggestions or thinking GOI re terms settlement. If situation presents itself, Secy might state US view that SC Res Apr 21 re plebiscite represents generally equitable approach and that acceptance GOI and GOP general lines Part B this Res as basis negotiation agreement plebiscite terms would be constructive contribution settlement.

Suggestions for Marshall-Liaquat conversation will follow. If Nehru call returned, Dept considers similar courtesy Liaquat desirable, purpose *inter alia* avoid any impression partiality toward either India or Pakistan.

USGADel rpt Geneva for Huddle's info.

LOVETT

501.BC Kashmir/10-2248: Telegram

The Secretary of State to the United States Representative on the United Nations Commission for India and Pakistan (Huddle), at Geneva

SECRET US URGENT PARIS, October 22, 1948-10 a.m.

124. For Huddle from the Secretary.¹ Understand from conversation Adams and USGADel that UNCIP plans informal meeting Paris 28 October and formal meeting to consider report 1 November, Commission wishing to confer their delegations and consider conclusions.

For your information Nehru and Liaquat will be in Paris most of next week. Indications are that negotiations may have begun between them at dinner with Attlee according *Times* London. UK is laboring create atmosphere for this meeting looking toward direct negotiations parties as best solution problem. We and UK wish discreetly confer regarding constructive recommendations to be added to report. Therefore presence of Commission here even informally plus inevitable informal circulation of report might seriously affect or prejudice prospective negotiation.

a. You are instructed make utmost efforts Commission reconsider decision to come to Paris. For your information Cordier ² telephoning Colban same sense.

b. Please send USGADel urgently by pouch copies of parts of report now complete.

¹This message, sent to Geneva as telegram 124 and repeated to the Department as Delga 442, was not received in Washington until October 27 and was possibly also delayed in reaching Huddle in Geneva.

²Andrew W. Cordier, Executive Assistant to the Secretary General of the United Nations.

c. Take necessary steps to leave door open revision of report and addition of constructive recommendations for affirmative action to it, if events and negotiations UK should suggest their desirability.

Sent Geneva 124, repeated Department, London 1095.

[MARSHALL]

745.45F/10-2748

Memorandum of Conversation, by the Counselor of the Department of State (Bohlen)

TOP SECRET

[PARIS,] October 27, 1948.

Participants:

The Secretary Dr. Jessup Mr. Bohlen Mr. Ernest Bevin Sir Alexander Cadogan Mr. Roberts¹ Mr. Dean

Mr. Bevin said that he was going to see Nehru again this morning but that he wished to tell the Secretary in confidence that he was not optimistic at the prospect of India and Pakistan reaching any settlement in the Kashmir matter. He said in London they had been unsuccessful in obtaining from Nehru any very clear indication of what the Indians would accept, particularly in regard to the conditions of any plebiscite. Nehru continued to say that he was not against the idea of a plebiscite but was unwilling to commit himself as to its terms. On the other hand he felt that the Pakistan representatives were being much more reasonable in this matter, but that Nehru since he was a Kashmir Hindu was very emotional and intransigent on this subject. He said he felt that the main issue was who would control the main artery leading into central Asia. The Indian proposals would leave that in their hands and this was something that Pakistan found difficult to accept. He very much feared that next spring the Indians, encouraged by the success of their operation against Hyderabad, would start fighting in Kashmir in the spring and that this might open up considerable possibilities to the Russians to exploit the situation in order to obtain a foothold in northern India. He promised to let the Secretary know the result of his conversation with Nehru this morning.

The Secretary told Mr. Bevin that it had been suggested from Washington that he see Nehru again but that he was not entirely convinced that it would be wise for him to give the appearance of pressing Nehru on this matter.

¹ Frank K. Roberts, British Principal Private Secretary to the Secretary of State for Foreign Affairs (Bevin).

501.BC Kashmir/10-2948: Telegram

The Secretary of State to the Acting Secretary of State

TOP SECRET US URGENT

PARIS, October 29, 1948—2 p. m.

Delga 531. For Satterthwaite and Mathews from Kopper.¹

1. Secretary and Liaquat Ali Khan held one hour and half conversation yesterday. Zafrullah Khan also present. Numerous subjects covered. Liaquat spoke in most frank and open manner. Although he showed no trace bitterness he seemed to give impression that he thought United States was ignoring Middle Eastern (Moslem) area while giving much attention to West Europe.

2. After exchange pleasantries, Liaquat commenced conversation by saying he wished besides having opportunity to meet Secretary to discuss strategic position Pakistan in ME and world. He reviewed great difficulties Pakistan has encountered in becoming established, citing vast refugee problem, economic difficulties and relations with India particularly on Kashmir. He declared it unthinkable that Pakistan could fall prey to Communism since (1) latter was contrary to tenets Moslem religion in respect democratic ideals, property ownership and individual's position; (2) states outside Communist orbit should fully know Communist ideology was oppressive in extreme. Pakistan was anxious to maintain stand against Communist infiltration. Liaquat then said frankly that since United States was strongest most powerful nation among free nations it should assist other nations to strengthen themselves. He referred to assistance United States was giving to Western Europe. While understanding necessity for ERP he believed United States should strengthen Middle Eastern area economically and militarily.

3. Turning to India-Pakistan relations Liaquat termed India's attitude toward Pakistan as hostile. He said Kashmir question could be easily settled by plebiscite. However, there must be no coercive forces present during plebiscite. Pakistan had been struggling to obtain peaceful settlement but if India persisted in aggressive role Pakistan would fight in face aggression.

4. Secretary outlined genesis ERP explaining how West Europe has been commercial nerve center of world. It was dangerously close to collapse a year ago. With revival of European economy world would benefit. Secretary said United States resources were limited and we could not as a government undertake commitments beyond our abilities. Secretary explained in some detail role of Congress and its committees in granting aid and loans. Then said there was vast

¹ Samuel K. C. Kopper, United Nations specialist in the Department of State.

amount private capital in United States which was available if investors had reasonable assurances as to security of investment. Secretary also referred to Export-Import Bank.

5. Regarding Communism and USSR policy, Secretary pointed out that his concern was primarily directed at development and spread of police state. He was glad to know of Pakistan's attitude regarding this matter. He said that one very important way by which states outside police state orbit could strengthen themselves would be to settle all of their major differences quickly and peacefully. In this connection he expressed hope Kashmir question would be settled in conformity with UN principles. He remarked that United States had not been able to ship arms to India or Pakistan while Kashmir question was point of friction. Secretary also said it was most important to obtain settlement Palestine question and concluded that we are vitally interested in stability of Near East and remaining portions of world. In saying this, Secretary emphasized necessity for all nations supporting UN which was only real hope for peace.

6. Liaquat said Pakistan was in a position vis-à-vis India where an arms embargo favored India and harmed Pakistan since India had all the ordnance factories and Pakistan had few supplies. He again repeated that he thought United States should do all it could to strengthen Near East area. He said he was in complete agreement that Palestine question had to be settled and he also agreed with Secretary that UN must have support of all the nations. Secretary pointed out to Liaquat that we are already helping Near Eastern area through our aid to Greece, Turkey and Iran. There was a limit to what we could do but we were deeply interested in the development of Near Eastern countries and we hoped that the time would come when projects presently in planning stage could become reality.

7. Liaquat seemed quite pleased with Secretary's frank approach. Zafrullah Khan said after Secretary and Liaquat had departed that he thought meeting had gone quite well. Zafrullah then told me in strictest confidence that Pakistan is seriously considering bringing to ICJ the question of India's action with respect to head waters of three rivers vital to the economy of the West Punjab. Pakistan has already commenced collecting the basic data after efforts to settle the question bilaterally were unsuccessful and India had rejected suggestion for arbitration.

Repeated London 1145; Department pass Karachi as 4.

MARSHALL

DISPUTE OVER KASHMIR AND HYDERABAD

501.BC Kashmir/10-2648: Telegram

The Acting Secretary of State to the United States Delegation at the United Nations General Assembly, at Paris

NIACT SECRET

WASHINGTON, October 29, 1948-7 p.m.

US URGENT

Gadel 357. Following represents present Dept thinking Kashmir question and may be used as guide by GADel in its reply Cadogan aidemémoire¹ and informal discussions with Brit and others. Delga 442, Oct 22 and London's 4629 Oct 26.²

(1) Dept recognizes paramount importance direct negotiations which may now be in progress between Nehru and Liaquat since obviously any measure of agreement between them on Kashmir question would be best foundation on which base further UN action.

(2) Should Nehru and Liaguat talks produce any definitive results, we believe it highly important such measures be reflected interim report now under preparation by UNCIP.

(3) Should, however, foregoing high-level talks completely fail, we believe UNCIP and then SC should take definite action designed bring further pressure on parties for peaceable solution Kashmir problem.

(4) We recognize soundness UNCIP's apparent feeling that including positive recommendations in its report for affirmative action by SC might prejudice UNCIP's present acceptability to both governments thus impairing its utility as agency for implementation eventual plan settlement. Nevertheless, we continue believe (Kascom's 35 and 39³) UNCIP interim report could and should include some positive conclusions since UNCIP in better position than any individual SC member to reach conclusions and since failure do so would probably result in unnecessary repetition lengthy debates SC.

(5) For example, UNCIP could without appreciably jeopardizing its future utility conclude that broad framework represented by SC resolution Apr 21 and UNCIP cease fire and truce proposals Aug 13 offer reasonable and fair basis for settlement, even though certain modifications might be considered desirable by SC, such as Comkas suggestion plebiscite administrator be made directly responsible UNCIP rather than SYG. In reaching these conclusions UNCIP would in effect be merely reaffirming its own crystallized efforts and those SC, thus enabling SC in its further consideration of matter take

¹Reference here is presumably to the *aide-mémoire* transmitted to the Department in Delga 257 of October 8, p. 424.

^a Telegram 4629 to the Department, not printed. ^a Sent to Geneva as telegrams 1391, September 29, and 1416, October 11, p. 412 and p. 425, respectively.

advantage well considered principles already established and obviating reopening many details.

(6) Although UNCIP would not under this suggested plan of action make concrete recommendations as to future SC action, it is our belief the six sponsors of Apr 21 resolution should respond to UNCIP's report by reopening active discussion Kashmir question in SC. These delegations can utilize conclusions reached by UNCIP in its interim report as basis for new joint resolution recommending revised SC recommendations to the parties. It is possible that at this stage SC might wish consider use Art 40 re cease fire and/or truce proposals. Also at this time joint sponsors could give serious consideration possibility including within recommended plan for plebiscite proviso that latter be conducted by districts so that each district may decide whether accede India or Pak. We believe partition idea would more appropriately come from members SC than from UNCIP since neither in Apr 21 resolution SC or in discussions UNCIP with GOI and GOP was matter ever formally considered. If six original sponsors Apr 21 resolution could, however, be brought to agree on desirability scheme accession by districts or some variant of this, this step could be viewed as natural development thinking SC among govts which have been most directly concerned with peaceable and equitable solution Kashmir question.

(7) Partition proposal on basis district voting might overcome Pak fear partition would redound her disadvantage and give predominantly Moslem areas to India and also might overcome GOI reluctance accept SC plebiscite terms for fear GOI would lose entire state. Such procedure would likewise facilitate concentration UN supervision and observation to those relatively few districts where result would be most doubtful and attempts to influence greatest.

(8) Above procedure would permit UNCIP set guides without itself going substantially beyond SC resolution and its own proposals and would at same time, by utilizing six original sponsors Apr 21 res, avoid placing onus on any one member SC for introduction new principle of partition. It would not, of course, obviate difficulty re informal initiative among six original sponsors and this problem we believe should be discussed fully with Brit.

LOVETT

DISPUTE OVER KASHMIR AND HYDERABAD

501.BC Kashmir/10-3048: Felegram

The United States Representative at the United Nations (Austin) to the Secretary of State

SECRET

PARIS, October 30, 1948-8 p. m.

Delga 555. Following replying *aide-mémoire* informally presented to UK October 27 pursuant Gadel 172,¹ October 11 and Geneva's 1383, October 12. UNCIP decided on October 28 to meet in Paris November 8.

"UNCIP has been working since late September in Geneva on an interim report.

1. The first part of the report will be in our hands momentarily. We shall be glad to make a copy available as soon as it is received. Its submission to the SC can probably be arranged for a time that will harmonize with any pending efforts for settlement of the dispute. We would hope that the first part may still be modified if after consultation with the UK such modification appear important.

2. We understand that the commission is planning to meet in Paris for conferences and to consider conclusions on November 1. At the suggestion of the SYG and of the US member of the Commission an informal meeting planned for October 28 in Paris has been abandoned. We are urging that the Commission remain in Geneva, and that ample time be allowed for the consideration of both parts of the report by US in consultation with the UK.

3. We believe that the second part of the report might well contain constructive recommendations based on the principles of the SC resolution of April 21, 1948. According to our information, the first part as now drafted will be largely historical in approach. The present thinking in the Commission is that it should contain no conclusions or recommendations, except perhaps the expression of the hope that the parties can be induced to agree on a plebiscite under Part Three of August 13 of the resolution and to accept the cease-fire and truce provisions. On this theory, the Commission would expect its conclusions to be added later in the second part. These conclusions would recommend affirmative action either on the Commission's initiative or possibly suggest further SC action as the basis for such recommendations. It is our hope that the content of the report will not be such as to call for SC action but can be regarded by the Council merely as an interim report of the Commission's progress. This is a point on which we and the UK may wish to confer.

4. Looking now to the possibility of combining the principle of a plebiscite with partition of certain areas of Jammu and Kashmir, we have for some time considered that such a formula is worthy of careful consideration. For reasons that are obvious we have, however, been disinclined to take the initiative on the point.

5. Our information is that the interim report as now being drafted will not discuss partition which has not been formally considered by the Commission. It found the idea unpopular especially with the Mos-

¹ Not printed.

429-027-75-29

lems of both parties who feared that by any partition they would lose the Kashmir Valley. However, there is some indication that the members of the Commission are of the general opinion that a partition agreement has distinct administrative advantages, as opposed to a plebiscite, in certain areas.

6. Before proceeding with the consideration of this question or taking any definite steps we would be interested in knowing the UK's view on partition in general and whether the UK has in mind any particular plan as to a plebiscite and partition. If such is the case, we would like to discuss its details as a necessary prelude to the support of any general proposals which might arise in the Commission or the SC. Also, we would appreciate any information as to whether the UK contemplates informal discussions with any other governments represented on the Commission as to the type of recommendations the Commission might make, but we would infer from Paragraph Six of the UK's aide-mémoire that such discussions are not intended. We should also want to consider whether the initiative in suggesting partition might come from some delegation on the Commission other than our own.

7. We should be glad to have further discussion of the general and particular aspects of this case with the UK and are mindful of its thinking that the initiative in discussing partition should come from the Commission."

Sent Department Delga 555, repeated London as 1160. Department repeat Karachi and New Delhi.

AUSTIN

501.BC Kashmir/11-148

Memorandum by the United States Representative on the United Nations Commission for India and Pakistan (Huddle)¹

TOP SECRET

PARIS, November 1, 1948.

Subject: Developments on the Kashmir Problem.

[The first two paragraphs of this memorandum concern a luncheon conversation of October 30 between Huddle and Zafrullah Khan regarding water rights in three rivers that originate in Jammu-Kashmir and flow through Pakistan before entering the northeastern area of India.]

On Saturday evening, October 30th, I dined with Colonel Abdur Rahim Khan of the Pakistan Delegation, and Minister Mohammed Ali the Pakistan Chief of the Cabinet who accompanied the Prime Minister Liaquat Ali Khan to London and Paris.

Mohammed Ali informed me that the London conversations which Prime Minister Attlee arranged with Prime Ministers Nehru and Liaquat Ali Khan were without constructive result insofar as the

¹Transmitted to the Department by the Commission in its despatch No. 10, November 1, 1948; not printed.

Kashmir problem is concerned. He said that when Prime Minister Attlee first raised the question, Mr. Nehru was somewhat receptive to the idea of a plebiscite which would be arranged as the Pakistani advocate. Later however he seemed to change his position, and in the end had flatly refused to agree with Pakistan demands in the plebiscite proposals. Mr. Liaquat Ali Khan continuously expressed himself as favorable to the plebiscite idea although he would not agree with a "district plebiscite" or series of district plebiscites but insisted that an overall or general plebiscite be held for the whole country. The Pakistani objected to the district plebiscite because they feel that displacement of population has occurred to such an extent that a series of district plebiscites might have spotty results which would be entirely unsatisfactory in the ultimate disposal of Jammu-Kashmir. Mr. Liaquat Ali Khan expressed himself during the conversation as being agreeable to any arrangement under neutral control which would guarantee a fair result.

At one point in the conversations Mr. Attlee had asked about the possibility of a military decision if matters went from bad to worse. In response to this question Mr. Liaquat Ali Khan had said that the Pakistani had no idea that they would be able to expel the Indians from Jammu-Kashmir, but he said on the other hand that India would never be able to drive the Pakistani out of Jammu-Kashmir.

The conversations ended therefore without anything in the nature of an understanding for settlement.

Sir Stafford Cripps however had suggested a day or two ago that since both Prime Ministers Nehru and Liaquat Ali Khan were together in Paris they should by all means make an effort to meet here for a further conversation. Mr. Liaquat Ali Khan had said in reply to this suggestion that he would be agreeable, and it was therefore arranged that he would call on Mr. Nehru on Saturday evening, October 30th at 10 p. m. (I understand that Mr. Liaquat Ali Khan attended an early evening reception given by Pandit Nehru and the Indian Delegation and that the 10 o'clock appointment was filled thereafter.)

Mr. Mohammed Ali told me on Saturday evening that he would arrange to let me know the results of the conversation of Nehru and Liaquat Ali Khan as soon as possible, and since he thought he would have the information in hand by Monday morning we arranged for an appointment at 10:30 a. m. on Monday, November 1st prior to his departure on Tuesday for Cairo and Karachi.

In my conversation with Mr. Mohammed Ali I found that his views have not changed since my departure from Karachi, and they remain as previously reported to the American Delegation and the Department. On Monday, November 1st, in our conversation at 10:30 o'clock, Mr. Mohammed Ali reported to me that the talk between Prime Ministers Liaquat Ali Khan and Nehru had no better results than their previous conversations in London. Mr. Mohammed Ali said that Mr. Nehru had proposed one of two methods of procedure to Mr. Liaquat Ali Khan.

The first was that Pakistan accept without any conditions the Resolution taken by the United Nations Commission for India and Pakistan on August 13, 1948.

The second, an alternative, would be that Pakistan accept a partition of Jammu-Kashmir on the lines now existing, meaning the territory occupied and controlled by the Azad Kashmiri and the Pakistani on the one hand and the territory occupied and controlled by the Indians and the local Sheikh Abdullah Government on the other.

Regarding the first Mr. Liaquat Ali Khan had replied to Mr. Nehru that Pakistan had accepted the Commission's Resolution, although it had made a condition that India must accept the plebiscite terms of the Resolution of the Security Council of April 21, 1948. Unless India would accept those terms as applicable in working out the future of Kashmir, Pakistan of course could not implement the Parts I and II of the Resolution. Mr. Nehru would not go along with this proposal of the Pakistan Prime Minister.

Insofar as the second proposition of Mr. Nehru was concerned, Prime Minister Liaquat Ali Khan declined to give any consideration whatsoever to the suggestion of partition, to say nothing of partition on lines which exist at present.

(It seems clear that a stalemate exists between the two Governments on the Kashmir question and that neither is willing to make concessions which are obviously necessary if a peaceful settlement is to be achieved).

Having thus briefly reviewed the conversation of the two Prime Ministers, Mr. Mohammed Ali told me that the idea of partition seems to be gaining some support in recent days. He says that the Indians are apparently responsible for initiating a new consideration of partition. In addition to members of the Indian Delegation whom he thinks have been broaching the matter he met an old friend from India, a former university professor of his, who suggested to him that partition might well be undertaken.

When Mr. Mohammed Ali introduced the question it gave me a good opportunity to discuss again with him the partition possibility. Little or nothing had been said of partition during the later weeks of the Commission's presence in Pakistan but in our earlier days there the question was raised from time to time. At that time Prime Minister Liaquat Ali Khan told me in a manner not to be misunderstood that Pakistan would not favor any splitting up of Jammu-Kashmir which would deprive Pakistan of all or even any part of the Vale of Kashmir. Even regarding the eastern corner of the State of Jammu which is now probably 100% Indian, Liaquat Ali Khan said that he would take his chances on a general plebiscite to cover the whole area and would not think of giving up a claim to any of Jammu. Mr. Mohammed Ali maintained the same position in this present conversation which his chief had expressed last July. I mentioned several possible divisions which might seem on their face to be equitable. I suggested that southeastern Jammu wasn't necessary to Pakistan economy, that it was now denuded of Muslims, and that it appertained naturally to India. I feel that the Pakistani would not be too averse to the loss of this particular territory, but they do want the whole of the Chenab Valley. My personal feeling is that the Chenab should not be a boundary but in a division should go to Pakistan. I also broached the possibility that the Vale of Kashmir itself might be susceptible to division so that the southern part might appertain to India and the northern part to Pakistan. The southern part would include the district of Anantnag and the town of Srinagar, while the northern part would include Baramulla and the town of Baramulla. As stated above Pakistan might be willing that India should have the extreme southeast of Jammu without too much dispute, but Mr. Mohammed Ali flatly refused to consider any division of the Vale of Kashmir.

These possible divisions presume, to be sure, that all of the perimeter now in Pakistan hands should remain under Pakistan jurisdiction.

I finally asked Mr. Mohammed Ali whether his Government would be disposed to consider any partition proposition with favor and he said he thought it would be useless to present one.

With reference to the question of partition I am convinced that a similar attitude will be found among the Indians. The similarity lies in the fact that the Indians are equally insistent upon obtaining the Vale of Kashmir and they would not accept any partition of Jammu-Kashmir which did not award them the famous Valley. The situation in this respect is no different from what it has been in the past.

I took this opportunity to sound out Mr. Mohammed Ali on what Pakistan might find agreeable in the recommendations and conclusions of the Commission. He is explicit in answering that Pakistan now favors a Resolution by the Security Council setting forth the conditions under which a general plebiscite shall be held in Jammu-Kashmir. He said if this is prescribed by the Security Council along with the August 13, 1948 Resolution of the Commission, Pakistan will be glad to comply in all respects such as the withdrawal of its Army, etc. Beyond this, Mr. Mohammed Ali has no constructive suggestions for solution of the problem. I desire to note for future reference that I asked Mr. Mohammed Ali how long he felt would be required to arrange for a plebiscite. In reply he said that he thought if the conditions were laid down soon that it still could be held within the coming year. This I mentioned specifically because it conflicts with statements made by both Sheikh Abdullah and Ghulam Abbas to members of the Commission, including myself. These minor leaders insisted that anywhere between three to five years would be required to restore conditions to such an extent that a satisfactory plebiscite could be held.

I also asked Mohammed Ali to explain clearly to me what Mr. Liaquat Ali Kahn, Sir Zafrullah Khan and he himself meant by "a neutral government" to ensure a fair and equitable plebiscite. He said "neutralized" might be a better term. They had in mind something like a coalition government participated in on equal terms by the present Azad Kashmir movement and the Sheikh Abdullah regime which for these purposes would fuse. (Members of the Commission had learned through informal conversations with Sheikh Abdullah and Ghulam Abbas that they might not be adverse to forming a coalition which might possibly be effective in this relation).

501.BC Kashmir/11-1048: Telegram

The Secretary of State to the Acting Secretary of State

SECRET URGENT PARIS, November 10, 1948—10:30 p.m. NIACT

Delga 681. For Satterthwaite and Mathews from Thurston. Pursuant instructions based Cabinet level decision, Cadogan (UK) informed Jessup this morning his government would like SC to issue unconditional cease-fire order to GOI and GOP and immediately thereafter send high-powered mediator to Indian subcontinent, perhaps in guise of plebiscite administrator provided for in SC Resolution April 21. He indicated his government had Eisenhower in mind and that he was under instructions take matter up with Secretary whom he may see today.

