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FOREIGN
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STATES

1958-1960

VOLUME XIII

ARAB-ISRAELI
DISPUTE;
UNITED ARAB
REPUBLIC;
NORTH AFRICA

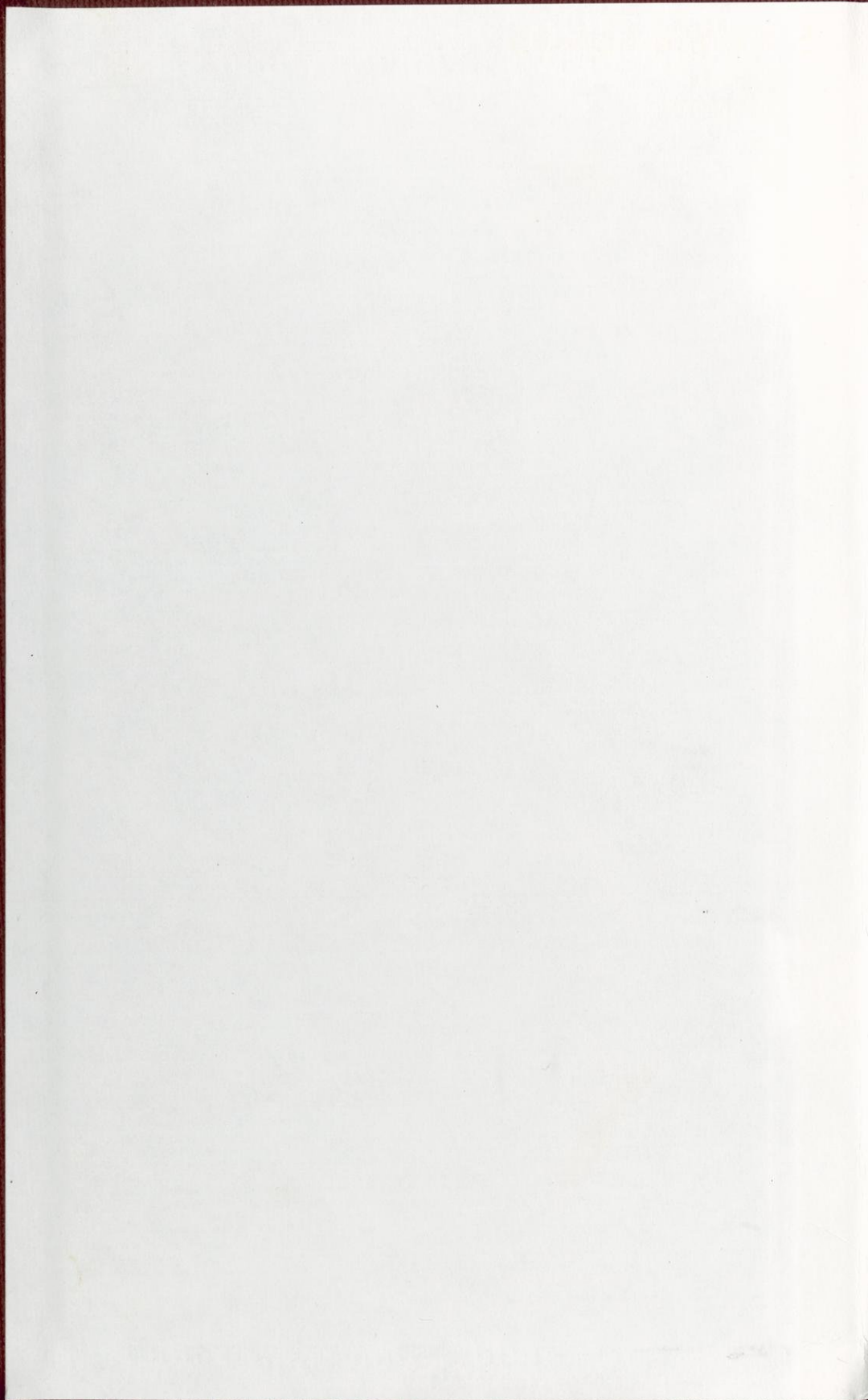


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Foreign Relations of the United States, 1958-1960

Volume XIII

Arab-Israeli Dispute; United Arab Republic; North Africa

Editor in Chief John P. Glennon

Editors Suzanne E. Coffman
Charles S. Sampson

DEPARTMENT OF STATE PUBLICATION 9929

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Washington, D.C. 20402**

Preface

The *Foreign Relations of the United States* series presents the official documentary historical record of major United States foreign policy decisions and significant diplomatic activity of the United States Government, including the facts that contributed to the formulation of policies and the documentation of supporting and alternative views to the policy positions ultimately adopted.

The Historian of the Department of State is responsible for the preparation of the *Foreign Relations* series. The editing of the series in the Office of the Historian, Bureau of Public Affairs, is guided by principles of historical objectivity and accuracy. Documents are not altered or deletions made without indicating where changes have been made. Every effort is made to identify lacunae in the record and to explain why they have occurred. Certain omissions may be necessary to protect national security or to condense the record and avoid needless repetition. The published record, however, omits no facts that were of major importance in reaching a decision, and nothing has been excluded for the purpose of concealing or glossing over a defect in policy.

At the time of the compilation of this volume in 1986, the Department was guided in the preparation of the *Foreign Relations* series by official regulations first promulgated by Secretary of State Frank B. Kellogg on March 26, 1925. A new statutory charter for the preparation of the *Foreign Relations* series was established by Title IV of Public Law 102-138, the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993, which was signed by the President on October 28, 1991. That new charter requires that the *Foreign Relations* series "shall be a thorough, accurate, and reliable documentary record of major United States foreign policy decisions and significant United States diplomatic activity."

Structure and Scope of the Foreign Relations of the United States Series

This volume is part of a comprehensive subseries of volumes that will document the most important issues in the foreign policy of President Dwight D. Eisenhower's administration. The subseries covers the years 1958 through 1960.

Continuing the longstanding tradition of the *Foreign Relations* series and in compliance with the legislation of October 28, 1991, the editors have planned a comprehensive subseries of volumes to record the most important issues of the foreign affairs of the United States during the Eisenhower administration. This volume presents documentation recording important U.S. Government policies toward the Arab-Israeli dispute, the United Arab Republic (which came into being in February 1958 with the merger of Egypt and Syria), and North Africa during the 1958–1960 period. Additional documentation concerning U.S. relations with Israel and the United Arab Republic during the Lebanon crisis is scheduled for publication in Volume XI, Lebanon and Jordan. Documentation on U.S. regional policies is scheduled for publication in Volume XII, Near and Middle East; Iran; Iraq; Gulf States.

In preparing this volume of *Foreign Relations* regarding U.S. policy in the Middle East, the editors have given the highest priority to the inclusion of documents on:

1. U.S. interest in the full range of Arab-Israeli issues, including the quest for peace, the military balance, the Palestinian refugee question, the Arab boycott against Israel, the Jerusalem question, Israeli transit of the Gulf of Aqaba, incidents of violence along Arab-Israeli borders, the Jordan waters question, and the treatment of Jews in Arab countries.

2. Bilateral U.S. relations with Israel, primarily relating to economic and military assistance, which frequently were affected by the conflict between Israel and its Arab neighbors.

3. U.S. relations with the United Arab Republic and particularly with President Abdul Gamal Nasser, and with the issue of economic assistance.

4. U.S. attitudes toward the Algerian insurrection against French colonial rule.

5. Problems arising from Tunisia's relationship with its former colonial ruler, France, and on Tunisia's need for U.S. economic and military assistance.

Sources for the Foreign Relations Series

The longstanding 1925 charter of the *Foreign Relations* series and the law of October 28, 1991, on the series require that the published record reflect all major foreign policy decisions and activities and include necessary documentation from all government agencies and entities involved in foreign policy formulation, execution, or support. The historical records of the Presidents and their national security advisers together with the still larger body of documentation in the Department of State are the principal sources of the *Foreign Relations* series. The National Archives and Records Administration, including the Presidential libraries which it administers, is the main repository and coordinating authority for historical government documentation.

The official documentary record on U.S. foreign affairs available for preparing the published *Foreign Relations* volumes must on occasion be supplemented by information from private collections of papers of historical significance and from interviews with U.S. officials who were involved in the events documented. Interviews by Department historians are conducted in accordance with professional scholarly practices and existing government procedures regarding their preparation and preservation. Oral histories, where already available, are also reviewed and used. Particular sources used in preparing this volume are described in detail in the List of Sources, pages XI–XVII.

Principles of Selection for Foreign Relations, 1958–1960, Volume XIII

The selection of documents in this volume is based on extensive research in the files of the Department of State and the records of the Dwight D. Eisenhower Presidential Library in Abilene, Kansas. A team of historians conducted the initial search of Department of State files in 1981 and 1982.

Documentation from the Eisenhower Library was obtained in the late 1970s. Compilation of the material took place in 1986. In selecting the contents of this volume, the editors sought to include documents that present the major decisions of U.S. foreign policy regarding these countries and issues and major incidents affecting the relationships. Emphasis was given, when available, to the views and positions expressed by President Eisenhower and Secretaries of State John Foster Dulles and Christian A. Herter. Important memoranda prepared by the Bureau of Near Eastern and South Asian Affairs and by the Bureau of African Affairs after its creation on August 20, 1958, that describe explanations of policy options, are also included. Most of the documentation contained in this volume, however, focuses on high-level interchanges between U.S. officials and foreign leaders and their representatives in Washington and on reports and analyses by U.S. officials. The story presented here is basically one of diplomacy and U.S. economic and military assistance, and no effort has been made to examine in depth intelligence questions. The records of the U.S. Department of Defense and of the Central Intelligence Agency were not examined for this volume. Other intelligence records, including documents originated by the Central Intelligence Agency that are to be found among the collections of the Eisenhower Library, were consulted. That research was accomplished with the full cooperation and assistance of the CIA. It did not, however, result in the inclusion in this volume of any key intelligence analyses that contributed to the major political and diplomatic actions.

Completion of the declassification of this volume and the final steps of its preparation for publication coincided with the development of procedures since early 1991 by the Central Intelligence Agency in

cooperation with the Department of State that have expanded access by Department historians to high-level intelligence documents from among those records still in the custody of the Central Intelligence Agency. The Department of State chose not to postpone the publication of this volume to ascertain how such access might affect the scope of available documentation and the changes that might be made in the contents of this particular volume. The Department of State, however, is making good use of these new procedures, which have been arranged by the CIA's History Staff, for the compilation of future volumes in the *Foreign Relations* series.

The declassification review process for the documents originally selected for this volume, outlined in more detail below, resulted in withholding from publication approximately 2.5 percent of the original manuscript. Deletions included materials on such subjects as nuclear issues, intelligence matters, and military base rights. The most frequent form of deletion was to protect the confidentiality of foreign diplomatic sources and the information they provided in confidence to U.S. officials. The remaining documents printed here provide a full account of most of the major foreign policy issues confronting the United States in the region, but do not cover all the significant details relating to these policies or all significant issues originally compiled by the editors.

The editors wish to acknowledge the assistance of officials at the National Archives and Records Administration's Dwight D. Eisenhower Library, in particular David Haight.

Editorial Methodology

The documents are presented chronologically according to Washington time. Incoming telegrams from U.S. missions are placed according to time of receipt in the Department of State, and memoranda of conversations are placed according to the time and date of the conversation.

Editorial treatment of documents published in the *Foreign Relations* series follows Office style guidelines, supplemented by guidance from the Editor in Chief and the chief technical editor. The source text is reproduced as exactly as possible, including marginalia or other notations, which are described in the footnotes. Obvious typographical errors are corrected, but other mistakes and omissions in the source text are corrected by bracketed insertions: a correction is set in italic type; an omission in roman type. Bracketed insertions are also used to indicate text that has been omitted because it deals with an unrelated subject (in roman type) or because it remained classified after the declassification review process (in italic type). The amount of material not declassified has been noted by indicating the number of lines or pages of source text that were omitted. The amount of material omit-

ted because it was unrelated to the subject, however, is not accounted for. All ellipses and brackets that appear in the source text are so identified by footnotes.

The first footnote to each document indicates the document's source, original classification, distribution, and drafting information. The source footnote also provides the background of important documents and policies and indicates whether the President and/or his major policy advisers read it. Every effort has been made to determine if a document has been previously published, and this information has been included in the source footnote.

Editorial notes and additional annotation summarize pertinent material not printed in this volume, indicate the location of additional documentary sources, provide references to important related documents printed in other volumes, describe key events, and summarize and provide citations to public statements that supplement and elucidate the printed documents. Information derived from memoirs and other first-hand accounts have been used when applicable to supplement or explicate the official record.

Declassification Review Procedures

Declassification review of the documents selected for publication was conducted by the Division of Historical Documents Review, Bureau of Diplomatic Security, Department of State. The review was made in accordance with the Freedom of Information Act, the Privacy Act, the criteria established in Executive Order 12356, and the act of October 28, 1991, regarding:

- 1) military plans, weapons, or operations;
- 2) the vulnerabilities or capabilities of systems, installations, projects, or plans relating to the national security;
- 3) foreign government information;
- 4) intelligence activities (including special activities), or intelligence sources or methods;
- 5) foreign relations or foreign activities of the United States;
- 6) scientific, technological, or economic matters relating to national security;
- 7) U.S. Government programs for safeguarding nuclear materials or facilities;
- 8) cryptology; and
- 9) a confidential source.

Declassification decisions entailed concurrence of the appropriate geographic and functional bureaus in the Department of State, other concerned agencies of the U.S. Government, and appropriate foreign governments regarding documents of those governments. The principle guiding declassification review is to release all information, subject only to the current requirements of national security and law.

VIII Preface

Charles S. Sampson compiled and edited the chapters on the Arab-Israeli dispute and the United Arab Republic and Suzanne E. Coffman those on North Africa, under the supervision of former Editor in Chief John P. Glennon. General Editor Glenn W. LaFantasie supervised the final steps in the editorial and publication process. Ms. Coffman and Gabrielle Mallon prepared the lists of sources, abbreviations, and persons. Rita M. Baker and Althea W. Robinson performed the technical editing. Barbara A. Bacon of the Publishing Services Division (Natalie H. Lee, Chief) oversaw production of the volume. Do Mi Stauber prepared the index.

William Z. Slany
The Historian
Bureau of Public Affairs

January 1992

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List of Sources

Unpublished Sources

Department of State

1. *Indexed Central Files.* The main source of documentation for this volume and for other volumes on the Middle East in the 1958-1960 subseries of *Foreign Relations of the United States* was the Department of State's indexed central files. Documents in classes 200 (protection of interests), 400 (trade relations), 500 (cultural relations), 600 (international relations), 700 (internal political and national defense affairs), 800 (internal economic and social affairs), and 900 (communication, transportation, science) were searched for decimal combinations involving all countries in the Middle East (country nos. 74, 80, 83-88, 46c, and 46d). A similar search was conducted for North Africa (nos. 51s and 70-73). Files covering the Middle Eastern and North African relationships of the United States (no. 11), the United Kingdom (no. 41), and France (no. 51) were also examined.

Other files and related subfiles searched for relevant materials include 033 (official visits); 110.11 through 110.17 (Department of State senior officials files); 123 (Department of State personnel files); various files in class 300 (international organizations and conferences); and 601 (diplomatic representation). Other documents were located through pursuing cross-references and referenced telegrams.

Documentation on the major and some of the minor themes covered in this volume are located in the following files:

Arab-Israeli Dispute and United Arab Republic

- 033.1100-FU: Senator Fulbright's visits to the region
- 033.84A11: Prime Minister Ben Gurion's visit to Washington
- 103-XMB and 884A.10: Export-Import Bank loan to Israel
- 110.15-RO: Assistant Secretary Rountree's visit to the region
- 320.511: Palestinian refugees and UNRWA
- 611.84 and 784.00: U.S. Jerusalem policy and the situation in the city
- 611.84A and 611.86B: U.S. policy and relations regarding Israel and the United Arab Republic, respectively
- 684A.85, 684A.86, 684A.86B: Israel's dispute with Jordan, the Arabs in general, and the United Arab Republic, respectively
- 684A.85322: Jordan water question (diversion of international waters between Israel and Jordan)
- 686B.87: Egyptian-Iraqi relations
- 780.00: General political conditions in the Middle East
- 784A.5411: Overflights of Israeli territory during Lebanon crisis
- 784A.5, 784A.56, 784A.5-MSP: Israeli national defense, military assistance and supply for Israel
- 786B.11: President of the United Arab Republic, Nasser

XII List of Sources

786B.5, 786B.56, 786B.5-MSP: UAR National Defense, military assistance for the United Arab Republic
811.0086B: U.S. economic assistance for the United Arab Republic
884A.1866: Immigration to Israel
884A.1901: Atomic energy for peaceful purposes in Israel
884A.424: Israeli Tenth Anniversary parade in Jerusalem
886B.2321: Egyptian cotton
886B.2614: Aswan Dam
980.74: Gulf of Aqaba
986B.7301: Suez Canal

North Africa

110.11-DU: Secretary of State John Foster Dulles, correspondence, travel, conversations
110.11-HE: Secretary of State Christian A. Herter, correspondence, travel, conversations
110.12-MU: Under Secretary of State Robert Murphy, correspondence, travel, conversations
320: U.N. General Assembly
611.51, 611.71, 611.72, 611.73, and subfiles: U.S. relations with France, Morocco, Tunisia, and Libya, respectively
651.51S, 651.71, and 651.72: French relations with Algeria, Morocco, and Tunisia, respectively
671.00: General Moroccan international relations
672.00: General Tunisian international relations
711.11-EI: President Dwight D. Eisenhower
711.56371, 711.56373: U.S. military bases in Morocco and Libya, respectively
751.11: French President Charles de Gaulle
751S.00: General political conditions in Algeria
770A.00 and subfiles: General political and military conditions in the Mediterranean
771.5-MSP, 771.5622, 771.56311: Military assistance for Morocco, U.S. bases in Morocco
772.00: General political conditions in Tunisia
772.11: Tunisian President Habib Bourguiba
772.5, 772.5-MSP, 772.56: Tunisian national defense, military assistance for Tunisia
773.5, 773.5-MSP, 773.56: Libyan national defense, military assistance for Libya, U.S. bases in Libya

2. *Lot Files.* Documents from the central files have been supplemented by lot files of the Department, which are decentralized files created by operating areas. A list of the lot files used in or consulted for this volume follows:

AF/AFI Files: Lot 62 D 406

Political/military files for 1951-1960, maintained by the Politico-Military Adviser of the Office of African Affairs, later the Bureau of African Affairs.

AF/AFN Files: Lot 63 D 250

Subject files on Morocco for the years 1956-1962, maintained by the Office of Northern African Affairs of the Bureau of Near Eastern, South Asian, and African Affairs (Bureau of African Affairs as of August 20, 1958).

AF/AFN Files: Lot 63 D 304

Subject files on Tunisia for the years 1956-1962, maintained by the Office of Northern African Affairs of the Bureau of Near Eastern, South Asian, and African Affairs (Bureau of African Affairs as of August 20, 1958).

AF/AFN Files: Lot 65 D 182

Algerian Desk and Algerian Regional Files for the years 1959–1962, maintained by the Office of Northern African Affairs of the Bureau of Near Eastern, South Asian, and African Affairs (Bureau of African Affairs as of August 20, 1958).

AFN Files: Lot 65 D 178

Economic files for North Africa (Algeria, Ethiopia, Libya, Somali, Sudan, Mauritania, Morocco, and Tunisia) for the years 1958–1961, maintained by the Office of Northern African Affairs of the Bureau of Near Eastern, South Asian, and African Affairs (Bureau of African Affairs as of August 20, 1958).

Conference Files: Lots 63 D 123; 64 D 559; 64 D 560

See entry under Washington National Records Center.

EUR/RPM Files: Lot 64 D 444

Collection of documentation on NATO and NATO countries for the years 1950–1961, maintained by the Office of Atlantic Political and Military Affairs, Bureau of European Affairs. Subjects covered include political, economic, visits, civil emergency planning, command, mutual weapons development program, weapons production program, offshore procurement program, atomic stockpile, defense, air defense, contingency planning, and logistics.

INR Files: Lot 58 D 776

Top Secret/Noform Intelligence files for the years 1945–1957, maintained by the Bureau of Intelligence and Research. Consolidated with Lots 58 D 500, 58 D 159, 60 D 644, 61 D 167, and 62 D 42.

INR–NIE Files

Files retained by the Bureau of Intelligence and Research containing copies of National Intelligence Estimates and Special National Intelligence Estimates, including NIEs and SNIEs for the 1958–1960 period.

IO Files: Lot 65 D 30

Miscellaneous information telegrams, memoranda, and general non-policy correspondence for the years 1957–1960, as well as some papers dating back to 1947, maintained by the Bureau of International Organization Affairs.

IO Files: Lot 71 D 440

Master files of classified records and correspondence of U.S. delegations to sessions of the U.N. General Assembly for the years 1945–1965, maintained by the Bureau of International Organization Affairs.

IO/UNP Files: Lot 72 D 294

Documentation on the U.N. Palestine Conciliation Commission for the years 1950–1967, maintained by the Office of United Nations Political and Military Affairs, Bureau of International Organization Affairs.

IO/UNP Files: Lot 79 D 215

Files maintained by the Office of United Nations Political Affairs, Bureau of International Organization Affairs, for the years 1947–1975.

XIV List of Sources

NEA Files: Lot 59 D 582

Files on Lebanon and Israel for the years 1953–1958, including reports, memoranda, and correspondence, maintained by the Division of Israel–Lebanon Affairs of the Office of Near Eastern Affairs, Bureau of Near Eastern, South Asian, and African Affairs (Bureau of Near Eastern and South Asian Affairs as of August 20, 1958).

NEA Files: Lot 60 D 580

Material on Israel, Lebanon, Jerusalem, and the Middle East for the year 1958, with some material dating from April 1950, maintained by the Division of Israel–Lebanon Affairs, Bureau of Near Eastern, South Asian, and African Affairs (Bureau of Near Eastern and South Asian Affairs as of August 20, 1958).

NEA Files: Lot 61 D 43

Geographic files for Near Eastern countries and chronological files, including correspondence and memoranda of all types, pertaining to the Near East area for 1959, maintained by the Bureau of Near Eastern and South Asian Affairs.

NEA Files: Lot 62 D 25

Miscellaneous subject files pertaining to Iraq for the years 1958–1960 and miscellaneous subject files pertaining to Jordan for the years 1959–1960, maintained by the Iraq–Jordan Desk of the Bureau of Near Eastern, South Asian, and African Affairs (Bureau of Near Eastern and South Asian Affairs as of August 20, 1958).

NEA Files: Lot 62 D 435

Geographic files for Near Eastern countries and chronological files, including correspondence and memoranda of all types, pertaining to Near East area for 1960, maintained by the Bureau of Near Eastern and South Asian Affairs.

NEA Files: Lot 63 D 52

Miscellaneous subject files pertaining to Lebanon, Israel, and the Middle East for the years 1958–1961, maintained by the Lebanon–Israel Desk of the Bureau of Near Eastern and South Asian Affairs.

NEA Files: Lot 70 D 66

UNRWA records for the years 1957–1963 and 1965–1966 and records pertaining to Jordan Waters for 1964, maintained by the Office of Israel and Arab-Israel Affairs, Bureau of Near Eastern, South Asian, and African Affairs (Bureau of Near Eastern and South Asian Affairs as of August 20, 1958).

NEA Files: Lot 70 D 304

Documentation on the Banat Yaacov Dispute (Jordan Waters) for the years 1953–1954; Jordan Waters files, 1963–1966; miscellaneous files from the early 1960s, including those pertaining to the Arlie House Talks, Komer–Eshkol, Komer–Harriman Mission, and Near East Arms; POL files, 1966; POL 23 through POL 32–5 files, 1967; Briefing Papers, 1967; and Arab-Israeli War Briefing Papers (Department of Defense), maintained by the Office of Israel and Arab-Israel Affairs, Bureau of Near Eastern, South Asian, and African Affairs (Bureau of Near Eastern and South Asian Affairs as of August 20, 1958).

NEA/IAI Files: Lot 70 D 229

Political and refugee files on the Middle East for the years 1950–1964, maintained by the Office of Israel and Arab-Israel Affairs, Bureau of Near Eastern, South Asian, and African Affairs (Bureau of Near Eastern and South Asian Affairs as of August 20, 1958).

NEA/IAI Files: Lot 70 D 254

Documentation on the Eric Johnston Mission and the Jordan Valley Waters for the years 1945–1963 (Yarmuk Project), maintained by the Office of Israel and Arab-Israel Affairs, Bureau of Near Eastern, South Asian, and African Affairs (Bureau of Near Eastern and South Asian Affairs as of August 20, 1958).

NEA/NE Files: Lot 61 D 59

Miscellaneous files for the years 1953–1960, including documentation on Syria, Egypt, and the United Arab Republic, maintained by the UAR Desk of the Office of Near Eastern Affairs, Bureau of Near Eastern, South Asian, and African Affairs (Bureau of Near Eastern and South Asian Affairs as of August 20, 1958).

NEA/NE Files: Lot 63 D 59

Files pertaining to Saudi Arabia and the entire Arabian Peninsula for the year 1960, maintained by the Office of Near Eastern Affairs, Bureau of Near Eastern and South Asian Affairs.

NEA/NE Files: Lot 65 D 5

Documentation, including telegrams, airgrams, memoranda, memoranda of conversation, FBIS items, and letters, pertaining to Lebanon, Israel, and the Near East, maintained by the Division of Lebanon-Israel Affairs, Office of Near Eastern Affairs, Bureau of Near Eastern and South Asian Affairs.

OCB Files: Lot 61 D 385

Master set of the administrative and country files of the Operations Coordinating Board for the years 1953–1960, maintained in the Operations Staff.

OCB Files: Lot 62 D 430

Master files of the Operation Coordinating Board for the years 1953–1960, maintained by the Executive Secretariat.

PPS Files: Lot 67 D 548

Subject files, country files, chronological files, documents, drafts, and related correspondence of the Policy Planning Staff for the years 1957–1961.

Presidential Correspondence: Lot 64 D 174

Exchanges of correspondence between President Eisenhower and heads of foreign governments, excluding the United Kingdom, France, Germany, and the USSR, for the years 1953–1960, as maintained by the Executive Secretariat.

Presidential Correspondence: Lot 66 D 204

Exchanges of correspondence between the President and the heads of foreign governments for the years 1953–1964, maintained by the Executive Secretariat.

XVI List of Sources

Secretary's Memoranda of Conversation: Lot 64 D 199

Chronological collections of the Secretary of State's memoranda of conversation and the Under Secretary of State's memoranda of conversation for the years 1953-1960, maintained by the Executive Secretariat.

Secretary's Staff Meetings: Lot 63 D 75

Chronological collections of the minutes of the Secretary of State's Staff Meetings during the years 1952-1960, maintained by the Executive Secretariat.

S/P-NSC Files: Lot 62 D 1

Serial and subject master file of National Security Council documents and correspondence for the years 1948-1961, maintained by the Policy Planning Staff.

S/S-NSC Files: Lot 63 D 351

Serial master file of National Security Council documents and correspondence and related Department of State memoranda for the years 1947-1961, maintained by the Executive Secretariat.

S/S-NSC (Miscellaneous) Files: Lot 66 D 95

Administrative and miscellaneous National Security Council documentation, including Records of Action, for the years 1947-1963, maintained by the Executive Secretariat.

State-JCS Meetings: Lot 61 D 417

Top Secret records of meetings between representatives of the Department of State and the Joint Chiefs of Staff for the years 1951-1959 and selected problem files on the Middle East for the years 1954-1956, maintained by the Executive Secretariat.

State-JCS Meetings: Lot 70 D 328

Top Secret records of meetings between representatives of the Department of State and the Joint Chiefs of Staff for the years 1959-1963, maintained by the Executive Secretariat.

Dwight D. Eisenhower Library, Abilene, Kansas

Dulles Papers

Records of John Foster Dulles, 1952-1959, including General Memoranda of Conversation, Meetings with the President, General Telephone Conversations, and White House Telephone Conversations.

Herter Papers

Papers of Christian A. Herter, 1957-1961. Herter was Under Secretary of State, 1957-1959, and Secretary of State, 1959-1961.

President's Daily Appointments

From White House Office Files, Records of the Office of the Special Assistant for Executive Appointments, 1952-1961.

Staff Secretary Records

Records of the Office of the White House Staff Secretary, 1952-1961, including records of Paul T. Carroll, Andrew J. Goodpaster, L. Arthur Minnich, Jr., and Christopher H. Russell.

White House Central Files

Records of Dwight D. Eisenhower as President, 1953–1961. Documents cited in this volume are from the Confidential File within this collection.

White House Office Files

Several White House office collections, including files of the Office of the Staff Secretary, and Project Clean Up.

Whitman File

Papers of Dwight D. Eisenhower as President of the United States, 1953–1961, maintained by his personal Secretary, Ann Whitman. The Whitman File includes the following elements: Name series, Dulles–Herter series, Eisenhower Diaries, Ann Whitman (ACW) Diaries, National Security Council Records, Miscellaneous Records, Cabinet Papers, Legislative Meetings, International Meetings, Administrative series, and International File.

Washington National Records Center, Suitland, Maryland

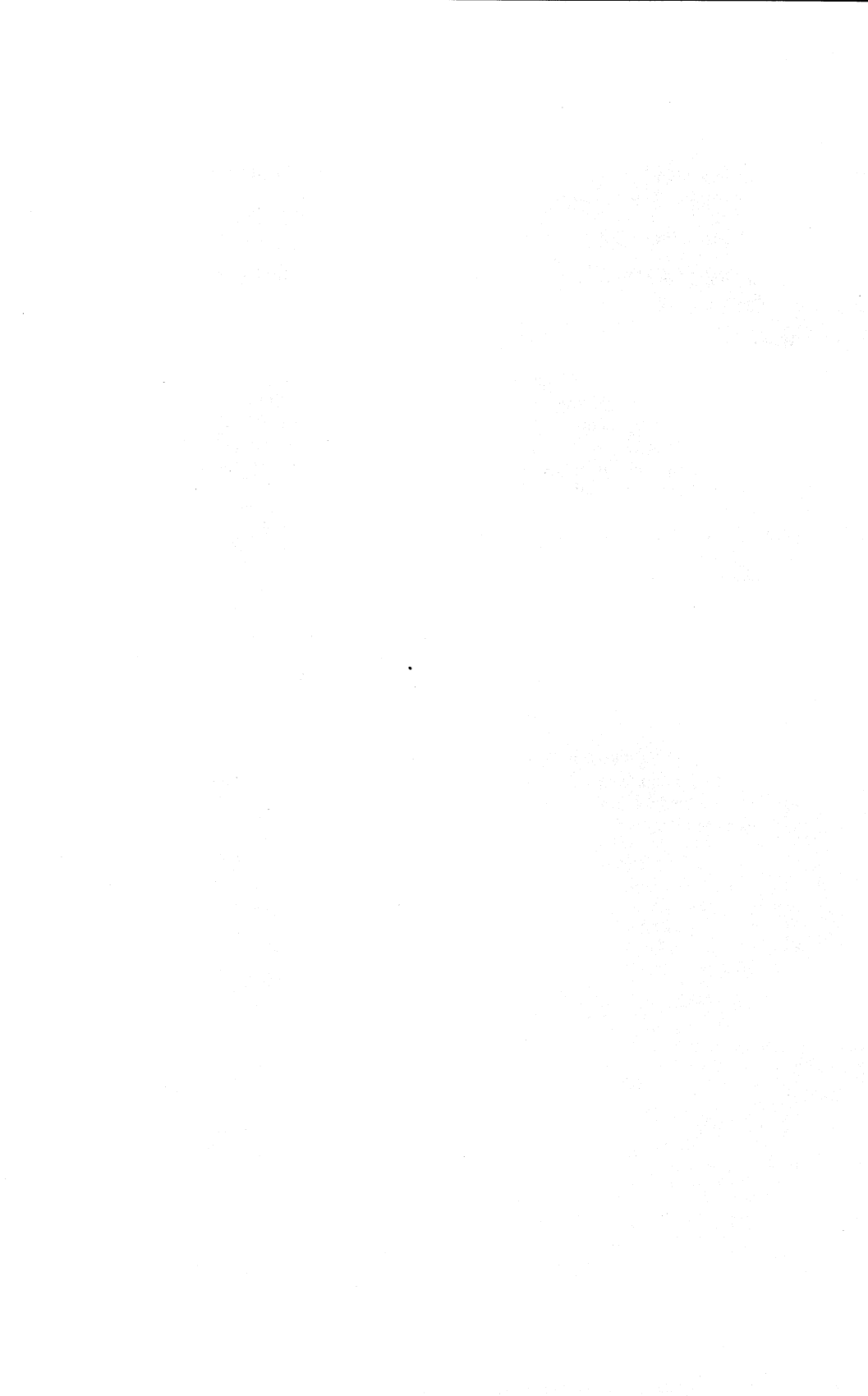
RG 59, Conference Files: FRC 83–0067

Lot File 63 D 123: Collection of documentation on official visits by heads of government and foreign ministers to the United States and on major international conferences attended by the Secretary of State for the years 1955–1958, as maintained by the Executive Secretariat of the Department of State.

RG 59, Conference Files: FRC 83–0068

Lot 64 D 559: Collection of documentation of official visits by heads of government and foreign ministers to the United States and on major international conferences attended by the Secretary of State for the year 1960, maintained by the Executive Secretariat of the Department of State.

Lot 64 D 560: Collection of documentation of official visits by heads of government and foreign ministers to the United States and on major international conferences attended by the Secretary of State for the year 1959, maintained by the Executive Secretariat of the Department of State.



List of Abbreviations

- AA**, anti-aircraft
AAPC, All-African People's Conference
AF, Deputy Assistant Secretary of State for African Affairs, Bureau of Near Eastern, South Asian, and African Affairs until August 20, 1958; thereafter Bureau of African Affairs, Department of State
AF/AFI, Office of Inter-African Affairs, Bureau of African Affairs, Department of State
AFL-CIO, American Federation of Labor-Congress of Industrial Organizations
AFME, American Friends of the Middle East
AL, Arab League
ALN, Algerian Army of Liberation
ammo, ammunition
AOL, Army of Liberation
ASAF, Asia-Africa
ASD/ISA, Assistant Secretary of Defense for International Security Affairs
ASRP, Arab Socialist Resurrectionist Party
ASW, anti-submarine warfare
AU, Arab Union
BG, B-G, Ben Gurion
BNA, Office of British Commonwealth and Northern European Affairs, Bureau of European Affairs, Department of State
BP, Baghdad Pact
C, Counselor of the Department of State
CARE, Committee for American Relief for Europe
ChiCom, Chinese Communist
CIA, Central Intelligence Agency
CINCEUR, Commander in Chief, Europe
CINCNELM, Commander in Chief, Eastern Atlantic, and Mediterranean
CINCUSAFE, Commander in Chief, United States Air Force Europe
COMSIXFLT, Commander, Sixth Fleet
CNO, Chief of Naval Operations
Contel, Consulate telegram
CP, Communist Party
DA, development assistance
DCM, Deputy Chief of Mission
del, delegation
Delga, series indicator for telegrams from the Delegation at the United General Assembly
Depcirtel, Department of State circular telegram
Dept, Department
Depreftel, Department of State reference telegram
Deptel, Department of State telegram
DLF, Development Loan Fund
DMZ, DZ, D/Z, demilitarized zone
DOD, Department of Defense
DP, displaced person
E, Bureau of Economic Affairs, Department of State
EARIS, Egyptian-American Rural Improvement Service
ED, Economic Development Division, Office of International Financial and Development Affairs, Bureau of Economic Affairs, Department of State
EE, Office of Eastern European Affairs, Bureau of European Affairs, Department of State
Embtel, Embassy telegram
ETA, estimated time of arrival
EUCOM, European Command
EUR, Bureau of European Affairs, Department of State
EUR/RPM, Office of Regional Political and Military Affairs, Bureau of European Affairs, Department of State
FAO, United Nations Food and Agriculture Organization
FBIS, Foreign Broadcast Information Service
FedRep, Federal Republic of Germany
FLN, *Fédération de Libération Nationale*; *Front de Libération Nationale*

XX List of Abbreviations

- FMR/ISA**, Foreign Military Rights Affairs, Office of the Assistant Secretary of Defense for International Security Affairs
- FN**, International Finance Division, Office of International Financial and Development Affairs, Bureau of Economic Affairs, Department of State
- FonMin**, Foreign Minister; Foreign Ministry
- FonOff**, Foreign Office
- FSO**, Foreign Service officer
- FY**, fiscal year
- FYI**, for your information
- G**, Office of the Deputy Under Secretary of State for Political Affairs
- GA**, United Nations General Assembly
- GAA**, General armistice agreement
- Gadel**, series indicator for telegrams to the Delegation at the United Nations General Assembly
- GADel**, Delegation at the United Nations General Assembly
- GATT**, General Agreement on Tariffs and Trade
- GNP**, gross national product
- GOE**, Government of Egypt
- GOF**, Government of France
- GOI**, Government of Iraq; Government of Israel
- GOJ**, Government of Jordan
- GOL**, Government of Lebanon
- GOM**, Government of Morocco
- GOS**, Government of Spain; Government of Syria
- GOT**, Government of Tunisia; Government of Turkey
- govt**, government
- GTI**, Office of Greek, Turkish, and Iranian Affairs, Bureau of Near Eastern and South Asian Affairs, Department of State
- H**, Assistant Secretary of State for Congressional Relations
- HKJ**, Hashemite Kingdom of Jordan
- IBRD**, International Bank for Reconstruction and Development
- ICA**, International Cooperation Administration
- Icato**, series indicator for telegrams from the International Cooperation Administration to its missions abroad
- IDBI**, International Development Bank for Israel
- IDF**, Israel Defense Force
- INR**, Bureau of Intelligence and Research, Department of State
- IO**, Bureau of International Organization Affairs, Department of State
- I/S MAC**, Israel/Syria Mixed Armistice Commission
- JCS**, Joint Chiefs of Staff
- JCSM**, Joint Chiefs of Staff Memorandum
- LE**, Egyptian pounds
- L/EUR**, Assistant Legal Adviser for European Affairs, Department of State
- L/NEA**, Assistant Legal Adviser for Near Eastern, South Asian, and African Affairs, Department of State
- LS**, Syrian pounds
- L/SFP**, Assistant Legal Adviser for Special Functional Problems, Department of State
- M**, Office of the Under Secretary of State for Political Affairs
- MAC**, Mixed Armistice Commission
- MAAG**, Military Assistance Advisory Group
- MAP**, Military Assistance Program
- MATS**, Military Air Transport Service
- MC**, memorandum of conversation; Office of Munitions Control, Department of State
- MCM**, metric cubic meter
- ME**, Middle East
- mm**, millimeter
- MRP**, *Mouvement Républicain Populaire* (Popular Republican Movement)
- MSP**, Mutual Security Program
- NATO**, North Atlantic Treaty Organization
- NE**, Near East; Office of Near Eastern Affairs, Bureau of Near Eastern, South Asian, and African Affairs (Bureau of Near Eastern and South Asian Affairs as of August 20, 1958), Department of State
- NEA**, Bureau of Near Eastern, South Asian, and African Affairs, Department of State, until August 20, 1958; thereafter Bureau of Near Eastern and South Asian Affairs
- NEA/AF**, Office of the Deputy Assistant Secretary of State for African Affairs, Bureau of Near Eastern, South Asian, and African Affairs (Bureau of Near Eastern and South Asian Affairs as of August 20, 1958), Department of State

- NEA/P**, Public Affairs Adviser, Bureau of Near Eastern, South Asian, and African Affairs (Bureau of Near Eastern and South Asian Affairs as of August 20, 1958), Department of State
- negots**, negotiations
- NESA/ISA**, Near East, South Asia, and Africa, Office of the Assistant Secretary of Defense for International Security Affairs
- Niact**, night action, communications indicator requiring attention by the recipient at any hour of the day or night
- Noform**, no foreign nationals
- NR**, Office of Near Eastern and South Asian Regional Affairs, Bureau of Near Eastern, South Asian, and African Affairs (Bureau of Near Eastern and South Asian Affairs as of August 20, 1958), Department of State
- NSC**, National Security Council
- O**, Assistant Secretary of State for Administration
- OASD/ISA**, Office of the Assistant Secretary of Defense for International Security Affairs
- OCB**, Operations Coordinating Board
- OCDM**, Office of Civilian and Defense Mobilization
- OEEC**, Organization for European Economic Cooperation
- OES**, Office of International Economic and Social Affairs, Bureau of International Organization Affairs, Department of State
- OIA**, Office of International Administration, Bureau of International Organization Affairs, Department of State
- ORM**, Office of Refugee and Migration Affairs, Bureau of Security and Consular Affairs, Department of State
- OSD**, Office of the Secretary of Defense
- OSP**, off-shore procurement
- ourtel**, our telegram
- PAG**, Provisional Algerian Government
- PCC**, Palestine Conciliation Commission
- PGAR**, Provisional Government of the Algerian Republic
- P.L.**, Public Law
- PM**, Prime Minister
- Polto**, series indicator for telegrams from the Office of the United States Permanent Representative to the North Atlantic Council
- PPS**, Policy Planning Staff, Department of State
- reftel**, reference telegram
- res**, resolution
- RMA**, Royal Moroccan Army
- S**, Office of the Secretary of State
- S/P**, Bureau of Policy Planning, Department of State
- S/S**, Executive Secretariat, Department of State
- SA**, Special Assistance
- SAC**, Strategic Air Command
- SC**, Security Council
- SCA**, Bureau of Security and Consular Affairs, Department of State
- SEATO**, Southeast Asia Treaty Organization
- SecDel**, Secretary of State's delegation
- Secto**, series indicator for telegrams from the Secretary of State or his delegation at international conferences to the Department of State
- SPC**, Special Political Committee
- Stat.**, United States Statutes at Large
- SYG**, Secretary-General
- TC**, technical cooperation
- TIAS**, Treaties and Other International Agreements Series
- Toica**, series indicator for telegrams to the International Cooperation Administration from its missions abroad
- Tosec**, series indicator for telegrams from the Department of State to the Secretary of State or his delegation at international conferences
- Tun**, Tunisian
- U**, Office of the Under Secretary of State
- UAR**, United Arab Republic
- UKDeI**, United Kingdom delegation
- U/MSc**, Deputy Coordinator of the Mutual Security Program, Department of State
- UN**, United Nations
- UNEF**, United Nations Emergency Force
- UNGA**, United Nations General Assembly
- UNHCR**, United Nations High Commissioner for Refugees
- UNICEF**, United Nations International Children's Fund
- UNP**, Office of United Nations Political and Security Affairs, Bureau of International Organization Affairs, Department of State

XXII List of Abbreviations

- UNRWA**, United Nations Relief and Works Agency for Palestinian Refugees
UNSC, United Nations Security Council
UNSYG, United Nations Secretary-General
UNTSO, United Nations Truce Supervision Organization in Palestine
UP, United Press
urtel, your telegram
USAF, United States Air Force
USCINCEUR, Commander in Chief, Europe
USDel, United States Delegation
USG, United States Government
USGADel, United States General Assembly Delegation
USIA, United States Information Agency
USIS, United States Information Service
USMC, United States Marine Corps
USOM, United States Operations Mission
USRep, United States Representative
USSR, Union of Soviet Socialist Republics
UST, United States Treaties and Other International Agreements
USUN, United States Mission at the United Nations
VOA, Voice of America
W, Under Secretary of State for Economic Affairs
W/MSC, Special Assistant for Mutual Security Coordination, Department of State
WE, Office of Western European Affairs, Bureau of European Affairs, Department of State
WHO, World Health Organization

List of Persons

Editor's Note: This list provides identification of those persons mentioned most frequently in the volume. The list generally covers only the years 1958–1960. All titles and positions are American unless otherwise indicated. Where no dates are given, the person usually held the position throughout the period. In some cases, it has not been possible to determine all positions held.