We told Cadogan that we understood present plans UNCIP were to stay Paris next few weeks with view formulating recommendations to parties re Kashmir plebiscite and obtaining GOI and GOP approval or acquiescence thereto through negotiations with their representatives now Paris. We mentioned possibility Bajpai (India) might remain here another week or ten days and that Zafrulla Khan (Pakistan) would also be available adding that UNCIP felt it should make such last effort here on its own part prior throwing question back in lap SC.

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Cadogan said he would report UNCIP plans to his government for consideration. From his remarks we gather British have in mind almost immediate action by SC along lines first paragraph with UNCIP meanwhile taking back seat.

For Department's information, UNCIP's plan work on plebiscite recommendations here stems from feeling based recent informal discussions with GOI representatives Paris, that India has somewhat softened its position on plebiscite at least in so far as willingness discuss question concerned. Since it was GOI refusal even discuss possibility elaboration Part Three August 13 cease-fire and truce proposals that prompted UNCIP temporarily suspend its labor in the field, UNCIP apparently believes it now possible resume their work and obtain consent parties to procedure which would link August 13 proposals with at least general plan for plebiscite.

US GADel reaction to British proposal is that UNCIP should be encouraged follow present plan of making a last effort on plebiscite recommendations before matter taken up SC. If UNCIP fails make progress, then SC reconsideration problem would appear necessary and something along line British suggestions might be worked out SC. This obviously matter of timing. Perhaps more important is question advisability going along with British idea that high caliber American like Eisenhower be sent Indian subcontinent to attempt achieve settlement this difficult issue which we have always considered one in which British have long established interest.

Would appreciate Department's views as basis our further discussions with British.

Sent Department Delga 681, repeated London 1222. Department repeat Karachi as 5, New Delhi as 7. [Thurston.]

MARSHALL

501.BC Kashmir/11-1048

Memorandum of Conversation, by the Secretary of State

SECRET

[PARIS,] November 10, 1948.

Participants:

ats: Sir Alexander Cadogan—United Kingdom Delegation Mr. B. R. Curson

Secretary Marshall—United States Delegation Mr. Ray L. Thurston Mr. James N. Hyde

Sir Alexander opened the conversation by saying that he had been instructed by his Government to convey to me its latest views with respect to the Kashmir situation. He said that his Government had decided, on the basis of recent information from the area, that the Security Council should, in the immediate future, issue an immediate and unconditional cease fire order to the Governments of India and Pakistan. Sir Alexander stated that the information reaching his Government indicated: (1) That Indian and Pakistani troops were lined up in close proximity and that there was danger of an incident which might bring about open warfare; and (2) that his Government had reason to believe that on a high political level in both India and Pakistan such a cease fire order by the Security Council would be welcomed.

Sir Alexander then stated that as a second step his Government believed that a high-powered and prominent "mediator" should be sent to the sub-continent to attempt to bring about a settlement of the Kashmir issue. He said that since it was obviously inadvisable to send someone from the British Commonwealth, and since it was doubtful that a suitable person was available in such areas as Latin America, his Government had come to the conclusion that an American citizen with a nationally known name should be selected for this task. He then added that he had been requested to approach me regarding the availability of General Eisenhower.

As to the basis on which a "mediator" might now be sent to the subcontinent, Sir Alexander said that to avoid the possibility of a Soviet veto, his Government believed that the Secretary-General could, under certain provisions of the Security Council Resolution of April 21, send a "mediator" to the sub-continent in the guise of the "Plebiscite Administrator" provided for in that resolution.

In my reply I made several observations with regard to the difficulties of administering a cease fire order on the basis of my experience in China and added that I had been particularly disturbed to hear from Ambassador Huddle, our Representative on the United Nations Commission for India and Pakistan, that it might take at least three years before a plebiscite could be held in Kashmir. I then referred to the presence of British Officers in both the Indian and Pakistani armies and inquired whether the interest of the two parties alluded to in respect of a cease fire originated with them. I was asked what disposition would be made of UNCIP under the British plan.

With reference to the availability of General Eisenhower, I referred to recent offers to interest him in taking some relatively routine obligations outside the sphere of his university position, and General Eisenhower's strongly expressed feelings that he wanted to dig into his present highly responsible job.

In their reply to the foregoing, Sir Alexander and Mr. Curson gave somewhat different versions of the reasons which prompted the British to believe that a cease fire would be successful. Sir Alexander stressed his belief that it was high political leaders on both sides who wanted the cease fire; whereas Mr. Curson stated that owing to the presence of British officers in each army, it would be easier to administer the cease fire than otherwise. In a somewhat general discussion of the actual military position, about which no one present appeared to be fully informed, Sir Alexander referred to recent discussions relating to the Negeb and Palestine and the possibility of establishing neutral or demilitarized zones rather than a clear-cut truce or cease fire line. In connection with the timing of the plebiscite, Mr. Curson thought that although an ideal plebiscite might require some delay, he thought that a simple one could be held much earlier than three years from now.

With regard to the relationship between the "mediator" and UNCIP, Sir Alexander stated that his people were not quite clear on this. He indicated that on the basis of recent conversations between the British and Mr. Colban, Secretary-General of UNCIP, the impression had been created that the Commission did not wish to return to the sub-continent. Mr. Colban had apparently expressed great interest in his own return to India as a kind of rump commission and had mentioned that Ambassador Huddle would be only six air hours away in Rangoon.

Mr. Thurston inquired of Sir Alexander concerning the technical basis on which it would be possible to send a "mediator" out to India in view of the language of the Security Council Resolution of April 21 which presumably requires the consent of the Government of India to the appointment of a Plebiscite Administrator, and added that neither India nor Pakistan had ever accepted the recommendations contained in the April 21 resolution with respect to a plebiscite.

Mr. Thurston also expressed the thought that perhaps the new American Ambassador to India who would be arriving in New Delhi shortly might be able to be of some assistance in connection with this difficult problem.

In the course of the conversation, Sir Alexander read from the instructions which he had in hand several sentences regarding the urgent need for stabilization in Southeast Asia because of the spread of Communism, the Soviet threat to the Northwest frontier, the effect of the inflation caused by India's large military budget in delaying economic recovery, and the threat of war as a retarding factor in the development of the country by private capital.

Reference was also made in Sir Alexander's instructions to the present serious difficulties in China which make it all the more important that the situation in South Asia be stabilized.

I then referred to Nehru's recent speech before the General Assembly in which he had so strongly stressed his belief in the settlement of all disputes by non-violent means and speculated whether in view of this it might be useful for me to speak to Mrs. Pandit ¹ with regard to the inconsistency between such facts and the Indian attitude in Kashmir. Sir Alexander then interpolated—"and in Hyderabad too"—and with respect to the question of my talking with Mrs. Pandit asked me to refrain from saying anything about the present conversation. At this juncture, I alluded to recent conversations which I had had with the Prime Ministers of India and Pakistan who, although "speaking the same language" and who, although stressing the Communist threat and the need for stability, did not seem to be willing to suit action to their words. I stated that in my conversation with the Pakistan Prime Minister, he had indicated great interest in the Palestine question and had said that we were not giving sufficient attention to the Middle East. I mentioned that Nehru had not mentioned Palestine. I added that I had told the Pakistan Prime Minister that I was up to my neck in Palestine.

After a general discussion of the serious block to economic and political progress the Palestine and Kashmir problems represent, I referred to the delicate position in which Americans are likely to be placed in India and the fact that India and Pakistan would no doubt like to play the United States and the United Kingdom off against each other. I referred to the many generations of British experience in the area and to our role as newcomers. Sir Alexander quickly replied that perhaps our being newcomers was a great advantage.

At the end of the conversation, I assured Sir Alexander that we would give careful consideration to his Government's views and made no comment when he pressed me on the possibility of getting some other American if Eisenhower were not available.

¹Vijaya Lakshmi Pandit.

501.BC Kashmir/11-1048: Telegram

The Acting Secretary of State to the United States Delegation at the United Nations General Assembly, at Paris

SECRET US URGENT WASHINGTON, November 11, 1948-2 p.m. NIACT

Gadel 454. In view repeated indications Ind Pak both anxious solution Kashmir problem, both prepared work further with already established UN machinery, Dept agrees USGADel reaction on timing UK proposal (Delga 681). We do not see necessity immediate cease fire order, particularly since immediate extensive military operations in subcontinent improbable. Furthermore, simple cease fire order without provisions for truce and plebiscite would imply a sanctioning of presence Pak troops which would not only be inconsistent with previous approach SC and UNCIP but would be highly unacceptable to GOI. Dept therefore believes USGADel should seek dissuade UK from pressing its plan at this time so that UNCIP may have adequate opportunity succeed present effort obtain Ind Pak agreement on plebiscite recommendations.

If UNCIP effort fails, we still inclined view that SC should recommend or issue call for cease fire and truce based on UNCIP Aug 13 resolution and plebiscite based on SC Apr 21 resolution with modifications appearing desirable result UNCIP experience. SC could provide plebiscite machinery become operative as soon as cease fire and truce effected.

These recommendations could be implemented by existing or reorganized Commission or by high calibre mediator along lines UK proposal. However, we believe UK suggestion appointment American impracticable. Eisenhower almost certainly unavailable and experience indicates difficult if not impossible attract world renowned American this problem. Dept also concerned appointment American would force US assume principal responsibility in world eyes for peace subcontinent.

Since problem is one in which Commonwealth has long established interest and since recent Conference¹ created cordial Commonwealth atmosphere, Dept inclined view selection prominent Commonwealth statesman would be constructive.

GADel pass Huddle.

LOVETT

¹British Commonwealth Conference, held in London October 11-22.

501.BC Kashmir/11-1348: Telegram

The Secretary of State to the Acting Secretary of State

SECRET PRIORITY

PARIS, November 13, 1948-5 p. m.

Delga 738. Kashmir case. Department's views as indicated Gadel 454, November 11 were conveyed informally to Cadogan (UK) this morning with some softening last two paragraphs relating availability prominent American. We told Cadogan we were not enthusiastic about putting an American in prospective position but that question could be reconsidered carefully upon conclusion present efforts UNCIP. Leaving door open this fashion based partly Huddle's views and partly on possibility that should present efforts UNCIP be successful in establishing plans for cease-fire, truce and plebiscite, we need not be so concerned with choice American as administrator plebiscite.

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In answering Cadogan's inquiry on point, he was informed of contacts already made by UNCIP with Zafrulla (Pakistan) and Pandit (India) which point toward possibility fruitful discussions here. When informed that UNCIP efforts would probably continue through first week December, Cadogan appeared reconciled possibility SC action if necessary might have to be postponed until January SC meeting New York.

In conclusion Cadogan promised convey our views his Government, and we told him we would keep him closely advised regarding UNCLP progress.

Sent Department Delga 738, repeated London as 1258. Department repeat Karachi as 7; New Delhi as 9.

MARSHALL.

501.BC/11-1848: Telegram

The Secretary of State to the Acting Secretary of State

PARIS, November 18, 1948-8 p. m. SECRET URGENT Delga 821. Cadogan on instructions from London has just informed us that Prime Minister of Pakistan vesterday informed Prime Minister UK "that India has now started an all-out offensive with the obvious object of securing military decision before SC considers UN Commission to India and Pakistan's report." Prime Minister Pakistan requested UK immediately use influence with Nehru and expedite SC action to order and enforce an unconditional cease-fire immediately. Cadogan understands message has been sent to Nehru. British sources do not absolutely confirm allegation concerning Indian offensive and admit possibility Pakistan may have misinterpreted limited operation Indian forces reinforcing one garrison. Zafrulla informed UKDel this morning he had while in US received instructions to call for SC meeting to take this action but was waiting for Kashmir Commission action which he understood would be taken this week. Zatrulla will not therefore move until Monday at earliest. UK requests soonest indication US view regarding such SC action next week. Cadogan stated he assumed it would be impracticable for SC at same moment to act on their desire for a plebiscite administered along lines he explained to the Secretary. Cadogan also raised question of supplying observers if SC adopts cease-fire order. He had no solution of this problem but said he would ask London.

Department pass to New Delhi as 11 and Karachi as 9.

MARSHALL

501.BC Kashmir/11-1848: Telegram

The Chargé in Pakistan (Lewis) to the Secretary of State

MOST IMMEDIATE KARACHI, November 18, 1948-midnight. SECRET

524. Prime Minister handed me last night copy of most immediate telegram just sent Pakistan Foreign Minister Paris¹ with instructions to place matter before SC in writing at once. Telegram says GOP wishes draw attention SC to developments in Kashmir which are a definite violation by India of undertaking given by both governments in response to UNCIP's (United Nations Commission on India and Pakistan) resolution September 19, 1948² which appealed both governments use their best endeavors during absence Commission to lessen existing tension this dispute in order prepare ground for its peaceful final settlement. Telegram says GOP has scrupulously observed the undertaking given but that India on other hand now appears determined force military decision in Kashmir. Telegram details reinforcements brought into Southern Kashmir by Indian Army and mentions recent attacks in brigade strength against Azad Kashmir forces. Says Indian Army has now started major offensive by at least one division supported by armor from Rajauri towards Kotli and Mendhar and is continually moving up reinforcements to Naushera. Telegram continues "Object undoubtedly is all-out offensive to obtain possession of Western Kashmir including Mirpur, Mangla headworks and the whole of Poonch. Heavy fighting is now in progress on this front and renewed flow of refugees into West Pakistan has already begun as result of this Indian Army offensive.

Army has also renewed attack by at least one brigade over Zojila Pass and has penetrated defences of Dras. These attacks on both fronts are being supported by maximum air action. It is guite clear that India hopes to secure a decision by military means immediately and so face UN with a fait accompli. Hitherto the Azad forces with minimum support by the Pakistan Army acting in a purely defensive role have managed to hold Indian aggression and Pakistan Air Force has sofar not been employed in a combatant role. Pakistan Government cannot emphasize too strongly to the SC that unless immediate steps are taken by them to halt Indian Army offensive the Pakistan Government will have no option but to change their policy of using minimum regular forces in Kashmir and will have to stage counteroffensive with all available resources in an endeavour to prevent overrunning by Indian Army of Poonch and Mirpur provinces. This must inevitably

¹ Copy of this telegram from Liaquat Ali Khan to Zafrullah Khan was transmitted to the Department by the Chargé in his despatch No. 491, November 20, received December 1; not printed (501.BC Kashmir/11-2048). ² For text, see SC, 3rd yr., Suppl. for Nov. 1948, p. 49.

lead to most bloody fighting between regular Pakistan and regular Indian Armed Forces which up till now Pakistan Government have studiously endeavoured to avoid. The situation is therefore fraught with possibilities of an extension of conflict."

Military Attaché and Air Attaché agree with GOP estimate GOI reinforcements Kashmir and stress that in area present fighting and projected offensive fighting throughout winter is entirely practicable.

Sent Department 524, repeated New Delhi 89. Department please pass Paris 6, Geneva 4.

LEWIS

501.BC Kashmir/11-1948: Telegram

The Acting Secretary of State to the United States Delegation at the United Nations General Assembly, at Paris

SECRET US URGENT WASHINGTON, November 19, 1948—5 p. m. Gadel 536. For consideration GADel Huddle and possible discussion UKDel following are preliminary views Kashmir problem light latest reports:

1. If Pak precipitation case SC makes useless further immediate efforts work out with InDel and PakDel acceptable conditions pleb, we feel situation requires submission UNCIP report with conclusions as soon as possible, preferably prior active SC consideration.

2. Although GOP interpretation GOI military activities probably somewhat exaggerated, we believe possibility fighting Kashmir increased scale arising action GOI troops or apprehensiveness GOP, now sufficiently great justify firm SC action.

3. For reasons in Gadel 454 simple cease-fire order still seems unfeasible. Since cease-fire and truce alone probably be strongly resisted GOP, we continue feel three-fold approach cease-fire, truce and pleb principles more desirable.

4. Impressed reported progress UNCIP PakDel discussions principles pleb in which PakDel willing abandon insistence coalition govt and other conditions. View those concessions we feel GOI would find it difficult reject appropriately modified pleb principles.

5. Thus feasible course might be SC call under Art 40 for cease-fire and truce along lines UNCIPs proposals plus call or recommendation parties accept pleb principles modified along lines indicated UNCIP Paris experience. This might be proposed by six original sponsors April 21 resolution.¹

6. If this course practical, effort should be made have these pleb

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¹Colombia, Belgium, Canada, China, the United Kingdom, and the United States. For text, see SC, 3rd yr., Suppl. for Nov. 1948, pp. 139-144.

principles included UNCIP report with conclusion that they, plus Aug 13 proposals offer fair basis solution. If time not permit this, factual report might be submitted immediately with indication conclusions would be presented shortly. In either event SC could then translate conclusions into decisions under Chap VI and Art 40 as appropriate.

7. SC action would presumably be accompanied by directive to UNCIP return subcontinent supervise truce and cease-fire with assistance military adviser and work out details pleb with two govts.

8. Re question observers Delga 821 suggest you discuss Cadogan possibility use Brit observers as suggested Kascom 21 Aug 24.²

LOVETT

² Sent as telegram 512 to New Delhi, p. 369.

745.45F/11-2048 : Telegram The Ambassador in India (Henderson)¹ to the Secretary of State

NEW DELHI, November 20, 1948-3 p. m. US URGENT SECRET NIACT

1027. Karachi telegrams 524, November 18 and 525, November 19² to Department (Embtels 1006, November 14 and 1014, November 18 to Department³).

Following is appreciation present situation Kashmir prepared by Military Attaché with which Embassy agrees and which checks with information furnished Embassy by CINC Indian army yesterday:

(1). With capture of Dras, primarily a local operation to obtain more favorable position for Indian troops during the winter, it is believed Indians intend generally to stabilize their positions in that area. However, a possible advance toward Kargil should not be overlooked as this town controls communications on Indus river and route Kargil-Khalatse-Leh. Occupation of Kargil would relieve considerable hostile pressure on Leh and might be undertaken, providing hostile resistance weak and no great effort involved.

(2). No offensive operations are expected in Tithwal-Uri sector during winter. Hostile strength, severe winter weather, exceedingly rugged terrain and difficult supply problems are factors which should cause Indian leaders to reject any consideration of an offensive in this area before spring.

(3). In southwest Kashmir Indians hold Rajaori, Thannamandi, Jhangar, Naushera and Sadabad. The hostiles have been active in this area and have infiltrated Indian lines. To northwest hostiles have sur-

Not printed. 8 Neither printed.

¹ Loy W. Henderson assumed charge as Ambassador in India at the close of business on November 19, 1948.

rounded Indian garrison at Poonch and intermittently shelled airfields. In this area Indians are conducting local operations to clear out pockets of hostiles, consolidate their positions and relieve besieged Poonch.

(4). No major offensive operations appear planned for winter months. Except as above believe that India intends for time being to maintain present positions and await action by UN. We have no information causing us believe that GOI is planning all-out offensive in Kashmir. CINC states operations against Dras have so far caused Indian army ten killed and ten wounded and that operations against Mirpur and Mangla headworks not feasible account poor communications between Jammu and Naoshera and beyond whereas Pakistan has excellent parallel lines communication in its own territory adjacent Kashmir border.

We are of opinion Pakistan is exaggerating importance local operations Kashmir and that unless additional evidence can be adduced it would be unfortunate to press for cease-fire order on assumption India is planning a general offensive in immediate future. In view character terrain it would be impracticable effectively supervise cease-fire order during winter months.

Sent Department 1027; repeated Karachi 166. Department pass Paris, Geneva, London.

HENDERSON

501.BC Kashmir/11-2048 : Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

SECRET

PARIS, November 20, 1948-11 p.m.

5967. Comkas 59. UNCIP approved and delivered to representatives GOL GOP 20th draft plebiscite suggestions¹ as basis negotiation agreed principles to govern plebiscite. Text being airmailed.²

On 19th Zafrulla supplied UNCIP with text communication GOP to SC concerning alleged offensive Indian Army Jammu (Delga 821, November 18) which he had been instructed deliver to President SC. At suggestion UNCIP, Zafrulla revised his proposed letter of transmittal addressing it to UNCIP rather than SC. As delivered formally to UNCIP 20th letter requests "that the Commission may be pleased to transmit the Pakistan Government's communication to the SC and to take such urgent action as the commission may deem appropriate and effective to cope with the emergency". Original draft had asked

¹A revised draft was transmitted to the Department in Delga A-103 from Paris, December 12, p. 475.

[&]quot;Text transmitted to the Department by the Secretary of State in airgram Delga A-80, November 20, not printed (501.BC Kashmir/11-2048).

SC to take "urgent and immediate action". Both texts being airmailed.³

UNCLP plans transmit Zafrulla's letter to Bajpai with request for comment on allegations re Indian military activity and also intends informally intimate Bajpai its concern that any intensification military activities. Kashmir by either side would jeopardize present UNCIP efforts towards peaceful settlement. UNCIP also intends transmit Zafrulla letter to President SC with explanation of negotiations in which UNCIP now engaged and undertaking keep SC apprised developments therein. UNCIP concerned lest debate over GOP allegations jeopardize pending negotiations re plebiscite conditions and prefers defer such debate in hope early agreement on plebiscite conditions may permit cease-fire and truce arrangements August 13 resolution to be carried out.

UNCIP also decided address letter SYG requesting appointment senior military advisor who would proceed to sub-continent and provide UNCIP with impartial reports military developments.

UNCIP interim report has been published as Document/1100.⁴ Copies being airmailed.

Sent Department as 5967, repeated London 1312. Department repeat to Karachi 11 and New Delhi 13.

[HUDDLE]

³ Copies transmitted to the Department by the Secretary of State in airgram Delga A+79, November 20, not printed (501.BC Kashmir/11-2048). ⁴ For text, see SC, 3rd yr., Suppl. for Nov. 1948, pp. 17-144.

501.BC Kashmir/11-2048: Telegram

The Secretary of State to the Acting Secretary of State

SECRET US URGENT PARIS, November 20, 1948—9 p. m. Delga 861. Cadogan supplementing *démarche* Delga 821 November 18, handed Jessup text of message dated 18 November from UK. Prime Minister to Nehru:

"I am informed that a communication is being made to the SC alleging that Indian Army and Air Force operating in Kashmir have recently been considerably reinforced and that Indian forces have started an all-out offensive in the state. I sincerely trust that you will be able to assure me that this is not the fact. Remembering the assurances from yourself and the Prime Minister of Pakistan when you were in London, I am sure that neither of you would wish to settle the face of Kashmir by military force."

Cadogan also in letter to Jessup today ¹ reiterated his government's serious view of situation and requested us to support move for SC

¹ Not found in Department of State files.

meeting without delay. UK would want from SC immediate and unconditional cease-fire and suggests resolution this effect be sponsored by same six governments sponsoring SC April 21 resolution plus SC President. Cadogan stated he still unbriefed with respect question observers of cease-fire.

With letter Cadogan enclosed summary telegram received UK High Commissioner, Karachi, November 19.2 In substance it expresses GOP fear re aggravation Kashmir refugee problem which "may mean collapse Pakistan," and impossibility fair plebiscite if GOI conquers all Kashmir. Cadogan called particular attention that portion High Commissioner's message stating that if GOI not restrained in present military offensive, Pakistans will in genuine despair experience "nationwide revulsion of feeling favorable to Russia," and that this development would be sharpened by withdrawal British officers which under present policy would follow open GOI-GOP conflict. Karachi message concludes with statement re "imminent risk General Gracev³ will feel obliged to throw in all Pakistan land and air forces."

Pending receipt of Department's instructions, we have today told Cadogan we feel action contemplated by UNCIP next few days (Comkas 59, November 20⁴) is about as vigorous and extensive as any possible UN action by SC in this period. Difficulties involved in immediate cease-fire remain substantial without over-all political settlement and in light of India's claim to this area.

Sent Delga 861, repeated London 1309. Department repeat to New Delhi as 12 and Karachi as 10.

MARSHALL

⁸ Douglas D. Gracey, Commander in Chief, Pakistan Army.
 ⁴ Sent as telegram 5967 from Paris, *supra*.

501.BC Kashmir/11-2248 : Telegram

The Acting Chairman of the United States Delegation at the United Nations General Assembly (Dulles)¹ to the Secretary of State

SECRET URGENT PARIS, November 22, 1948-8 p. m.

Delga 880. US views as transmitted Gadel 536, November 19, were informally conveyed Cadogan (UK) today but only as possible action in event UNCIP efforts for peaceful settlement fail (Delga 861, and Comkas 59, November 20). We believe that question success or failure present UNCIP efforts will be settled within next few days and under-

² Not found in Department of State files.