- Abbas, Ferhat**, Prime Minister of the Provisional Government of the Algerian Republic from September 1958
- Allen, George V.**, Director, United States Information Agency
- Alphand, Hervé**, French Ambassador to the United States
- Amanrich, Gérard**, Chief of Staff to Prime Minister Debré from January 1959; also diplomatic adviser to Prime Minister Debré from July 1959
- Anderson, Robert B.**, Secretary of the Treasury
- Anschuetz, Norbert L.**, Consul in the Embassy in the United Arab Republic, February 1958–March 1960; thereafter Consul General
- Balafrej, Ahmed**, Moroccan Foreign Minister until April 1958; Prime Minister and Foreign Minister, May–November 1958
- Barco, James W.**, Counselor of the Mission at the United Nations
- Barnes, Robert G.**, Special Assistant for Mutual Security Affairs, Department of State, until March 1958; Special Assistant for Mutual Security Coordination, March–December 1958
- Baxter, William O.**, Counselor of the Embassy in Israel, until October 1959; thereafter Office of the Deputy Coordinator for Mutual Security Affairs, Department of State
- Becker, Loftus**, Legal Adviser of the Department of State until August 1959
- Beeley, Harold**, Assistant Under Secretary of State, British Foreign Office, until June 1958; thereafter Deputy Representative at the United Nations; also British member, U.S.–U.K. good offices mission to Tunisia and France
- Bell, John O.**, Special Assistant for Mutual Security Coordination, Department of State, from December 1958
- Ben Aboud, El-Mehdi**, Moroccan Ambassador to the United States
- Ben Gurion, David**, Israeli Prime Minister and Defense Minister
- Bérard, Armand**, French Representative at the United Nations from June 1959
- Berding, Andrew H.**, Assistant Secretary of State for Public Affairs
- Bergus, Donald C.**, Officer in Charge of Israel–Jordan Affairs, Department of State, until August 1958
- Berry, J. Lampton**, Deputy Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Near Eastern and South Asian Affairs as of August 1958) until October 1958
- Bitar, Salah**, Syrian Foreign Minister until February 1958; United Arab Republic Minister for Arab Affairs, March–October 1958; Minister for Culture and National Guidance, October 1958–December 1959
- Black, Eugene**, President of the International Bank for Reconstruction and Development
- Boggs, Marion W.**, Deputy Executive Secretary of the National Security Council from 1959
- Bohlen, Charles E.**, Special Assistant to the Secretary of State from December 1959

XXIV List of Persons

- Bourguiba, Habib**, President of Tunisia
- Bovey, John A., Jr.**, Deputy Director, Office of Northern Africa Affairs, Bureau of Near Eastern, South Asian, and African Affairs (Bureau of African Affairs as of August 1958), Department of State, until August 1959
- Brewer, William D.**, Officer in Charge of United Arab Republic–Sudan Affairs, Department of State, from August 1958
- Broncz, Ray W.**, Deputy Director of Foreign Military Rights Affairs, Office of International Security Affairs, Department of Defense
- Brown, Elizabeth A.**, Office of United Nations Political and Security Affairs, Bureau of International Organization Affairs, Department of State, until August 1958; Acting Officer in Charge of United Nations Political Affairs, August 1958–November 1959; Officer in Charge of United Nations Political Affairs, November 1959–April 1960
- Brown, L. Dean**, Officer in Charge of French-Iberian Affairs, Department of State, from September 1958
- Buckle, John**, Officer in Charge of North Africa Economic Affairs, Department of State
- Buffum, William B.**, Office of United Nations Political and Security Affairs, Bureau of International Organization Affairs, Department of State, June 1958–April 1960; thereafter Officer in Charge of United Nations Political Affairs
- Bunche, Dr. Ralph J.**, United Nations Under Secretary for Special Political Affairs
- al-Buri, Dr. Wahbi**, Libyan Foreign Affairs until October 1960; thereafter Minister of State
- Burke, Admiral Arleigh**, USN, Chief of Naval Operations
- Caccia, Sir Harold**, British Ambassador to the United States
- Calhoun, John A.**, Deputy Director, Executive Secretariat, Department of State, until September 1958; Director, September 1958–September 1960
- Cannon, Cavendish W.**, Ambassador to Morocco until July 1958
- Cargo, William I.**, Deputy Director, Office of United Nations Political and Security Affairs, Bureau of International Organization Affairs, Department of State, until August 1958; thereafter Director
- Castiella y Maiz**, Fernando Maria, Spanish Foreign Minister
- Chanderli, Abdel Kader**, Algerian Representative at the United States
- Chase, Peter R.**, Office of Northern African Affairs, Bureau of African Affairs, Department of State, from June 1959
- Comay, Michael S.**, Assistant Director General, Israeli Foreign Ministry, until November 1959; thereafter Israeli Representative at the United Nations
- Cordier, Andrew W.**, Executive Assistant to Secretary-General Hammarskjöld
- Couve de Murville, Maurice**, French Foreign Minister from June 1958
- Davis, John H.**, Director of the United Nations Relief and Works Agency for Palestinian Refugees from February 1959
- de Gaulle, General Charles**, French Prime Minister, June 1958–January 1959; thereafter President
- Debré, Michel**, French Prime Minister from January 1959
- Dillon, C. Douglas**, Deputy Under Secretary of State for Economic Affairs through June 1958; Under Secretary of State for Economic Affairs, July 1958–June 1959; thereafter Under Secretary of State
- Dimechkié, Nadim**, Lebanese Ambassador to the United States from February 1958
- Dolgin, George**, Political-Economic Adviser for African Affairs, Department of State, August 1958–September 1960
- Douglas, James H.**, Deputy Secretary of Defense from December 1959
- Dulles, Allen W.**, Director of Central Intelligence
- Dulles, John Foster**, Secretary of State until April 1959

- Dunnigan, Thomas J.**, Reports and Operations Staff, Executive Secretariat, Department of State, until March 1959; thereafter Chief, Reports and Operations Staff
- Eban, Abba**, Israeli Ambassador to the United States until May 1959
- Eilts, Hermann F.**, Officer in Charge of Arabian Peninsula Affairs, Department of State, from January 1960
- Eisenhower, Dwight D.**, President of the United States
- Eisenhower, Major John S. D.**, USA, Assistant Staff Secretary to President Eisenhower; promoted to Lieutenant Colonel in May 1960
- Elbrick, C. Burke**, Assistant Secretary of State for European Affairs until November 1958
- Erell, Moshe**, Counselor of the Israeli Embassy in the United States from spring 1959
- Eshkol, Levi**, Israeli Finance Minister
- Fawzi, Dr. Mahmoud**, United Arab Republic Foreign Minister from March 1958
- Fessenden, Russell**, Deputy Director, Office of European Regional Affairs, Bureau of European Affairs, Department of State, September 1958–September 1960; thereafter Director
- Finn, Richard**, Special Assistant, Office of the Deputy Under Secretary of State for Political Affairs, until August 1958
- FitzGerald, Dennis A.**, Deputy Director for Operations, International Cooperation Administration
- Fulbright, J. William**, Democratic Senator from Arkansas, Chairman, Senate Foreign Relations Committee
- Gaillard, Félix**, French Prime Minister until April 1958
- Gates, Thomas S., Jr.**, Secretary of the Navy to June 1959; Deputy Secretary of Defense, June–December 1959; thereafter Secretary of Defense
- Georges-Picot, Guillaume**, French Representative at the United Nations through spring 1959
- Goodpaster, Brigadier General Andrew J.**, USA, Staff Secretary to President Eisenhower
- Gore, Albert**, Democratic Senator from Tennessee
- Gorse, Georges**, French Ambassador to Tunisia until fall 1959
- Grantham, Rear Admiral Elonzo B.**, USN, Regional Director, Near East, South Asia, and Africa, Office of the Assistant Secretary of Defense for International Security Affairs, 1959–1960
- Gray, Gordon**, Special Assistant to the President for National Security Affairs from July 1958
- Greene, Joseph N., Jr.**, Special Assistant to the Secretary of State until December 1959
- Hagerty, James C.**, Press Secretary to the President
- Haikal, Mohammed**, confidant of United Arab Republic President Nasser; Editor of *Al Ahram*
- Haikal, Yusuf**, Jordanian Ambassador to the United States
- Hamilton, William L.**, Officer in Charge of Lebanon–Israel Affairs, Department of State, from July 1958
- Hammarskjöld, Dag**, Secretary-General of the United Nations
- Hanes, John W., Jr.**, Deputy Assistant Secretary of State for International Organization Affairs until January 1959; thereafter Administrator, Bureau of Security and Consular Affairs, Department of State
- Hare, Raymond G.**, Ambassador to Egypt until the formation of the United Arab Republic in February 1958; Ambassador to the United Arab Republic, March 1958–December 1959; also accredited to the Yemen Arab Republic from March 1959; Deputy Under Secretary of State for Political Affairs from January 1960

XXVI List of Persons

- Harman, Avraham**, Israeli Ambassador to the United States from September 1959
- Harr, Karl G., Jr.**, Special Assistant to the President
- Hart, Parker T.**, Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs from October 1958
- Henderson, Loy W.**, Deputy Under Secretary of State for Administration
- Hertter, Christian A.**, Under Secretary of State until April 1959; thereafter Secretary of State
- Herzog, Ya'acov**, Minister of the Israeli Embassy in the United States through spring 1960
- Holmes, Julius C.**, Special Assistant, Office of the Secretary of State, and head of the working group on North Africa until August 1959
- Houghton, Amory**, Ambassador to France
- Houphouet-Boigny, Félix**, French Minister of State from June 1958
- Hourani, Cecil**, personal adviser to Tunisian President Bourguiba
- Howe, Fisher**, Director of the Executive Secretariat, Department of State, until October 1958
- Hussein**, King of Jordan
- Hussein, Ahmed**, Egyptian (United Arab Republic as of February 1958) Ambassador to the United States until May 1958
- Ibrahim, Moulay Abdallah**, Moroccan Prime Minister and Foreign Minister, December 1958–May 1960
- Irwin, John N., II**, Assistant Secretary of Defense for International Security Affairs from August 1958
- Jamali, Dr. Mohammed Fadhil**, Iraqi Foreign Minister, March–May 1958, and Representative to the United Nations Security Council, 1958
- Jandrey, Fred W.**, Deputy Assistant Secretary of State for European Affairs until early 1959
- Johnson, Robert H.**, Director of the National Security Council Secretariat
- Johnston, Eric**, Personal Representative of the President to the Middle East with rank of Ambassador
- Jones, G. Lewis**, Ambassador to Tunisia until June 1959; thereafter Assistant Secretary of State for Near Eastern and South Asian Affairs
- Jones, J. Wesley**, Ambassador to Libya from March 1958
- Jova, Joseph J.**, Officer in Charge of French-Iberian Affairs, Department of State, until September 1958
- Kaissouni, Abdel Moneim**, United Arab Republic Minister of Economy from February 1958
- Kamil, Mostafa**, United Arab Republic Ambassador to the United States from August 1958
- Kassem, Kassim**, see Qassim
- Kennedy, Donald D.**, Deputy Assistant Secretary of State for Economic and Regional Affairs, Bureau of Near Eastern, South Asian, and African Affairs (Near Eastern and South Asian Affairs as of August 1958), Department of State
- al-Khayyal, Abdullah**, Saudi Ambassador to the United States
- Kohler, Foy D.**, Deputy Assistant Secretary of State for European Affairs, February 1958–December 1959; thereafter Assistant Secretary of State for European Affairs
- Knight, Robert H.**, Deputy Assistant Secretary of Defense for International Security Affairs, 1959–1960
- Krones, Robert**, Special Assistant to the Legal Adviser, Department of State, from July 1959
- Kubar, Abd al-Majid**, Libyan Prime Minister and Foreign Minister until October 1960

- Labouisse, Henry R.**, Director of the United Nations Relief and Works Agency for Palestinian Refugees until June 1958
- Ladgham, Bahi**, Tunisian Defense Secretary
- Lamine-Debbaghine, Mohamed**, Foreign Minister, Provisional Government of the Algerian Republic, September 1958–January 1960
- Lawson, Edward B.**, Ambassador to Israel until February 1959
- Lay, James S., Jr.**, Executive Secretary of the National Security Council
- LeMay, General Curtis E.**, USAF, Air Force Vice Chief of Staff
- Lloyd, Selwyn**, British Foreign Minister until July 1960; thereafter Chancellor of the Exchequer
- Lodge, Henry Cabot**, Representative at the United Nations until September 1960
- Lodge, John**, Ambassador to Spain
- Loram, Matthew J., Jr.**, Office of Western European Affairs, Bureau of European Affairs, Department of State, until July 1959
- Lucet, Charles**, Minister of the French Embassy in the United States through spring 1959
- Ludlow, James M.**, Acting United Nations Adviser to the Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs until December 1958; thereafter United Nations Adviser to the Assistant Secretary of State for Near Eastern and South Asian Affairs
- Macmillan, Harold**, British Prime Minister
- Macomber, William B.**, Assistant Secretary of State for Congressional Relations
- al-Majali, Hazza Pasha**, Jordanian Prime Minister and Foreign Minister, May–September 1959; thereafter Prime Minister until his assassination on August 29, 1960
- Malik, Charles**, Lebanese Foreign Minister until September 1958
- Manor, Aryeh**, Economic Minister of the Israeli Embassy in the United States, 1959–1960
- Mathews, Elbert G.**, Deputy Assistant Secretary of State for Policy Planning until August 1959
- McBride, Robert H.**, Director, Office of Western European Affairs, Bureau of European Affairs, Department of State, from September 1958
- McElhiney, Thomas W.**, Deputy Director, Executive Secretariat, Department of State, September 1958–August 1960
- McElroy, Neil**, Secretary of Defense until December 1959
- McGee, Gale**, Democratic Senator from Wyoming from January 1959
- Meir, Golda**, Israeli Foreign Minister
- Merchant, Livingston T.**, Ambassador to Canada until November 1958; Assistant Secretary of State for European Affairs, November 1958–August 1959; Deputy Under Secretary of State for Political Affairs, August–December 1959; thereafter Under Secretary of State for Political Affairs
- Meroz, Yohanan**, Counselor of the Israeli Embassy in the United States through early 1959; Political Secretary to the Israeli Foreign Minister, 1960
- Meyer, Armin H.**, Deputy Director, Office of Near Eastern Affairs, Bureau of Near Eastern and South Asian Affairs, Department of State, from September 1958; Director from September 1959
- M'hamedi, Driss**, Moroccan Foreign Minister from May 1960
- Mills, Sheldon J.**, Ambassador to Jordan from May 1959
- Mohamed V.**, King of Morocco
- Mokaddem, Sadok**, Tunisian Foreign Minister
- Morris, Willie**, First Secretary of the British Embassy in the United States through early 1960

XXVIII List of Persons

- Moulay Hassan**, Crown Prince of Morocco and Chief of Staff of the Moroccan Armed Forces; Deputy Prime Minister and Defense Minister from May 1960
- Murphy, Robert D.**, Deputy Under Secretary of State for Political Affairs until August 1959; Under Secretary of State for Political Affairs, August 1959–December 1959; also U.S. member, U.S.–U.K. good offices mission to Tunisia and France
- Mustapha, Amin**, Editor-Publisher of *Akhbar al-Yom*
- Nasser, Musa**, Jordanian Foreign Minister from September 1959
- Nasser, Gamal Abdul**, Egyptian President until February 1958; thereafter United Arab Republic President
- Nes, David G.**, Special Assistant, Office of the Deputy Assistant Secretary of State for African Affairs, until February 1958; Politico-Military Adviser, Office of the Deputy Assistant Secretary of State for African Affairs, February–August 1958; Politico-Military Adviser, Office of the Assistant Secretary of State for African Affairs, August 1958–August 1959; thereafter Counselor of the Embassy in Morocco
- Newsom, David D.**, Officer in Charge of Arabian Peninsula–Iraq Affairs, Department of State, until July 1958; Officer in Charge of Arabian Peninsula Affairs, July 1958–August 1959
- Norstad, General Lauris**, USA, Supreme Allied Commander in Europe
- Nuri el-Said**, Iraqi Prime Minister and Defense Minister March–May 1958; Prime Minister from May 1958 until his assassination on July 14, 1958
- Oueini, Hussein**, Lebanese Foreign Minister, October 1958–May 1960
- Owen, Henry D.**, member, Policy Planning Staff, Department of State
- Palmer, Joseph, II**, Deputy Assistant Secretary of State for African Affairs until September 1958
- Palmer, Stephen E., Jr.**, Office of United Nations Political and Security Affairs, Bureau of International Organization Affairs, Department of State, from May 1959
- Parker, Richard B.**, Libyan Desk Officer, Department of State, from December 1958
- Penfield, James K.**, Deputy Assistant Secretary of State for African Affairs from September 1958
- Pineau, Christian**, French Foreign Minister until April 1958
- Porter, William J.**, Director, Office of Northern African Affairs, Bureau of Near Eastern, South Asian, and African Affairs (Bureau of African Affairs as of August 1958), Department of State, until September 1960
- Qassim, Brigadier Abdul Karim**, Iraqi Prime Minister from July 1958
- al-Quwatly, Shukry**, Syrian President until February 1958
- Raymond, John M.**, Deputy Legal Adviser, Department of State
- Reid, Ogden R.**, Ambassador to Israel from July 1959
- Reinhardt, G. Frederick**, Counselor of the Department of State, until February 1960; thereafter Ambassador to the United Arab Republic (also accredited to the Yemen Arab Republic)
- al-Rifai, Samir**, Jordanian Prime Minister, May 1958–May 1959
- Roberts, Randolph**, Office of Near Eastern Affairs, Bureau of Near Eastern, South Asian, and African Affairs (Bureau of Near Eastern and South Asian Affairs as of August 1958), Department of State, until September 1959
- Rockwell, Stuart W.**, Director, Office of Near Eastern Affairs, Bureau of Near Eastern, South Asian, and African Affairs (Bureau of Near Eastern and South Asian Affairs as of August 1958), Department of State, until January 1960
- Root, John E.**, Deputy Director, Office of Northern African Affairs, Bureau of African Affairs, Department of State, from August 1959

- Rountree, William M.**, Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Near Eastern and South Asian Affairs as of August 1958) until July 1959
- Sabri, Ali**, United Arab Republic Minister for Presidential Affairs from March 1958
- Sarraj, Colonel Abdul Hamid**, Minister of Interior, Syrian Region, United Arab Republic, from March 1958
- Satterthwaite, Joseph C.**, Assistant Secretary of State for African Affairs from September 1958
- Sherman, Meir**, Economic Minister of the Israeli Embassy in the United States, 1958
- Shukairy, Ahmad**, Saudi Representative at the United Nations
- Sisco, Joseph J.**, Officer in Charge of United Nations Political Affairs, Department of State, until August 1958; thereafter Deputy Director, Office of United Nations Political and Security Affairs, Bureau of International Organization Affairs, Department of State
- Slim, Monghi**, Tunisian Ambassador to the United States
- Smith, Gerard C.**, Assistant Secretary of State for Policy Planning
- Soustelle, Jacques**, French Minister of Information, July 1958–January 1959; Minister-delegate to the Présidence du Conseil, January 1959–February 1960
- Stabler, Wells**, Officer in Charge of Egypt–Sudan Affairs (United Arab Republic–Sudan Affairs as of February 1958) until September 1958
- Stokes, William N.**, Officer in Charge of Northwest African Affairs, Department of State, until June 1960; thereafter First Secretary for Consular Affairs at the Embassy in Tunisia
- Tekoah, Yosef**, Israeli Deputy Representative at the United Nations from October 1958; Acting Representative at the United Nations, 1959–1960
- Thacher, Nicholas G.**, Deputy Director, Office of Near Eastern Affairs, Bureau of Near Eastern and South Asian Affairs, Department of State, from June 1959
- Torbert, Horace G., Jr.**, Director, Office of Western European Affairs, Bureau of European Affairs, Department of State, until September 1958
- Touré, Sekou**, Guinean Prime Minister
- Twining, General Nathan F.**, USA, Chairman of the Joint Chiefs of Staff until August 1960
- Urrutia, Francisco**, Personal Representative of the United Nations Secretary-General for negotiations pertaining to the demilitarization of the Mount Scopus area until April 1958; thereafter specially-designated Representative of the Secretary-General
- Valdes, Philip H.**, Office of Western European Affairs, Bureau of European Affairs, Department of State, from June 1959
- Valenza, Thomas F.**, Chief, Security and Accreditations Branch, Visa Office, Bureau of Security and Consular Affairs, Department of State
- Van Dyke, Stuart H.**, Regional Director, Office of Africa-Europe Operations, International Cooperation Administration, until July 1959
- Villard, Henry S.**, Special Assistant to the Under Secretary of State until June
- Von Horn, Major General Carl Carlsson**, Chief of Staff, United Nations Truce Supervision Organization in Palestine, from March 1958
- Wadsworth, James**, Deputy Representative at the United Nations until September 1960; thereafter Representative at the United Nations
- Wahl, Theodore A.**, Office of Near Eastern Affairs, Bureau of Near Eastern, South Asian, and African Affairs (Bureau of Near Eastern and South Asian Affairs as of August 1958), Department of State, until August 1960

XXX List of Persons

- Wallner, Woodruff**, Deputy Assistant Secretary for International Organization Affairs from August 1959
- Walmsley, Walter N.**, Deputy Assistant Secretary of State for International Organization Affairs until October 1959; thereafter Ambassador to Tunisia
- Waugh, Samuel C.**, President and Chairman of the Board of the Export-Import Bank
- Weiss, Seymour**, Director for Military Assistance Coordination, Department of State, February 1958–September 1959
- White, Ivan B.**, Deputy Assistant Secretary of State for European Affairs from March 1959
- White, Lincoln**, Chief, News Division, Bureau of Public Affairs, Department of State
- Wiener, Aharon**, hydraulic engineer in the Israeli Embassy in the United States
- Wilcox, Francis O.**, Assistant Secretary of State for International Organization Affairs
- Williams, Randall S.**, Officer in Charge of Economic Affairs, Office of Near Eastern Affairs, Bureau of Near Eastern and South Asian Affairs, Department of State, from September 1959
- Wilson, James M.**, Deputy Special Assistant for Mutual Security Coordination, Department of State, from March 1958
- Winckler, Jean-Claude**, Counselor of the French Embassy in the United States, 1959–1960
- Witman, William, II**, First Secretary of the Embassy in France until August 1960; thereafter Director, Office of Northern African Affairs, Bureau of African Affairs, Department of State
- Yazid, Mohammed**, Minister of Information, Provisional Government of the Republic of Algeria, from September 1958
- Yost, Charles**, Ambassador to Syria until February 1958; member, Policy Planning Staff, Department of State, April–July 1958; thereafter Ambassador to Morocco

ARAB-ISRAELI DISPUTE

ISRAELI REQUESTS FOR ARMS AND ECONOMIC ASSISTANCE; THE QUESTION OF REFUGEES; THE PROBLEM OF JORDAN RIVER WATER DIVERSION; AND PRIME MINISTER BEN GURION'S VISIT TO THE UNITED STATES, MARCH 9-13, 1960

1. Memorandum of a Conversation, New York, January 1, 1958¹

SUBJECT

1. Middle East
2. Security Council Meeting re Israeli Tree Planting

PARTICIPANTS

UN—Mr. Dag Hammarskjold, Secretary-General
U.S.—The Secretary of State, Henry Cabot Lodge, James W. Barco

1. *Middle East.*

At a lunch, to which the Secretary had invited Mr. Hammarskjold, the Secretary-General spoke of his recent trip to Gaza where he had visited the United Nations Emergency Force (UNEF) during the Christmas holiday. He had been greatly impressed with the manner in which UNEF had become established in Gaza. Indeed, he was surprised at the way in which it had become normal to consider UNEF an integral part of the life in the area. As an example of this, he cited the fact that a local court under the Egyptian administering authorities had recently found in favor of UNEF in a case involving Egyptian civilians. The area had also become Americanized without any American troops. For example, he was greeted by the children on the streets and roads with "Hi, Hammarskjold". UNEF was everywhere in the area, and both the Egyptian and Israeli authorities found nothing to criticize. His own first step on arriving in Gaza had been to call on the Egyptian Governor and this had not even been mentioned in the Israel press. Eight months ago it would have been made a matter of great

¹ Source: Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199. Confidential. Drafted by Barco.

concern. The Secretary commented in this connection that it was interesting to him also that, after the battle he had had with the Israeli authorities last year to get their acceptance of the arrangements for UNEF in Gaza, the Israeli Ambassador in Washington in a recent conversation with him had expressed Israel's satisfaction with UNEF and had gone so far as to say they had been wrong in their earlier attitude. Mr. Hammarskjöld said that a similar statement had been made to him recently by General Dayan, who was a more difficult man than Eban.

[7½ lines of source text not declassified] In his [Hammarskjöld] own opinion, he was sure the Palestine question could not be dealt with directly. It was impossible now to deal with boundary questions, or with Jerusalem. There remained the refugee problem which, in his view, could in fact be dealt with but then only indirectly. This involved creating development projects to attract the refugees for resettlement, and the agreement of Israel to accept repatriation of the refugees in principle. On the latter point, he felt that the agreement of Israel to accept repatriation was something that should be held in reserve as a card to be played at an appropriate time after a program of economic development was further along.

The Secretary referred to the pending Israeli application for a loan and said he felt that if a loan were to be made to Israel, there was reason to feel it should be put to use to help deal with the repatriation of Arab refugees as well as for the Israeli plans to develop the Negev. It was questionable whether a loan should be devoted to increased immigration into Israel when the Arab refugee problem remained unsolved. The Secretary wondered what Mr. Hammarskjöld's views were in this regard.

The Secretary-General indicated that it would be desirable to point out to the Israelis that they could not count on aid for increased immigration as long as the refugee problem remained. He appeared to feel, however, that even in this case, an advance commitment on repatriation should not be broached in connection with the loan. (*Note:* The Secretary-General was not very clear on this point. He may well have wished to avoid a direct answer which could be interpreted as advising how the United States should treat Israel. JWB)

The important thing, in the Secretary-General's opinion, was to develop a scheme for Arab participation in their own development program before bringing up the question of repatriation or any other controversial issue. It was along these lines that he had held conversations with Mr. John J. McCloy and Mr. Eugene Black,² both of whom had expressed the view that an Arab development program along the

² Chairman of the Board of Chase Manhattan Bank and President of the International Bank for Reconstruction and Development, respectively.

lines of the Secretary-General's thinking was the only course of action which seemed to hold promise for settling the Palestine issue and creating stability in the Middle East. The Secretary-General envisaged the creation of a development fund, the initial capital for which would be put up by Arab countries. He had in mind an initial sum something like twenty million dollars. The fund would be managed by an inter-governmental board on which the Finance Ministers of the participating countries would sit. Linked to this in a liaison capacity would be a body made up of officers of the International Bank and the United Nations Secretariat, to advise and assist in the operation of the fund and in the development of projects. As the projects got under way, the fund would have to obtain loans and these, the Secretary-General felt, could come mainly from the oil producing and oil transit countries and from the oil producing companies. The attitude of the American oil companies with whom he had talked was favorable to the idea of plowing back oil profits into the countries through loans to such a fund.

The Secretary raised the question of the attitude of the United Kingdom, recalling that since the oil profits going to the sheikdoms of the Persian Gulf were largely invested in London in consols, the British might not be enthusiastic about losing to a local fund this source of foreign exchange. The Secretary-General said he recognized it would be a problem to convince the British Government of the desirability of encouraging investment by the sheikdoms in the Arab countries themselves rather than in London. He felt, however, that the relatively modest scale of the development fund in the beginning at least, and the promise it held for stability in the area, might be such as to convince the British on broad political lines of the desirability of going along with the scheme. *[4 lines of source text not declassified]*

The Secretary asked Mr. Hammarskjold if he thought his economic approach would remove the Soviet threat to the Middle East. The Secretary-General said he *[less than 1 line of source text not declassified]* felt that the Moslem countries were not by nature favorable to communism and that what they needed was some form of unity which gave them internal strength without fostering a hegemony by any one of them. Economic unity would do this. In this connection he recounted that he had made the point to Prime Minister Ben Gurion that a strong Arab world should give Israel less to fear than a weak one. He said that Ben Gurion now accepted this, and he felt that this was an important change in the direction of Israeli thinking. Hammarskjold went on to say that Arab "competitivism" had been directed largely against Israel. One tried to outdo the other in being anti-Israeli. If Arab unity could be established on the economic side, he believed there was a good chance that this "competitivism" would disappear. In his opinion, while the Israeli problem was outwardly the most serious problem

in the Arab world, it was not the basic problem. The basic problem, in his view, was the fact that the Arab States had until recently been first a part of the Ottoman Empire, and then under the domination of the British or French. Their independence had set them adrift and what had once been one country, more or less, had become several small, weak units. What strength they had came from a sense of pan-Arabism which had no constructive outlet. Fostering economic unity along Federal lines would create sufficient strength in the Arab world for the Arab countries to turn their attention away from Israel. He felt that most of them were fed up with the Israeli problem in any case.

The Secretary asked if the Secretary-General believed the Arabs were capable of administering the kind of scheme he was talking about. The Secretary-General said he felt they were capable of it [*1 line of source text not declassified*]. He also believed they would accept technical advice and professional assistance from United Nations personnel. The Secretary-General said that it was important to their success that economic development plans should have their origin in the United Nations, in particular in the Secretariat. His recent trip to the Middle East had shown him what a strong position the United Nations was in there. As a result of the Suez crisis, the Arabs were now—after years of suspicion—convinced that the United Nations was not against them. Everywhere he went on this trip he found this to be true.

Economic development plans should be brought forward as United Nations plans in such a way that no one Arab country could feel that, by accepting them, it was going to be denounced by another Arab country. The scheme should, in this respect, be treated like UNEF and should become a kind of *fait accompli* without the Arab States appearing to be responsible but, in fact, having their advance acceptance. As an example of the technique involved, the Secretary-General said that Foreign Minister Fawzi was enthusiastic about this approach, and had come back from Egypt to the latter part of the General Assembly Session ostensibly to be present for the Algerian debate, but actually only to talk about this scheme. However, when the Secretary-General went to Cairo on his recent trip, Fawzi asked Hammarskjold to present the basic ideas to Nasser. It was apparent that Fawzi had not attempted to sell the plan to Nasser beforehand; thus, it came from Hammarskjold and the United Nations, and Nasser expressed general agreement with its outline. Hammarskjold had pointed out that Arab acceptance of a plan of this kind would, to a large extent, have to be obtained by the Arabs themselves. To this the Egyptians had agreed, saying that they would undertake to get the acceptance of Saudi Arabia and Lebanon. They felt that Syria and Jordan should be left aside for the time being and that they would not have much influence in Iraq, although they agreed that Iraq would have to be brought in. Hammarskjold himself felt that the best ap-

proach to Iraq and the sheikdoms of the Persian Gulf was through the British, and he intended to communicate with Selwyn Lloyd about his ideas. He had already informed Pineau of his views when he stopped in Paris enroute back to New York, and had found Pineau entirely favorable. Pineau also intended to talk to Selwyn Lloyd. Hammarskjöld's hope was that January could be devoted to laying plans for the institutional arrangements and the broad outline of projects. Mr. McCloy would be available during January. He would be going to the Far East after January but had agreed to stop in the Middle East on his way back.

The Secretary referred to a recent conversation, he had had with Ambassador Engen of Norway³ about the possibilities of soundings among the Arab States on the Palestine problem. Hammarskjöld said he did not believe that such soundings would be profitable at the present time. He felt that the economic approach would be more productive and he believed that Engen, who was his close friend and with whom he had discussed his views, was in agreement. He said that the attitude of the States involved was already fairly well known, and that the subjects of boundaries and Jerusalem were impossible to take up at the present time. The reaction of Israel to any suggestion for boundary adjustments would be explosive and would set off a counter explosion in the Arab States. On the other hand, Egypt was ready to go along with the economic approach, and he had discussed it with Ben Gurion, who acquiesced in it. He felt that Ben Gurion would not reveal what he knew about the plan. His experience was that Ben Gurion was very good at keeping secrets when he wanted to, and it was unlikely that he would even tell Foreign Minister Meir. Hammarskjöld said that during his conversations in Jerusalem he had spent the first day and a half in talks with Ben Gurion alone, and had finally himself suggested to Ben Gurion that at the next meeting Mrs. Meir be brought in. He therefore had no worries about leaks from Jerusalem.

He concluded that, in preference to any other initiative, it would be desirable to follow up on his approach and see what could be done in the next two or three months. He recognized that it might not work out, but at the same time felt that no harm would be done in pursuing this line.

The Secretary said that there was no reason for the United States not to be sympathetic to such an approach, and that it should be explored. The Secretary-General said that this was exactly what he wanted to undertake—an "exploration" of the possibilities involved.⁴

³ For a memorandum of this conversation, November 25, 1957, see *Foreign Relations, 1955-1957*, vol. xvii, p. 821.

⁴ On January 6, Hammarskjöld sent Dulles an aide-mémoire further outlining his preliminary thinking on the Middle East. (Department of State, Central Files, 684A.80/1-658)

2. *Security Council Meeting re Israeli Tree Planting.*

The Secretary inquired about the possibility of a Security Council meeting on Israeli tree planting in Jerusalem. The Secretary-General said he believed it would be undesirable to have a Security Council meeting at the present time, when Ambassador Urrutia was working on the Mount Scopus problem, and hoped that it could be held off for a while longer. He felt that it was much more important to accomplish the demilitarization of the Mount Scopus area, and he hoped that the Jordanian Government could be persuaded to hold off on the tree planting case. He believed they could be persuaded that demilitarizing Mount Scopus was indeed more advantageous to them than having a Council meeting on the tree planting.

2. **Memorandum by the Secretary of State¹**

Washington, January 2, 1958.

Barco will prepare a memorandum of my luncheon talk with Hammarskjold.² He spoke quite vaguely and circuitously, and it was not easy to find out just what was in his mind. As a result however of questions that I put, I deduced that he has a general philosophy and strategy towards the area quite different from our own.

He basically believes that the trouble in the area is not due primarily to the State of Israel, but to the sense of weakness and divisiveness within the Arab countries. He feels that if they had a greater sense of unity they would feel stronger and more self-confident and would neither feel so hostile toward Israel or be as willing as some of them are to receive aid from Communist sources. Therefore he believes that his project to begin to create economic unity through some sort of a regional development organization is a key move.

He indicated that he does not believe that there should be any direct attack upon the refugee problem but that this problem should be gradually whittled away as economic development projects create a "market" for refugee labor.

He does not believe that it is wise or necessary to deal directly with the Israel-Arab problem, believing as I gather that this is unsolvable in the present context but that it would not assume great propor-

¹ Source: Department of State, Central Files, 684A.80/1-258. Secret. Drafted by Dulles and sent to Herter (who also initialed the source text), Murphy, and Rountree.

² *Supra.*

tions if there could be brought about a greater sense of Arab unity. He points out that the most [*less than 1 line of source text not declassified*] anti-Israel states are Saudi Arabia and Iraq, which have the least direct contact with Israel, and that Lebanon, Syria, Jordan and Egypt are in his opinion disposed to accept Israel as an inevitable fact of life.

Whether or not Hammarskjold's philosophy is valid I do not know. Perhaps it reflects primarily an Egyptian viewpoint. In any event I think it deserves consideration.

JFD

3. Telegram From the Department of State to the Mission at the United Nations¹

Washington, January 7, 1958—1:39 p.m.

523. Eban called his request Rountree January 6.² Reiterated arguments against SC action re tree planting in Jerusalem Neutral Zone as set forth in his letter to Secretary of December 26³ and Israel FonMin conversation January 3 with Lawson (Tel Aviv's #615 to Department).⁴ Implied GOI had heard from other SC delegations that USG was taking initiative in this matter and stated this contrary understanding between US and Israel that actions tending increase Arab-Israel tension should be avoided at this time. Felt SC discussion and passage resolution along lines draft which US apparently willing sponsor would greatly increase tensions. Stressed that tree planting had in fact stopped and stated that if US acting under apprehension Israel would resume he would attempt clarify Israel attitude re resumption in manner alleviate US apprehension. Strongly urged SC handling be deferred and suggested matter be dealt with through Urrutia or other means "quiet diplomacy".

Rountree stated Israel understanding that US desired maintain period tranquility NE was correct. View fact Israel PriMin statement re Israel willingness suspend tree planting had been accompanied by

¹ Source: Department of State, Central Files, 684A.85/1-758. Confidential. Drafted by Bergus on January 6, cleared in UNP, and initialed for Dulles by Rountree. Repeated to Amman, Jerusalem, and Tel Aviv.

² A memorandum of Eban's conversation with Rountree is *ibid.*, 780.5/1-658.

³ Not printed.

⁴ Telegram 615, January 3, reported Foreign Minister Meir's views on the tree planting question and concluded that she took a very serious view of the situation. (Department of State, Central Files, 684A.85/1-358)

indication Israel fully intended resume as well as by Israel activity in depositing and maintaining saplings near ABL had made it impossible for USG state clearly to HKJ there no grounds for concern work would be resumed. Rountree emphasized that despite impression to contrary Israel seemed to have, US not taking initiative. We preferred that this matter not be brought to SC. We had not without difficulty achieved several postponements of SC meeting. Since there appeared strong possibility matter would, despite our efforts, be taken to SC, we taking this into account and have discussed with several delegations draft resolution which we hope would resolve matter in way nonprejudicial to rights of parties. Rountree stated Eban's letter December 26 and report FonMin January 3 conversation Lawson being submitted to Secretary. Indicated reply to letter would be forthcoming due course.

Dulles

4. **Memorandum of a Conversation, Department of State,
Washington, January 9, 1958¹**

SUBJECT

Exim Bank Loan for Israel

PARTICIPANTS

The Under Secretary
Congressman Kenneth B. Keating, 38th District, New York
Congressman Hugh Scott, 6th District, Pennsylvania
David D. Newsom, NE

Congressmen Keating and Scott came to inquire regarding the United States Government decision on a proposed Exim Bank loan to Israel. Governor Herter explained that the Bank had informed the Department that it did not consider the loan justified on purely economic grounds and would not approve the loan unless there were overriding political reasons. The Under Secretary added that Israel had also applied for consideration under the new Development Loan Fund. The Department was giving serious study to a rather unusual proposal which Israel had put forward under which dollars from the

¹ Source: Department of State, Central Files, 884A.10/1-958. Confidential. Drafted by Newsom on January 10 and initialed by Herter.

Fund would be used to purchase consumable goods which would be resold in Israel for pounds. The resulting local currency would then be used for internal development.

The Under Secretary pointed out also that the Department did not consider that final action had been taken on the Exim Bank loan. The time might come, he said, when the Department might reconsider the matter. Perhaps reconsideration might be coupled with some expression on the part of the Government of Israel of willingness to accept Arab refugees.

In answers to questions from the Congressmen, Governor Herter said that the decision had been given to Ambassador Eban. He said the vote in the Exim Bank Board had been 3-2 against the loan purely on economic grounds.

Congressman Scott said that the Israelis claimed that they had been given a promise of approval on the loan when the matter was first considered. The Under Secretary pointed out in reply that, while he was not aware of any assurances to Israel, the preliminary discussion of this matter had taken place prior to the Sinai invasion.

In answer to a further question from Congressman Scott, the Under Secretary said he did not believe that the Israelis should be informed about the vote in the Exim Bank Board. He said that Ambassador Eban was undoubtedly seeking further information since he had asked for an appointment with the Secretary.² Congressman Scott noted that Cy Kenen of the American Zionist Committee for Public Affairs had complained to him that Ambassador Eban had been unable to obtain information on this matter. Governor Herter noted that the decision had been a very recent one, within the last few days.

Governor Herter also noted that aid to Israel under PL-480³ was also being discussed. He said that the minority on the Exim Bank Board had favored a loan of \$40,000,000 to Israel. This, together with other aid, would have given Israel \$100,000,000, a very large sum for a country of two million people.

Congressman Scott noted that Israel had estimable requirements since it was this year bringing in 100,000 Jewish refugees. The Under Secretary commented that this was one of the many difficult parts of the problem. He said that the prospect of continuing large-scale Jewish immigration into Israel causes concern in the Arab world. The question is raised as to why Israel, if it can absorb more Jewish refugees,

² In a letter to Dulles, January 9, Eban stressed the "extreme urgency" which the Government of Israel set on the matter of the Export-Import Bank loan. (*Ibid.*, 103.XMB/1-958)

³ Reference is to the Agricultural Trade Development and Assistance Act (Public Law 83-480), approved July 10, 1954, which provided for the donation or sale on favorable terms of U.S. agricultural surpluses to friendly governments; for text as amended, see 7 USC 1691-1736.

does not take back some of the Arab refugees. Governor Herter said that this would certainly help. He commented on various types of proposals that had been advanced to solve the refugee problem. Congressman Scott asked whether he could indicate to Jewish groups that some action on their part in connection with the Arab refugees might bring about a reconsideration of the Exim Bank loan. The Under Secretary said he would have no objection to Congressman Scott's so indicating.