¹Dulles became Acting Chairman of the U.S. Delegation in Paris upon the departure of Secretary Marshall on November 21. Austin had returned to Washington earlier because of ill health.

stand that UNCIP thinking favorable to future program along lines paragraphs 1, 6, 7, Gadel 536, if Paris negotiations break down. Question of observers not discussed.

Repeated London as 1322; Department pass to New Delhi as 14, to Karachi as 12.

DULLES

501.BC Kashmir/11-2248 : Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

CONFIDENTIAL

PARIS, November 22, 1948—11 p. m.

5994. Comkas 60. UNCIP 22nd approved and despatched letters to Zafrulla, Bajpai, Secretary General and President SC. Letter to Bajpai transmitted text Zafrulla letter 20th (Comkas 59 and Delga $A-79^{-1}$) and requested of GOI "as a matter of urgency" their observations situation described therein. Letter concluded with appeal of GOI "to refrain from any action which might aggravate the military and political situation and thus endanger the negotiations which are at present being directed towards the preparation of a peaceful settlement". Similar appeal contained in letter to Zafrulla acknowledging receipt his letter.

Letter to Secretary General over Colban's signature reopened "as a matter of urgency" question appointment military adviser with combat experience and rank brigadier or higher.

Letter to President SC transmitted text Zafrulla letter 20th, reviewed negotiation in which UNCIP now engaged, summarized contents UNCIP's letters to Bajpai, Zafrulla and Secretary General and undertook keep President informed further developments situation. Letter also stated "the commission envisages its return to sub-continent as soon as the development of the present consultations with representatives of the two governments here in Paris renders this desirable".²

[HUDDLE]

¹ Not printed.

² For text, see SC, 3d yr., Suppl. for Nov. 1948, pp. 14-17.

845.00/11-2348 : Telegram

The Ambassador in India (Henderson) to the Secretary of State

SECRET

NEW DELHI, November 23, 1948-9 a.m.

1029. Nye British High Commissioner called on Nehru several days ago under instructions to discuss Pakistan charges of Indian offensive in Kashmir. Nye told me Nehru (1) denied India engaged in offensive or intended launch one near future; (2) described recent military action as limited defensive measures to relieve Poonch and head of [off] hostile column moving towards Leh. Nehru admitted about 5,000 reinforcements recently sent Kashmir allegedly provide more frequent relief for troops long there (Nye has heard from other sources figures somewhat in excess 5,000).

Nehru argued heatedly that although no offensive under way India had every moral legal right therefor and if one were launched Pakistan could have no reason complaining because Pakistan troops occupying Indian territory. Nye then said even if India had right to attack, as military man he could assure Nehru such offensive would end disastrously despite Indian superiority in numbers equipment training, etc. Further, he would stake his military reputation that India could not even in summer defeat Pakistani and tribesmen in Kashmir because of degree to which terrain and communications factors favored Pakistan. Even if his estimate were wrong, and India won military victory, it would be temporary unless India maintained indefinitely large garrisons in all Kashmir. GOI could be certain that at favorable moment tribesmen and Pakistani would again ravage Kashmir unless political settlement reached by Pakistan and India.

Nye assured me he endeavored drive home point that only final solution was political and military solution impossible for either side unless India should decide on war against all Pakistan. He told Nehru he did not believe any Indian Government would consider this because would be difficult for India survive as nation if it had face indefinitely millions hostile Moslems within and without.

In reply my inquiry Nehru's reaction Nye said latter seemed unhappy and apparently did not feel in position to refute his arguments. He added he sincerely believed everything he told Nehru and with other British here would seize every opportunity impress on GOI leaders fact they must work out with Pakistan political solution of Kashmir as no other possible.

Sent Department 1029, pouched Karachi; Department pass London, Paris for GADel and Huddle.

Henderson

501.BC Kashmir/11-2348: Telegram

The Acting Chairman of the United States Delegation at the United Nations General Assembly (Dulles) to the Secretary of State

SECRET URGENT PARIS, November 23, 1948—10 p. m. Delga 900. We learned late today that president SC¹ has called SC meeting for afternoon November 24 to consider: (1) Hyderabad question (in response Zafrulla Khan's request be heard on this issue²); (2) the UNCIP interim report; and (3) Zafrulla Khan's letter November 20 delivered UNCIP for transmission president SC re alleged Indian military activities Kashmir.³ Calling of SC meeting by Arce re Hyderabad had been anticipated but GADel had not expected open SC session on Kashmir especially after discussion November 22 between Lozano, chairman UNCIP and Arce in which Lozano understood it had been decided that it might be useful to have early SC closed meeting together with UNCIP for candid exchange views on future action towards Kashmir settlement.

We inclined believe Arce's action probably responsive strong UK pressure past two weeks for early SC meeting on Kashmir.

This connection when our last views re SC action Kashmir were conveyed Cadogan (UK) November 22 (Delga 880), he said he would communicate London. While not wholly content with our point of view he did not raise violent objection. He did, however, raise following questions:

1. Is it wise at once to proceed under Chapter VII?

 Are there not provisions in the truce arrangements of the resolution of August 13 which we would not want insist upon at this time?
 What individuals are available to fill the places of military adviser and plebiscite administrator?

We deduce from foregoing that UK must have in mind SC call to parties for immediate and unconditional cease-fire under Chapter VI and that they are not kept [*sic*] on August 13 provision re withdrawal Pakistan troops.

Our feeling here is that keeping Department suggestions, Delga 880, in mind as possible basis eventual SC action, we should at this stage endeavor in agreement with UK and other interested members SC limit action to request by SC to UNCIP that: (1) it investigate GOP allegations re military situation (UNCIP might be able do this

¹ José Arce, Representative of Argentina at the Third General Session of the United Nations and President of the Security Council during November.

² For text of letter dated October 6 from Zafrullah Khan to the President of the Security Council, see SC, *3rd yr.*, *No.* 127, p. 28. ³ The proposed meeting was held on November 25, at which time the Council

³ The proposed meeting was held on November 25, at which time the Council received the Commission's interim report (S/1100) and discussed the military situation in Kashmir. Discussion of the Hyderabad question was postponed. For proceedings of the November 25 meeting, see SC, 3rd yr., No. 127, pp. 1–29.

through immediate appointment military adviser who would proceed India as quickly as possible) and (2) that UNCIP, in view its painstaking and careful work in sphere of cease-fire, truce, and plebiscite, submit to SC within a few days its conclusions or recommendations as to what action SC should take towards peaceful settlement Kashmir problem.

Department will appreciate that foregoing line at variance with probable UK insistence on immediate and unconditional cease-fire, but since present UK approach Kashmir problem appears extremely pro-GOP as against middle ground which we have sought to follow, it would seem necessary for us to continue adhere our present line, and we shall do what we can to achieve common ground with UK if at all possible to do so without breaking away from our carefully considered neutral path between GOI and GOP.

Related to question British views, on method settling Kashmir dispute, is the urgent need crystallize our thinking on military adviser and plebiscite administrator, especially latter. Cadogan's third question, paragraph 3 pertinent here. Belgian representative UNCIP has already informally mentioned possible availability Belgian general for military adviser. Filling plebiscite administrator position will be much more difficult since all concerned favor man of very high calibre and international prominence. While important Commonwealth figure an attractive idea, we are inclined doubt acceptability parties such individual and strongly recommended Department gives serious consideration approaching such US personalities as Admiral Nimitz, General Wainwright or Stassen ⁴ as preliminary and tentative move towards filling this important gap.

We would appreciate Department's views as to soundness path we propose follow as outlined paragraph 5. Department will note that essential theme this approach is to build on foundations already established by UNCIP.

DULLES

501.BC Kashmir/11-2348: Telegram

The Secretary of State to the United States Delegation at the United Nations General Assembly, at Paris

SECRET US URGENT WASHINGTON, November 24, 1948—3 p. m. Gadel 571. Re proposed course SC action Kashmir (para 5 Delga 900). Dept agrees desirability immediate request UNCIP submit

⁴ Fleet Adm. Chester W. Nimitz, Special Assistant to the Secretary of the Navy since 1947; Gen. Jonathan M. Wainwright, retired Commander of the Fourth Army; Harold E. Stassen, a candidate in 1948 for the Republican Presidential nomination and President of the University of Pennsylvania.

overall conclusions soonest. Dept also agrees desirability prompt appointment mil adviser and his early departure subcontinent. However, we question desirability limiting SC action on current GOP allegations to request UNCIP investigate. This would almost certainly fail satisfy UK and others apparently influenced by them in favor some immediate action.

On other hand we of course agree undesirability immediate simple cease fire order. Therefore, we believe SC initial action should be (1) endorsement UNCIP's previous requests parties take no action this time increase tension in area, (2) request UNCIP submit conclusions soonest and continue investigations current situation.

Further comments Delga 900 contained following tel.

MARSHALL

501.BC Kashmir/11-2348 : Telegram

The Secretary of State to the United States Delegation at the United Nations General Assembly, at Paris

SECRET WASHINGTON, November 25, 1948—1 p. m. Gadel 582. Pending receipt info SC meeting following are further comments Delga 900.

1. Additional reason Dept questioned proposed SC action as stated point one para five is that from practical point view time would not permit report mil adviser be much utility immediate situation. Also felt desirable avoid any implication SC or UNCIP would await such investigation before taking any further action problem.

2. We do not understand Cadogan's first question since we had assumed UK favored cease fire order under Chap. seven. We had in mind use only Art. forty for cease fire and truce. However when definitive SC action eventuates it may be found sufficient proceed under Chap. six or desirable refrain from specifying authorizing provision.

3. If question two refers provision truce proposals re withdrawal Pak troops, we continue feel this aspect so essential acceptable overall settlement that failure its inclusion as integral part plan would probably seriously prejudice GOI acquiescence any plan.

4. We have again consulted NatDef¹ re possible US candidate mil adviser. Some possibility Marine Corps may be able provide acceptable candidate. However suggest pursuing possibility Belgian general or following up previous tentative approaches Canadian General Sprye or other Commonwealth officer.

5. Re pleb admin Dept still reluctant abandon idea important Commonwealth figure and suggest you explore this with UK. However we

¹ National Defense, i.e., National Military Establishment.

will explore immediately availability some American meeting qualifications mentioned urtel.

MARSHALL

501.BC Kashmir/11-2648: Telegram

The Chargé in Pakistan (Lewis) to the Secretary of State

RESTRICTED

KARACHI, November 26, 1948-11 a.m.

530. Reports from Paris indicate that in first part report UNCIP¹ statement is made "the GOI signified their acceptance of the resolution as a whole. The GOP attached to their acceptance certain conditions which went beyond the compass of the resolution, thereby making it impossible for an immediate cease fire and the beginning of fruitful negotiations to bring about a peaceful and final settlement in Jammu and Kashmir." Statement that GOI accepted resolution on August 13 "as a whole" implying GOI's acceptance without any conditions has evoked unfavorable reaction here in light known fact that Nehru in his letters of August 20 to UNCIP did raise conditions precedent acceptance resolution, at least two which conditions were vital Pakistan. Acceptance by Commin letters August 25² Nehru's interpretation resolution in no way eliminated fact that conditions had been attached by GOI to acceptance resolution. If reports from Paris are true UNCIP has for second time placed onus publicly on Pakistan for making impossible an immediate cease fire. I feel elemental justice requires a thorough understanding by UN and SC precise relationship Nehru's letters August 20 to Commission's resolution in order avoid unjust reaction against Pakistan in those bodies.

Ikramullah, Secretary Ministry Foreign Affairs, informed me yesterday he is instructing Zafrullah make determined effort bring this point home to SC. Ikramullah repeated all GOP desires is free and impartial plebiscite Jammu and Kashmir and GOP is entirely willing accept resolution August 13 and SC resolution April 21 as basis for plebiscite. In view, however, obvious difficulties conducting plebiscite, GOP now feels UNCIP and SC should give careful consideration possibility solution this problem on basis prewar census returns.

Sent Department 53, repeated New Delhi 92. Department please pass Paris 8 for Huddle and DelGA.

LEWIS

¹ Interim Report, SC, 3rd yr., Suppl. for Nov. 1948, pp. 17–144.

² For text of two letters from the Commission to Nehru dated August 25, see SC, 3rd yr., Suppl. for Nov. 1948, pp. 36-37.

DISPUTE OVER KASHMIR AND HYDERABAD

501.BC Kashmir/11-2648 : Telegram

The Acting Chairman of the United States Delegation at the United Nations General Assembly (Dulles) to the Secretary of State

SECRET URGENT

PARIS, November 26, 1948-2 p. m.

Delga 943. As foreshadowed second paragraph London's 4975, November 23,¹ UKDel agreed in informal meeting with GADel prior SC meeting November 25 to go along with idea that SC should as first move present phase Kashmir case restrict action to endorsement current efforts UNCIP restrained parties while negotiating with them re plebiscite principles. We also agreed that UNCIP should make early progress report to SC together with recommendations. As result, line taken by US and UK representative in short statements at SC meeting November 25 very similar and found strong support in SC.

Conversations with UKDel after SC meeting indicate, however, that should UNCIP not be able report success within next week, UKDel will again strongly press for unconditional cease-fire probably along lines calling upon GOI and GOP without prejudice to the final settlement to issue cease-fire order to all forces in Kashmir under their control or influence and requesting that they arrange for conference between respective commanders-in-chief to arrange details. In our reply this proposal we have stated our belief in wisdom contained adherence three-fold approach including cease-fire and truce program of UNCIP August 13 resolution and plebiscite recommendation and have particularly stressed point mentioned paragraph three Gadel 582, November 25. Reference paragraph two same cable, British see no need specifying chapter charter under which action taken but are inclined view that it is in any event unwise to view action between Chapters VI and VII, that is to place cease-fire and truce on "higher level" than plebiscite proposals.

We wish emphasize importance for success our present efforts to achieve Kashmir settlement of early action re plebiscite administrator. It is likely that stature of person available for this post may be determining factor in willingness parties put fate Kashmir in neutral hands.

Reference paragraph five Gadel 582, UK representatives have frankly told us that while British Government now strongly opposed idea Commonwealth administrator, they may possibly be able persuade London change view if US would suggest suitable Commonwealth candidate. They question wisdom selecting Casey (Australia) and doubt availability McNaughton (Canada) but mentioned Kirby

¹ Not printed.

(Australia) as possibility. They continue hope, however, that possibility US national filling positions not entirely excluded.

Sent Department Delga 943, repeated London 1360, Department repeat Karachi 15, New Delhi 17.

Dulles

501.BC Kashmir/11-1848: Telegram

The Secretary of State to the Embassy in Pakistan

WASHINGTON, November 26, 1948-6 p. m. SECRET 418. Dept's reply to Pak Emb note ¹ covering in substance developments in Kashmir given Lewis by Pak PriMin (urtel 524, rptd Paris No. 6, New Delhi No. 89, Nov. 18) follows:

"The Dept has noted carefully the info provided by the Emb. It is hoped, in view of the current efforts of the UN SC and the UNCIP to bring about a peaceable and equitable solution of the Kashmir problem, that the GOP will use its best efforts to prevent the extension or intensification of the hostilities in Kashmir, and to promote and contribute to an early peaceful settlement of the dispute."

MARSHALL

¹ Not identified in Department of State files.

845.00/11-2948: Telegram

The Chargé in India (Donovan) to the Secretary of State

SECRET

New Delhi, November 29, 1948-3 p.m. 1044. Embassy has received copy secret report from High Commissioner's (UK) representative in Hyderabad based on personal observation and conversations with top Indian and Hyderabad officials and UK businessmen which reliable estimate conditions in Hyderabad state.

According report police action casualties Hyderabad forces were 1400 killed, 700 wounded. Initial entry Indian troops was followed by pillage, arson and murder by Indian forces, especially Sikhs. Disciplinary action soon brought troops under control. Military government is popular with public and is functioning efficiently. Major General Chaudhuri has gained high prestige for impartial handling of all disruptive elements.

Hyderabad Secretariat is continuing to function as before although some former officials have been dismissed and there is leaven of Indian civil servants. Nizam is powerless, has lost much prestige with former ruling class; heir apparent not impressive; Asaf Jahi dynasty seems finished.

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Chaudhuri believes military government should continue six months but Nawab Zain Yar Jung thinks three to four months adequate. Both expect trouble when civil authority assumes control since no experienced group exists which can take control.

Swami Ramanand Tirth, leader State Congress, is Hindu communalist whose possible assumption of power is viewed with misgivings in all quarters.

Three battalions Indian infantry and two battalions state forces engaged in clearing Nalgonda and Warangal districts of Communists but even these forces insufficient.

Indian authorities are doing everything possible to rehabilitate state. There appear be no barriers to normal trade.

On November 12 Hyderabad experienced first communal plot in many years. Report states "danger of communal rioting evidently still exists and, short of exemplary military action, would be extremely difficult to bring under rapid control if an outbreak on any scale were to happen."

Despatch transmitting complete report follows.¹

Sent Department 1044; pouched Karachi; Department pass London, Paris for GADel.

DONOVAN

¹ Despatch No. 1303, November 27, not printed.

501.BC Kashmir/11-2948 : Telegram

The Secretary of State to the United States Representative on the United Nations Commission for India and Pakistan (Huddle), at Paris

SECRET

WASHINGTON, November 29, 1948-6 p.m.

4568. Kascom 43. For Huddle: Following excerpt from Weeka No. 9. Karachi's No. 112, Nov. 26,¹ rptd for your info:

"Kargil and Mendhar now occupied by India. Actual opening line of communication Punch from south had been expected by Pak Army. Entire Azad territory east of Rajaori-Punch road now surrounded by Indian forces makes position of quarter million Muslims precarious. 50,000 refugees already in Pak and more moving. Azad morale weakened. Many senior brigadiers and major generals, Pak Army nationals with Kashmir battle experience, contacted by MA most anxious to launch counter-attack but being held back by CINC who still hopes that UN can do something. Any further advance by India sure to precipitate all-out counter-attack by Pak Army and use of Pak Air Forces. Regular Pak Army Forces increased in Mirpur area and plans

¹ Not printed.

for counter-attack prepared. Pak national officers contacted feeling is that UN will not be effective and that final decision must be by force of arms and that the delay to date has given India much territory that should and could have been held if Pak Army was allowed to go on offensive."

MARSHALL

501.BC Kashmir/11-3048: Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

SECRET PRIORITY PARIS, November 30, 1948—1 a. m. Delga 993. Comkas 62. Informal UNCIP discussion with GOI and GOP representatives re UNCIP plebiscite proposals have now reached critical stage. While Zafrullah Khan has devoted hours to exposition GOP viewpoint before UNCIP and has raised such basic problems as complete withdrawal GOI troops before plebiscite, coalition state government, and provision of fullest and widest powers for plebiscite administrator (hereinafter referred to as PA), we have impression that he is prepared recede considerably if really outstanding PA should be available near future.

Bajpai appeared before UNCIP for first time today though chairman had several informal talks with him previously. In his informal presentation preliminary GOI views, he reiterated GOI objections coalition government and delegation detailed powers to PA which would enable latter "interfere" in matters other than plebiscite but stated no wide gap existed between GOI position and UNCIP proposals. Though apparently willing drop idea that PA be considered officer of state government, he stressed that powers PA should be derived that government. He agreed, however, that these powers should be sufficient ensure fair and impartial plebiscite. He indicated GOI view that PA should be person high stature commanding general confidence and implied that in such case detailed enumeration powers unnecessary.

In preliminary remarks Bajpai expressed hope UNCIP could return India very soon to continue discussions there since it is difficult "separate principles from detail" and mentioned necessity his own early return. Bajpai was informed UNCIP not presently inclined return sub-continent without some measure prior agreement.

From foregoing obvious that old divergencies still plague efforts at peaceful settlement. However, tendency is emerging on part both GOI and GOP to agree to designation PA of high stature and with broad but unspecified powers relating free and impartial plebiscite. Though such agreement would constitute only first step in peaceful

solution, it would bring cease-fire and truce into operation with all the advantages accruing therefrom and would place on scene a figure, who if he finds he cannot hold fair plebiscite, could make effort achieve alternative peaceful solutions in what should be better atmosphere than present. Indication availability outstanding figure would substantially facilitate agreement Paris.

Both GOI and GOP representatives have informally conveyed their hope to US representative that prominent American might be made available.

Sent Department Delga 933; repeated London 1387; Department repeat New Delhi 18, Karachi 16.

[HUDDLE]

501.BC Kashmir/12-148: Telegram

The Acting Chairman of the United States Delegation at the United Nations General Assembly (Dulles) to the Secretary of State

SECRET US URGENT PARIS, December 1, 1948-10 p. m.

Delga 1027. Reference Department's query re UK delegation thinking on SC action Kashmir (Gadel 613, November 29¹) we have been in close touch UK representatives and their approach to problem now nearer ours in that they now have abandoned idea simple cease-fire resolution. On November 30 they handed us draft resolution² along following lines:

1. Preamble refers to both UNCIP interim report and to expected supplementary report, commends UNCIP efforts, observes fighting has continued over one year, and concludes that since continuation dispute likely endanger international peace, fighting must cease "in order that negotiations for a settlement may proceed in calmer atmosphere."

that negotiations for a settlement may proceed in calmer atmosphere." 2. In Section (A) SC recommends that GOI and GOP simultaneously issue cease-fire orders in language somewhat similar part I UNCIP August 13 resolution but with distinction between geographic areas so as to terminate fighting within four days in area present GOI military effort and "as soon as possible" elsewhere.

3. In Section (B) SC instructs UNCIP send its military adviser and staff with observers to supervise cease-fire and to take action "with a view to the implementation of the proposals contained in part II of UNCIP August 13 resolution." Subject adjustment details in light consultation "parties concerned." 4. Section (C) "instructs" Secretary General nominate PA under

4. Section (C) "instructs" Secretary General nominate PA under 10 (A) SC resolution April "to proceed at the earliest possible date to Indian subcontinent" to arrange fair and impartial plebiscite on basis April 21 SC resolution with discretion to modify foregoing in light UNCIP revised suggestions and his own consultations.

¹ Not printed.

² Not found in Department of State files.

5. Section (D) provides that military adviser and PA report at once to UNCIP in event any difficulties, so that UNCIP may make recommendations to SC on problem.

6. In Section (E) SC "requests GOI and GOP to signify to President SC their acceptance of recommendations in resolution within five days."

UK delegation has expressed desire exchange views re foregoing with GA delegation immediately in order that after agreement we "sell" proposal to other SC representatives and push resolution through SC during next week so as to force parties take action under Section (E) prior adjournment SC December 16. We have told British we consider their proposal generally along lines our thinking, but that we could not predict precisely when present UNCIP negotiations would result in either success or failure and that we believe SC action should be coordinated with UNCIP efforts and recommendations. Foregoing conveyed to British only as initial and informal reaction, and we shall continue closer working relationship with them as situation develops.

Sent Department Delga 1027, repeated to London 1404.

DULLES

501.BC Kashmir/12-148: Telegram

The Acting Secretary of State to the United States Delegation at the United Nations General Assembly, at Paris

SECRET US URGENT WASHINGTON, December 3, 1948—7 p. m. Gadel 670. Dept agrees Gadel view (Delga 1027) SC action should be coordinated UNCIP efforts and recommendations. Subject this basic proviso Dept believes UK proposals constructive if modified along following lines:

Re section A we query necessity distinction bet geographic areas in cease fire provisions. If retained for reasons of difficulty communications outlying areas, we suggest some formula to delineate regions on geographic basis without reference "areas present GOI military effort." Believe specific time limit, perhaps maximum ten days, should be added to requirement cease fire other areas soon as possible.

Section B appears on one hand implicitly endorse Part II UNCIP res and at same time place such emphasis on further negotiations as create risk further delay over agreement on "adjustment details." Since Part II UNCIP Res according its terms is only "basis for formulation truce agreement details of which shall be worked out in discussion," we believe SC should affirmatively recommend Part II to parties, in addition to instructing UNCIP to supervise and work out details. Section C similarly fails contain affirmative SC endorsement any basis for pleb. We feel this should be revised so that SC recommends. that pleb be held on basis April 21 Res with discretion in PA tomodify as necessary.

LOVETT-

501.BC Kashmir/12-448 : Telegram

The Acting Chairman of the United States Delegation at the United Nations General Assembly (Dulles) to the Secretary of State

SECRET US URGENT PARIS, December 4, 1948—9 p. m. NIACT

Delga 1056. For Satterthwaite and Sanders¹ from Jessup and Huddle. We had assumed from Gadel 613² that we were authorized use possible availability prominent American as important card in present UNCIP negotiations. Although no specific commitment given, UNCIP and representatives both parties have been informed that we had no objection to consideration of candidates of US nationality. While appreciating reasons which may have prompted view expressed (Gadel 671²) we feel that any statement by us now that US candidate excluded might seriously jeopardize current negotiations which are in extremely critical stage. We probably have only about another week in which to achieve possible pacific settlement in Paris of Kashmirquestion which as Department is aware, is key to peace and stabilityentire South Asian area. We cannot too strongly urge desirability Department giving urgent reconsideration to question availabilityprominent American for this position.

We feel that active steps should be taken ascertain availabilityspecific person subject condition mentioned in last paragraph Delga. 1018.³

Following considerations pertinent this connection:

1. In an atmosphere better feeling between parties which would bereflected in agreement plebiscite principles possible unfavorable reaction toward US resulting from activities PA believed reduced. In any event fact UNCIP is international and that Belgians have approved appointment Lt. General Del Voye [*Delvoie*] as military adviser believed dilute possible attribution American responsibility. PA would

¹ William Sanders, Acting Deputy Director, Office of United Nations Affairs. ² Not printed.

³ The reference is to the last sentence of a telegram dated December 2, not printed, which reads as follows: "It should be clearly understood that parties, not yet agreed on UNCIP plebiscite proposals and that there is some doubt that pending such agreement PA could be chosen basis SC April 21 resolution without, new SC resolution." (501.BC Kashmir/12-248)

of course be international official and this fact would be made abundantly clear. Calculated risk of this kind would appear preferable to policy avoiding any involvement in problem.

2. In discussions to date representatives both parties have evinced definite interest possible appointment American. In fact, they appear definitely prefer American. GOP representatives assert they could be certain PA would not be influenced through pressure brought on government his country only if he were a national powerful country like US. GOI representatives have responded favorably several names mentioned Gadel 613 and have also mentioned Justice Frankfurter.⁴

3. Countries from which PA can be selected highly limited in number. [Jessup and Huddle.]

DULLES

* Felix Frankfurter, Associate Justice, U.S. Supreme Court.

501.BC Kashmir/12-448: Telegram

The Acting Chairman of the United States Delegation at the United Nations General Assembly (Dulles) to the Secretary of State

SECRET US URGENT PARIS, December 4, 1948—9 p. m. Delga 1062. UKDel has now transmitted (re Delga 1027) GADel revised text¹ draft SC resolution Kashmir based latest instructions London. This supersedes draft described Delga 1027 which was only working paper.

Subject outcome UNCIP negotiations we have agreed participate joint UK, US, Canadian informal discussions thereon December 6.

Draft differs from previous working paper in that "progressive implementation of proposals contained part II UNCIP resolution August 13" definitely recommended and section E revised to include request that GOI and GOP "signify to President SC their acceptance recommendations part A of resolution with least possible delay."

We shall be guided in our discussion with UKDel by Department's instructions (Gadel 670, December 3) but feel that proposed SC resolution should, with respect to plebiscite, take into account not only April 21 resolution but should give particular weight to recommendations which UNCIP will submit on the basis of its negotiations regarding plebiscite principles.

Repeated to London as 1424.

DULLES

¹ Not found in Department of State files.

DISPUTE OVER KASHMIR AND HYDERABAD

501.BC Kashmir/12-748: Telegram the contraction of the United States Delegation at the United Nations General Assembly (Dulles) to the Secretary of State

SECRET US URGENT PARIS, December 7, 1948-9 p. m. NIACT

Delga 1099. Our initial reaction latest UK draft re Kashmir (Delga 1062, September [December] 4) was that it closely paralleled our thinking. From further study text and informal discussion with UK representatives, it appears that net effect UK resolution in present form is to tie both parties firmly to cease-fire action present benefit GOP: to leave GOI without any definite commitment re withdrawal GOP troops (paragraph 3 Delga 1062 inaccurate this respect); and although binding neither GOI or GOP to concrete plebiscite agreement, would place emphasis on SC April 21 plebiscite scheme which GOI will not accept. We understand full text this resolution has been repeated British Embassy and Department may obtain copy there. In informal meeting UK, US and Canadian representatives December 6 we expressed our misgivings and stressed desirability SC resolution which would recommend to parties implementation August 13 UNCIP resolution and present UNCIP plebiscite proposals which in our view represent more balanced approach and, therefore, have more chance acceptance. We prepared informal draft resolution along these lines as basis for further discussions UK delegation.

Any SC action along foregoing lines dependent, of course, on outcome present UNCIP negotiations re plebiscite which may not be known definitely for several days. Gap between GOI and GOP positions smaller than it ever has been since inception SC consideration problem, but we obviously must also be prepared for failure only a few days before SC terminates present sittings December 16. In such contingency UK delegation may press for attempt push through some SC resolution before that date because of its strong feeling necessity cease-fire present Kashmir fighting.

Such an effort would appear inadvisable, because of brief time available for SC consideration; unlikelihood UNCIP report will be ready for several more days; lack of any alarming military news from Kashmir; and the difficulties which would confront one or both parties if called upon by SC to accept recommendations turned down only a week before; wiser course would appear SC consideration UNCIP report and recommendations at first possible January meeting Lake Success.

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Would appreciate Department's views.¹

Sent Department Delga 1099, repeated to London as 1440.

DULLES

¹The Acting Secretary of State, in his telegram Gadel 715 of December 9, not printed, informed Dulles that the Department held similar views concerning the latest U.K. draft resolution (501.BC Kashmir/12-748).

501.BC Kashmir/12-448: Telegram

The Acting Secretary of State to the United States Delegation at the United Nations General Assembly, at Paris

SECRET US URGENT WASHINGTON, December 8, 1948-5 p.m.

Gadel 704. Notwithstanding strong considerations mentioned Delga 1056, Dept still feels all possibilities non-American candidates PA should be explored by GADel before giving further consideration to American. As stated Gadel 613¹ names listed were being given preliminary consideration Dept and were transmitted for GADel's reaction.

Would appreciate evaluation possibilities candidates mentioned Gadel 681.²

This connection London's 5098¹ mentions three Commonwealth candidates military adviser who may possess qualifications PA. Suggest you explore these with UKDel.

However, for GADel and Huddle info only, should all efforts obtain non-American fail, selection American not precluded.

LOVETT

Not printed.

⁴In Gadel 681 of December 4, not printed, the Department suggested two Swedish and three Latin American candidates (501.BC Kashmir/12-248).

501.BC Kashmir/12-1148: Telegram

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

SECRET URGENT PARIS, December 11, 1948—4 p. m. Delga 1159. Comkas 65. Bajpai appeared before UNCIP December 10 to present latest GOI reactions to UNCIP plebiscite proposals. Principal points difference between GOI and GOP positions follow:

1. GOP wants language used clearly indicating that PA should have powers he considers necessary whereas GOI phraseology stresses PA derivation of powers from state of Jammu and Kashmir and states PA "will be formally appointed to office" by the Kashmir Government. 2. GOI does not understand necessity introducing question final disposal GOI troops as part plebiscite arrangements. GOP insists on some formula to cover this question. In introductory remarks, Bajpai stated that GOI considers it would be released from any obligations under proposed plebiscite agreement if parts I and II August 13 resolution not implemented. He added that Nehru had suggested UNCIP or representatives thereof come Delhi for further discussion plebiscite principles. While no commitment made regarding its future movements, UNCIP indicated to Bajpai that it now plans present its final proposals next few days for formal acceptance or rejection.

In UNCIP discussions regarding PA Robert LaFollette¹ mentioned and Zafrulla also indicated interest in his candidacy in talks with UNCIP December 10.

Sent Department Delga 1159, repeated London 1466, Karachi 18, New Delhi 20. A statistic statisti

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¹ Robert M. La Follette, Jr., former U.S. Senator from Wisconsin.

745F.90H/12-1148

Memorandum of Conversation, by Mr. Richard S. Leach of the Division of South Asian Affairs

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CONFIDENTIAL

WASHINGTON, December 11, 1948.

During a conversation at the Department today, concerning Afghan security requirements, Mr. Aziz¹ reiterated the view that cooperation between Afghanistan, Iran and Pakistan was essential if these countries were to be secure. However, Afghan agreement with Pakistan over the future of 6,000,000 Pathans* east of the Durand line, was a *sine qua non* for any real cooperation. He felt that some "middle ground" arrangement could be worked out with Pakistan which would be acceptable and viable. However, there should in any case be another and equitable plebiscite enabling the Pathans to opt for independence if they so desired. It was the Afghan hope that the U.S. would use its influence with the UK and Pakistan to bring this about.

He went on to say that Afghanistan feared the "denationalization" of these 6,000,000 Pathans—with their absorption into Pakistan they might in time become "semi-Punjabis". This would be disastrous to Afghanistan because its survival as a national entity depends upon keeping the spiritual orientation of the Pathans toward Kabul, and being able to draw on them for military support. At the same time,

¹ Abdul Hai Aziz, Afghan Undersecretary of National Economy.

^{*}Rather consistently referred to by Aziz as "Afghans" in this connection. [Footnote in the source text.]

Mr. Aziz says there are about 1500 "Afghans" in key positions in the Pakistan government.

Failure in bilateral negotiations to achieve the desired status for the Pathans (i.e. independence or something close to it) would make it necessary for the Afghan government to strengthen its ties and influence with these Pathan elements in the Government of Pakistan, possibly to accept some kind of federation with Pakistan in which the Pathans would have appropriate standing.

In response to queries Mr. Aziz said the economic advancement of the Pathans was more important to Afghanistan than it was to Pakistan and indicated that his Government was willing and able to undertake this burden. He further said the Pathans possessed leaders of sufficient stature and ability to organize a new state. Perhaps it would be feasible for Afghanistan and Pakistan jointly to support and cooperate with such a state, which would then be a source of strength to both of them, and would be an essential element in any regional defense plan.

The writer mentioned the difficulty Pakistan faces in assuming the responsibilities of statehood, and suggested that the injection at this time of controversial issues such as the Pathan question would complicate the problem and would not be conducive to the stability which this government hopes may be attained and preserved in the area. However he indicated that the U.S. was aware of the complex and deep-seated nature of the tribal problem and was endeavoring to keep an open mind on the subject.

Comment: This is the first time the writer has noted an assertion by any of the Afghans of their economic ability to fend for their tribal cousins in Pakistan.

Leaving aside the question of any new referendum it would seem that real cooperation between Afghanistan and Pakistan not only cannot be achieved, but recurring trouble for both countries can scarcely be avoided until some move is made vis-à-vis the Pathans which will satisfy, partially at least, the Afghan desire to maintain prestige amongst them, without doing violence to Pakistan's conception of its sovereign rights and legal position. At the same time there would appear to be a strong community of interest between the two countries in (a) the need for stability in the border area, and (b) regional defense possibilities. A step in the direction of cooperation might be consideration by both countries of some joint responsibility for the economic advancement of the tribal people.

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DISPUTE OVER KASHMIR AND HYDERABAD

501.BC Kashmir/12-1248: Airgram

The Acting Chairman of the United States Delegation at the United Nations General Assembly (Dulles) to the Secretary of State

CONFIDENTIAL [PARIS,] December 12, 1948—1 p. m. Delga No. A-103. The United Nations Commission for India and Pakistan gave its unanimous approval on December 11 to the following proposals pertaining to a plebiscite in Kashmir, and has made these proposals to representatives in Paris of the Governments of India and Pakistan for their approval or rejection.

A representative of the Commission, Dr. Lozano (Colombia) has been designated by the Commission to proceed to the Indian sub-continent to be available for consultation with the respective governments while the proposals are under consideration. Dr. Lozano will remain in India only until the end of December and plans to be in Lake Success shortly after the beginning of 1949 to be present in the event of possible Security Council consideration of the Kashmir case.

"A. The Commission reaffirms its resolution of 13 August 1948. B. The Governments of India and Pakistan simultaneously accept supplementary to this resolution the following principles:

1. The question of the accession of the State of Jammu and Kashmir to India or Pakistan will be decided through the democratic method of a free and impartial plebiscite.

2. A plebiscite will be held when it shall be found by the Commission that the cease-fire and truce arrangements set forth in Parts I and II of the Commission's resolution of 13 August 1948 have been carried out and arrangements for the plebiscite have been completed.

- 3. a. The Secretary-General of the United Nations will, in agreement with the Commission, nominate a Plebiscite Administrator who shall be a personality of high international standing and commanding general confidence. He will be formally appointed to office by the Government of Jammu and Kashmir.
- b. The Plebiscite Administrator shall derive from the State of Jammu and Kashmir the powers he considers necessary for organizing and conducting the plebiscite and for ensuring the freedom and impartiality of the plebiscite.
- c. The Plebiscite Administrator shall have authority to appoint such staff of assistants and observers as he may require.
- 4. a. After implementation of Parts I and II of the Commission's resolution of 13 August 1948, and when the Commission is satisfied that peaceful conditions have been restored in the State, the Commission and the Plebiscite Administrator will determine, in consultation with the Government of India, the final disposal of Indian and State armed forces, such disposal to be with due regard to the security of the State and the freedom of the plebiscite.

b. As regards the territory referred to in A.2 of Part II of the resolution of 13 August, final disposal of the armed forces in that territory will be determined by the Commission and the Plebiscite Administrator in consultation with the local authorities.

5. All civil and military authorities within the State and the principal political elements of the State will be required to cooperate with the Plebiscite Administrator in the preparation for and the holding of the plebiscite.

- 6. a. All citizens of the State who have left it on account of the disturbances will be invited and be free to return and to exercise all their rights as such citizens. For the purpose of facilitating repatriation there shall be appointed two Commissions, one composed of nominees of India and the other of nominees of Pakistan. The Commissions shall operate under the direction of the Plebiscite Administrator. The Governments of India and Pakistan and all authorities within the State of Jammu and Kashmir will collaborate with the Plebiscite Administrator in putting this provision into effect.
- b. All persons (other than citizens of the State) who on or since 15 August 1947 have entered it for other than lawful purpose, shall be required to leave the State.
- 7. All authorities within the State of Jammu and Kashmir will undertake to ensure, in collaboration with the Plebiscite Administrator, that:
- a. There is no threat, coercion or intimidation, bribery or other undue influence on the voters in the plebiscite;
- b. No restrictions are placed on legitimate political activity throughout the State. All subjects of the State, regardless of creed, caste or party, shall be safe and free in expressing their views and in voting on the question of the accession of the State to India or Pakistan. There shall be freedom of the Press, speech and assembly and freedom of travel in the State, including freedom of lawful entry and exit;
- c. All political prisoners are released;
 - d. Minorities in all parts of the State are accorded adequate protection; and
 - e. There is no victimization.

8. The Plebiscite Administrator may refer to the United Nations Commission for India and Pakistan problems on which he may require assistance, and the Commission may in its discretion call upon the Plebiscite Administrator to carry out on its behalf any of the responsibilities with which it has been entrusted.

9. At the conclusion of the plebiscite, the Plebiscite Administrator shall report the result thereof to the Commission and to the Government of Jammu and Kashmir. The Commission shall then certify to the Security Council whether the plebiscite has or has not been free and impartial.

10. Upon the signature of the truce agreement the details of the foregoing proposals will be elaborated in the consultations envisaged in Part III of the Commission's resolution of 13 August 1948. The Plebiscite Administrator will be fully associated in these consultations.

C. Part I and Part II of the Commission's resolution of 13 August 1948 will be put into effect without delay."

Send to: London New Delhi Karachi.

DULLES

501.BC Kashmir/12-1448: Telegram

No. 1 and the second second second

The United States Representative on the United Nations Commission for India and Pakistan (Huddle) to the Secretary of State

SECRET

PARIS, December 14, 1948-11 a.m.

A CARE AND A

6285. Comkas 66. From Huddle. Commission held final meeting Monday before adjourning to reconvene Lake Success January 3. Lozano, Colombian delegate, plans departure this week for Delhi and Karachi to clarify questions which may be raised by either Indians or Paks regarding meaning of terms of plebiscite which have now been formally presented each government for their consideration. Lozano, however, is not empowered enter negotiations. If either government takes exception to proposals Lozano must refer back to commission. He expects to rejoin commission at Lake Success to report results his trip.

Military adviser preparing leave for sub-continent twenty-second December, and Ambassador Colban, personal representative Secretary General now acting secretary for commission will also go to sub-continent with small staff. Commission hopes this fragmentary representation may have soothing effect on present nervous relations two countries pending commission's final action in this phase of situation.

Pakistan delegation headed by Zafrullah appeared before commission at Monday meeting and seemed more or less content with commission's final proposals. Zafrullah however, I understand, insists on discussing Hyderabad before SC Wednesday morning, and what he says this subject may influence Indian action on Kashmir question. Indian attitude could not be ascertained clearly from Bajpai before his departure from Delhi, but by the Hyderabad or other maneuver Pakistan might now be able to throw burden rejection back on India.

Commission faces considerable reorganization. Argentine member Siri has already been replaced by Minister Leguizamon; Czech member and present chairman, Korbel, anticipates severing his connection shortly after commission's arrival New York under circumstances which I will explain fully when I arrive; Belgian Minister Graeffe FOREIGN RELATIONS, 1948, VOLUME V

has left commission and has not yet been replaced. Problem my own continuance commission can be taken up in Department in few days after my arrival. While Lozano was formerly anxious for release from commission his present attitude not certain.

Lens Strachtly herit, etm. e. [Huddie]

501.BC Kashmir/12-2148: Telegram

The Ambassador in India (Henderson) to the Secretary of State

SECRET

NEW DELHI, December 21, 1948-6 p. m.

1107. Paris for Huddle. Lozano told me this afternoon that at meeting with Nehru yesterday (Embtel 1102, December 20¹) latter raised following questions regarding UNCIP December 11 proposals:

1. He objected to appointment of PA before parts 1 and 2 August 13 resolution carried out. Lozano pointed out PA would not commence actual administration until then but essential he be appointed upon acceptance GOI and GOP of UNCIP plan of settlement.

2. Nehru asked if December 11 proposals took priority over part III August 13 resolution which did not exclude possible solutions other than plebiscite. Lozano replied that proposals have priority and will reiterate this in view danger that GOI after fulfillment parts 1 and 2 might seek avoid plebiscite and reopen whole problem. He will emphasize that if December 11 proposals accepted plebiscite will follow unless: (1) PA should find it technically impracticable; (2) one or both parties fail to act in good faith or (3) both parties agree that other means offer more practical solution.

As GOI has as yet raised no substantive objections text December 11 proposals and as progress made is so substantial answer which Lozano receives should be indication whether India is really prepared accept in good faith a plebiscite to determine will of population.

Cabinet discussing proposals today and Nehru may be able give GOI reply tomorrow. Lozano at urging Bajpai has agreed remain until December 24.

Both Bajpai and Lozano seem to be fairly optimistic.

Sent Department 1107, pouched Karachi, repeated London, Paris. HENDERSON

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¹ Not printed.

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501.BC Kashmir/12-2848 Memorandum of Conversation, by the First Secretary of Embassy in India (Parsons)¹.

[Extract]

SECRET

[New Delhi,] December 23, 1948.

Participants: Dr. Alfredo Lozano, Member United Nations Commission on India and Pakistan.

The Honorable Loy W. Henderson, American Ambassador to India.

J. Graham Parsons, First Secretary.

Dr. Lozano called at 4 p. m. and described in the strictest confidence the course of his efforts to persuade the Indian Government to accept UNCIP's December 11 proposals. The gist of this conversation was reported in the Embassy's telegram of the following day but the additional supplementary points may be of interest.

Dr. Lozano had with him but did not offer to leave with the Ambassador two memoranda drafted by Sir Girja Bajpai and approved by Nehru and the Cabinet on December 22. These memoranda contained Bajpai's version of Dr. Lozano's elucidation of the December 11 proposals and the Indian Government's interpretation thereof and it was intended that they should be agreed to by the Commission on the one hand and the Government of India on the other. Inasmuch as the memoranda as originally drafted would in Dr. Lozano's opinion have modified the Commission's proposals he had explained that he had no authority to consent to modifications or to negotiate in that direction. His efforts therefore were directed at ensuring that his own elucidations, as contained in the memoranda, adhered strictly to the intent of the proposals. He said that he was not concerned with what the Government of India might say by way of interpretation inasmuch as that did not commit the Commission.

Following discussion of the various modifications which the Indian Government had tried very subtly to introduce, apparently with the intent of reserving to itself a freedom of action which the proposals themselves did not envisage, the Ambassador pointed out the importance of stressing still further to Sir Girja that the Commission was not committed by the Indian Government's interpretations; whereas the latter, if it accepted the proposals, was fully committed to a definite course of action. The conversation revealed that Bajpai was still embarrassed by his failure to make clear to his Government that the Commission would have the ultimate authority as to the disposition of

¹Transmitted to the Department by the Ambassador in his despatch No. 1394, December 28; received January 12, 1949, not printed.

Indian forces following withdrawal of the Pakistan troops and tribesmen.

501.BC Kashmir/12-2448: Telegram

The Ambassador in India (Henderson) to the Secretary of State

SECRET US URGENT NEW DELHI, December 24, 1948-noon. NIACT

1117. 1. Lozano left for Karachi this morning. Before departure he told us strictest secrecy, Nehru last night had orally accepted UNCIP December 11 proposals as elucidated by 2 memoranda to text of which Lozano had agreed.

2. He added that GOI had sought modifications December 11 proposals during course conversations which (1) would give it freedom to keep or send troops to Kashmir if it should consider it necessary in order maintain security (2) would not call for entry plebiscite administrator on duties until Articles 1 and 2 of Commission's resolution August 13 had been carried out (3) would not bind India consult with Pakistan regarding detailed arrangements until all Pakistan and tribal troops had been withdrawn (4) would not require holding plebiscite until all refugees in territory now held by Pakistan restored to homes.

3. He stated he had refused consider any interpretations which might change substance proposals and had rejected 2 memoranda suggested by GOI which contained interpretations in his opinion not intended by Commission. He proposed certain alterations in these memoranda to which Cabinet and Nehru agreed last night. The memoranda as revised are apparently to be attached to the written acceptance which he hopes receive from Indian High Commissioner Karachi.

4. Nehru asked that GOI acceptance be kept absolutely secret pending Pakistan action and formal announcement of commission so that public opinion India could be prepared for news.

5. Lozano asked that no intimation be given to anyone outside interested members Department and Huddle that have given us this information.

6. Indian attitude during conversations tends to confirm Embassy's view that GOI mistrustful of what outcome of fair plebiscite would be; it has gone so far in direction plebiscite it is difficult for it to go back at this point; it has tried to lay down conditions and stipulations which would afford pretexts in future to refuse to go on with plebiscite. Lozano convinced he has preserved integrity December 11 proposals.

7. Lozano concerned lest delay in written confirmation GOI ac-

ceptance related to Indian Army reports resumption heavy shelling Poonch Airfield and communications to south and alleged Pakistan troop reinforcements this area together with shift to Pakistan Headquarters nearer front. He told us Indian CINC Bucher tried phone Pakistan CINC 23rd, but unable reach him, and he believes Indian Army worried that Pakistan drive to isolate Poonch again is imminent. On arrival Karachi he will urge Pakistan Government hold up any contemplated drive and, as added deterrent, hopes arrange for new UNCIP military adviser proceed front immediately after expected arrival Karachi 29th.

HENDERSON

501.BC Kashmir/12-2748

The Chargé in Pakistan (Lewis) to the Secretary of State

SECRET

KARACHI, December 27, 1948.

No. 547

Subject: Kashmir Dispute: Acceptance by Pakistan of UNCIP Proposals.

SIR: I have the honor to refer to my telegram No. 551-A of December 25 and No. 552 of December 26, 1948¹ with regard to the acceptance by Pakistan of the UNCIP proposals for the settlement of the Kashmir dispute.