5. **Memorandum of a Conversation, Department of State,
Washington, January 14, 1958¹**

SUBJECT

Application for Loan from Export-Import Bank

PARTICIPANTS

Mr. Abba Eban, Ambassador of Israel
Mr. Ya'acov Herzog, Minister, Embassy of Israel
Mr. Meir Sherman, Economic Minister, Embassy of Israel
The Under Secretary
NE—Stuart W. Rockwell
NE—Donald C. Bergus

Mr. Eban said that he wished to devote the entire time to the question of Israel's application for a loan from the Export-Import Bank. He said that it was not as though he were initiating this topic. He was speaking in the framework of discussions which went back over four years. The Israelis felt that this history determined the moral responsibility of each side. From 1953 on, over a period of two and one-half years, the United States had asked Israel to refrain from developing the River Jordan while Ambassador Johnston pursued his efforts for the Unified Plan. Mr. Johnston had five or six times asked the Israelis not to divert the river during these discussions and his requests had met with success. Mr. Johnston's efforts reached a deadlock in the spring of 1956. It was then that the Israelis asked the Export-Import Bank for a loan to develop water resources outside the Jordan Valley. The matter was opened with the Department in March, 1956, at which time, according to Mr. Eban, the Secretary had said that it was for the

¹ Source: Department of State, Central Files, 884A.10/1-1458. Secret. Drafted by Bergus on January 15 and approved by Herter. A summary of the conversation was transmitted to Tel Aviv in telegram 514, January 14. (*Ibid.*)

Bank to weigh the economic and financial aspects. The Department would sympathetically consider the political aspects on the understanding that there would be no work in the demilitarized zone. The Israelis had been approached by the Department and asked to change the priority of their water development plans from projects within the Jordan Valley to projects outside of it. The Israelis had proceeded in accordance with that concept.

Mr. Eban continued that the object of their application was to finance projects which would enable Israel to earn as much as \$60 million annually. The Israelis were aware that this application was being studied against the background of substantial United States aid to Israel. The Israelis looked forward to achieving less dependence on United States aid, a goal they assumed was shared by the United States.

Mr. Eban had consulted his records and found that this matter had been discussed 19 times within the Department. A uniform position on the part of Department spokesmen had emerged, which was that Israel should prove its case from the economic and financial viewpoints. The Department's approach was affirmative. The matter had been discussed with former Under Secretary Hoover. The Israel Finance Minister had been in Washington in September, 1956 and was informed that the Department would convey encouraging views to the Bank. The Secretary had said that he had done this and in October, 1956 Mr. Waugh of the Bank announced the plan to send a technical mission to Israel. Mr. Waugh had stated to Mr. Eban at the time that he envisaged this as an "organic" development. Specifically Mr. Waugh had stated that "the mission was not a joy ride."

The mission's trip had been postponed as a result of the Suez events. Broad discussions between the United States and Israel Governments had taken place in February and March of 1957, and there had been discussion of our relations in general terms. The Secretary had said that if Israel agreed to withdraw its forces behind the armistice lines United States-Israel relations would not only be restored but would be more positive and fruitful.

The withdrawal had taken place and in April, 1957 the resumption of economic aid relationships between the United States and Israel had been announced. Mr. Herter had informed Mr. Eban on April 2, 1957 that the Department was briefing the Export-Import Bank. In a subsequent conversation with the Secretary, at which Mr. Theodore Kollek was present, the Secretary had stated that the Bank had been hesitant about sending a mission but that the Department had said the political interests of the United States were involved.

The mission arrived in Israel in mid-summer 1957. The Israelis had the impression that any skepticism in the Bank toward the loan had been mitigated. The Israel Finance Minister had been in Washing-

ton again in June, 1957, at which time the Secretary had said the Department had not changed its position of sympathy, and expressed the hope that the mission would find a technical basis for the loan. When the mission left Israel its Chairman had stated he was deeply impressed and that a final decision should not take long.

During August and September, the Israel Embassy had been in contact with the mission in Washington to supply it with additional data. The mission had not indicated that there was any substantive change in its views. Since then, the matter had been in abeyance, but the Israelis had been told that things were proceeding in a normal course. Mr. Eban had inquired of Mr. Rountree if any question had arisen which required further action. Mr. Rountree had replied that there appeared to be nothing further for Israel to do. In this conversation, the Israelis had pointed out that as far as repayment were [was] concerned Israel had already repaid \$70 million in principal and interest on the original Export-Import Bank loan. Mr. Rountree felt that this was an impressive consideration.

Mr. Eban wished to draw attention to what he felt was the length and consistency of the Department's position. His Government had lived under two assumptions: that the Bank had a friendly attitude as a result of the technical and economic justification presented to it; and that the Department had a friendly attitude from the political viewpoint.

Mr. Eban had felt disquiet when Mr. Waugh had said that the Department had informed him that the time was not appropriate for a loan of this size. Mr. Waugh had said that all these considerations rested with the Department.

This had brought Mr. Eban here to describe why this was a dominant problem in United States-Israel relations and to describe its effects. From the economic viewpoint, Israel's planning had been on the assumption that the loan would be forthcoming. The hope was that by 1960 Israel could approach the time when it could save millions annually in food production.

The failure of the loan to materialize would have grave repercussions and emergency effects on Israel's economy. Israel assumed that the United States was deeply interested in a viable Israel and the disappearance of the need for United States economic aid.

From the political viewpoint, Mr. Eban stated that he had advised his Government over a long period to rely strongly on assurances given by the United States even if they did not have contractual force. Since March, 1957, Mr. Eban had thought that sound relations could be constructed on the basis of a network of voluntary assurances. This was important. If one analyzed present United States-Israel relations, it would be seen that they rested upon "unsealed" assurances. This went for both sides. It meant that if the Israelis said no trees would be

planted, that Israel warships would be tied up at Eilat, that Israel would not raise the Suez Canal issue, and that Israel would not divert the Jordan, that these assurances had substance, even if they were not solemn contracts. After this history, if Mr. Eban must tell his Government that "all was off" with regard to the Export-Import Bank loan, his personal confidence would be irrevocably shaken. Mr. Eban asked the Secretary and Under Secretary to consider this matter in that light.

The Israelis tried to conjecture the problems which the United States faced in considering this matter. It might be that the United States problems were connected more with the form rather than the substance of the matter. The United States might be concerned about the appearance of its taking favorable action at this time or the public echo which would be engendered. If that were the case, the Israelis had ideas and suggestions to put forward. United States action did not have to be a "reverberating" thing.

The Under Secretary opened his remarks by saying that he was sorry we did not have a stenographic record of Mr. Eban's statement as it contained so many points. At the outset, the Under Secretary wished to stress that this was not a closed matter. As for the relationship of the Department of State to it, the President of the Export-Import Bank had come to the Department and said to us that the matter had not yet been voted upon, that he knew the attitudes of the Board members and did not think that a favorable decision would result from the Board's vote. He wished to discuss it with us to see if there were overriding political reasons for granting the loan. We have sought to find if there were such considerations and have not yet said that there were. It was therefore not correct to say that we opposed an Export-Import Bank loan to Israel.

Some matters had arisen in connection with this and Israel's application to the Development Loan Fund. The Under Secretary recalled a conversation he had with the Israel Foreign Minister at Mr. Eban's home some months ago.² In that conversation, the Under Secretary had raised two matters which caused us concern in the area. One was the effect in the area of Israel's immigration policy. The other was the Palestine Arab refugee problem. We wondered what Israel could contribute to a solution of that problem. We assumed that the projects to be financed by an Export-Import Bank loan would make more homesteads available in Israel. The question in our minds was whether Israel envisaged this from the viewpoint of greater immigration or whether it opened the possibilities for Israel's contributing to a solution of the refugee problem. The applications to the Development Loan Fund covered largely industrial projects. The Export-Import Bank

² For a memorandum of Herter's conversation with Meir, October 12, 1957, see *Foreign Relations, 1955-1957*, vol. xvii, p. 759.

application appeared to be for projects which would broaden the base for a larger population. Was there any connection between this and a solution to the refugee problem?

Mr. Eban replied that he would like to make one point with great care. He was always happy to discuss the questions which the Under Secretary had raised. A danger that existed however was that if it came to be felt that there were political conditions attached to an Export-Import Bank loan there would be adverse psychological repercussions not only for Israel but for the world at large. The Israelis had suggested that the United States grant more aid to the area. In their discussions with their friends in Africa and Asia one problem they had found was the impression that United States aid had strings attached to it, while Soviet aid did not.

The Under Secretary expressed a wish to clarify his point. We were not seeking to attach conditions. What he had tried to convey was an impression that the Bank was having difficulty in approving the loan from the economic point of view. Could we respond to the Bank's request to know if there were overriding political considerations? Mr. Eban felt that such considerations arose from the history of the matter. The Under Secretary expressed the view that it would be helpful if Mr. Eban could let him have a written resume of this history as the Israelis saw it. Mr. Eban responded affirmatively.³

Mr. Eban said that he would think that United States policy was to create a position for Israel where it would not need so much outside aid. If Israel's water resources were not developed, no economist could project Israel's achievement of non-dependence on foreign aid. This led to a far-reaching conclusion. It was a choice between a stable and solvent Israel and the opposite situation. As to the other issues, Mr. Eban could not admit their relevance. Israel's application had no relevance to the prospect of large-scale immigration to Israel from the USSR. Mr. Sherman envisaged that the projects had little to do with immigration. They affected persons already in Israel. They were mostly to strengthen existing agriculture. While provision was made for providing homesteads for 10,000 families, this was one of the less important aspects of the Israel proposal. Mr. Eban stressed the need of Israel's increasing its productivity prior to the mid-1960's when the German reparations agreement would be concluded. 72,000 immigrants had come to Israel last year. Perhaps only 30,000 would come during the current year. There was no tangible prospect of immigration from the USSR.

³ Eban transmitted this information and reiterated the points he made to Herter in a letter dated January 21. (Department of State, Central Files, 884A.10/1-2158)

As to the refugees, Mr. Eban had discussed this question with Secretary General Hammarskjold on the previous day. While Israel could not solve this problem, it could contribute to a solution of it, if in fact there were a solution. Israel had already gone on record as advocating the economic development of the area. The Secretary General felt that Israel's playing its card in isolation would not in itself bring about a solution. The Arabs would reject the Israeli offer, said the Secretary General. Israel's role, Mr. Eban felt, lay primarily in the matter of compensation. Prime Minister Ben Gurion had made it clear that he had never said that not a single Arab would ever come back to Israel. Israel was rehabilitating many Arabs within its territory. Israel awaited a general refugee solution into which to integrate its particular contribution.

The Under Secretary asked if Mr. Eban would add these additional aspects to his memorandum. Mr. Eban replied affirmatively. Mr. Sherman stated that his impression had been that the hesitation within the Bank arose more from political than economic factors. The Under Secretary said that as the matter had been brought to us by the Bank they were doubtful as to the result of any vote which might be taken.

Mr. Eban concluded by stating that he would hope the Department could make two points to the Bank: 1) there was a United States interest in Israel's solvency; 2) the political relationship between our two countries, especially as it had developed within the past year, had included an affirmative attitude toward this loan. The Israelis would consult with Prime Minister Ben Gurion and would present their views on the other matters raised by the Under Secretary which would be put in their memorandum.

The Under Secretary said that he had hoped that Mr. Eban would be able to say that the development projects to be financed by this loan would assist in Israel's capacity to make a contribution to the refugee question. He made clear that this was not a condition which we would attach.

It was agreed that the press would be told that this meeting had been one of a series of talks between the two governments on economic matters.⁴

⁴ On January 15, Sherman discussed the loan again with Bergus and Rockwell. A memorandum of their conversation is *ibid.*, 884A.10/1-1558.

6. **Memorandum by the Secretary of State's Special Assistant (Greene)**¹

Washington, February 4, 1958.

The Secretary, pursuant to the recommendation in this paper, called Mr. Waugh this morning² and said he thought it would be a good idea to go ahead with the \$24,200,000 project if Mr. Waugh found it acceptable economically and financially.

Mr. Waugh said they would go ahead on the \$24.2 million. He said they would not like the small amount. The Secretary said they were lucky to get that. Mr. Waugh said he thought he would tell them so.

Mr. Waugh said also that he thought the Development Loan Fund was not operating on sound principles, that we were encouraging applications in sums vastly in excess of what could be granted, and the turn-downs would create a vast amount of ill will. He said they are operating contrary to the principle which the Secretary had in the past enjoined upon him which was not to encourage expectations which could not be realized. He said he wanted to talk to the Secretary about that situation.

The Secretary then telephoned Ambassador Eban³ and told him that he had spoken with Mr. Waugh about getting started along the lines reflected in the Ambassador's conversations with Mr. Herter. The Secretary suggested to the Ambassador that he be in touch with Mr. Waugh, which Mr. Eban said he would do.⁴

JG

¹ Source: Department of State, Central Files, 884A.10/2-458. Secret.

² A memorandum of Dulles' telephone conversation with Waugh at 10:40 a.m. is in the Eisenhower Library, Dulles Papers.

³ A memorandum of Dulles' telephone conversation with Eban at 10:47 a.m. is *ibid.*

⁴ Eban called on Waugh on February 5 and 6 to discuss the Export-Import Bank loan. In a letter to Waugh, February 7, he summarized the discussion at the two meetings and detailed how the \$24.2 million would be used. A copy of his letter is attached to a memorandum from Dillon to the Acting Secretary of State, February 12. (Department of State, Central Files, 884A.10/2-1258)

Attachment**Memorandum From the Under Secretary of State (Herter) to the Secretary of State⁵**

Washington, January 30, 1958.

On January 28 I had a long talk with the Israeli Ambassador with respect to the pending Export-Import Bank loan for water development in Israel.⁶ Prior to the conversation, I had canvassed the history of the case very thoroughly and had found that over the years we had taken a pretty consistent position that, if a loan for that type of water development were approved by the Export-Import Bank from a financial and economic point of view, we would favor it.

I also had a talk with Sam Waugh and Douglas Dillon. At my request, Mr. Dillon had asked Mr. Waugh to ascertain whether the \$40 million contemplated loan did not contain separable items. Mr. Waugh advised me that he had studied this carefully and that there were separable items which would allow of carrying out two water projects: one in the Northeastern area, and one in the Tel Aviv area, both very desirable projects. The total amount necessary to finance these two projects would be \$24.2 million. Mr. Waugh gave me the following assurances: 1) that a loan in this amount would decrease Israel's need for foreign exchange for imports, and 2) that particularly with the growth in citrus agriculture envisaged in these projects, Israel's earnings of foreign exchange would be increased. He likewise told me that he planned to canvass his Bank Board members to see if they would approve this smaller loan, assuming that we might have no political objections thereto.

My conversation with Eban is attached as Tab A. There is also attached, as Tab B, Mr. Eban's history of discussions with the State Department in a form very similar to that contained in his letter to Arthur Dean. NEA's analysis of this historic résumé in the light of our own records is attached as Tab C.⁷

As you will see from my conversation with Eban, I told him that I could give him no definitive answer to the specific questions he was asking with respect to the State Department's attitude until I had had an opportunity to consult you. However, in view of the fact that Eban

⁵ Secret. Drafted by Herter and cleared by Dillon.

⁶ A memorandum of this conversation is in Department of State, Central Files, 884A.10/1-2158.

⁷ None of the tabs is attached to the source text. Presumably Tab A is the memorandum of conversation referred to in footnote 6 above; a copy of Tab B is in Department of State, Central Files, 884A.10/1-2158; a copy of Tab C is *ibid.*, NEA Files: Lot 60 D 580, Israel—Export-Import Bank Loan.

had made the flat statement to us that the granting of this loan would assist Israel's capacity to help out in the refugee problem; that he has been more forthcoming with respect to Israel's readiness to make an offer on the refugee problem than heretofore; and that the immigration problem has almost subsided as a practical matter, I would make the following recommendation.

Recommendation

I would recommend that your office telephone to Mr. Waugh to advise him that in the light of our recent conversations with Ambassador Eban and the long history of the State Department's relationship to this particular water problem, the Department of State would not look unfavorably upon the Bank's making the smaller loan which Mr. Waugh and I discussed. If you agree with the foregoing, I would suggest your office then advise Ambassador Eban that we understand that the Bank would be acting shortly in the matter and that he should get in touch directly with Mr. Waugh for his answer.

Concurrences

Mr. Dillon concurs in this recommendation. I have advised Mr. Stuart Rockwell and Mr. Villard that I am making the recommendation.

C.A.H.

7. **Letter From the Under Secretary of State (Herter) to the Ambassador in Lebanon (McClintock)**¹

Washington, February 13, 1958.

DEAR BOB: I was very glad to get your good letter of January 29² in regard to the Palestine refugee problem. This is a problem which has been hanging heavy over my head for a long time, and the answer is certainly not a simple one. As of the moment, it seems to be complicated even more than we would have thought possible by the uncertainties of the permutations and combinations in the Middle East

¹ Source: Eisenhower Library, Herter Papers. Secret. Drafted by Herter.

² In his letter, McClintock speculated that perhaps only 2 years remained before a major war in the Middle East occurred and suggested that solution of the refugee problem might well ease the tensions in the area. The Ambassador proposed a carrot-and-stick approach with both sides using U.S. aid as the vehicle for doing so. (*Ibid.*)

which may well end in the majority of these refugees being located in Iraq or in some new federation. There are threats of the Egyptians setting up a new Palestinian Government using the refugees in the Gaza Strip as a nucleus as a political squeeze on Israel, and there are as you may have gathered, possibilities of the whole Middle East blowing up in smoke in the next few weeks.

Recently the Israelis have been making very strenuous efforts to borrow from the EX-IM Bank or the new Development Fund. Both loaning agencies dropped the baby in our laps on political grounds and so advised the Israelis. As a result, I have had several talks with the Ambassador in which both the immigration problem and the refugee problem have been discussed at length. With regard to the former, the 100,000 anticipated immigration for last year turned out to be 70,000. The number is now down to about 2,000 a month and dropping steadily. Actually those who are leaving Israel, I am told, have just about balanced the population during the last few months. This does not prove much except that unless Russia changes its policy materially, this ought not to be a problem of great numbers in the near future. With respect to the refugees, the Ambassador has made the situation reasonably clear. He has told me that Israel will make an offer to take perhaps as many as thousands³ of the existing refugees and will arrange for resettlement costs in a generous way just as soon as such an offer can become a part of some scheme that had some hope of success. He felt that such an offer would now spin around in outer space with the immediate acceptance of the Israeli offer and nothing done to resettle those who could not be included in repatriation. He has been talking to Hammarskjold who, as you know, is working hard on the possibilities of a Middle East Development Fund which would put into being sufficient public works projects to enlist the labors of many of these refugees. Israel would want to have resettlement a corollary to such developments which falls very much in line with what Labouisse and Hammarskjold have been discussing lately.

The above is only a condensation of some of the thinking now going on in connection with this problem. Every time it arises for discussion, the moment seems inopportune to grasp the nettle firmly and I am afraid that this is again one of those moments. However, as I say, the problem does not leave my mind during any part of my conscious hours.

³ At this point in the source text, "100,000" was crossed out and the word "thousands" written in.

In spite of my being so negative, I was delighted to get your letter and hope you will keep sending me similar ideas of the same kind which you may have.

With warmest regards,
As ever,

Christian A. Herter⁴

⁴ Printed from a copy that bears this typed signature.

8. **Memorandum From the Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Rountree) to the Secretary of State¹**

Washington, February 27, 1958.

SUBJECT

Ambassador Eban's Call on You, 11:30 AM, February 27, 1958

Discussion:

The Israel Embassy has informed us that Ambassador Eban wishes a general review of current developments in the area. We anticipate that in his presentation the following specific problems might be included:

1. *Export-Import Bank Loan:* Since the conversation Mr. Eban had with the Under Secretary on February 14 (Tab A),² the Bank has told the Israelis that it would not be able to stretch out the payment schedule for the existing loans. Ambassador Eban will probably express disappointment over this development and seek your aid in persuading the Bank to adopt a more lenient attitude.

2. *Israel Tenth Anniversary Ceremonies:* Ambassador Eban will probably point out that the period April 23-26, 1958 is fast approaching and it is necessary for Israel to know what our plans are with respect to the Israel invitation that a representative of the President visit Israel for the celebrations to be held during that period.

¹ Source: Department of State, Central Files, 884A.10/2-2758. Confidential. Drafted by Bergus on February 26; initialed by Rountree and Sisco who concurred; and transmitted to Dulles through Dillon who initialed it. A handwritten notation on the source text indicates that Dulles saw it.

² None of the tabs is attached to the source text. A memorandum of Herter's conversation with Eban, February 14, is *ibid.*, 884A.10/2-1458.

We continue to believe that the appointment of a special Presidential envoy can cause us considerable difficulties through the repercussions of such an act in the Arab world. We have queried a number of friendly capitals as to whether they have received similar invitations either for a high-level representative or direct invitations to the parliamentary bodies from the Israel Knesset. A summary of their replies is attached (Tab B).³ On the basis of these replies, it is possible to draw two conclusions: a) the Israelis may be singling out the U.S. for special treatment in this connection; b) alternatively, the Israelis may seek a favorable response from us first in order to persuade other governments to send high-level representatives.