Dr. Lozano, accompanied by Dr. Colban, arrived at Karachi by plane from New Delhi early in the afternoon of December 24. During the course of the afternoon Dr. Lozano saw the Minister of Foreign Affairs, Sir Zafrullah Khan, for the purpose of ascertaining the reactions of the Government of Pakistan to the Commission's proposals. Following the meeting with Sir Zafrullah Dr. Lozano contacted me and told me that he felt encouraged by his talk with Sir Zafrullah. He told me in strict confidence that the Government of India had sent him their acceptance of the proposals just before his departure from Delhi that morning and he asked me to communicate the information to Ambassador Henderson as he had not been able to apprise the Ambassador of the result prior to his departure.

About 8:30 the following morning, December 25, Sir Zafrullah telephoned me and asked me to come to see him at his house at 9:30, which I did. Sir Zafrullah said that he had received a number of explanations and elucidations of the Commission's proposals from Dr. Lozano, and he narrated at some length what he described as the advantages and disadvantages of gambling on an acceptance of the proposals. He asked me what I thought about the matter. I told him

¹ Neither printed.

that in my opinion Pakistan was over a barrel and that they had better accept the proposals. I added that I felt that from every point of view it was in the interest of Pakistan to accept them. Sir Zafrullah then said that he himself had arrived at that conclusion and that he was going to recommend their acceptance to the Cabinet that afternoon. However, he then stressed that he was basing this action on the hope that the U.S. Government would make available to the United Nations an outstanding retired Army or Naval officer to act as Administrator. He mentioned in this connection, as the type of officer he would like to see made available, Admiral Nimitz or General Wedemeyer. He said that Pakistan did not want a politician appointed to the post. I asked Sir Zafrullah what assurance he had, even assuming that such an officer were made available by the United States. that the officer would be appointed by the United Nations. He answered that he was confident in his own mind that if the officer were made available he would be appointed. I gathered that this suggestion was the primary purpose of Sir Zafrullah's asking me to come to see him as he strongly emphasized on more than one occasion during the conversation the importance of the appointment of an American officer of the type in question as the plebiscite administrator.

A few minutes later I met by prearrangement Dr. Lozano and Dr. Colban at their hotel. Dr. Lozano reviewed at considerable length his conversations with Pandit Nehru. In view of the explanations and assurances which he stated that he had given to Nehru I asked Dr. Lozano if he had explained all this to Sir Zafrullah. He said that he had, that he had withheld nothing from Sir Zafrullah, and that he was hopeful that Sir Zafrullah would go along with him although he was by no means sure of this. In a second conversation which he was to have at noon with Sir Zafrullah he intended, he said, to give such further "clarifications and elucidations" as Sir Zafrullah might desire, so far as this was practicable but that he, if pressed too hard, also intended to inform Sir Zafrullah that he had no powers to negotiate or to enter into any commitments beyond those contained or implied in the Commission's proposals.

Dr. Lozano met Sir Zafrullah at the appointed time. After further discussions they then had lunch with the Governor General. Further discussions ensued during the afternoon. The Cabinet met at the Governor General's house at 6:30 and was in session until about 8:00 p. m. The Cabinet's decision was then made known to Dr. Lozano and Dr. Colban, and Dr. Lozano departed, in accordance with his schedule, for New York by Pan American plane during the early hours of the following morning, December 26. Immediately before his departure Dr. Lozano released the following statement:

"I came to the sub-continent to confer with the Governments of India and Pakistan on certain general proposals regarding the holding of a plebiscite in the State of Jammu and Kashmir as soon as normal conditions have been restored in order to ascertain the will of the people on the question of accession to India or Pakistan.

"Î am gratified that the discussions which I have had in New Delhi and Karachi hold out hopes of an amicable solution of the Kashmir problem. I am now returning to report to the Security Council and the United Nations Commission for India and Pakistan the result of my mission.

"Meanwhile, I strongly appeal to the Governments, the people and the Press of the two Dominions to do everything that is in their power to create an atmosphere of mutual understanding and goodwill, without which no effort to settle the future of the State of Jammu and Kashmir peacefully can succeed."

I saw Dr. Colban at 10:30 a. m. that day, December 26, and he informed me in strict confidence for communication to Ambassador Huddle that the Cabinet's decision had been favorable. He then reviewed the recommendations which he was drafting for transmission to the Secretary General of the United Nations and said that he was proceeding the following morning to New Delhi to continue his work from that point. He was naturally immensely relieved by the action of the Government of Pakistan and expressed his warm gratification that Dr. Lozano's mission had been successfully accomplished.

While the Cabinet concurred with Sir Zafrullah's recommendations this is not to say that there are still no doubts concerning the eventual outcome or that there are no apprehensions that Pakistan's acceptance, or acquiescence, may not bring about a storm of protest from tribal elements in the North West Frontier and possibly also from the Azad Kashmir people. Wisdom, tact, judgement, patience and perhaps no little firmness will probably be required when the Government's action becomes publicly known. If Nehru has difficult elements—a point which Dr. Lozano said Nehru elaborated at length in India to deal with, it might be well to bear in mind that there will probably be some difficult elements in this country also with which the Government of Pakistan will have to contend. It was no doubt a recognition of this that prompted Dr. Lozano, at least in part, to issue just before his departure his statement previously quoted.

It has just been noted in a telegram repeated from London that Sir Paul Patrick had expressed the view to a representative of the Embassy there that the Netherlands action in Indonesia would not help in the matter of Kashmir. I am inclined to feel that, although the Security Council's resolution on the Indonesian question did not by any means go as far as the Government of Pakistan desired, the precipitate action of Pakistan in vigorously championing the cause of the Indonesians made it difficult if not virtually impossible for Pakistan logically, while calling indirectly on the Security Council for stern action in that matter, then to have brushed the United Nations aside in the matter of Kashmir. The latter would assuredly have been implied had Pakistan not accepted the UNCIP's proposals. Logic of action amongst nations may not always necessarily be expected, but I believe that logic in this case may have played a strong part in Pakistan's decision, combined with the certain knowledge that Pakistan would again have been saddled with the onus for the failure of the Commission's efforts if the Commission's proposals were not accepted. Respectfully yours, CHARLES W. LEWIS, JR.

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501.BC Kashmir/12-3148: Telegram

The Ambassador in India (Henderson) to the Secretary of State

CONFIDENTIAL NEW DELHI, December 31, 1948-10 a.m.

1128. Re Kashmir, Bajpai told me December 30 in strict confidence:

1. In accepting UNCIP proposals GOI has finally burnt its bridges so far as plebiscite concerned. There has been much worry particularly on part Abdullah at what outcome of plebiscite might be. Nevertheless, it has at length been decided that without peaceful liquidation Kashmir problem India cannot make progress in carrying out its plans of economic development or play its proper role in international affairs, particularly in Asia and that cooperation with UNCIP offers only hope peaceful settlement. There may still be certain hesitations in future and temptations to turn back but in his opinion decision will stand provided Pakistan demonstrates good faith.

2. GOI hopes that it will not be called upon to withdraw its forces from Kashmir to such extent that unruly tribesmen will be tempted to make forays across Pakistan into unprotected border areas.

3. General Bucher, yesterday with approval Nehru, sent message to General Gracey of Pakistan stating that Indian Forces prepared to stand still and cease firing immediately pending coming into force formal cease-fire provided Pakistan forces willing to do likewise.

Despite Bajpai's statements we are inclined to believe that GOI may try in various ways to frustrate holding of plebiscite if it should later come to opinion that results likely be unfavorable.

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Henderson

DISPUTE OVER KASHMIR AND HYDERABAD

501.BC Kashmir/12-3148: Telegram

The Acting Secretary of State to the Embassy in India 1

SECRET US URGENT WASHINGTON, December 31, 1948-6 p. m. NIACT

758. From Huddle for Colban. Following message delivered today to GOI and GOP Embassies for transmission Nehru and Zafrullah (Message drafted in consultation with Korbel and Lozano and signed by me as Vice Chairman UNCIP):

"Members of UNCIP at Wash Dec 30 individually considered report of Min Lozano, and note with gratification acceptance by Govts of India and Pak of Commission's proposals of Dec 11. Full Commission will meet at Lake Success Jan 5 to take formal action in acknowledgement replies of India and Pak and will immediately arrange proceed sub-continent, arriving there prior Jan 20. Commission feels terms final agreement should be made public at earliest opportunity and would like to decide this question at its meeting on 5th. Agreement GOI (GOP) govts to publication on 6th or soonest practicable thereafter would be appreciated.

"Commission confident competent authorities both govts will promptly initiate any preliminary steps which can be consistently taken facilitate implementation Part I resolution Aug 13, thereby avoiding any fortuitous incident which might jeopardize successful accomplishment aims now so auspiciously undertaken."

> [Huddle] Lovett

¹ Repeated to Karachi and London as telegrams 440 and 4834, respectively.

INTEREST OF THE UNITED STATES IN RESOLVING THE DISPUTE BETWEEN AFGHANISTAN AND IRAN RE-GARDING DISTRIBUTION OF THE WATERS OF THE HELMAND RIVER ¹

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[Discussion of this question continued in Washington in 1948 between Afghan and Iranian representatives under the informal good offices of the Department of State. The Department suggested the preparation of an advance study of the Helmand water flow by an American engineer and offered its assistance in the selection of an international fact-finding commission. Documentation on these developments, which continued through 1949, is in Department of State file 890H.6461.]

¹For previous reference to this subject, see Foreign Relations, 1947, vol. v, p. 760.

INTEREST OF THE UNITED STATES IN PRESERVING PEACEFUL RELATIONS BETWEEN AFGHANISTAN AND PAKISTAN REGARDING THE STATUS OF THE NORTH-WEST FRONTIER PROVINCE AND THE TRIBAL AREAS

[Occasional reference to this subject is in the compilation on the dispute over Kashmir and Hyderabad, pages 265 ff. The principal documentation of the Department of State on this subject for the years: 1947–1949 is in files 745.90H, 745F.90H, and 745F.90H15.]

487

AFGHANISTAN

DISCUSSION WITH AFGHANISTAN CONCERNING AFGHAN REQUESTS FOR FINANCIAL ASSISTANCE AND PROVISION OF MILITARY EQUIP-MENT; ELEVATION OF THE AMERICAN LEGATION IN AFGHANISTAN TO THE STATUS OF EMBASSY

890H.51/1-748

The Minister in Afghanistan (Palmer) to the Secretary of State

SECRET

KABUL, January 7, 1948.

No. 3

Subject: Afghanistan's Desire For A Loan

SIR: I have the honor to report the history to date of conversations and correspondence with the Royal Afghan Government concerning a possible loan to Afghanistan.

The subject of a loan was first discussed with the Minister of National Economy in April of 1946.¹ (See Enclosure I.) The conversation at that time was very general and exploratory in nature.

As a follow-up to the conversation, the Afghan Government sent the Legation an *Aide-Mémoire* on July 16, 1946.² (See Enclosure II.) This gave a general outline of the Government's plans to develop the country if a loan should become available.

August 6, 1946, I sent His Excellency, the Minister of Foreign Affairs, a pamphlet published by the Export-Import Bank of Washington under date of September 11, 1945 as a "General Policy Statement", and copy of the Export-Import Bank's First Semi-annual Report to Congress for the period July-December 1945. Both the pamphlet and report were read and returned, but nothing further of a tangible nature was done until the summer of 1947, when a list of specific questions was compiled by this Legation and forwarded to the Ministry of National Economy to help the Afghan Government crystalize into definite terms its rather general planning. (See Enclosure III.)³

³ Not printed.

¹Memorandum of conversation dated April 25, 1946, not printed. The conversation was between the Director of National Economy and the Director General, Political Division, Ministry of Foreign Affairs of Afghanistan, and the American Minister and Secretary of Legation in Afghanistan. The subject of conversation was an Afghan request for a loan of \$100,000,000 to finance a ten-year program of public works to raise the standard of living (890H.51/1-748).

² Aide-mémoire dated July 16, 1946, from the Afghan Ministry of Political Affairs, not printed.

The answers to these questions, received by the Legation in November 1947,⁴ showed that the Afghan Government had advanced considerably in its planning during the past year. The section dealing with the financing of the several projects and the repaying of the loan if granted was especially well presented. The questions also brought to light very detailed and concrete planning for improving of transportation, building dams and irrigation systems, developing a cement industry, and increasing the cotton textile industry. The answers to the questions also showed that little hard planning had been done on the subject of improving the agriculture of the country, although this must be an integral part of the dam construction and irrigation projects and was a major section in the general outline of improvement submitted to this Legation in the Afghan Government's *Aide-Mémoire* of July 16, 1946.

Two general conclusions are apparent from the Afghan Government's answers to the Legation's questionnaire. First, the Afghan Government has done some good, realistic planning which would indicate that it has a sound basis for requesting a loan and would be a good risk. Second, the Afghan Government has no one properly trained to present their request for a loan in a manner that will assure it of the best possible reception, nor has the Legation anyone prepared to give the Afghan Government proper professional advice. Accordingly, it is my opinion, and I have so advised the Afghan Government in informal talks, that the Afghan Government should obtain the professional services of some firm like the International Hudson Corporation of New York City. It is my opinion, after reading about the International Hudson Corporation and seeing the names of the men connected with it that such a firm would be in a position to recommend to the Afghan Government, or draft for the Afghan Government, the presentation of its case for a loan in a form that would have the best chance of being accepted by the Export-Import Bank, the World Bank or any private bank the Afghan Government might wish to approach. Also, such a firm as International Hudson Corporation would be in a position to send specialists to Afghanistan to help the Government on the spot if necessary. I would appreciate the Department's suggestion in this matter.

As the matter now stands, the Afghan Government is going ahead on its own in drawing up a request for a loan and is using their answers to the Legation's questionnaire as a basis for their presentation. I have assured the Afghan Government of all possible further assistance in this regard on the part of the Legation.

⁴ Not identified in Department of State files.

In connection with this history of the Afghan Government's desire for a loan see the enclosure with my despatch no. 356, dated November 5, 1947.⁵ It is apparent from this and from the Department's talks with His Royal Highness Sardar Shah Mahmud Khan⁶ that the Afghan Government tends to think of the loan as of political as well as economic importance; possibly increasingly so in the light of manifestations of Soviet interest and offers to be of assistance to Afghanistan.

Respectfully yours,

ELY E. PALMER

⁵ Despatch and enclosure not printed.

⁶ The Prime Minister talked with President Truman and the Secretary of State on August 8, 1947 (telegram 166 from Kabul, August 9, 1947, 890H.002/ 8-947). Subsequently, he met with several other officers of the Department before his departure from Washington in late October.

124.90H/3-1548

Memorandum by the Secretary of State to President Truman

WASHINGTON, March 12, 1948.

Subject: Proposal to Raise the Status of the American Diplomatic Mission in Afghanistan from Legation to Embassy.

Our Minister at Kabul is of the opinion that the Afghan Government would welcome a change in the status of our mission from Legation to Embassy.

As a consequence of the participation of an American engineering firm and American technicians and teachers in the development of the country, the American community in Afghanistan is now larger than that of any other foreign state. A growing tendency on the part of Afghanistan to look to the United States for assistance in many fields is reflected by visits during the past year of two Prime Ministers and the Minister of Public Works, who have discussed Afghan problems with officials of this Government. As a member of the United Nations and an increasingly active participant in international conferences, Afghanistan, subject to the difficulties implicit in its contiguity to the Soviet Union, endeavors to align itself with the western democracies.

This Government has now exchanged ambassadors with practically all countries in the area from Iraq to Siam, and it is believed that our interests in Afghanistan warrant the extension of ambassadorial representation to that country on a reciprocal basis. A number of countries, including the Soviet Union, have embassies in Kabul, and France is currently considering making its Legation an Embassy.

It would be appreciated if you would advise me whether you agree in principle with the recommendation that this Government raise the status of its Legation in Afghanistan to that of Embassy.¹

G. C. MARSHALL

¹Source text bears handwritten notation in the margin: "Approved, Harry S. Truman." The United States mission at Kabul became an Embassy on June 5, 1948. The Afghan Legation at Washington was elevated to Embassy status on November 23. For the Department's press release on these matters, issued on November 24, see Department of State Bulletin, December 12, 1948, p. 746.

890H.20/11-1948

Memorandum of Conversation, by Mr. Richard S. Leach of the Division of South Asian Affairs

Afghan Representatives:

SECRET

[WASHINGTON,] November 19, 1948.

Participants:

- The Appointed Ambassador, H.R.H. Mohamed Naim Khan
- H. E. Abdul Majid Khan, Minister of National Economy

Mr. Mohammed Chouaib, the Counselor

Mr. Abdul Hai Azziz Khan, the First Undersecretary of National Economy

SOA: Messers. Mathews 1 and Leach

Pursuing a conversation today in Mr. Hare's ² office, and after commenting on Afghanistan's economic problems, the Afghan representatives reverted to the security position of the country, internally and externally.

H. E. Majid said Afghanistan had a small army, which had been able to control the internal situation up to the partition of India. Now the situation is altered. Formerly these forces could cope with internal difficulties on one front. Now Afghanistan might have to deal with difficulties single-handed and simultaneously in two or more areas. Afghanistan's armaments lag far behind those of her neighbors, and supplies from India have not been forthcoming. During the past year they have been nil. In the South and East there are armed tribesmen who of necessity are accustomed to living by their guns. The economy of this area is backward, even by Afghan standards. As a rusty gun is dangerous to the owner and his neighbors a "rusty" economy is likewise full of peril. Afghanistan has no adequate defenses in the north,

¹ Elbert G. Mathews, Chief of the Division of South Asian Affairs, and Richard S. Leach.

² Raymond A. Hare, Deputy Director, Office of Near Eastern and African Affairs.

nor even proper local security forces. A small revolt in any part of the country could be extremely dangerous to overall stability, because this would necessitate troop withdrawals from other areas of potential disorder.

Afghanistan urgently wants U.S. arms to maintain internal security for the reasons set forth above. Secondly it wants U.S. arms in order to make a positive contribution in the event there is war with the Soviets. Properly armed, and convinced of U.S. backing, Afghanistan could manage a delaying action in the passes of the Hindu Kush which would be a contribution to the success of the armed forces of the West and might enable them to utilize bases which Pakistan and India might provide.

At this point the meeting adjourned with arrangements for further talks left between the representatives of the Afghan mission and the Afghanistan desk officer.

890H.00/12-848

Memorandum of Conversation, by Mr. Richard S. Leach of the Division of South Asian Affairs

SECRET [WASHINGTON,] December 8, 1948. Participants: H. E. Abdul Majid Khan, Minister of National Economy Mr. Abdul Hai Aziz, First Undersecretary of National

Economy

Mr. Richard S. Leach-SOA

In an informal discussion of several hours duration, following a State Department luncheon in honor of the newly accredited Ambassador of Afghanistan, the Minister of National Economy again expressed the desire of his government for a definite statement of U.S. intentions with regard to assistance to his country. He said Afghanistan must know just where it stands, in the world-wide pattern, with regard to U.S. assistance.

He reiterated the opinion that a U.S.-Afghan partnership, with assurance that Afghanistan has our firm support, would be of value to both countries. However, time is growing short, and Afghanistan must have an answer soon. If the U.S. is eventually going to reach a negative conclusion on assistance to Afghanistan, Afghanistan would like to know this fact at the earliest possible moment. Although a negative decision would have a very adverse effect upon national morale, the Afghan Government would continue to look upon the United States as its friend, while attempting to work out its own problems on a realistic basis.

Abdul Majid explained that in speaking of assistance he had in mind the following categories: (1) political, (2) economic, (3) cultural, educational and technical, and (4) military.

Passing over the economic, cultural, educational and technical aspects, H.E. turned to the subject of military assistance, emphasizing that Afghanistan was thinking in terms of equipment for internal security purposes only. For such purposes, no large amount of expensive equipment is required. Compared with assistance the US has extended on a world wide scale, Afghanistan's requirements are microscopic.

Abdul Majid referred repeatedly to the "war", indicating his belief that a war between the US and USSR is inevitable, and said that when war came Afghanistan would of course be overrun and occupied. But the Russians would be unable to pacify the country. Afghanistan could and would pursue guerrilla tactics for an indefinite period.

Abdul Majid said that the early supply of light military equipment for internal defense was closely related to the possibility for a long and determined resistance to some future aggressive action by the USSR.

In connection with military cooperation he indicated that a regional pact among Turkey, Iran, Afghanistan and Pakistan was a reasonable possibility. If US assistance were extended to include the countries in this arc, it would cost relatively little now to create a Muslim cordon which would be a considerable factor in any future struggle with Soviet Russia. A little later this might be very costly or impossible.

The Department's representative said that our wish had been to cooperate with Afghanistan. No change in this attitude was foreseen. We hope to see Afghanistan preserve its independence and to make progress toward its goals of social and economic betterment. Within the limits of our facilities and responsibilities elsewhere it was reasonable to assume that our efforts would continue to be directed toward these objectives; that our cooperation was prompted not only by general considerations (such as a desire for the improvement of livingconditions the world over) but also by the desire to encourage Afghanistan itself in its orientation toward the Western political philosophy.

Reference was made to some specific types of assistance now being rendered in cultural, educational and scientific matters, and the belief was expressed that this would be continued as possible if requested by Afghanistan. It is to be hoped that this program will eventually become an exchange. With regard to financial assistance it was indicated that at present this matter awaits further action by the Afghans themselves. The Department had previously indicated that it would support a request by Afghanistan for reasonable Export-Import Bank credits in so far as these were in line with the policies of the Bank. Our position on this has not changed. Such does not however, necessarily carry assurance that an Afghan loan would be approved. Abdul Majid was encouraged to avail himself of help which officials of the Department offered in connection with any problems in this case.

With regard to U.S. cooperation in respect to Afghan internal security requirements, reference was made to the fact that the Department had already indicated that sympathetic consideration would be given to a specific request for military equipment, that we could not even consider whether we would recommend supplying such equipment to Afghanistan until definite information had been given concerning the details of its security program and the specifications of its requirements. Even if the supply of military equipment should be recommended this would have to be considered by the military authorities in relation to other areas and claimants, before final action could be taken on the request.

Mr. Majid stated that details of the arms request would be furnished to the Department quite soon.

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DISCUSSION BETWEEN THE UNITED STATES AND INDIA CONCERN-ING INDIA'S ATTITUDES TOWARD THE UNITED STATES AND THE SOVIET UNION, AND INDIAN REQUESTS FOR FINANCIAL AND MILI-TARY AID

711.45/1-2648

The Chargé in India (Donovan) to the Secretary of State

SECRET

NEW DELHI, January 26, 1948.

Sector representations and state

No. 71

Subject: India's Reaction to Financial Aid to Pakistan

SIR: I have the honor to refer to secret despatch no. 21, from the American Embassy at Karachi, dated January 13, 1948,¹ suggesting that consideration be given to providing some financial aid to Pakistan in connection with negotiations with that country of a treaty of friendship, commerce and navigation.

The difficulty of proceeding with negotiations except on such a basis is fully appreciated. The situation is somewhat similar here, except that the Government of India has not asked for a loan. India, as in the case of Pakistan, is not in a position at this time to avail itself of many of the mutual benefits to be derived from a treaty of friendship, commerce and navigation with the United States and has shown no eagerness to begin discussions of such a treaty.

It is hardly necessary to point out, however, that any financial aid given by the United States to Pakistan so long as relations between India and Pakistan continue to be strained, would be regarded by India as an unfriendly act. It not only would prejudice the prospects of negotiating a treaty of friendship, commerce and navigation with India, but also would have an adverse effect on all aspects of United States relations with India and possibly even more far reaching international repercussions. In this connection, attention is called to the recent dispute between India and Pakistan over the cash balances of the former undivided Government of India. India feared that if it paid to Pakistan the remaining share of the balances due to the latter under their financial agreement, the money would be used to support the raiders in Kashmir against India. Hyderabad's recent loan to

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Pakistan was regarded somewhat in the light of an alliance against India (Embassy's reports nos. 276 of January 2, 1948, 4 of January 9, 1948, and 10 of January 16, 1948; despatch no. 32 of January 9, 1948; and telegrams nos. 39 and 41 of January 13, 1948²).

Financial aid to Pakistan might be viewed differently if India were informally approached in advance and the aid were extended in such a way that it could be directed only toward economic ends. However, in such circumstances, India might demand similar aid.