A further problem which will arise in connection with the tenth anniversary is the fact that many of the ceremonies, perhaps the most important ones, will be taking place in Jerusalem in line with the Israel Government policy of seeking recognition of that city as Israel's capital. We have already instructed our Ambassador in Tel Aviv to join with his British colleague in making representations to the Israelis on this point (Tab C).⁴ We do not yet know whether the ceremonies at which a Presidential representative would be expected to be present are scheduled to be held in Jerusalem. We are endeavoring to secure further information on this point.

3. *United Arab Republic—Arab Federation*: Ambassador Eban discussed these developments at some length in his previous conversation with the Under Secretary (Tab D).⁵ He will probably have further reactions to them and may raise the question of the relation to the declared Iraqi-Jordan plan to unify their armies of the fact that Iraq is not a party to the armistice agreements between Israel and the neighboring Arab states. He may also refer to the fact that Iraq, Jordan, Lebanon and Israel have a common interest in resisting international Communism in the Middle East and the possibility that the U.S. might serve as a focal point of that interest.

Yarmouk Project: In accordance with the approved memorandum of February 10 (Tab E),⁶ we have notified the Jordanians that we are prepared to help finance the first year costs of the Yarmouk Diversion Project and the East Ghor Canal. The sum involved will be in the neighborhood of \$2 million. The Jordanians wish to announce this publicly and we have urged that they defer such an announcement

³ Tab B has not been found, but a copy of circular telegram 743, February 12, asking for the information is *ibid.*, 884A.424/2-1258; replies to the circular telegram are *ibid.*, 884A.424.

⁴ Telegram 384 to Tel Aviv, February 18. (*Ibid.*, 884A.424/2-1858)

⁵ Not further identified.

⁶ Not found.

until Friday, February 28. We feel that we should inform the Israelis of our intention in this regard before a public announcement is made, and we recommend that you do so.

Recommendations:

That in the course of your discussion with Ambassador Eban, you make the following points:

1. *Export-Import Bank Loan:* We regret that the Bank did not feel that it was able, in the light of its existing criteria and regulations, to negotiate a deferred payment schedule on Israel's existing obligations. We do not feel, however, that this is a situation in which the Department could properly intervene. We understand that discussions are taking place between Israel and the Development Loan Fund.

2. *Israel Tenth Anniversary Ceremonies:* The Israel Government may rest assured that we intend to take suitable note of the decade of Israel's independence. Details of our participation are presently receiving urgent consideration. We hope that it will be possible to avoid a situation where the difference in views between our two governments as to the status of Jerusalem would be highlighted.

3. *United Arab Republic—Arab Federation:* We recognized the United Arab Republic when it became apparent that many other friendly states, including some of those in the area, fully intended to do so. We feel that had we failed to accord recognition the local repercussions would have been adverse to our interests and that we would have diminished opportunities to exercise a constructive influence.

The question of recognition of the Arab Federation apparently will not arise until May. We think that the Arab Federation is, on the whole, a favorable development and can serve to increase stability in the area. (If Mr. Eban should allude to the fact that Israel has no armistice agreement with Iraq, you might wish to say that while this does not give us immediate concern, we feel it is a problem which can be worked out through the United Nations. We do not think it is to our interest to respond affirmatively to an Israel request that we exercise good offices directly between Iraq and Israel.)

4. *Yarmouk Project:* We plan to assist Jordan in a project which involves the construction of a diversion structure in Jordan territory about five kilometers from El 'Adasiyah and an East Ghor Canal. This project will not affect the amount of Yarmouk water which was agreed would be set aside for Israel use in the course of Ambassador Johnston's negotiations. The Israel Embassy may wish to consult the working level of the Department for more details concerning this project. We are assisting Jordan with this project in the interests of area economic and political stability. We believe this to be consonant with the Israelis' recommendation that we concentrate on economic develop-

ment in Jordan. Our interest in Israel's economic development has been amply demonstrated. We do not believe this affects our position on Jisr Banat Yacoub, based as it is on the findings of the United Nations Truce Supervision Organization and the Security Council resolution of October 27, 1953.⁷ We understand that the Jordanians intend to make a public announcement on this matter shortly.

Mr. Bergus of NE and I will accompany on this call.

⁷ *Foreign Relations*, 1952-1954, vol. IX, p. 1389.

9. Memorandum of a Conversation, Department of State, Washington, February 27, 1958, 11:30 a.m.¹

SUBJECT

Israel Application for an Export-Import Bank Loan; Israel Immigration Policies
(Part 1 of 3)

PARTICIPANTS

Mr. Abba Eban, Ambassador of Israel
Mr. Yaacov Herzog, Minister, Embassy of Israel
The Secretary
NEA—William M. Rountree
NE—Donald C. Bergus

Mr. Eban congratulated the Secretary on his 70th birthday. The Secretary expressed his thanks.

Mr. Eban said that since his telephone conversation with the Secretary,² he had been in touch with the Bank and the loan agreement was now being formalized. The amount which the Bank was willing to invest in Israel's water development projects at this time was less than the total necessary. Israel circles had doubted whether the amount which the Bank was offering would even be sufficient to complete a significant part of the program. Mr. Eban had urged his Israel colleagues to rely on the possibility of further Bank investment. The Secretary felt that it was well that Israel should get started on this development. He could, of course, make no assurances with regard to any future Israel applications. The Bank was an independent agency. From the viewpoint of the Department, however, a number of small

¹ Source: Department of State, Central Files, 884A.10/2-2758. Secret. Drafted by Bergus. See also *infra* and Document 11.

² See footnote 3, Document 6.

amounts were perhaps more easily handled than one large amount. Mr. Eban said that the Israelis had told the Bank they would be back for more loans. The Israelis would like to feel that the projects would not be left halfway completed.

The Secretary said he would like to emphasize that one of the important elements which had made us feel that we were in a position to press the Bank had been Mr. Eban's statements on Israel immigration policy: that as Israel developed its economic potential, it would be easier for Israel to do something for the Arab refugees and that Israel did not intend to stimulate immigration to absorb all the country's economic growth.³ Mr. Eban commented that Israel wished to expand internally by building up its economy. External expansion by Israel would not help it economically but would create more problems.

³ At this point in the source text, the following sentence is crossed through: "These statements had helped us."

**10. Memorandum of a Conversation, Department of State,
Washington, February 27, 1958, 11:30 a.m.¹**

SUBJECT

Arab Unions (Part 2 of 3)

PARTICIPANTS

Mr. Abba Eban, Ambassador of Israel
Mr. Yaacov Herzog, Minister, Embassy of Israel
The Secretary
NEA—William M. Rountree
NE—Donald C. Bergus

Mr. Eban said that Israel was preoccupied with the implications of both the Arab unions. Its position remained one of reserve. The Secretary asked what Israel's position was with regard to recognition of these unions. Mr. Eban replied that the question, of course, did not arise in connection with Israel. Israel felt, however, that other United Nations members should recognize these voluntary unions.

Israel felt that the Egyptian-Syrian Union (United Arab Republic) had a precarious future. It lacked contiguity and cultural unity. The spoken Arabic of Egypt was not intelligible to Syrians and vice versa.

¹ Source: Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199. Secret. Drafted by Bergus. See also *supra* and *infra*.

Once the present crisis passed, Syrian separatism would reemerge. The Iraq-Jordan Union (Arab Federation) on the other hand had the advantages of contiguity, economic logic and a common policy of resistance to Communism.

These developments had certain Israel aspects which Prime Minister Ben Gurion had asked Mr. Eban to discuss with the Secretary in concrete terms.

Mr. Eban continued that if all four of these states were peaceloving, Israel would welcome these acts of voluntary union. They were, however, all four anti-Israel. Therefore, Israel had anxieties with regard to its security. The West was concerned as to the unions' effect on stability in the area. If the Iraq-Jordan Federation was the only alternative to Jordan's being swallowed up by Egypt then what had happened was the lesser evil from both viewpoints.

The motive behind Syria's uniting with Egypt had been an anti-Soviet one but Israel thought that Soviet influence would dominate Nasser's policies from the very outset of the union. The Secretary asked if Mr. Eban felt that we should reappraise our policies toward Nasser in the hope of gaining influence with the United Arab Republic. Mr. Eban replied that evidence would be needed of the worth of such an effort before it would be wise to embark upon it. In his concrete acts, Nasser remained more responsive to the USSR than to the West. Mr. Eban cited the Egyptian economic agreement with the USSR, the Afro-Asian Conference in Cairo, the Sudan border dispute, Algeria and the press reports that Nasser had publicly attacked the Arab Federation. If Nasser valued better relations with the West, he should demonstrate this by taking concrete steps. Mr. Eban returned to his presentation by saying that since Israel stood between Egypt and Syria and since the Egyptians were already talking of the need for contiguity between the two segments of the UAR, Israel thought it would be salutary for the U.S. to reemphasize, perhaps publicly, that U.S. policy supported the independence and sovereignty of the State of Israel.

Mr. Eban repeated that the Iraq-Jordan Federation was the lesser evil. In it, however, there were elements which affected Israel which should be clarified. Israel felt that it had a right that Iraq army forces should not go west of the Jordan River.

The legal basis for this right was Article 6 of the Israel-Jordan Armistice Agreement² which mentioned the fact that Jordan forces were replacing Iraq forces and that Jordan accepted responsibility for all Iraq forces in Palestine. The Armistice Agreement was therefore

² For text of the Israel-Jordan Armistice Agreement, signed at Rhodes, April 3, 1949, see United Nations, *Official Records of the Security Council, Fourth Year, Special Supplement No. 1.*

based on the absence of Iraq forces from what had been Palestine. The reentry of Iraq forces could take away the present equilibrium. Mr. Eban had discussed this question with the United Nations Secretary General on the previous day. The Secretary General seemed disposed to take up this matter with the Iraqis in his forthcoming visit to Baghdad if leading members of the United Nations felt it would be useful. Israel asked the U.S. to urge that Iraq forces do not enter the area west of the Jordan River. If this were made impossible by reason of the merger of Jordan and Iraq forces then Iraq should undertake not to change the total equilibrium of forces contemplated in the Armistice Agreement. Furthermore, since Iraq was in a sense becoming a neighbor of Israel's, the Iraqis should be invited to cooperate to maintain tranquility along frontiers.

Mr. Eban referred to the tension which was created in the area by talk of the forthcoming destruction of Israel. It was ironic that more of this sort of talk came from Iraq and Jordan than from other quarters. The Secretary felt that there was a reason for this which he was sure was well known to Israel. Iraq and Jordan were accused of being under Western influence. It was a fact that British and American counsel were heeded more by Iraq and Jordan than by Egypt and Syria. They, therefore, felt it necessary to talk to offset this. The talk, however, did not in fact offset this. The Secretary did not feel that this was really a cause for Israel to be frightened. Mr. Eban said that Israel was not frightened but merely wished to point out that this talk would increase tension.

Prime Minister Ben Gurion had said that if the U.S. found it useful it was empowered to inform Iraq that it had nothing to fear from Israel. Iraq for its part should take into account Israel's security interests especially with regard to the equilibrium along the armistice line. These were matters in which substance was of the greatest importance and formal understandings were not needed. The Secretary inquired whether the armistice agreement delineated an area of equilibrium. Mr. Eban replied that it did not. There were some sectors in which the armistice agreement said that no arms should be introduced and others where only limited armaments could be brought. The Israelis felt these bound Iraq.

Mr. Eban said these developments brought forth questions relating not only to the security of Israel but regional security. The Soviets had been quiescent in the face of these developments. Neither had taken place as a result of Soviet initiative. Mr. Eban referred to earlier correspondence between the Secretary and Prime Minister Ben Gurion in which it had been said that it would be fruitful to continue discussions as to ways and means of dealing with the Soviet menace. Israel had no suggestions to put forward at this time. If some were developed, they would be communicated. If the Arab Federation strength-

ened its relations with the West, it would be on the basis of fear of Communism. There could be an affinity between them and Israel on this point. Such could also be the situation with regard to Lebanon. Perhaps it might be possible, without raising the question of peace settlements, for there to be de facto cooperation among these countries through the U.S. on such questions as relieving tension and improving the frontier situation. Mr. Eban put this forward as a general reflection and had no specific recommendations to make.

The Secretary said that the question of the U.S. adhering to the Baghdad Pact had arisen. We were de facto members of it and had given Pact members the benefit of the Eisenhower Doctrine.³ Would Israel have any views as to whether the U.S. should join it by treaty? Mr. Eban said that he had not had an expression of his Government's views on this point since the two Arab unions had come into being. However, in the past, his Government had felt that there were at least four reasons why it would not be wise for the U.S. to adhere to the Baghdad Pact. They were: 1) the Pact divided the Middle East and excluded Israel. U.S. adherence to it would replace the present catholicity of the U.S. position and reduce it to one of partisanship; 2) U.S. adherence to the Pact would not add anything in terms of material strength to the area; 3) it would serve to provoke the USSR without adding anything to Western strength; 4) it would result in the U.S. having a contractual relationship with the Arabs but none with Israel. There would be an imbalance. If the U.S. had a treaty with the Arabs it would need a treaty with Israel.

Mr. Eban said he would inquire whether these still represented the views of his Government. He asked if the Secretary's question had implied that the U.S. was moving toward adherence. The Secretary said that it had not. He continued to believe for a variety of reasons, including some of those put forth by Mr. Eban, that our present relationship was better. The question, however, kept recurring. Mr. Eban referred to the fact that each of the members had a "King Charles' head" as far as intra-area problems were concerned—Palestine, Kashmir, Cyprus, etc. The U.S. would be expected to take different attitudes on these questions if it formally allied itself with Pact members. The Secretary commented that Nuri Said did not appear to be a friend of Israel.

³ For text of the Middle East Resolution (Eisenhower Doctrine), approved by the House and Senate on March 7, 1957, and by the President on March 9, see *American Foreign Policy: Current Documents, 1957*, pp. 829-831.

11. **Memorandum of a Conversation, Department of State,
Washington, February 27, 1958¹**

SUBJECT

Israel Tenth Anniversary Celebrations; Yarmouk Project (Part 3 of 3)

PARTICIPANTS

Mr. Abba Eban, Ambassador of Israel
Mr. Yaacov Herzog, Minister, Embassy of Israel
The Secretary
NEA—William M. Rountree
NE—Donald C. Bergus

The Secretary stated that he had asked the Under Secretary to relieve him of some of the concrete problems arising in U.S.-Israel relations. His conversation with Mr. Eban up to this point had been a general discussion. The Secretary hoped to have more of this general type of discussion with Mr. Eban in the future. Discussions on concrete problems, however, would, he hoped, be held with Mr. Herter.

Since Mr. Herter was absent from town, the Secretary wished to remark on two specific matters.

1) The Secretary hoped that the celebrations to be held in Israel in connection with the forthcoming tenth anniversary would not highlight the difference in our views as to the status of Jerusalem. We did not wish to be trapped by ceremonial problems into positions which could create difficulties. This aspect was an element in our thinking as regards U.S. participation in these celebrations.

2) The Secretary wanted Mr. Eban to know that we had a relatively small plan to assist Jordan with regard to a Yarmouk project which involved the construction of a diversion structure in Jordan territory about five kilometers from El 'Adasiyah and an East Ghor Canal. This project would not affect the amount of Yarmouk water which was agreed would be set aside for Israel use in the course of Ambassador Johnston's negotiations. The Israel Embassy might wish to consult the working level of the Department for more details concerning this project. This project did not affect our hopes that some day it might be possible to carry out larger projects for the use of the water resources in the Jordan Valley. Mr. Eban inquired whether this project would be located in the Israel-Syria demilitarized zone. Mr. Rountree replied that it would not. Mr. Eban said that Israel's general attitude was not to oppose the efforts of neighboring states to develop

¹ Source: Department of State, Central Files, 884A.424/2-2758. Secret. Drafted by Bergus. See also Document 9 and *supra*.

their water resources. This attitude was based on the so far unfulfilled hope that these states would likewise not oppose Israel's similarly developing its water resources.

12. Memorandum From the Secretary of State to the President¹

Washington, March 5, 1958.

SUBJECT

Israel Tenth Anniversary

The Israel Government has asked that you designate a special representative to attend ceremonies to be held in Israel from April 23-26, 1958. This request has been publicized and as a result there is press speculation as to the identity of the person you would appoint in such a capacity. There are even reports that your representative would return from Israel in company with the Israel Prime Minister, who would be coming to the United States on an official visit. Speculation and rumors such as this are harmful to our over-all interests in the Near East.

We have asked a number of other friendly Governments as to their plans. So far, none of these Governments has received an invitation from Israel to send a representative of the Head of State. Neither are these Governments planning to send such a representative.

We feel that we should respond to the Israel request in a manner which, while indicating our desire to take appropriate note of Israel's tenth anniversary, would minimize the effect on our objectives in the area. We are certain that the sending of a high-level representative from this country to participate in ceremonies in Israel, with all the attendant publicity, would serve to foster antagonism toward us in the Arab world, would be exploited by the Soviet Union, and would be especially harmful to Arab leaders who seek to maintain close relations with the United States. Accordingly, I recommend that the Hon-

¹ Source: Eisenhower Library, Whitman File, Dulles-Herter Series. No classification marking. According to another copy, this memorandum was drafted by Bergus on March 3. (Department of State, Central Files, 884A.424/3-458) The source text bears the handwritten notation: "OK DE".

orable Edward B. Lawson, American Ambassador at Tel Aviv, be designated as your special representative to attend the Israel tenth anniversary ceremonies.

JFD

13. **Memorandum From the Under Secretary of State's Special Assistant (Villard) to the Under Secretary of State (Herter)**¹

Washington, March 6, 1958.

SUBJECT

Palestine Refugee Problem

I called on Secretary-General Hammarskjold in New York on March 3 to discuss the present status of the Palestine refugee problem. Mr. Hammarskjold invited Sir Humphrey Trevelyan, UN Deputy Under Secretary, who is working on the Middle East development plans, to participate in this discussion. On March 4 I had separate talks with Trevelyan and with Mr. de Kemoularia, the Secretary-General's representative, who recently returned from a European tour to raise funds for UNRWA. I called on Mr. Hammarskjold again at his request on March 5 for another look at the refugee question.

The results of these conversations are embodied in USUN telegrams numbers 967 (Tab A), 969 (Tab B), and 970 (Tab C),² attached for your convenience.

At the March 5 meeting I summarized the Department's current thinking in regard to the refugees as follows:

1. Recent developments in the Middle East, particularly the new alignments among the Arab nations, have made it inadvisable to inject the refugee problem as such into the situation now or at any time in the immediate future.

2. We appreciate the long-range possibilities of contributing indirectly to a solution of the refugee problem through improved economic conditions in the countries concerned, and will be interested in examining the plans for the proposed Middle East development fund when they are ready.

¹ Source: Department of State, Central Files, 320.511/3-658. Secret. Drafted by Villard and initialed by Herter.

² No tabs are attached to the source text; copies of telegrams 967 and 969 are *ibid.*, 320.511/3-558; telegram 970 is *ibid.*, 684A.85322/3-558.

3. It is necessary to start some thinking soon in regard to the expiration date of UNRWA in 1960. We believe the most constructive action we can take on the refugees at present is to study the problem of what is to happen after UNRWA's termination, and especially what is to take place when the subject is raised for debate in the forthcoming 1958 General Assembly.

Mr. Hammarskjold expressed complete agreement with these views, which he termed the only practical and realistic approach. He had no other course of action to propose, although he recognized the pressure which existed for progress toward a solution. He stressed particularly his feeling that no mention should be made of the refugees in connection with the Middle East development fund, as this would be the surest way of killing any hope for a refugee settlement.

I gained the impression that both Hammarskjold and Trevelyan were intent on proceeding full steam ahead on blueprints for the development fund and that they were resolutely optimistic it would receive support from both the Egyptians and the Iraqis. In any case, we may expect Trevelyan to make a persuasive presentation when he comes here to discuss the scheme. The Department will then have an opportunity to make the observations or suggestions which Trevelyan expects and which might have an influence on the course of his current thinking.

Mr. Hammarskjold asked that we keep in close touch with him in respect to the refugee problem. He suggested that I return to New York for further talk after his own trip to the area in the next few weeks.

14. Memorandum of a Conversation, Department of State, Washington, March 27, 1958¹

SUBJECT

Israel and the Development of the Jordan Valley

PARTICIPANTS

Mr. Abba Eban, Ambassador of Israel

Mr. Ya'acov Herzog, Minister, Embassy of Israel

Mr. Aharon Wiener, Hydraulic Engineer, Government of Israel

¹ Source: Department of State, Central Files, 684A.85322/3-2758. Confidential. Drafted by Bergus on March 28 and initialed by Herter. Eban and Herter also discussed a summit conference and the general situation in the Middle East. Memoranda of these parts of the conversation are *ibid.*, 396.1/3-2758 and 684A.86/3-2758.

The Under Secretary
NE—Stuart W. Rockwell
NE—Donald C. Bergus

Mr. Eban recalled that the Secretary had informed him on February 26 concerning U.S. support for a Jordan project to divert the Yarmouk River.² The following day, his Embassy had asked for and received particulars of the project from the Department.