Respectfully yours,

HOWARD DONOVAN

² Reports, despatch, and telegrams not printed.

845.24/3-1148

Memorandum by the Secretary of State to President Truman

CONFIDENTIAL

WASHINGTON, March 11, 1948.

Subject: Suspension of Export of Arms, Ammunition, and Other Military Material to India and Pakistan

The Department has recently been approached by representatives of India and Pakistan with a view to the purchase and export to these countries of military material requiring export licensing. It is expected that India and Pakistan will make further requests of this nature in the future.

Careful consideration has been given by the appropriate officials of the Department to the advisability of allowing military materials to be shipped to India and Pakistan at this time, and the tentative conclusion has been reached that in view of the tense situation prevailing in the Indian subcontinent as a result of disputes over Kashmir and other issues, which each party has declared to constitute threats to international peace, licenses should not be issued for the export of military material to either India or Pakistan until the situation becomes more clarified. The Department further believes that a comparable policy should be adopted with regard to the transfer, retransfer, and sales of military items under the control of the Office of the Foreign Liquidation Commissioner insofar as India and Pakistan are concerned, unless evidence is produced to show that such materials are intended for civilian or commercial use in India and Pakistan. It is not proposed to establish a formal embargo with the publicity which such action would entail.

The foregoing policy is consistent with the attitude taken by this Government in the deliberations on the India-Pakistan question in the Security Council of the United Nations, in that United States representative has emphasized that the disputes between the parties should be settled by pacific means.

The Secretary of Defense has concurred in this recommendation. It would be appreciated if you would indicate whether you agree with the foregoing policy.¹

G. C. MARSHALL

¹A marginal notation on this memorandum reads: "Approved, Harry S Truman, March 12, 1948".

845.00/3-1848 : Telegram

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The Ambassador in India (Grady) to the Secretary of State

TOP SECRET

NEW DELHI, March 18, 1948-4 p. m.

221. Chinese Ambassador here has had repeated to him a wire sent several days ago by Chinese Ambassador in Moscow to Nanking. He regarded it of such importance that he requested permission of Nanking to communicate to me its contents. Nanking left matter to his discretion and he has just given me what I quote in following paragraph. Source of information of Chinese Ambassador in Moscow is Indian Ambassador with whom he seems to have frequent confidential conferences. In giving me this information Chinese Ambassador here felt deeply concerned lest either Chinese or Indian Ambassador in Moscow should know that he had passed this along for information of US.

"1. Molotov¹ has expressed to Mme. Pandit² on several occasions that world is divided into two great camps, the democratic and the imperialistic and it is now up to India to decide which side she is going to take. Soviet Russia has been 'disappointed by the indecision of the Indian attitude'. She reports that now the Soviet press has begun to attack India.

"2. After his arrival in Delhi Soviet Ambassador did not make serious attempts to get in contact with responsible leaders of government, but directed clandestinely secret movements of Indian Communists. This aroused great indignation among the people of Congress. Some of the Congress leaders even suggested that Pandit should be recalled.

"3. There are regular meetings of the British Ambassador in Moscow with representatives there of Dominions. Recently at a meeting British Ambassador told Dominions representatives that relations between Soviet Russia and countries of western Europe have become more and more seriously strained. He hoped that Dominions would make up their minds as to their policy toward Russia at the earliest possible time and make their attitude clear to him."

Chinese Ambassador stated that he had also learned from same source that Molotov had urged Pandit to request GOI to exchange

¹ Vyacheslav Mikhailovich Molotov, Vice-Chairman of the Council of Ministers and Minister of Foreign Affairs.

² Vijaya Lakshmi Pandit, Indian Ambassador in the Soviet Union.

diplomatic representation with Yugoslavia, Poland and other countries of eastern Europe. She replied that her government lacked personnel to do this.

All of information contained in above throws new light on Nehru's recent foreign policy speech.³ It would seem that he may have been answering Russia through the medium of general policy statement. It is to be noted that he said India was not afraid of military might of any great power and the Assembly cheered him. He also stated that India did not intend to increase her representation abroad.

Am endeavoring to get information here to substantiate what has been said regarding activities of Soviet Ambassador to India and shall report promptly any information I can obtain.

Sent Department as 221, repeated Moscow as 2.

Department please repeat London as 56.

GRADY

³The reference here is presumably to a speech made on March 8 by Indian Prime Minister Pandit Jawaharlal Nehru, before the Constituent Assembly in New Delhi. For text, entitled "India Keeps Out of Power Blocks," see Dorothy Norman (ed.), Nehru, The First Sixty Years, vol. 11, pp. 380-386.

845.00/3-2048 : Telegram

The Ambassador in India (Grady) to the Secretary of State

SECRET

NEW DELHI, March 20, 1948-noon.

225. Re Embdesp 237 March 6.1 At his request I saw last evening H. V. R. Iengar, Acting Secretary General External Affairs in Bajpai's absence. Prime Minister wished him to discuss with me recent statement on foreign policy which Prime Minister made in Assembly. Prime Minister wanted to be sure US did not misunderstand what he was endeavoring to convey. The speech he said was primarily for home consumption and to say certain things to Russia which he felt should be said. He said that it was unthinkable that India should be on Russia's side in event of conflict between Russia and US. American principles of democracy and those of India were identical. He wishes to maintain officially for his government a neutral position. I said that I did not see any objection to this policy but found it hard to understand the Prime Minister's frequent reference to imperialism and that I had heard from reliable sources that Prime Minister had been critical of our government and of America. Iengar said that as one who had been intimately associated with the Prime Minister for long time he found it hard to believe this as Prime Minister never criticized America to him, Iengar stated that Prime Minister had been dis-

¹ Not printed.

appointed in our attitude on Kashmir at UN² but that there was no question about his fundamental friendliness to US. He stated further that Prime Minister is concerned about spread of Communism in India and said very confidentially measures are being taken to eliminate Communists from government.

He also stated that their military intelligence which was completely disorganized and in effect nonexistent last August is now being well organized and is giving careful attention to northern border. He stated further that resolution introduced in SC by Dr. Tsiang³ had been considered by Prime Minister and his advisers several days ago and met with their approval.

I learned from reliable source that Patel 4 is not expected to recover. He has had two heart attacks and has cirrhosis of liver.

Sent Department as 225, repeated Karachi as 73. Department please repeat London and Moscow if considered desirable.

GRADY

⁸ Resolution on Kashmir dispute, introduced on March 18 by the Chinese Representative on the Security Council, Tingfu Tsiang. For text, see United Nations, Official Records of the Security Council, Third Year, Supplement for January, February and March 1948, pp. 38-40.

⁴ Vallabhbhai Patel, Indian Minister of States, Home Affairs, Information and Breadcasting.

845.00/3-2048: Telegram

The Ambassador in the Soviet Union (Smith) to the Secretary of State

TOP SECRET

Moscow, March 20, 1948-1 p.m.

512. Can confirm information given by Chinese Ambassador New Delhi to Ambassador Grady on statements of Mrs. Pandit. She has had similar confidential conversations with me and, I believe, with heads practically all missions in Moscow except Soviet satellites.

She is obviously much concerned at Molotov's change in attitude, but there is no real reason why she should be as both British Ambassador and myself had warned her honeymoon period for her would last few months and thereafter she would have to take bitter with sweet, with emphasis on former.

She asked my advice as to whether, in event public opinion in India further aroused, it would be good move for India to discontinue present relations with USSR, and said public opinion in India so aroused it would probably be difficult to send another chief of mission when she left. I told her I thought it would be tactical disadvantage, as India

² For documentation on U.S. involvement in the dispute between India and Pakistan over Kashmir, brought before the U.N. Security Council in January 1948, see pp. 265 ff.

so close to USSR it should be decided advantage to maintain adequate listening post Moscow.

She emphasized her brother 1 had been deeply affronted by actions and attitude Soviet Ambassador New Delhi. She herself now restricts her attendance at Soviet official functions to about fifteen minutes.

She informed me Nehru and most Indian leaders had long since made up their minds natural alignment was with west, but that Nehru felt at present in view Indian relative impotence and fact that nation is still in swaddling clothes it would be ridiculous to talk publicly of military participation in event of war. Her belief, which apparently reflects that of brother, is that India's present role in family of nations should be modest and relatively humble one until nation has solved. own internal difficulties. and the address state of the second seco

Repeated to London as 36. Department repeat to New Delhi.

SMITH Prime-MinisteryNehru.

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845.00/3-2348 : Telegram The Ambassador in India (Grady) to the Secretary of State

SECRET

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New Delhi, March 23, 1948-2 p. m.

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235. Again saw Iengar last evening. He said GOI fearful Noel-Baker¹ obstructing and adding to difficulty of arriving at agreement on Tsiang resolution. GOI does not believe he reflects attitude Cripps and Attlee.² Iengar says Russians first expressed little interest Kashmir dispute other than that "interests of the people be properly safeguarded." They are now scolding Indian delegation, evidently to carry out present USSR policy of pressuring India into USSR camp. Because of this policy and its manifestation in Molotov's talks with Pandit (see Embtel 221, March 18) plus attacks on India and Néhru in Russian press (clippings of which have reached GOI) plus now definite indications of Novikov's 3 activities warn Communists here. Nehru's eyes have been opened and his attitude toward Russia has definitely stiffened. Iengar having Novikov in today to put him on carpet re some Communists entering India with irregular papers. Also GOI requesting Novikov to withdraw from Calcutta area "trade commissioner" whose activities GOI strongly suspect.

¹ Philip Noel-Baker, British Minister of State for Commonwealth Affairs

² Sir Stafford Cripps, British Chancellor of the Exchequer, and Clement R. Attlee, British Prime Minister.

³ Kiril Vasilevich Novikov, Soviet Ambassador to India.

Nehru seriously considering accepting verbal invitation I extended him on behalf of President Truman to pay visit to US stopping for three or four days in London en route. He is thinking of going right after Legislative Assembly adjourns on April 9 and spending month. Some of his close advisers are urging him to go though he has not vet decided. The advantages of his going at this time are obvious to Department. Will Department advise me for my guidance whether time suggested would be convenient for President and would it fit into schedule of Blair House. I want to do some tentative planning in event he suddenly makes up his mind. He might decide one day and want to be off the next. Of course if he decides I will request formal invitation from President.

Sent Department as 235; Department please repeat London as 57 and Moscow as 3.

711.45/4-248

Memorandum of Conversation, by the Assistant Chief of the Division of South Asian Affairs (Mathews)

[WASHINGTON,] April 2, 1948. SECRET Sir Girja Shanker Bajpai, Secretary General of the Participants: Ministry of External Affairs and Commonwealth Relations, GOI Mr. Henderson¹ water to be paint or the state of the

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Mr. Hare²

Mr. Thurston ³

Mr. Mathews

Sir Girja called on Mr. Henderson at 2:30 at the former's request. [Omitted here is a paragraph concerned with the feasibility of bringing a collection of Indian art to the United States for exhibition.]

Sir Girja next referred to the possibility of a visit to the United States by Prime Minister Nehru. He said that he personally had urged the Prime Minister to come to this country and that, if the President issued an invitation, Nehru would of course accept. As far as time was concerned, Sir Girja felt that such a trip would not be practicable before next June. Mr. Hare said that we had had word from our Embassy in New Delhi to the effect that Nehru might be able to come to

¹ Loy W. Henderson, Director of the Office of Near Eastern and African Affairs. ² Raymond A. Hare, Chief of the Division of South Asian Affairs.

³ Ray L. Thurston, Assistant Chief of the Division of South Asian Affairs.

this country this month and after making inquiries of the White House, had informed Ambassador Grady that it would be convenient for the President to receive Nehru between April 19 and 24. Sir Girja expressed surprise at this most recent development and indicated considerable doubt that the Prime Minister would be able to come this month owing to the pressure of affairs. Mr. Henderson pointed out that, if it were impracticable for Nehru to come at present, we could give further thought to working out arrangements for a visit later this year.

Sir Girja then turned to an exposition of Indian foreign policy which he stated was the real purpose of his visit to the United States and his calls at the State Department. He sketched first of all the present status of India pointing out that the Indian people were now responsible for their own destiny, that British troops had withdrawn from Indian territory, and that practically no British civilians remained in Indian Government positions. He commented with respect to the last point that the situation was quite different in Pakistan. He said, however, that it had been necessary to retain British officers in the Indian Army as there simply were not enough trained Indian personnel available to staff the upper echelons. In short, India is now its own master.

Having expelled the British, India did not intend to take on any other master in their stead. Sir Girja felt, however, that there was some impression in the United States that India was tending to become a Communist state or at least a "fellow-travelling" state. Mr. Henderson commented that that view was not held in U.S. Government quarters. Although certain actions of individual Indian representatives at international conferences had seemed open to various interpretations, we had been confident all along that the Indian Government itself was fully aware of the basic issues at stake. He went on to say that he wished to make it clear that the issue was not between "American imperialism" and Soviet imperialism; that we had no objection to Russia's establishing close relations with other nations provided that this were not done by aggression, pressure, and the suppression of freedom; and that the real issue was the maintenance and strengthening of democracy in the face of a totalitarian threat.

Sir Girja said that he appreciated the importance of Mr. Henderson's remarks and was gratified that the U.S. Government was aware of the basic democratic orientation of the Government of India. He went on to point out that India's position had been more accurately reflected in the 1947 UNGA than in the 1946 session, citing India's support of our stand with respect to Korea and other issues. This brought him to the principal point he desired to make. Should the world once again become involved in conflict, India could only associate itself with those nations holding the same ideals of freedom and democracy. However, his Government is not able to make an open declaration of its position as it could not now withstand the aggression from Russia or the internal difficulties which might ensue.

Mr. Thurston said that some of us had been disturbed by the anti-American tone of portions of the Indian press which had taken the position that the United States wished to assume Britain's relinquished position in India. Sir Girja replied that he was aware of the type of press comment to which Mr. Thurston referred but that he wished to make a clear distinction between the thinking of responsible Government officials and the irresponsible press. He said that the Indian press was inexperienced in the field of foreign affairs and that it was inclined to treat such matters in emotional rather than rational terms. Furthermore, there was a good bit of popular feeling in India, not shared in Government circles, that the United States was aiding the Dutch in Indonesia and the French in Indochina. This feeling was reflected in the press treatment of the United States.

Sir Girja then touched briefly on Indo-Pakistan relations emphasizing that India had no desire to eliminate Pakistan as an independent state or to reincorporate into an Indian union the territories now held by Pakistan. Mr. Henderson interjected that the State Department had been aware that such was the Indian position. Sir Girja went on to say that a political reunion of the two Dominions was most unlikely in the foreseeable future, but that he would hope for an understanding which would permit joint defense of the Indian sub-continent whose critical frontier now lay in Pakistan, and possibly a customs union. He did not feel that Indo-Pakistan relations presented any serious or insuperable problems.

Turning next to the question of India's position in South Asia, Sir Girja said that India had no desire to form or to lead a South Asian bloc. He said in strict confidence that when Thakin Nu⁴ of Burma recently visited India, he brought with him a draft project for a "United Nations of South Asia". This was studied by Nehru and the Foreign Office, and Thakin Nu was informed that India did not consider it desirable to establish such an organization which would detract from the authority of the global United Nations and introduce into world politics a further racial and regional element. India feels that its first task is to develop itself.

Sir Girja concluded his broad sketch of Indian foreign policy with a discussion of India's relationship to the British Commonwealth. He pointed out that the draft constitution left open the question of this relationship, but added that it would clearly not be possible for India to recognize the King as titular head of the state. The exact terms

⁴ Prime Minister and Minister for National Planning. 429–027—75——33

of the relationship which might be worked out would depend largely on the attitude of the British but the continuance of imperial preference was definitely out of the question. Certain arrangements with respect to defense might be worked out.

Sir Girja then said that there was somthing of an impression in India that the United States had very little interest in that country and that he would like to know the Department's views in that respect. Mr. Henderson said that he was very grateful that Sir Girja had been so frank in his comments and that he would be equally frank. It was the considered opinion of the United States Government that in the long term close and friendly relations between India and the United States was the anchor of stability of the whole area from Africa to South East Asia. Unfortunately, at the moment the United States found it necessary to concentrate its efforts and resources on resisting aggression in certain other parts of the world. We recognized this could be only a short term policy, but we were faced with the problem of meeting an urgent and critical situation. We had every intention of giving proper and essential attention to India just as soon as circumstances permitted.

Sir Girja said that he fully understood the necessity of the United States concentrating its attention at present on certain critical areas and that he had not come to this country with any mendicant ideas. He had, in point of fact, done everything he could to quash the idea of a Marshall Plan for South Asia which had been advocated by the Indian Ambassador in Washington in despatches to New Delhi. However, in order to give immediate evidence of our real interest in India, Sir Girja urged that we urgently and seriously consider two matters in which his country needed our assistance.

He referred to India's desire to obtain American assistance in carrying out certain hydro-electric developmental projects and said that, although an approach had been made in this connection quite some time ago, no assistance had yet been forthcoming. Mr. Hare said that Ambassador Grady was keenly interested in this problem and that he had pressed it vigorously while in the US on consultation. In view of the Ambassador's wide experience in economic matters, it would be advisable for the GOI to continue to work with our Embassy in New Delhi on this question. Mr. Henderson added that the Department had been endeavoring to accomplish something along these lines but that the demands upon the American engineering profession were simply in excess of the supply. We would, however, continue our efforts to povide some assistance and it might be that the recent Smith-Mundt Act ⁵ would be helpful.

⁵ The United States Information and Educational Exchange Act of 1948. For text, see 62 Stat. 6.

Sir Girja then mentioned that Colonel Kaul, former Indian Military Attaché in Washington, had reported that it was the present policy of the United States to withhold exports of military materiel to India. Mr. Thurston asked whether Kaul had pointed out that this policy applied equally to Pakistan, and Sir Girja replied that Kaul had not mentioned that aspect of our policy. Mr. Hare emphasized that, with respect to the B-25's which Colonel Kaul had requested, the position was that, quite aside from the policy, that type of plane simply was not available, there being none in this country excess to the needs of our air force. Mr. Henderson pointed out that the decision to withhold exports of military materiel had been taken at a time when relations between India and Pakistan were quite tense and there was a possibility of serious trouble between them. He emphasized that it. was not a permanent policy, and Mr. Hare added that we hoped that it would be a policy for a matter of months or preferably weeks. Sir-Girja urged that the US not persist in this policy, as it was of urgent necessity that India strengthen its defenses. The Indian air force lacked bombers, and there were many other essential military needs which could be met only by imports. He would like very much to send a military mission to this country to explore the possibilities of procuring essential military equipment. Mr. Henderson said that it would be advisable for us to give some preliminary thought to this proposal before taking any definite action. In view of the indications that our own rearmament would be stepped up, it would be necessary to ascertain from our military people what the possibilities would be for sending military equipment abroad.

Sir Girja returned to Mr. Henderson's office following his interview with the Acting Secretary.⁶ He said that he had mentioned to Mr. Lovett India's interest in being considered for the seat on the Security Council now held by Syria which the latter is vacating this coming fall. He pointed out that Asia had only two seats on the Security Council, one held by China, a permanent member, and the other having been passed from one Islamic nation to another. He felt that the time had come for India to be the second Asian member and hoped that the United States would be inclined to support India's candidacy, particularly in view of our backing of India against the Ukraine last fall. Mr. Henderson said that Sir Girja had presented a good argument and that we would give very serious consideration to India's claim.

Sir Girja indicated some resentment at the fact that Secretary Royall of the Army Department had not received him despite the prearranged appointment at 4:15. Secretary Royall had been tied up in an urgent press conference. Mr. Henderson expressed his regret to Sir

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Girja and subsequently called Secretary Royall and suggested that he might wish to have some message sent to Sir Girja at the Indian Embassy.

711.45/4-248

Memorandum of Conversation, by the Acting Secretary of State (Lovett)

SECRET

[WASHINGTON,] April 2, 1948.

Participants: Mr. Lovett

Sir Girja Shanker Bajpai, Secretary General of the Ministry of External Affairs and Commonwealth Relations, GOI

E. G. Mathews, SOA

Sir Girja called at 5:30 at his request. He said that he had come to the US as a member of the Indian Special Delegation to the SC in the Kashmir case. I asked how the Kashmir situation was developing. Sir Girja replied that in Kashmir itself the Indian military position had improved and with the coming spring, Indian troops, totalling only slightly more than a division, would be able to move more vigorously against a few remaining trouble spots. According to latest Indian military reports, tribal invaders still comprised about 60% of the opposing forces, the remaining 40% being indigenous insurgents.

Turning to the SC aspect of the Kashmir situation, Sir Girja said that the fundamental differences between India and Pakistan related to the introduction of Pakistan troops into Kashmir and the composition of the interim government of the State. India could not accede to Pakistan's demand that the latter's troops move into Kashmir territory in order to keep the tribal invaders out. The plebiscite when held would result in a very close vote, and if India won, Pakistan forces might not withdraw and would almost certainly not effectively resist the re-entry of tribal elements. With respect to the interim government, Pakistan was insisting that Abdullah¹ be removed as Prime Minister and that a coalition government be formed. Sir Girja felt that there was no one to replace Abdullah, and that a coalition of groups whose aims were completely divergent could only result in a paralysis of government and administration in the State.

Sir Girja then said that although he appreciated my interest, he had not intended to trouble me with the Kashmir problem. His real purpose in coming to Washington had been to explain to me and other US officials India's position vis-à-vis the US and the USSR. He had the impression that there was a feeling in this country that India was

¹ Sheikh Mohammed Abdullah, Prime Minister of the State of Jammu and Kashmir.

somehow "in the Russian camp". He wished to emphasize that this was not the case, as India had not rid itself of the British in order to accept domination from some other quarter. I commented that although irresponsible newspaper columnists might have speculated on the nature of India's relations with the USSR, I was sure that there was in the US no informed opinion that India had aligned itself with the Russians. Sir Girja expressed his gratification at my statement and pointed out that two fundamental considerations prevented Indian adherence to the Soviet bloc. First, through its association with the British, unhappy as it had been in some aspects, India had acquired the ideals of democracy and individual liberty which were held by the US and other nations of the west. Second, India can expect no effective assistance from the USSR in its primary objective of developing and strengthening itself economically and militarily. In fact, the US is the only country which is in a position to aid India. I told Sir Girja that we were very grateful to receive his assurances of the friendly disposition of his Government.

Sir Girja stated that his remarks were being made with the full knowledge and authorization of Prime Minister Nehru, and that he hoped that the Prime Minister could himself visit the US in the not too distant future in order further to clarify the Indian position. I said that we would be delighted to receive Prime Minister Nehru, adding, however, that Sir Girja had himself very effectively stated his Government's views.

Sir Girja then pointed out that although India was maintaining an army of some 360,000 men and had appropriated 121 crores of rupees (\$363,000,000) for defense purposes, it was in no position effectively to resist aggression from the north, and that the GOI could not risk an open declaration of its anti-USSR views. The strengthening of India's military power was of the highest importance, and he would like to send a military mission to the US at an early date to explore the possibilities of obtaining equipment, particularly as the US was about to step up its own armament program. I said that before a mission was sent it would be advisable for us to have some preliminary discussions to clarify India's wants and to examine the possibilities of supplying them from this country. I added that our production theory and practice involved a sacrifice of immediate small output for a "tooled" longer-term mass output, and cited examples from our experience in World War II. I pointed out that if an Indian military mission came to this country, it should be charged with studying American production techniques in order that some of these might be introduced in Indian ordnance factories. Sir Girja assented, but emphasized that the first objective of the mission would be procurement, and after that objective had been achieved, the mission could

turn to the matter of improving Indian techniques. I replied that in view of the importance of repair and maintenance, I would hope that the two matters could be pursued simultaneously. Sir Girja agreed that this would be desirable.

In conclusion, Sir Girja observed that Syria would be leaving the SC next fall and that he hoped India might be considered for this seat. India, the second largest nation in Asia, had not yet been a SC member, and although he appreciated the circumstances which had led the US to support Islamic states for the second Asian place on the SC, China holding the first as a permanent member, he felt that the time might have come when India's claim could be given serious consideration, particularly in view of our support of India against the Ukraine last fall. I commented that Sir Girja made a strong case for India, and suggested that he discuss this matter with Mr. Henderson. (Sir Girja did subsequently mention India's desire for a SC seat to Mr. Henderson).