Discussion of the Jordan Valley between the Israelis and the U.S. had gone on over the last four years on the basis that the Valley was an international basin in which Israel and Jordan had substantial economic interests and Syria and Lebanon had marginal, primarily juridical, interest. Mr. Eban recounted briefly the history of the negotiations with Mr. Eric Johnston who had achieved technical agreement for a unified plan which had failed to receive political agreement. Since that date, Israel, in all its work with regard to the Jordan Valley, had maintained two principles: to manage the work so that if it were ever possible, Israel could revert to the unified plan; and to use the allocations of water among the riparian states which were contained in the unified plan as a basic planning premise. In these discussions, the U.S. had treated on an equal basis development of the Yarmouk River by Jordan, and development of the Jordan River by Israel. Mr. Eban's following comments should be read in the light of that history.

Mr. Eban gathered that U.S. support of the Yarmouk project was based on two conditions: that the project be located outside the Demilitarized Zone and that Jordan take no more water than that allocated to it by the Johnston negotiations. Mr. Eban had also assumed that the U.S. had required that the Yarmouk project would not endanger Israel's present usage of Yarmouk water (25-30 million cubic meters annually) or legitimate future use (40 million cubic meters annually).

Israel had examined the question of whether the Yarmouk project endangered its present rights and had come to a grave conclusion. If the U.S. still wished to proceed with the Yarmouk project, it must do other things to remove the features objectionable to Israel: The project presently would endanger existing usage by Israel by endangering the flow of the Yarmouk, particularly during the summer months. Israel could confirm this with technical data. Furthermore, the Yarmouk project would cause a change in the chemical structure of the water of the lower Jordan. The salinity of this water would be almost doubled. There were possible modifications of the Yarmouk project which could compensate for these two aspects, however.

² Dulles had so informed Eban during a conversation at 11:33 a.m. on February 27. A summary of this conversation was transmitted to Tel Aviv in telegram 622, February 27. (*Ibid.*, 884A.424/2-2758)

Assuming that ways could be found to compensate, the broader question arose as to Israel's position if Jordan swiftly developed Yarmouk water while Israel, without U.S. aid or support, jogged along in its development of the Jordan. Jordan would get the first established use of the river system with U.S. cooperation. The result would be an imbalance which would make it difficult to return to the unified plan. Israel's legal and diplomatic position would be prejudiced. Israel would suffer a drastic departure of U.S. policy from a position of equilibrium to one of unilateral support.

There were of course other considerations. Israel welcomed the basic idea of development by Jordan of its resources, particularly in a context where opportunities for refugee resettlement would be increased. Israel had an affirmative attitude toward the question of the use of the water of the Jordan Valley system. This led Israel to ask how the Yarmouk project could be reconciled to Israel's requirements. If the plan were proceeded with, certain things would have to be done.

First there would be required a clear understanding that Israel's continued use of Yarmouk water was sacrosanct. The Under Secretary asked how this might be done. If the Yarmouk project were built first, would Israel wish to be assured that there would remain adequate water for its use? Mr. Wiener said both this problem and that of salinity might be solved by additional works which would divert Yarmouk water into Lake Tiberias during the winter months for release into the Yarmouk triangle and lower Jordan in the summer.

Mr. Eban continued that Israel's second requirement was an assurance that the U.S. would not depart from the principle of balanced projects in the Jordan Valley. The Under Secretary said he felt certain that the ICA had approved this project on the basis of its being part of the whole, which it did not prejudice. Mr. Eban said that he felt that there was then an equality of relationship to what Israel proposed. He gathered that the conditions we had laid down for participation in the Yarmouk project were that it would not be in the Demilitarized Zone nor would more water be taken than that allocated by the Johnston negotiations. Israel was prepared to consider alternative points to Jisr Banat Yacoub for its diversion of the Jordan. One was in the Huleh area, another was 1.8 kilometers south of Jisr Banat Yacoub just outside the Demilitarized Zone. These were not the only alternatives. Israel was prepared to discuss the timing of such a project. The most important thing was a U.S. assurance of equality of treatment. A great deal of discussion remained to be done. Israel would like an assurance regarding U.S. policy. If the U.S. extended moral and material support for a Jordan project, it should do the same for an Israel project. Even so, it looked as though Jordan would be the first user of water from the Jordan Valley system.

Mr. Rockwell stated that we had been assured by competent technicians that the considerations regarding Israel use of Yarmouk water which had been raised would be met. We would like to study Israel's facts and figures on these questions. We, of course, had had Israel's interests in mind and had obtained expert views that these would not be prejudiced.

Mr. Eban reverted to the problem created by prior Jordan use of the water. The Under Secretary commented that this appeared to be a main preoccupation of the Israelis. Mr. Rockwell stated that we could not be too certain as to just when actual Jordan use of the water would in fact take place. He pointed out that while nothing had been done in Jordan, Israel had continued work on the Jordan diversion outside of the Demilitarized Zone. This might be cited as establishing an Israel claim to some of the waters.

The Under Secretary summed up that what we had in mind in authorizing our assistance for the Yarmouk project had been a piecemeal approach. Mr. Eban stated that there might be virtue in such an approach if Israel "had a piece of the meal."

It was agreed that the Israelis would submit a written statement of their views and proposals for consideration in the Department.³

³ A copy of the Israeli statement, April 2, is *ibid.*, 684A.85322/4–258.

15. Memorandum From the President's Special Assistant for National Security Affairs (Cutler) to the President¹

Washington, March 28, 1958.

SUBJECT

Jordan River Valley Development

1. The NSC policy paper on the Near East, approved January 24, 1958, provided:

"40. Support the development of segments of the Jordan River system when not in conflict with the Unified Plan for development of the Jordan River basin."²

¹ Source: Eisenhower Library, Whitman File, Administrative Series. Secret. The source text bears the President's initials.

² NSC 5801, January 24, 1958, is scheduled for publication in volume XII.

2. It was recognized that to proceed with the entire Unified Plan ("The Johnston Plan")³ would be most desirable, if possible, because: (a) in the development of any river system a unified approach is preferable, and (b) certain aspects of the Unified Plan will ultimately require cooperation between Near East countries which it would be best to have from the beginning.

3. However, it then was, and is today, the judgment of the Department of State that the tense political situation within the area makes political clearance of the Unified Plan, as a whole, by the interested states an impossibility in the near future. Based on this judgment, and in accordance with the above quoted policy provision, the State Department has approved of a Jordan project for diversion of the lower Yarmuk River.

4. This project, for which the United States would advance this year \$2 million, would provide around 4,000 construction jobs and (except in the most dry months) irrigate 25,000 acres of Jordan. The main features of the project were contemplated in and are not inconsistent with the Unified Plan as it related to the lower Yarmuk. If the Unified Plan were ever put into effect as a whole, it would only be necessary to make relatively minor adjustments in the Yarmuk Project to bring it into the Plan.

5. Mr. Johnston raised three questions about this Yarmuk River Project:

(1) He questioned its engineering feasibility (would the result irrigate, as proposed, the area under consideration?). American engineers in Jordan have assured the State Department that the Project is economically sound and technically feasible.

(2) He feared that Israel would object to the United States doing something in this area for Jordan. The State Department's answer to this question is that we are providing \$80 million assistance to Israel in this fiscal year (including a \$24.2 million Export-Import loan to assist in developing Israel's water resources outside the Jordan Valley). The Israelis have indeed raised objections to this Project with the Under Secretary of State, revealing in doing so that their main purpose is not to prevent the Yarmuk Project but to use it as a basis for a request for further United States financial assistance to Israel to develop some of its share of Jordan River waters.

(3) He questioned the Project as fragmenting the Unified Plan. The State Department evaluation is that the prospects of obtaining overall consent to the Unified Plan now or in the reasonably near future are so minimal that our prospects for obtaining the benefits of the Plan are best advanced by the type of approach contemplated in NSC 5801 of January 24, 1958.

³ For documentation on the negotiations for a Jordan Valley Water Agreement between the Arab States and Israel, conducted by President Eisenhower's special representative Eric Johnston, see *Foreign Relations, 1952-1954*, vol. IX, pp. 1348 ff., and 1955-1957, vol. XIV, pp. 20 ff.

6. The State Department is concerned with the problem of increasing Jordan's economic viability, creating employment opportunities during the present critical situation in the Near East, and increasing opportunities for the resettlement of Palestine refugees. We are not in a position to prevent riparian states from taking unilateral actions which might prejudice the Unified Plan and to the extent that individual segment projects are assisted by United States aid, we have an opportunity to insure their compatibility with the Unified Plan.

R.C.

16. **Memorandum of a Conversation, Department of State,
Washington, April 4, 1958¹**

SUBJECT

Israel Warships in the Gulf of Aqaba

PARTICIPANTS

Mr. Ya'acov Herzog, Minister, Embassy of Israel
Mr. Yohanan Meroz, Counselor, Embassy of Israel
NEA—William M. Rountree
NE—Donald C. Bergus

Mr. Rountree said that he had asked Mr. Herzog to call to discuss the Gulf of Aqaba. This subject created many difficulties for us in our relations with the Arabs, particularly Saudi Arabia. As the Moslem pilgrimage season approached, the question gained importance. In view of the present state of the relations between Saudi Arabia and the United Arab Republic, more attention would probably be directed to the Gulf. The U.S. continued to maintain its position that the Gulf of Aqaba was open to the ships of all nations. The presence of Israel warships in the Gulf complicated our position and the problem. We appreciated the fact that these vessels had been tied up for a number of months. Nevertheless, their presence continued to exacerbate the problem for us in our relations with the Arabs. We had concluded that we should suggest to Israel, in the interests of peace and stability in the area, and as a major contribution to such stability, that it remove the war vessels from the Gulf. We realized that this would be a decision of some magnitude for Israel. It was our considered judgment,

¹ Source: Department of State, Central Files, 980.74/4-458. Secret. Drafted by Bergus and initialed by Rountree.

however, that it would be in the best interests of all concerned, including Israel, to remove this extremely sharp thorn from the situation. The warships also raised serious legal questions. The passage of these ships in waters outside their immediate port area might well violate generally accepted principles of international law. We had asked our Embassy in Tel Aviv to take up this matter with the Israel Government and we were also drawing the attention of the Israel Embassy here to it.²

Mr. Herzog referred to previous assurances given by Israel, for transmission to the Saudis, if desired, that Israel was prepared to give every guarantee and assistance to Moslem pilgrims. Mr. Rountree felt that, despite the spirit in which Israel had said these things, their effect had been counter-productive. Mr. Herzog said that another possibility which had occurred to the Israelis was that the U.S. might guarantee to the Saudis that nothing would happen in the Gulf affecting them so long as the Saudis did not interfere with Israel interests. He recalled that for at least eight months the Israel warships had been tied up, as a result of personal orders issued by Prime Minister Ben Gurion. Israel had taken this step despite a belief that it was perfectly legal for warships to transit territorial waters of other countries so long as the warships took no threatening action. Generally speaking, Israel had been apprehensive lest Prince Faisal might reopen the question of the Gulf of Aqaba.

Mr. Herzog said he would of course transmit the Department's suggestion to his Government. As a personal observation, he wondered whether the movement of Israel warships from the Gulf might not involve the forfeiture of Israel rights. If Israel could not keep warships there, other Israel rights with respect to the Gulf might be challenged. There was the further question of security. If the warships were withdrawn and Saudi Arabia then attempted to interfere with Israel shipping, the Israelis would then have to use air power. He asked if the recent vote in the Geneva Law of the Sea conference had any bearing on this matter.³ Mr. Rountree replied that he had not yet had an opportunity to consult with our Legal Adviser as to the implications of this vote. Mr. Rountree said that our primary concern with respect to the Israel warships was not legal but political. He did, however, have certain legal misgivings. It might well be in time of peace there existed a right for warships to transit territorial waters. However, it must be remembered that the Egypt-Israel General Arm-

² This instruction was transmitted to Tel Aviv in telegram 698, April 2. (*Ibid.*, 980.74/4-258)

³ Reference is to the First Law of the Sea Conference, February 24-April 27, 1958.

stice Agreement⁴ forbade the warships of one party to enter the territorial waters of the other.

Mr. Herzog called attention to press reports which had appeared that morning to the effect that Egypt was receiving three more submarines from the Soviet bloc. He felt this had a bearing on the security problem. Israel over the past few months had received reports that the Egyptians might try to put submarines into the Gulf of Aqaba. There had been other reports that the Egyptians would establish stations on the shore line for divers (from which they could carry on sabotage missions) and gun emplacements. Fortunately none of these reports had thus far proven true. He asked whether, if Israel acceded to this suggestion of the U.S., we felt that we would be able to influence Faisal's position on the Gulf. Mr. Rountree commented that this move by Israel could help relieve Arab pressure on Saudi Arabia to do something about the Gulf. He did not, however, for a moment believe that this gesture would alter Saudi Arabia's general position on the Gulf. Despite this, he felt that this move on the part of Israel would be a major contribution to area stability.

Mr. Herzog said there seemed to be a vicious circle in this matter. The Arab Union countries used the presence of Israel shipping in the Gulf as a weapon in their propaganda war with Nasser. Nasser then deflected this pressure to Saud who turned on the U.S. as a result. He wondered whether the U.S. might not use its influence with the Arab Union countries to choke off this process at the start. Mr. Rountree felt that the reasons for this practice on the part of the Arab Union countries were obvious. Furthermore, the Egyptians might well feel hampered with respect to this particular issue because of their January 28, 1950 note on the subject of the Gulf of Aqaba.⁵

⁴ For text of the Israeli-Egyptian Armistice Agreement, signed at Rhodes, February 24, 1949, see United Nations, *Official Records of the Security Council, Fourth Year, Special Supplement No. 3*.

⁵ See *Foreign Relations, 1950*, vol. v, pp. 711, 722.

17. Telegram From the Embassy in Israel to the Department of State¹

Tel Aviv, April 8, 1958—2 p.m.

882. Reference: Deptel 698.² I saw Foreign Minister at her office Jerusalem yesterday afternoon to set forth in detail US views Israel naval vessels in Gulf of Aqaba as directed reference telegram. Mrs. Meir heard me out calmly and discussed situation quietly but with evident firmness and authority. She already had report from Herzog of conversation with Rountree same subject (Deptel 702)³ and was prepared with lengthy justification for GOI refusal accede our request for removal vessels.

Admitting that US and Israeli interests in ME and in world are generally coincident, Mrs. Meir noted somewhat wryly that pro-western Arab States, whose attitude concerned US, did not act any differently vis-à-vis Israel than Arab States less well disposed toward west. She doubted that any action to "appease" Arab States would change their attitude toward Israel. Referring to recent difficulties on Syrian and Jordan borders, Foreign Minister asked if she could possibly go to families of two boys killed (April 4) in Lashish area of Jordan border and say their deaths really not so bad since they were killed by "friends of our friends." Had US Ambassador in Amman gone to Hussein to protest this sort of senseless killing? Had even Hammarskjold said anything to Syrians on Hula shootings which after all was violation GAA? (At this point I said we had approached Syrians as we had GOI.) In sum, with all due respect for US, Mrs. Meir did not feel US took sufficiently effective action in support of US charter when Arabs obviously infringed its terms; therefore, how much could reasonably be asked of Israel in effort appease these states.

On specific question presence Israel naval vessels in Gulf of Aqaba, Foreign Minister said question is simply who is threatened by their presence (GOI answer is no one) implying that advent of pilgrim season is not effective factor in situation, she said Saud allegedly expects large numbers Moslem pilgrims but past experience indicates only 2,000 or 3,000 will pass through Straits of Tiran. Regardless of number, Israel would be glad to help rather than hinder them.

¹ Source: Department of State, Central Files, 980.74/4-858. Secret.

² See footnote 2, *supra*.

³ Telegram 702, April 4, reported briefly on Rountree's conversation with Herzog. (Department of State, Central Files, 980.74/4-458)

Last year (Embtels 1364, May 25, and 1411, June 11),⁴ GOI asked US convey assurances Saud that Israel would not only hinder passage pilgrims but assist their travel in any way possible (although Rountree indicated to Herzog this message not delivered). GOI still prepared to promise not only Saud but USG to (1) respect safety all pilgrims passing through Straits and (2) provide any desired services (water, food, repairs, rest, et cetera) at Eilat. Therefore, presence naval vessels in no way threatened pilgrim traffic. It must be evident to Saud and to anyone else, said Mrs. Meir, that Israel "would have to be mad" to attack pilgrims whether with these vessels or by any other means. Saud obviously did not believe in threat to pilgrim traffic and is merely continuing his efforts to destroy Israel by whatever means available.

Mrs. Meir said removal of vessels in any case offered practical difficulties for Israel. Could they be removed through Suez Canal, or must they go half way around the world? If they were removed, is there a US guarantee to Israel that no attack on Israel in the Eilat/Tiran area would occur? She emphasized strongly that these vessels were in Eilat solely for defensive purposes and stated flatly they would not be used unless Israel were attacked. Eilat and freedom of passage Tiran Straits constituted vital Israel interest and Israel had "right" to protection offered by vessels.

At this point, I asked if GOI military authorities satisfied vessels contributed to effective defense and stated Israel had no submarines while Egypt obtained them from USSR and more recently from Poland. I suggested that vessels might in any case need refitting in near future and would have to be removed since no facilities available Eilat. Mrs. Meir shrugged off suggestion with statement such matters fell in province Defense Minister. She added flatly that GOI must retain vessels at Eilat into since "no one guarantees safety of Israel except Israel".

I asked if "some assurances" from Arab countries that they would not take advantage of conciliatory GOI removal vessels would make difference. Mrs. Meir noted GOI up to now unsuccessful in obtaining "simple thing" like assurances of free world interest in inviolability Israel boundaries. She wondered, therefore, if US prepared guarantee Israel security in Eilat/Tiran area. As for "assurances" from Arabs, these were not very valuable. After all, who believed Nasser when he said he would not use his new submarines to attack Israel? If Arab States want to sit down with Israel and negotiate non-aggression pact—that was one thing. Mere "assurances" did not suffice. Private guarantees by US also had drawbacks. In view of GOI what is required

⁴ Dated May 30 and June 12, 1957, both telegrams noted that Israel had guaranteed safe passage for pilgrims going to Mecca. (*Ibid.*, 886A.413/5-3057 and 886A.413/6-1257)

in situation is that US go to Arab "friends" and tell them facts of life and "demand guarantees" as price for continued US support. GOI feels Arab motivation is simple blackmail of US which continues at expense Israel (tree planting, etc.) without noticeable benefit to Israel or US.

Avner, Director US Division, subsequently added that Foreign Minister may not have sufficiently emphasized point that GOI doubts usefulness of acceding to US request because it convinced that Saud impossible to satisfy. In their view, both US and GOI interests would be ill-served by action which would only encourage Saud raise new demands in relation Tiran Straits.⁵

Lawson

⁵ On April 10, the Department instructed the Embassy in Tel Aviv to state to Meir, at a suitable opportunity, that the United States greatly regretted the Israeli Government's negative attitude. (Telegram 714 to Tel Aviv; *ibid.*, 980.74/4-858)

18. Memorandum of a Conversation, Department of State, Washington, April 15, 1958¹

SUBJECT

UNRWA

PARTICIPANTS

Mr. Henry R. Labouisse, Director of UNRWA
 Mr. Francis O. Wilcox, IO
 Mr. John W. Hanes, IO
 Mr. Henry Villard, NEA
 Mr. James Ludlow, NEA
 Mr. Elmer Falk, OIA
 Mr. David Gamon, UNP

Mr. Labouisse called at his own request, primarily to review the financial situation of UNRWA. In view of the unexpected increase in the Canadian contribution and the unblocking of old French pledges for rehabilitation, Mr. Labouisse explained that the Agency's financial situation had improved considerably. Assuming that the US and others would contribute during the second half of 1958 at the same

¹ Source: Department of State, Central Files, 320.511/4-1558. Limited Official Use. Drafted by Gamon on April 17. A briefing memorandum for Wilcox for his conversation with Labouisse is *ibid.*, IO/UNP Files: Lot 79 D 215, Palestine Refugees General Correspondence.

rate as at present, he estimated that the Agency would be able to maintain its present relief and reduced rehabilitation programs. In fact, he said, the Agency had recently started a new arc-welding training program in Tripoli that would graduate some 200 refugees a year for whom there were jobs waiting. There were, however, some relatively minor problems that Mr. Labouisse wished to settle. He was concerned lest a substantially large number of contributions from others might be made during the month of June too late for the US to match under present appropriations. Mr. Falk assured him that the US could make contributions in July out of the present appropriations to match contributions made by others in June. The Canadians have indicated that they would be paying \$500,000 of their current pledge after July 1. Mr. Labouisse would be trying to get them to move payment up to before then, so that the US might be able to make a corresponding payment from existing appropriations. He said that if the Canadians were unable to pay the \$500,000 before July 1, contributions from non-US sources would be \$400,000 short of the sum required to release the full US contribution.

Mr. Wilcox asked Mr. Labouisse's opinion on the prospects of turning operational responsibilities over to the host governments. Saying that there were many reasons why such a transfer should take place, Mr. Labouisse answered that he did not have a pat answer to the problem which, in the final analysis, was a political one. From a technical point of view, he saw no problem in Lebanon and Syria. Moreover, he felt the Egyptian Government could handle the administration of the Gaza refugees. Even Jordan, with outside financial and technical assistance, might be able to handle the refugees there. In this connection, Mr. Labouisse noted continued evidence that the refugees were inclined to be more reasonable and less adamant in their attitude to any change in their status. In response to a query of Mr. Wilcox, Mr. Labouisse expressed the opinion that King Hussein and the other leaders in Jordan fully realized that the refugees must be absorbed into the Jordanian community.