711.45/5-1048

Memorandum of Conversation, by Mr. Joseph S. Sparks of the Division of South Asian Affairs

SECRET

[WASHINGTON,] May 10, 1948.

Participants:

Brigadier General D. Chaudhuri, Military Attaché, Embassy of India

Mr. I. S. Chopra, First Secretary, Embassy of India Mr. Joseph S. Sparks—SOA

Mr. Chopra initiated the discussion by saying that the Embassy of India would very much appreciate receiving informal information as to whether the U.S. Government felt as did the Indian Government that this would be an appropriate time to initiate a review of the general situation in the relations between the two nations with particular emphasis on the exchange of military information and technical training. He said that in the event such indication should prove favorable a formal approach could be made at the Department's convenience but that in the event that the United States felt this not to be an appropriate time would it be possible for an assurance informally of maximum cooperation within limitations imposed by the situation to be given by the United States.

In discussing the question of India's interest in the United States Chopra said that following the "unfortunate affair of the airplanes" in January (at which time a request for military planes and equipment was turned down by the Department because of the Kashmir developments) India had gone to the British with their problem. They

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had been sympathetically received and certain arrangements had been worked out but the truth of the matter was that the British simply did not possess the facilities for training, information exchange, or equipment supply which the United States has.

Chopra explained that prior to August 15, 1947, and the establishment of separate Dominion status, India had not had any trouble receiving automatically all the information which could be utilized by the military. The British had received this information from the United States through the Joint Chiefs of Staff and it had been automatically passed on to, or available to, the Indian military schools and the Indian Government. Following August 15, however, this source had been completely cut off with the explanation from the British that under their understanding with the United States such information could not be made available by the British to any third countryeven a Dominion.

As have various other personal, informal, official representatives of the Indian Government during recent months, Mr. Chopra stated parenthetically that, despite public statements made by Indian Government leaders for domestic consumption, there is no doubt at all as to which side India would take should there be a third world warthe United States could count absolutely on having India at its side in such a conflict.

The specific incident which had caused him to approach the Department on this occasion was explained by Mr. Chopra as being the receipt of a telegram from the Government of India to the effect that Colonel Middleton, American Military Attaché, New Delhi, had asked the Government of India for the following information, all of which is classified as "Top Secret" by India:

"1. Mobilization plan of Indian Army

(a) The system and schedule of mobilization of personnel and unit.

(b) The total to be mobilized at the end of the 30 day period. the 60 day period, the 90 day period; the 120 day period and the 180 day period.

(c) A list of divisions and other units to be mobilized in each period.

2. Organization and mobilization of troops of Indian Army reserves.

(a) The number and types of reserve organizations now on active duty.

(b) Planned reserve organizations.(c) Method of organization.

(d) Method of calling to active duty in the event of emergency.
(e) Number of trained reserves by age groups.

(f) Number of untrained reserves."

Mr. Sparks was shown a copy of this telegram which concluded with a paragraph to the effect that Colonel Middleton had been informed that the GOI had no objection to making this information available to the U.S. should it be understood that such release would be made upon a reciprocal basis. The telegram was marked for the attention of Brigadier Chaudhuri and instructed him to approach the India Desk on the subject "with tact".

In response to a question as to what Brigadier Chaudhuri's experience so far had been in requesting information which he desired from the U.S. military, Mr. Sparks was informed that (a) few questions had been asked because of the general atmosphere following the January episode involving Colonel Kaul, (b) all questions which had been asked, with the exception of one set referred to the Air Force, had been satisfactorily answered, (c) no questions of the nature of those put by Colonel Middleton had been asked though GOI in view of its problem of reorganizing the armed forces was much interested in them, and (d) it appeared that India would lose at least one and possibly both of the two positions it had enjoyed in the past in the Fort Leavenworth training program, apparently through no fault of India's other than becoming an independent country.

Mr. Chopra reiterated that the GOI had nothing in the way of information which it wished to conceal from the United States with which it desired the closest understanding and cooperation. India was only interested in the exchange of information becoming a two way street.

In subsequent conversation on unrelated matters Mr. Chopra twice referred to a new "era of good feeling and friendly, full, understanding" which he so fervently hopes can now be inaugurated between India and the United States.

Mr. Chopra telephoned later in the afternoon to inform me that the Indian Embassy had just received a second telegram from the Government of India in which it was stated that the American Air Attaché in New Delhi had officially requested the Government of India to supply him with a complete survey of the airfields in India showing their types and classifications with maps, locations, and with detailed analysis of the disposition of facilities and the planned order of battle.

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711.45/5-1748

Memorandum of Conversation, by Mr. Joseph S. Sparks of the Division of South Asian Affairs

SECRET

[WASHINGTON,] May 17, 1948. Participants: Brigadier D. Chaudhuri, Military Attaché Mr. I. S. Chopra, First Secretary, Indian Embassy Mr. Raymond A. Hare, SOA Mr. Joseph S. Sparks, SOA

Mr. Hare opened the conversation by referring to the informal talk of May 10 which Mr. Chopra and Brigadier Chaudhuri had had with Mr. Sparks on the subject of the exchange of military information between India and the United States. He expressed his appreciation and approval of the Embassy's approach to the Department at least in the preliminary stages of the solving of specific problems at what might be termed the "operating level". Mr. Hare pointed out that results satisfactory to both nations in the gradual growth and strengthening of bi-lateral relations were often achieved by following the procedure which had been utilized by the Indian Embassy in this case. He then asked Mr. Sparks to report on the results of the conversations which had been held with the Army.

Mr. Sparks explained that following the meeting of May 10 he and Mr. Thurston held exploratory discussions with Army authorities and that they had been very gratified by the warmth of their reception and the extent of the genuine interest of the Army in India. He said that Mr. Thurston and he had explained the Government of India's reaction to the requests for detailed military information which had been made by the American Military and Air Attachés in New Delhi and that the Army authorities felt this reaction to be highly reasonable and were prepared at any time to give Brigadier Chaudhuri similar information to that which had been requested of the Indian Government. The Army was not only prepared to make such information available but had already given considerable information to Mr. Vesugar, former Chief of the India Supply Mission, concerning the National Guard of the United States. In the future they would make information available only to Brigadier Chaudhuri. Mr. Chopra and Brigadier Chaudhuri agreed that Brigadier Chaudhuri would call upon Colonel Francis Graling, Chief of the Foreign Liaison Branch, in the near future and would subsequently call upon Colonel Graling's opposite number in the Air Forces, Colonel Louis W. Proper. It was apparent that both Mr. Chopra and Brigadier Chaudhuri were fully satisfied by this portion of the conversation.

Mr. Hare said that he understood that Mr. Chopra had suggested to Mr. Sparks on May 10 the possible initiation of a review of general

Indo-American relations. He asked Mr. Chopra what the nature of the review he had had in mind might be.

Mr. Chopra responded that the Embassy of India was particularly interested in establishing a procedural approach which would be effective for the treatment of individual problems as they arose. In this connection he mentioned specifically Mr. Nehru's experience in talking with Mr. Henderson last week which he quoted Mr. Nehru¹ as describing as "the most satisfactory experience which I have had since arriving in Washington".

Mr. Hare said that in his opinion the Embassy had made an effective type of approach on the current question of the exchange of military information which had been resolved so happily. He said that both he and Mr. Sparks held themselves ready at all times for discussions of any problems which arose. He further explained that the basic endeavors of the U.S. Government in international relations today are to contribute to the creation of world wide conditions in which the Charter of the United Nations can function effectively; and added that it is particulary gratifying that India's basic endeavors are directed along the same lines.

In ensuing general discussion Mr. Hare observed that, because of the multitudinous aspects of our over-all relations, the American Government had not found it practicable in the past to conduct comprehensive over-all discussions of bilateral relations. In addition, he pointed out that, in any event, it would in all probability be undesirable to attempt to establish a formal blueprint of relations inasmuch as such a blueprint would imply detailed implementation, and possible failures of implementation in unpredictable circumstances might result in negation of the original desire to solidify relations. He cited as an example that, as close and friendly as American relations have traditionally been with the Government of Canada, we have never held comprehensive discussions of over-all policy but have dealt with each problem as it arose using as background the broad understanding and communities of interest which existed between the two countries. In this connection Mr. Hare said that in his opinion the same type of broad understanding and communities of interest existed between the people of America and the people of India and their governments, and that this had become apparent in numerous discussions such as those between Mr. Henderson, Mr. Lovett, and Sir Girja Bajpai during Sir Girja's recent visit to the United States.

The conversation terminated with an expression by Mr. Chopra of his appreciation for the frankness which had characterized it and his satisfaction with its results. He indicated that he was in complete

¹ R. K. Nehru, Indian Minister in Washington.

INDIA

agreement with Mr. Hare both as to the impracticability and undesirability of attempting over-all discussions and as to the bonds of broad general objectives and communities of interest between India and the United States.

845.24/7-2948

Participants:

Memorandum of Conversation, by Mr. Joseph S. Sparks of the Division of South Asian Affairs

SECRET

[WASHINGTON,] July 29, 1948. Mr. R. K. Nehru, Chargé d'Affaires ad interim, Embassy of India

Brigadier D. Chaudhuri, Military Attaché, Embassy of India

Mr. Elbert G. Mathews, Acting Chief, SOA

Mr. Joseph S. Sparks, SOA

At our request Mr. Nehru and Brigadier Chaudhuri called to receive the Department's answer to Mr. Chopra's informal request of June 7¹ as to the probable reaction of the United States Government to a formal request from the Government of India to import arms and ammunition from the United States to be utilized exclusively in the Indian military training program.

Mr. Mathews said that he was sorry that so much time had been required to prepare an answer but explained that the Indian request had been given very careful consideration not only in the Department of State but in other interested Departments as well. He said that although we very much regretted the necessity of responding negatively to the Indian approach it had become clear in a close examination of the specific items requested by the Embassy that despite the Government of India's willingness to provide the United States with an undertaking that the items would be used for training purposes exclusively, the export of live ammunition of any type from the United States to India at this time would result in an immediate and commensurate increase in the Government of India's military potential. The receipt of more than 12,000,000 rounds of ammunition would release a commensurate amount for combat purposes even if the specific rounds received were not so utilized. Mr. Mathews concluded that such an increased military potential from American sources would be in violation of the current United States policy. He explained, however, that this refusal did not prejudice any future requests which the

¹A memorandum dated June 7, 1948, covering this conversation between Messrs. Chopra, Hare, and Sparks, is filed in the records of the Department of State under 845.24/6-748.

Government of India might wish to make—all of which would be given serious consideration by the Department.

Mr. Nehru and Brigadier Chaudhuri were deeply disappointed by the Department's decision, and although they did not question the accuracy of including the items which they had requested within the framework of the over-all policy, they did attack this policy and asked whether the time had not come when the policy as a whole could be reconsidered. Mr. Mathews reviewed the history of the development of the policy and explained that it had been adopted reluctantly by the United States only as a result of the unstable situation existing between the Governments of India and Pakistan, the submission of the Kashmir problem to the Security Council, and the actual requests for assistance in military supplies received concomitantly from both Governments last January when the Kashmir developments were at their most serious peak. When Mr. Nehru objected that relations between Pakistan and India might for one cause or another be difficult for some time to come and that what he had always understood to be a temporary policy on the part of the American Government would thus in effect become a long term policy, Mr. Mathews said that he sincerely hoped, and knew that the Government of India hoped, that such would not be the case and that India and Pakistan would be able to find their way to an amicable relationship in the near future. At any rate, he explained, the Department of State could not feel justified at the present time in recommending a reconsideration of the overall policy so long as the situation which caused its original adoption continued substantially unaltered. On two different occasions during the discussion Mr. Nehru repeated his question as to whether "exactly the same policy" applied to Pakistan as to India. He was assured that it did.

845.002/9-2048 : Telegram

The Chargé in India (Donovan) to the Secretary of State

SECRET NEW DELHI, September 20, 1948—1 p. m. 863. Bajpai during course of conversation today asked how long the Secretary would be in Paris.¹ I told him Embassy had no definite information that point. Bajpai then said that "since the Prime Minister would not be able to visit the US for some time" the Prime Minister hoped it might be possible to see the Secretary in Paris.

Nehru plans leave Delhi October 5 for London and leave London for Paris October 25.

¹ Secretary Marshall was leading the American delegation to the Third Session of the United Nations General Assembly which met in Paris between September 21 and December 12, 1948.

INDIA

I did not comment on question Nehru visiting US but did say I felt sure Secretary would welcome opportunity meeting Nehru Paris.

Bajpai said no definite appointment could be made this time as many factors might affect Prime Minister's plans but it was clear from his remarks that Prime Minister is desirous meeting Secretary in Paris.

Embassy strongly recommends possibility this meeting be kept secret as Indian press might then begin speculating upon part such meeting might play in Indo-American relations vis-à-vis Russia.

Embassy requests reply soon as possible.

DONOVAN

845.002/9-2948: Telegram

The Chargé in India (Donovan) to the Secretary of State

SECRET

NEW DELHI, September 29, 1948-noon.

890. Deptel 584, September 27.¹ Embassy believes meeting Secretary with Nehru in Paris would afford ideal opportunity discuss widespread misconceptions among literate Indians extending even to Cabinet level regarding policy of US toward USSR, India, and Southeast Asia. Unpublicized meeting between Marshall and Nehru would enable former bring his enormous personal prestige to bear without subjecting Nehru to severe criticism in pro-Soviet circles in India.

US is criticized in India for not rendering more financial and technical assistance, yet American businessmen receive no encouragement to invest and any suggestion of American aid or investment is widely criticized as extension American imperialism. While Embassy does not consider this occasion appropriate for raising foregoing question, it is mentioned since Prime Minister might bring up this topic which would give Secretary opportunity comment on alleged "American imperialism".

Majority position Western powers in UN is widely regarded as US majority completely subject to US control. Cabinet Minister close to Nehru remarked few days ago USSR was justified in demanding veto to protect it from US majority because minority rights must be protected. Attempt could be made convince Nehru majority position based on convictions nations concerned and not result US pressure and that will of majority should not be continuously thwarted by obstructionist minority.

Mrs. Pandit on September 25 in address to UNGA gave excellent description India's conception its objectives and its international role.²

¹Not printed.

^a Vijaya Lakshmi Pandit was the Indian Representative to the United Nations at the Third General Session in Paris. See United Nations, Official Records of the General Assembly, Third Session, Plenary Meetings, pp. 110–118.

India would like remain neutral in struggle between USSR and Western powers, which struggle it regards basically as being between USSR and US, and India is even half convinced it may be able mediate or effect workable compromise between these powers. Secretary may wish make few remarks regarding possible consequences such neutrality.

Soviet propaganda, widely accepted here, proclaims US is endangering peace of world with threat of another terrible war. Opportunity might be utilized emphasize threat comes from USSR, that it extends not only to Western powers, but to India and all Southeast Asia. Communist uprisings Southeast Asia should be mentioned.

However, US policy regarding nationalist movements in Southeast Asian colonial countries is subjected to strong criticism by Indians, who do not understand why, in view our widely proclaimed beliefs in freedom and democracy, we do not lend active support to nationalist movements rather than assisting European powers, namely, French and Dutch, by ERP aid to suppress those movements. Indians are perturbed by Communist uprisings, but believe that basically they stem from suppression and exploitation of masses by European powers and "foreign vested interests".

Belief is widely held here US favors Pakistan over India because US wishes establish bases in Pakistan in event war with USSR. Pertinent comments this subject might be useful.

Nehru probably will wish discuss India's most pressing problem, settlement Kashmir dispute. Belief held in some top GOI military quarters here is that India cannot support war in Kashmir for another winter. Question must be settled before normal relations with Pakistan can be established and normal relations are vital to peace this area and fulfillments objectives US policy.

Sent Department 890; Department pass Paris.

Donovan

501.BC Kashmir/10-1648: Telegram

The Secretary of State to the Acting Secretary of State

TOP SECRET URGENT PARIS, October 16, 1948—10 p. m. Delga 368. For Satterthwaite from Kopper and Parsons.¹ Conversation between Secretary Nehru yesterday lasted over two and half hours. Also present Mme. Pandit, Bajpai.

From outset evident Nehru wished use interview obtain Secretary's

¹ Joseph C. Satterthwaite, Director of the Office of Near Eastern and African Affairs; Samuel K. C. Kopper, United Nations specialist in the Department of State; and presumably James Graham Parsons, First Secretary of Embassy in India.

views world situation and Soviet motives and objectives. He made no proposals, referred only to those aspects US Indian relations mentioned by Secretary and although he made no general statement on basic position India towards USSR or US, it was clear that Nehru recognizes interaction of Soviet policy and world Communism. Tone of meeting was friendly, even cordial, but on Nehru's side, at times guarded and occasionally defensive. It unquestionably afforded three Indians present most illuminating and comprehensive recital of American thought and action on virtually all major international problems of post-war period.

Nehru appeared accept thesis rehabilitation Western Europe important Asia as well as Europe but made no comment on our stated objective preventing further spread police states. Instead he questioned Secretary rather insistently on why Soviets deliberately alienated US public opinion and what were their real objectives. He himself suggested USSR was suspicious of US and after eliciting analysis of warmongering charge, even asked Secretary what he thought of reported advocacy of preventive war by some Americans. Except for evident interest he gave no sign his reaction Secretary's outline importance atomic bomb as deterrent Soviet action.

Nehru spoke at some length on subject Communism in India and Southeast Asia. He developed thesis that British need for popular support when they took India into war led them to support Communists in spite of paradox that Communists condemned war until Soviet entry. British support thus aided Communists to become sizeable group for first time. Then temporary community of interest between nationalists and revolutionary Communists (i.e. to rid India of Britain) aided Communist cause but in general elections Indian voters repudiated Communists because they served Moscow, not India. At present Nehru said government experiencing no difficulty in suppressing Communists in India. Seemingly also he was not deeply concerned re Communists in neighboring areas as he glossed over Burma situation lightly and hazarded view that Indonesia Republic would be able to deal with Communist threat adequately in future. There, he said, situation had been aggravated by Dutch stubbornness and referred to reports of support Dutch received from US, a remark which Secretary later referred to saying we were pressing Dutch most insistently to modify their attitude.

Re Communism, Secretary mentioned dangerous situation Latin America with wealthy crust on top and little else but mass of poor. Nehru seemed to catch parallel with India but preferred dwell on social and economic objectives his Government.

During his initial lengthy review world situation which he said was further complicated by difficult local issues, Secretary referred to Kashmir as one such issue which disturbed US greatly. He expressed hope twice that India and Pakistan would earnestly attempt to settle this matter as quickly as possible. Nehru adverted to this later and after saying that regarding Kashmir he had legitimate grievance, launched into rather gratuitous fifteen minute ex parte review case reminiscent his telegram October 4 to Liaquat. He contrasted nonsecular [secular] Democratic Government of India with theocratic reactionary Pakistan illustrating his argument with accounts of mob action against emancipated Moslems as well as threats to march to Delhi. He asserted without qualification that India had accepted UNCIP resolution whereas Pakistan had rejected it. He insisted Indian Government could not have stayed in office week if it had not flown troops Kashmir year ago defend Indian territory. Later on in conversation he reverted to Kashmir case in more moderate vein and said hoped some solution could be worked out.

There was no reference this connection to London or British Commonwealth. We did not gain impression that Nehru contemplating solution by force but he is clearly convinced righteousness Indian position.

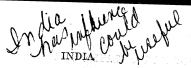
Hyderabad mentioned in passing by Nehru along lines Delga 315, October 13.² He said significant improvement had occurred consequent upon removal of threat to communal relations. When crisis came both religious factions behaved with restraint and consequently both have regained much confidence each other.

Secretary at one time alluded to charges of American imperialism mentioned New Delhi telegram 890, September 29, and later used Latin America again as parallel to point out how under-developed area needing US capital did not offer favorable conditions because of politicians use of imperialist bogey. Secretary pointed out that government loans much more likely to form basis for charge of imperialism than private. Nehru ascribed charges of imperialism to general impression that as consequence Marshall Plan American dominance in foreign field, already very powerful, constantly growing.

During conversation Secretary alluded several times our support UN. In his reply Nehru struck fairly responsive note despite apparent dissatisfaction with UN action in cases of direct interest to India. However, Nehru said India would support UN though it had weaknesses since it was only hope of world and must be supported. Nehru also said he was in full accord in condemning use of deceit and force but that it was also necessary to be firm but generous. He did recognize that, although another war would be horrible in its consequences, a nation could not sacrifice its interest and principles simply because of

² Not printed.

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fear of the horror. If a nation did so it would simply be sacrificing without contest the honor and principles it should have tried to protect. Towards close of talk he stated he well aware of India's responsibility to develop its economy and society and that in working for itself India was working for Asia, especially in view tragic situation in China. He also dwelt on close friendly relations India enjoyed with Burma, Ceylon, Indonesia and way in which these countries sometimes solicited and accepted Indian advice. Perhaps he did this to counter Pakistan charges India was aggressive neighbor.

Despite its general character, we feel conversation was important step in evolution closer, more understanding relationship US and India and that Indians present were impressed with character, sincerity, and purpose US policy. Moreover, Secretary's frankness and time he gave to interview must have been very pleasing. Although Nehru was entertaining British delegation at 7:30, he did not take leave of Secretary till 7:45. [Kopper and Parsons.]

MARSHALL

845.24/2-1148

Memorandum by the Director of the Office of Near Eastern and African Affairs (Satterthwaite) to the Acting Secretary of State

SECRET [WASHINGTON,] November 10, 1948. Request for Approval of Policy Arms Committee's Inter-Subject: pretation of President's Memorandum of March 12, 1948 1

Discussion

Reference is made to NEA's memorandum of February 11 to the Secretary, subject: "Suspension of Export of Arms, Ammunition and Other Military Material to India and Pakistan" (Tab "A"),² the letter of the Secretary dated February 25 to the Secretary of National Defense³ and the reply of the latter dated February 27 (Tab "B"),⁴ and the subsequent memorandum from the Secretary to the President dated March 11, 1948 (Tab "C").

The Governments of Pakistan and India have requested the approval of export licenses covering spare parts for existing military equipment of American origin. Since our policy was designed to prevent any increase in the military potential of either country, NEA and the

¹ The memorandum referred to here is presumably the President's handwritten notation of March 12, 1948 in the margin of the Secretary's memorandum of March 11, p. 496,

² Memorandum by Loy Henderson, not printed.

³Letter transmitting to Forrestal a copy of Henderson's February 11 memorandum to Secretary Marshall, not printed. ⁴ Not printed.

Policy Committee on Arms and Armaments feel that spare equipment parts to maintain existing equipment of American origin clearly could be supplied within the intent of this policy. The Policy Arms Committee and NEA recommend that the policy of temporarily restricting the export of military materials to India and Pakistan in accordance with the memorandum approved by the President on March 12, 1948 be interpreted as not precluding the export to those countries of replacement parts or other items required to maintain their existing defense establishments. . . .

Recommendation

It is recommended that you approve the foregoing interpretation.⁵

⁵ Mr. Lovett initialed this memorandum, presumably approving it. Schenikler and even a service which we want to share of some of some

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845.00/12-2248: Telegram The Ambassador in India (Henderson)¹ to the Secretary of State

SECRET

NEW DELHI, December 22, 1948-8 a.m.

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1108. During talk with Bajpai December 21, I asked regarding GOI reaction events in China. He said that although India did not believe it would be sharply affected in immediate future by Communist victory, it was somewhat concerned at possible ultimate consequences. A Communist China might lead to establishment series of other Communist Asiatic states and to strengthening Communist forces throughout South East Asia. GOI felt that unless there should be considerable deterioration in Indian economic conditions, it could keep Indian Communist movement under control. Plans for Indian economic development were being speeded up in hope of checking inflation and improving living standards.

Both Governor General² and Nehru, in conversations during last few days seemed even less concerned at Chinese developments. Both appeared confident of Communist victory in China but expressed view that a Communist China would not necessarily be dominated by Soviet Union. Governor General went so far as to say that China under Communist control would probably be more Asiatic and anti-Western and might therefore be more cooperative with India than Kuomintang China, which had contrived "to survive so long only because of its support from without".

^a Chakravarti Rajagopalachari, who assumed office June 21, 1948.

¹Loy W. Henderson assumed charge of the Embassy at New Delhi on November 19, 1948, succeeding Henry F. Grady, who had been appointed Ambassador to Greece in June.

INDIA

In general I find a certain smugness in Indian government circles regarding China. There is apparently feeling that China is destined to disappear for some time as a world force leaving India as the foremost Asiatic power, courted on one side by capitalistic powers of the West and on the other by Communist powers of Eastern Europe and Asia. ADE LE LECTÉ ÉDALLAT

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HENDERSON

AFRICA

FRENCH NORTH AFRICA

UNITED STATES POLICY WITH REGARD TO FRENCH NORTH AFRICA

[For documentation on this subject, see volume III, pages 682 ff.] 522

LIBERIA

INTEREST OF THE UNITED STATES IN MAINTAINING LIMITED OPERA-TIONAL CONTROL OVER ROBERTS FIELD

[For documentation on the 1946–49 development of this subject, including the Department of State's concern that discontinuance of maintenance funds by the War Department and suspension of airfield usage by United States airlines would imply a lessening of United States interest in Liberia's welfare and might result in an undesirable transfer of control to another power; and for documentation on the interim measures leading to the agreement by which Pan American World Airways assumed operation of Roberts Field in June 1949, see Department of State file 882.7962.]

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UNION OF SOUTH AFRICA

UNITED STATES RELATIONS WITH THE UNION OF SOUTH AFRICA

711.48a/11-148

Policy Statement of the Department of State

SECRET

[WASHINGTON,] November 1, 1948.

UNION OF SOUTH AFRICA

A. OBJECTIVES

The fundamental objectives of US policy toward the Union of South Africa are: (1) to maintain and develop the friendly relations which exist between the United States and the Union of South Africa; (2) to encourage the maintenance of South African bonds of sympathy with the western powers and continued participation in the United Nations; and (3) to encourage the economic development of South Africa and the growth of its foreign trade in accordance with the principles of the ITO Charter.

B. POLICY ISSUES

Relations between the United States and the Union of South Africa have always been friendly, but under the Smuts regime 1 they were subjected to the over-riding considerations of the Commonwealth and, more particularly, British interests. The new Nationalist Government ² which came to power as a result of the General election in May 1948 has an anti-British orientation which, although it may simplify our relations with South Africa in some respects, will doubtless introduce new factors which are not yet well enough defined to permit the formulation of a detailed US policy.

In view of the pre-eminent position which the Union of South Africa now occupies on the African continent by reason of her relatively large white population, her natural resources, temperate climate and capacity for further industrial development, it is in our interest to encourage South African cooperation with us on matters of mutual concern. Through this cooperation we may be able to discourage

¹ Field Marshal Jan Christiaan Smuts, Prime Minister, Minister of External Affairs, and Minister of Defense until May 28, 1948. ² On June 3 Dr. Daniel François Malan announced the formation of a new

government in which he would serve as Prime Minister and Minister of External Affairs.

South Africa from slipping into the isolationism which the inclination of the present Nationalist Government, coupled with the weakening of Commonwealth ties, might otherwise develop as its national policy.

The imminent resumption of USIE activities in South Africa, after an 18-month suspension, will permit the use of information and educational exchange to help strengthen friendly relations by promoting among South Africans knowledge and understanding of the United States and its people, and by publicizing and explaining those policies and attitudes of the United States which affect South Africa directly or indirectly.

1. Political

The recent general election brought to power a Nationalist Government composed of the Nationalist and Afrikaner parties and representing primarily the Afrikaner element of the population. The new government is narrowly racialist both in its attitude toward the colored problem in South Africa, and also in its identification of the Afrikaner culture with the South African nation. While these racialist ideas, particularly as they relate to the relations between the English speaking and Afrikaans speaking sections of South Africa, may no longer claim the full allegiance of more enlightened Nationalist leaders, the basic strength of the Nationalist Party rests firmly on the reactionary rural areas which for the foreseeable future will continue to regard the English element in South Africa as the enemy of the Afrikaner Volk. The Afrikaner Party, which is generally considered to be more moderate than the Nationalist Party and to offer a possible vehicle for Afrikaner-English political collaboration, is moderate only in its leadership. The rank and file membership of the Afrikaner Party today is made up in large part of members of the extremist nationalist organization, the Ossewabrandwag. The close numerical division of the population of South Africa between Afrikaners and persons of British stock, and the virtual certainty that an effort on the part of the Nationalist Government to fasten an Afrikaner hegemony on the country by undemocratic means would lead to civil strife, provide the most effective check on precipitate action by the new government.

Legislative restrictions in racial matters in South Africa, such as regulations regarding native residence, pass laws, and the color bar in industry, have always been more rigid on the books than in administrative application, and, in fact, in many localities have not been strictly enforced. The present government can be expected to promote a harsher administrative application of existing laws quite apart from any further restrictions which may be instituted.

There are no natives in the House of Assembly or the Senate although they comprise 80% of the population. The sole representation of this large segment of the population is through three European members in the House of Assembly and four in the Senate. The Nationalist Government, however, opposes the continuance of this representation in the House of Assembly and can be expected to take steps to eliminate it as soon as a constitutional formula can be devised for doing so without the necessity of a two-thirds vote of Parliament.

The Indian problem in Natal, which has involved the South African Government in a dispute with India, provides a link between what is a South African internal problem, the question of race relations, and South African foreign policy. The South African Government failed under General Smuts to implement the General Assembly Resolution of December 1946 concerning this dispute, which recorded the opinion that the treatment of the Indians should be in conformity with international obligations under agreements between India and South Africa and under the UN Charter, and requested the two governments to report to the next General Assembly the measures adopted to this effect. The problem was again considered at the 1947 session of the General Assembly with no definitive results. The present government is even more blunt in insisting that the question of the treatment of Indians in South Africa is a matter of domestic sovereignty outside the jurisdiction of the UN. Not only is the Nationalist Government intransigent in its opposition to removing present legislation restricting the residence and ownership of property by the Indians, but it has taken action which further restricts and discriminates against Indians. The Nationalist Government has indicated that it favors repatriation as a solution of the Indian minority problem and has indicated a willingness to discuss the matter with India on this basis. However, this is not acceptable to the Government of India and, in any event, the repatriation of any significant numbers of Indians would be strongly opposed by the South African Indians themselves. The matter is again before the General Assembly, although there is little hope that an early and final solution can be reached.

The US position on this question has consistently been based upon the view that the solution of the Indian problem must lie in an amicable settlement between the parties, and that, in view of certain legal doubts as to the international status of the problem, the question as to whether the treatment of Indians is within the domestic jurisdiction of South Africa should be referred to the International Court of Justice. It is our policy to avoid being drawn directly into discussion of South Africa's racial problems. Nevertheless, whenever our own racial problems are prominently publicized in South Africa the Legation should rebut, through USIE channels or otherwise, the distortions and exaggerations which are often featured in foreign comment on this subject.

South Africa's continued refusal to submit a trusteeship agreement for South-West Africa has also brought her into conflict with the UN. South Africa feels that after faithfully administering the territory for many years the mandate should be terminated and the territory incorporated into the Union. In this connection, the government considers that it has the support of the people of the Union, the white inhabitants of South-West Africa, and a majority of the natives in the territory. Our position is that the Union Government is under a moral but not a legal obligation to submit a trusteeship agreement for South-West Africa. In view of the continued failure of South Africa to submit such an agreement, which has been twice requested by the General Assembly, our policy is to attempt to continue the present status quo in preference to a line of action which might cause the Union Government to cease reporting on or to annex the territory, as it might do if severely criticized. As a matter of tactics, the implementation of this policy requires careful handling-on the one hand to endeavor to moderate the strongly critical tone taken by other delegations, and on the other, to avoid being placed in a position of appearing to defend the Union of South Africa against the majority of the Assembly.

Pan-African aspirations which were voiced by General Smuts during the war years have been played down during the past several years and the emphasis has been placed on closer economic and trade relations with neighboring territories, particularly the Rhodesias. It is too early to determine what expression the new government will give to the idea of Pan-Africanism. The Nationalist Government has already evidenced a sensitivity to developments in neighboring African territories. Examples of this are the hostile reaction of the Nationalist press to suggestions that Great Britain may endeavor to counter-balance the loss of the Indian Army by building up a native force in Africa and the Nationalist desire eventually to acquire the British High Commission territories. In view of the unenlightened Nationalist approach to race problems and the danger which this attitude presents to the future of South Africa itself we should be particularly alert to any manifestation of an expansionist policy by the present South African Government.

2. Economic

South Africa's economic relations with the United States have been characterized by a large and growing volume of trade in which South Africa normally utilizes the output of her gold mines to balance an import surplus in other commodities with this country. In the last eighteen months South Africa has incurred a heavy dollar deficit which has been reflected in a serious depletion of its gold reserves. The deficit has been caused largely by a heavy increase in imports from the dollar area unmatched by a corresponding increase in exports. The factors chiefly responsible for this development are: (1) a large increase in money incomes, due to an excessive growth of bank credit and an abnormal influx of capital from the United Kingdom, which the Union Government has so far failed to offset by strong counter-inflationary measures; (2) the need to replenish depleted inventories and satisfy demands pent up during the war years; (3) an adverse shift in the Union's terms of trade resulting from roughly a doubling of its import prices as against the maintenance of an internationally fixed price for its chief export-gold.

This situation has led to an informal request by South Africa for an Export-Import Bank loan. In submitting this request, the Union Government has indicated that it regards import or exchange restrictions as the chief alternatives to receiving financial assistance from this country.3 While the Department's policy with respect to this problem has not yet been formulated, its preliminary position may be summarized as follows:

(a) No balance-of-payments or stabilization loan should be ex-tended to South Africa unless it is accompanied by thoroughgoing fiscal and monetary measures (including action to eliminate or prevent the resumption of abnormal inward movements of capital) designed to remove inflationary pressures. In accordance with our general policy with respect to non-ERP countries, however, we should not oppose the purchase of dollars by South Africa from the Monetary Fund to the extent of 25% of her quota, or \$25 million.

(b) We wish to encourage the Union's adherence to the multilateral trading principles of the General Agreement on Tariffs and Trade and of the ITO Charter.⁴ Although provision is made in GATT for import restrictions on balance-of-payments grounds, it is not our policy to acquiesce in such restrictions until all alternative measures of correcting the imbalance have been explored. If it should develop that import restrictions cannot be avoided, we should insist upon their conforming to the provisions of GATT and upon South Africa's giving convincing proof that it is taking appropriate internal measures to correct the imbalance in its international accounts.

(c) Our economic development policy toward South Africa should be directed toward promoting the development of her natural resources, especially those which are important to our program for stockpiling strategic materials. We should urge South Africa to endeavor to obtain from private American sources the dollar capital necessary to

⁸ By November it had become apparent that the desired loan from the United States was not readily available. On November 3, the Cabinet considered plans for import control. The following day the Minister of Finance issued a statement explaining the Government's reasons for deciding on such controls, to be imple-mented largely through the rationing of foreign exchange (848A.5151/11-548). ⁴ Documentation on this agreement and the proposed Charter appears in

volume I.

such development. If South Africa should apply to the International Bank for a loan to finance long-term development schemes, we should support the application. We should also support an application for an Export-Import Bank loan if sought for short-term projects of suitable character.

South Africa is faced with transport difficulties, particularly a shortage of freight cars, which adversely affects the movement of strategic materials to this country. We are interested in supporting all practicable measures to alleviate the transport situation, either by the addition of new freight cars, the repair of old ones, or possible improvement in operating efficiency.

To clarify our international, economic and fiscal policies USIE should disseminate information regarding the international economic objectives of the United States, their correlation with ITO and GATT, and especially the operations of ERP as they may affect the economic relations of other regions with western Europe and the United Kingdom. Underlying the presentation of this information should be the general purpose of counteracting charges that the United States is bent on "economic imperialism".

A draft of a treaty of friendship, commerce and navigation was presented by the United States to the Government of the Union of South Africa in April 1948. It is hoped that the Union will be ready to enter into discussions with regard to the treaty in the near future.

C. RELATIONS WITH OTHER STATES

During the general election campaign the Nationalist Party repeatedly stated that the constitutional relationship of South Africa to the British Commonwealth was not an issue, and that no change in the constitutional arrangements would be made without a specific mandate from the electorate. There is no reason to believe that this pledge will be violated. Nevertheless, there is every indication that Commonwealth ties will be weakened in that cooperation on any specific matter will be undertaken only after it has been determined that such cooperation is in the interests of South Africa. This moderate attitude on the part of the Republican-minded Nationalists may be explained in large part in terms of fear of Communist aggression and the dangers which it presents to the maintenance of white supremacy in southern Africa. As a result of recent developments in relations between the Soviet Union and the west the South African military authorities have decided to utilize British instructors in the South African armed forces, to render assistance to the British in the Berlin airlift, and to have the South African navy participate in maneuvers of the British South Atlantic fleet.

After indicating that he would not participate in the Commonwealth Conference of Prime Ministers at London during October, the South African Prime Minister permitted one of his Cabinet Ministers to attend the meetings. It remains to be seen whether the drift away from military collaboration with the United Kingdom, which has been going on since the end of the war and which has been accelerated in recent months, will be reversed or at least checked as a result of the present state of international relations.

Because of her remoteness from the main currents of international politics, South Africa has never been greatly concerned with the development of a well defined foreign policy covering her relations with other states outside the African continent. During the Smuts regime the South African Government displayed a friendly sympathy toward Greece which was largely explained by the personal friendship of General Smuts with members of the Greek royal family. The Smuts Government also appeared more sympathetic than was public opinion toward the rehabilitation of Italy. The Nationalist Government has no reason to share either of these two attitudes.

South Africa opposed the adoption of the General Assembly Resolution of December 12, 1946, concerning Spain, on the grounds that it was an interference in the domestic affairs of the Spanish people. This position has recently been reaffirmed. Its attitude on this question, it should be pointed out, does not represent so much sympathy with the Spanish Government as opposition to what South Africa considers unwarranted interference by the United Nations in domestic affairs.

The South African Government alone among the members of the British Commonwealth failed to recognize the Polish Government when it was constituted at Warsaw. This policy again reflects a personal bias in that it can be explained by the esteem in which representatives of the former Polish Government at London were held by South African officials, including General Smuts. It is unlikely that the present government, which is so outspoken in its opposition to communism, will reverse this policy by according recognition to the Polish Government.

South Africa has become increasingly aware of the dangers which Communist propaganda presents to the maintenance of its social structure based as it is on the dominance of a large colored population by a small white minority. The USSR maintains consulates at Pretoria and Capetown, but the desire of the Soviet Government to exchange diplomatic missions with South Africa was ignored by the Smuts Government and can expect no greater consideration from the present regime. The size of the Soviet representation in South Africa is disproportionately large considering the insignificant volume of trade between the two countries. The Nationalist Party, when in opposition, frequently questioned the government on the number of Russian representatives serving in South Africa and can be expected to oppose any further expansion of personnel or activities. We may count on a sympathetic reception in South Africa of our firm opposition to Soviet expansionism and Communist fifth-columns.

D. POLICY EVALUATION

The role of the native in South Africa is the omnipresent issue involving the major parties and affecting almost every aspect of South African life. The question of race relations was a paramount issue in the recent general election and the effectiveness of the Nationalist appeal to the fears of the electorate demonstrates only too clearly that a substantial section of the white population place their reliance in repression as the answer to the problem which plagues them. South Africa by reason of the resources both human and material which she possesses should have great potentialities for further development. Unless, however, her color policy can be developed on something other than a substratum of fear and hate her progress will be hampered and the development which she has already achieved will be endangered. A practical demonstration of this fact is afforded by the uncertain future of secondary industry. Until such time as the purchasing power of her eight million natives is raised the smallness of her domestic market will make it difficult for South Africa to compete in neighboring African territories with mass produced articles manufactured elsewhere.

The jealous concern of the present Nationalist Government to preserve the culture of the Afrikaner *Volk* has already led to a reversal of the policy of encouraging immigration which was adopted by the previous government. The check on immigration is explained on the ground that the ethnical proportions of the white South African population must not be altered—in other words that the numerical superiority of the Afrikaners might be destroyed by unlimited immigration. These racialist ideas, by denying South Africa the services of artisans and others who would assist in the development of the country, act as a brake on progress.

Our relations with South Africa are friendly both because South Africans in general like Americans and feel a kinship with them and also for the purely negative reason that anti-British feeling can be expressed indirectly by the Nationalist Government through closer ties with the United States. We welcome friendly relations with South Africa because of strategic considerations and also because South Africa represents an increasingly good market for our products. While of course we are not concerned with what alterations may be effected in South Africa's constitutional relations with Great Britain, our interests would not be served by a South Africa withdrawn for all practical purposes from association in the British Commonwealth, particularly if such withdrawal were accompanied by a policy of narrow nationalism and isolation. Our policy should recognize the immaturity and lack of experience in international affairs of many of the leaders and supporters of the present government and should endeavor by the exercise of patience to encourage South Africa to continue her cooperation with other countries, and particularly her participation in the United Nations.

124.48A/11-2448

Memorandum by the Acting Secretary of State to President Truman

WASHINGTON, November 23, 1948.

ション 日本語語語語語語語 日本日本日本 为了这些"我们的"。"我都能够的这个"和这个私人在。

The Legation of the Union of South Africa has informed the Department¹ that the Union Government proposes that the United States Legation at Pretoria and the Legation of the Union of South Africa at Washington be elevated to the status of Embassies if this proposal meets with the approval of the United States Government.

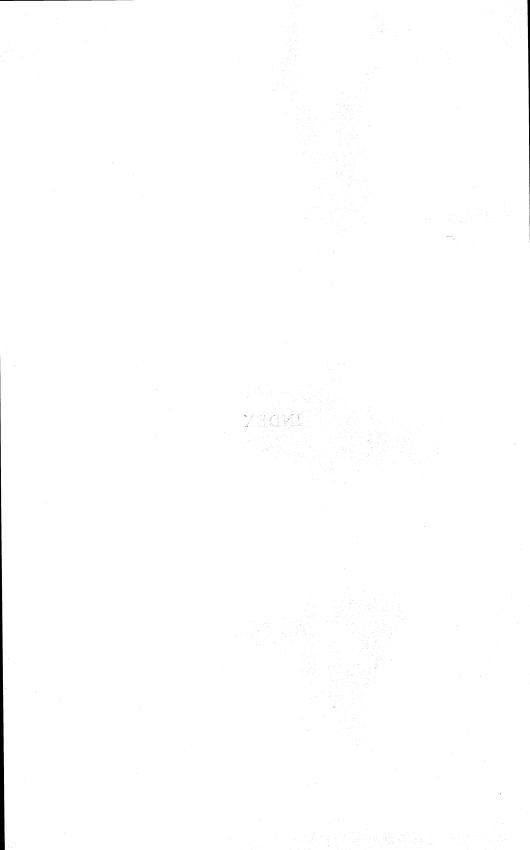
Since we maintain Embassies in the other two of the Southern Dominions, Australia and New Zealand, and considering the friendly relations existing between the United States and the Union of South Africa, I believe it would be appropriate to raise the missions at Pretoria and Washington to Embassy status. If you concur, I will inform the Legation of the Union of South Africa of the United States approval to the Union Government's proposal.²

ROBERT A. LOVETT

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¹ In a note of November 13, not printed. ³ Approved in a marginal notation by President Truman on November 24. On Approved in a marginal notation by Freshent Fruman on Rovember 24. On March 1, 1949, the Senate confirmed the nomination of North Winship as the first American Ambassador to the Union of South Africa. H. T. Andrews, the first Ambassador of the Union of South Africa to the United States, presented first Ambassador of the Union of South Africa to the United States, presented his credentials to President Truman two days later (Department of State Bulletin, March 13, 1949, pp. 332 and 328).

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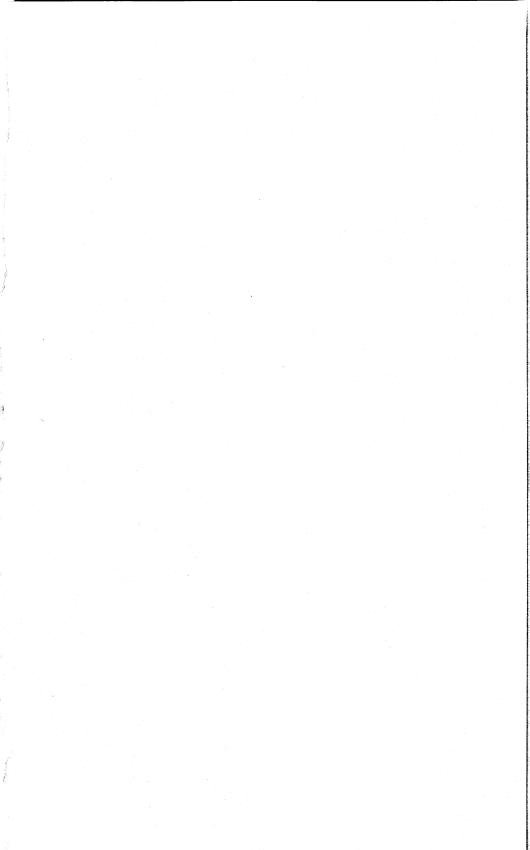
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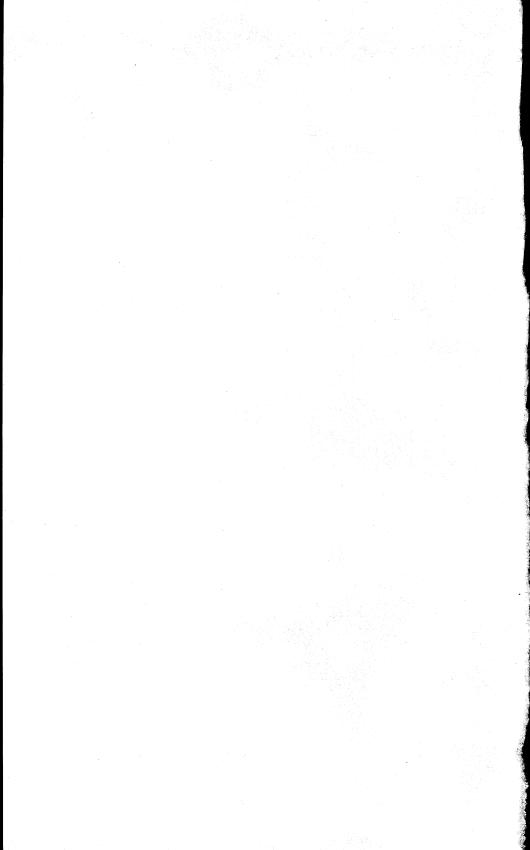
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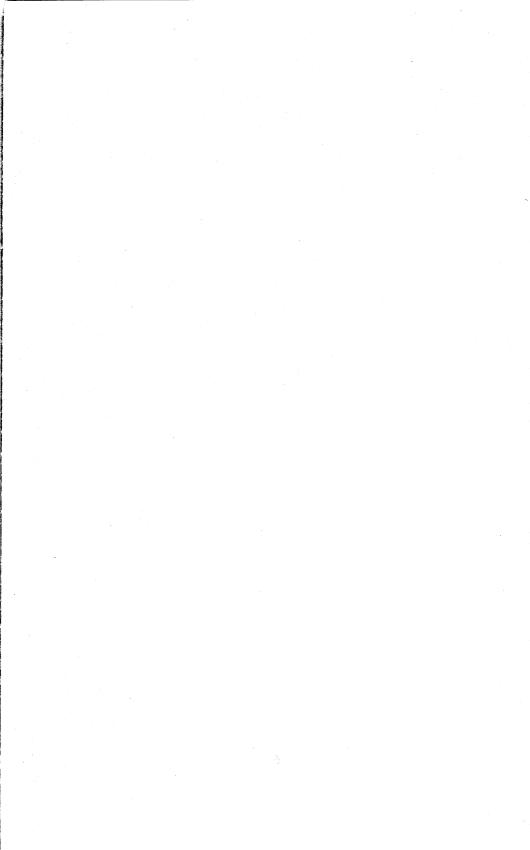
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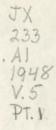
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