Mr. Villard asked if Mr. Labouisse saw any UN solution for the Gaza problem. Mr. Labouisse said that if the UN were to assume responsibility for the Gaza Strip, it would be saddled with an impossible situation involving difficult administrative and security problems. He said that, as he understood it, Nasser would not favor the creation of a political grouping in Gaza which might seek adherence with the UAR. If that were to happen the residents of the Gaza Strip would be free to move into Egypt, a development which Nasser was anxious to avoid.

Mr. Wilcox asked if Mr. Labouisse had any suggestions to make on the future handling of the refugee problem. Mr. Labouisse answered that for the time being no change should be made. However,

he urged, the US should determine what it wanted to see as an eventual solution to the Palestine problem and try to have the refugee situation dealt with in such a way as to further the American solution.

Mr. Hanes asked what type of mechanism would be necessary to take over operations in 1960. Mr. Labouisse merely responded that UNRWA was a very large operation, employing some 10,000 people, only 120 of whom were not Arabs and almost all of whom were refugees.

In response to a question from Mr. Villard as to the effect of the creation of the Arab Union on the refugee problem, Mr. Labouisse pointed out that the constitution of the new union provided for the freedom of movement for citizens of each component into the other.

Mr. Wilcox, noting that Mr. Labouisse had tendered his resignation to be effective on June 15, asked Mr. Labouisse if he had any thoughts on his replacement. Mr. Labouisse answered that it would be preferable for his replacement to have had both experience with the US Government and practical working experience outside the government. It was very important that the person be a level-headed man. In his opinion, Mike Harris, the head of the Ford Foundation in Indonesia, would be a good candidate. Mr. Carver, Mr. Labouisse's Deputy in Beirut, could take over during an interim. However, Mr. Labouisse said, the Secretary-General was not in favor of his taking over more permanently. While competent, he was not very popular. Moreover, his being British was a handicap in the area. Mr. Labouisse added that his resignation would not be announced until after his return to Beirut.

Mr. Wilcox remarked that the next two years should offer more of an opportunity than the last four to do great things and that the next Director of UNRWA should find himself in a position to render a real service to the cause of peace. In conclusion, Mr. Wilcox expressed the Department's very great appreciation of the fine job done by Mr. Labouisse in the face of very difficult problems. He assured Mr. Labouisse that the Department had been aware of these difficulties and that it realized that UNRWA could have done much more if the political situation had made it possible. In response, Mr. Labouisse added that it was this faith on the part of the US Government that had made it possible for him to continue in his work.

Following the meeting Mr. Labouisse discussed in greater detail with Mr. Hanes and Mr. Falk some of the problems related to UNRWA operations. The desirability of getting the Canadians at least to commit themselves to the payment of the promised \$500,000 before July 1 was stressed. The possible use of PL 480 to supply food to the Agency was discussed. In this connection Mr. Labouisse promised to furnish the Department with a report on the various foodstuffs purchased by UNRWA, where they were purchased and in what amount. This would help in determining the feasibility of further use of PL 480. As

far as the assumption by the host governments of operational responsibility was concerned, Mr. Labouisse said that he saw no technical reason why UNRWA's present education and health programs should not continue with primary responsibility resting with the host governments, but with technical assistance provided by UNESCO and WHO. He envisaged the possibility of a gradual transfer of responsibilities under such arrangements.

F.O.W.

19. **Memorandum of a Conversation, Department of State,
Washington, April 21, 1958, 5:35 p.m.**¹

SUBJECT

Situation in Jerusalem

PARTICIPANTS

Mr. Yohanan Meroz, Counselor, Embassy of Israel
Mr. Shimshon Arad, First Secretary, Embassy of Israel
The Acting Secretary
NE—Donald C. Bergus

(Mr. Meroz called on the Acting Secretary at the latter's request. Neither the Israel Ambassador nor the Minister were available as they were out of Washington. The Acting Secretary received the Israel representatives at about 5:35 PM.)

The Acting Secretary stated that we had been disturbed for some time at certain aspects of the ceremonies to be held in connection with the Israel tenth anniversary celebrations, particularly with regard to the military parade scheduled to be held in Jerusalem on April 24, 1958. We had sometime ago communicated these concerns to the Government of Israel and indicated that in view of them the U.S. representative would not attend the parade. Since that time, we had heard from the United Nations and other sources that the parade would include heavy weapons.² The Jordan authorities were vigorously protesting to the United Nations and we could not rule out the

¹ Source: Department of State, Central Files, 884.424/4-2158. Confidential. Drafted by Bergus on April 22 and initialed by Herter. A summary of this conversation was transmitted to Tel Aviv in telegram 747, April 23. (*Ibid.*, 884A.424/4-2358)

² On April 20, Lodge reported that Hammarskjöld had received a complaint from Jordan about tanks in Jerusalem and that General Von Horn was seriously concerned about military units scheduled to participate in the 10th anniversary parade in Jerusalem. (Telegram 1181 from USUN; *ibid.*, 884.424/4-2058)

possibility that the matter would be taken to the Security Council. The Jordanians had also stated an intention to move more troops and heavy weapons into the Jerusalem area.³ They had also indicated that if an effort were made to floodlight the buildings on Mount Scopus, Jordan forces would take measures to extinguish those floodlights. The Jordanians were asserting that they had the right to take this action because Israel was in violation of the armistice agreement. General Von Horn, Chief of Staff of the UNTSO, did, in fact, believe that a violation of the General Armistice Agreement was involved. The tension was mounting in the area of Jerusalem to a dangerous degree.

As this parade was about to take place, we felt that we had no choice save to issue a statement calling attention to this situation to American citizens who planned to travel to Jerusalem. The Acting Secretary then read the attached statement. The Acting Secretary felt that our responsibility to our citizens required us to alert them. The statement would probably be issued in the morning of April 22. It would be noted that in it we did not go into the issues behind the tension. The United Nations Secretary General was also very disturbed about this situation.

Mr. Meroz stated he would pass this information on urgently to his Government. He stated that it had long been known that Israel planned to hold a parade and that Israel had informed the Jordan authorities of this through the UNTSO machinery. A similar parade had been held a few weeks ago in the Jordan sector of Jerusalem. He could assure the Acting Secretary that the Israel weapons would not be armed. He hoped the Jordan Government would take a realistic view of what was at most a technical violation of the armistice agreement. The Acting Secretary concluded by stating that as the tension was building up we felt that in justice to the American citizens involved we must issue our proposed statement.

Arrangements were made for the Israel Ambassador to get in touch with the Acting Secretary later.

Attachment

PROPOSED PRESS ANNOUNCEMENT

The Department of State feels that it should call the following to the attention of any American citizens who have planned to be in the Jerusalem area within the next few days.

³ On April 20, the Embassy in Amman reported that King Hussein and Foreign Minister Rifai at a private meeting that morning had told U.S. and British representatives that Jordan would not stand by in the face of Israeli troop movements into Jerusalem and other events associated with the 10th anniversary. (Telegram 1809 from Amman; *ibid.*)

There are reports of tension in the area arising from plans of Israel authorities to hold a large-scale military parade in the City of Jerusalem on April 24. These reports indicate an increase in the amount of military equipment located on both sides of the armistice demarcation line. Until this tension subsides, the Department does not recommend travel to the area of Jerusalem if it can be avoided.

20. Memorandum for the Record¹

Washington, April 22, 1958.

SUBJECT

Telephone Conversations with regard to Israeli Plans to hold Military Parade in Jerusalem

Monday, April 21, 1958—6:25 p.m.

Ambassador Eban telephoned from New York City with regard to Mr. Herter's conversation with the Counselor of the Israeli Embassy, Mr. Yohanan Meroz, at 5:30 p.m. today.² Ambassador Eban said he was deeply disturbed by our proposed press release. The Acting Secretary said the Department felt that, having been forewarned of the possible dangers in the situation by such people as Hammarskjold, we had a duty to alert American citizens in that area and would, in fact, be remiss in not warning our citizens should any shooting occur since the parade will be held so near the armistice line. Ambassador Eban said he did not think there is any danger at the parade since there are almost no arms involved. Ambassador Eban said he had an appointment to see Hammarskjold tomorrow morning and planned to ask him to again give assurances to Jordan in this regard. Ambassador Eban said he felt the repercussions of our statement would be very untoward and asked if, since the parade will not be held until Thursday, our statement could be held up at least until he had seen Hammarskjold. The Acting Secretary agreed that we would hold up the release until Ambassador Eban had had his meeting, following which Ambassador Eban will telephone.

¹ Source: Eisenhower Library, Herter Papers. No classification marking. No drafting information is given on the source text.

² See *supra*.

Tuesday, April 22, 1958—9:00 a.m.

Ambassador Eban telephoned from New York City to say that the Prime Minister and the Foreign Minister of Israel are very shocked by the prospects opened up by such a statement as was discussed yesterday.³ They consider it the first thing of comparable gravity which has occurred in American-Israeli relations and the Ambassador said he had been instructed to say it would not only be interpreted as an unfriendly act but would create tension which, in turn, would create an atmosphere of panic and suspense which they seek to avoid. The Ambassador said to have this occur on the eve of the anniversary of Israel's independence would be most unfortunate, and that he had been asked, therefore, to appeal most earnestly for avoidance of this statement. The Ambassador said they are going to see Hammarskjold right away and suggested the Acting Secretary might wish to talk to Hammarskjold immediately after that meeting to get his impressions. The Acting Secretary said he would do so, and also said that Ambassador Lawson has been trying to get through on the telephone but there has been trouble with the circuits.

Tuesday, April 22, 1958—10:25 a.m.

The Acting Secretary telephoned Ambassador Cabot Lodge in New York with reference to Mr. Herter's conversation with Ambassador Eban, and Ambassador Lodge's telegram number 1181⁴ on this same subject. It was agreed that Ambassador Lodge would get in touch immediately with Mr. Hammarskjold with regard to his talk with Ambassador Eban and would telephone Mr. Herter as to Hammarskjold's reactions.

Tuesday, April 22, 1958—10:45 a.m.

Ambassador Lodge telephoned to say he had just finished talking with Hammarskjold who feels quite strongly that the U.S. should not make the proposed press release. Ambassador Lodge quoted Hammarskjold as having said "it would not be a good idea; it would make the Israelis very unhappy; and it would increase tensions". Ambassador Lodge said the Armistice Commission met early this morning and that Hammarskjold expects its report today. As soon as the report is received, Ambassador Lodge will get it to the Department.

³ Lawson also reported Meir's views on the proposed statement in telegram 933 from Tel Aviv, April 22, received in the Department of State at 8:10 a.m. (Department of State, Central Files, 884A.424/4-2258)

⁴ See footnote 2, *supra*.

Tuesday, April 22, 1958—10:50 a.m.

Ambassador Eban telephoned from New York and the Acting Secretary told him we had communicated with Hammarskjold. Mr. Herter said he was glad to be able to tell Ambassador Eban that for the moment we were holding off the press release until we hear the results of the Armistice Commission discussions. Ambassador Eban said he did not have all the details but that he knew the Armistice discussions included types of equipment and the fact it was unarmed; having special observers on each side; and certain routing of the armored part to keep it away from the line. The Acting Secretary reiterated that we would make no release at least until receiving the report from the Armistice Commission.

Tuesday, April 22, 1958—12:00 noon

Ambassador Lawson telephoned from Tel Aviv to stress how strongly he felt about our not making the proposed press release as indicated in his telegrams. Mr. Herter told Mr. Lawson that Ambassador Eban had been advised we would hold up on the issuance of any statement at least until we had seen the report from the UN Armistice Commission which we understand will be sent to Hammarskjold today. Ambassador Lawson said he felt the fact we had proposed to put out a release had accomplished the purpose we wanted without actually making a release and said there are a definite number of bad effects we would have to take along with the good if we did make the release.

Tuesday, April 22, 1958—2:55 p.m.

Mr. Barco called from New York to say he had just spoken with Hammarskjold. Hammarskjold said there still had been no report from Von Horn on the MAC meeting but that he still felt it would be unwise for the U.S. to make a statement. Mr. Herter said if the report indicates everything is going all right we probably will not put out a statement but if the report indicates there are still unresolved problems which might lead to provocative action we might still want to make our statement. Mr. Barco said Hammarskjold had said he might change his view after seeing the report but, in any event, Hammarskjold has promised to get word to the USUN as soon as he receives information and they, in turn, will get word to the Department. Mr. Herter also mentioned that he had spoken to Ambassador Lawson on the telephone and had told him we were holding up the statement, and the same information in more guarded terms had been conveyed to Ambassador Eban.

21. **Memorandum of a Conversation, Department of State,
Washington, April 22, 1958, 11 a.m.**¹

SUBJECT

Situation in Jerusalem

PARTICIPANTS

Mr. Abba Eban, Ambassador of Israel
Mr. Ya'acov Herzog, Minister, Embassy of Israel
The Under Secretary
NE—Stuart W. Rockwell
NE—Donald C. Bergus

Ambassador Eban called at 11:00 AM at his request. He stated he was glad to be in a position to discuss this question directly with the Under Secretary inasmuch as telephone conversations such as had taken place in the previous day and a half were never fully satisfactory. Mr. Eban said that the basis of the Israel position on the question of the parade was its conviction that the alleged tensions were artificial. The troops and the weapons would be completely unarmed. This did not represent a threat; it was in fact a large concentration of vulnerability. Mr. Eban handed the Under Secretary a copy of the attached note² which he had submitted to the Secretary General of the United Nations on the previous day. He said that he was now in a position to add that not only the vehicles but also the soldiers in the parade would carry unarmed weapons. Also, United Nations observers would be stationed at important points in the area. Mr. Eban did not feel there could be any innocent apprehension on the other side. Israel had the impression from both the Subcommittee and the MAC meetings that there was no such apprehension. Mr. Eban hoped that no statements would be issued that implied that this situation be considered a threat to the peace. He then read a summary of a statement made on the previous day by the Chairman of the MAC (the text of this statement can be found in Jerusalem's telegram 324 on April 23).³ Mr. Eban urged that the matter be left as it was. He had complete confidence that the matter would pass off without trouble. The spectators of the parade would not come within range of the armistice lines.

The Under Secretary said, for the sake of argument, let us assume that the Jordanians start something. The participants in the Israel parade would be unarmed. Certainly would not Israel be in a position somehow to respond to a Jordan initiative? Mr. Eban replied that he

¹ Source: Department of State, Central Files, 784.00/4-2358. Confidential. Drafted by Bergus on April 24 and initialed by Herter. A summary of this conversation was transmitted to Tel Aviv in telegram 747, April 23. (*Ibid.*, 884A.424/4-2358)

² Not printed.

³ Not printed. (Department of State, Central Files, 684A.86/4-2358)

did not believe the Jordanians would start anything. Some Israelis felt that the tension was being increased by public discussion and worry about it. The Under Secretary stated that on the basis of information we had, we had every right to be disturbed over the situation, particularly as so many American citizens planned to be in the Jerusalem area. The statement we had intended to put out was addressed to this specific problem and was very mild. Its implications had been highly exaggerated. In any event, we would not put out such a statement today.

The Under Secretary continued that Senator Javits had telephoned him on this matter the previous evening.⁴ This call had disturbed the Under Secretary since it implied that discussions taking place between our two governments were being broadcast outside official channels. Pressures were being brought to bear from outside. These were not welcome. He was disturbed that there should be outside discussion of matters such as these.

Mr. Eban stated that there had been two reports in the bulletin of the *Jewish Telegraphic Agency* attributed to Department of State sources to the effect that there was high level consultation in the Department going on about this parade. The JTA story which had appeared on the morning of April 23 came very close to intimating that the Department had a public statement of some sort in mind. Mr. Eban had been in New York in connection with arrangements for the celebration of Israel's tenth anniversary in Philadelphia and Boston. These JTA stories had aroused interest among the people Mr. Eban was talking with. It was only in this context that Mr. Eban had had occasion to discuss this question with Senator Javits. The Under Secretary said he would like to see these JTA stories. Mr. Eban undertook to supply them to him. Mr. Eban said that a correspondent in New York of the Israel newspaper *Ma'Ariv* had apparently got wind of the story through United Nations sources. Mr. Eban said he had been able to persuade him not to send this story.

The Under Secretary said that as of now all we could hope was that April 24 would pass without incident. Mr. Eban said that Israel was taking all precautions. They would be discreet about the discussions which had taken place. The Israel tenth anniversary, however, was not an ordinary occasion. There was world interest in it.⁵

The Under Secretary wondered whether the exchange between Prime Minister Ben Gurion and the Secretary General would be pub-

⁴ No record of this telephone conversation has been found.

⁵ On April 25, the Consulate in Jerusalem reported that the parade had been unimpressive except for 80 tanks and 36 guns, and that the crowds were well-behaved. (Telegram 329; Department of State, Central Files, 884A.424/4-2558)

lished.⁶ Mr. Eban doubted that it would. It was agreed that the press would be told that Mr. Eban had come to inform the Under Secretary of the assurances which Israel had given to the United Nations.

⁶ Copies of this correspondence were transmitted in telegrams 1195 and 1202 from USUN, April 22 and 23. (*Ibid.*, 884A.424/4-2258 and 884A.424/4-2358)

22. Memorandum From the Under Secretary of State's Special Assistant (Villard) to the Under Secretary of State (Herter)¹

Washington, April 28, 1958.

SUBJECT

Palestine Refugee Problem

Some nine months ago you asked me to explore the Palestine refugee problem, along the lines proposed in a basic memorandum (Tab A) drafted by IO and NEA.² Although this period of gestation has, regrettably, not produced a solution, the intensive study devoted to the subject has at least focused the Department's attention on the problem and carried out the expressed desire of Congress that we try to do something about it.

Before taking up my new assignment, I feel I should give you an accounting and submit a few observations which may be of use in the future.

1. It was evident from the very start that, contrary to the assumption in the IO-NEA paper, the moment was not opportune for an initiative by the United States to settle the refugee question. The crisis in Syria and its repercussions in the Middle East made it politically inadvisable to press for a solution, particularly because of the risk that injection of such a controversial issue would divert attention from the imminent threat of communist penetration of the whole area. The best that could be done under the circumstances was to suspend action on the IO-NEA proposal and to continue the study of all plans and suggestions so as to be able to move ahead promptly whenever condi-

¹ Source: Department of State, NEA Files: Lot 70 D 229. Secret. Copies were also sent to IO, NEA, and USUN.

² *Foreign Relations, 1955-1957*, vol. xvii, p. 661. Neither of the tabs is attached to the source text.

tions might warrant. Unfortunately, the propitious moment never did arrive, and with the recent opposing alignments in the Arab world the time seems less propitious than ever.

2. A second assumption, that the problem could be isolated from the main body of unresolved Palestine issues and attacked as a thing in itself, has in my opinion also been disproved by developments. While the refugee situation might be the starting point in any negotiated settlement of the over-all Palestine problem, it is part and parcel of the Palestine problem and cannot be dealt with successfully without coming to grips with the larger political issues involved in the Arab-Israeli controversy. At every turn I have been confronted with this fundamental fact. It is my belief that as long as those larger issues remain unresolved, the chances of liquidating the refugee problem as a thing in itself, of itself or by itself will be slim indeed.

3. Despite these handicaps, much time and effort have been expended over the last nine months in exploring the possibilities of a solution. Two urgent considerations have prompted this continuing activity: (a) the approaching expiration date of UNRWA in 1960, and (b) the interest of Congress, when appropriating funds for UNRWA, in whether progress was being made toward a settlement. In addition to constant consultation with my colleagues in the Department, I have made a number of trips to New York to confer with Secretary-General Hammarskjöld, with the Director of UNRWA, Harry Labouisse, with our Mission to the United Nations and with the Permanent Representative of Norway, Hans Engen, who undertook to explore the possibilities for a diplomatic or political initiative when developments in the Middle East made it inadvisable for the United States to do so.³ I have also had interviews with area specialists from the CIA, members of the Budget Bureau, representatives of Friends of the Middle East, and various private individuals interested in the problem, such as Eric Johnston. On the basis of these conversations and the relevant material which I have studied, several memoranda analyzing the situation have been prepared and submitted to you, and a file has been built up which I hope may be useful for future reference. As far as I am aware, we have succeeded in keeping my activities secret from any of the parties to the Palestine dispute.

4. During this period my fundamental conviction has remained unchanged: that since it did not appear politically feasible to negotiate a settlement of the refugee problem, the most suitable approach would be along economic lines. Development of economic opportunities for the refugees and gradually resettling them in gainful occupations might be a slow process but would in the course of time eliminate the

³ Villard elaborated on his discussions with Hammarskjöld and Engen in a memorandum for the record, April 25. (Department of State, NEA Files: Lot 70 D 229)

problem. It is interesting to note that Ambassador Engen soon came to exactly the same conclusion; and that Mr. Hammarskjold favors the indirect or "backdoor" method of dealing with the refugees by establishing an Arab development bank. While the Secretary-General's plan has met with considerable skepticism in the Department, this does not alter the fact that he and Engen believe no political solution is presently feasible and that they see eye-to-eye on the economic approach. Harry Labouisse, it should be added, agrees in general with these views, and NATO planners have favored a similar solution through public works.

5. The views of Hammarskjold and Engen coincide on another point, which in my belief also formed the most important segment of the IO-NEA proposals: that Israel should be persuaded to accept *in principle* the right of all refugees to repatriation. Such a move was regarded by the Secretary-General as a card to be held in reserve and played after a program of economic development was further along, by Ambassador Engen as a major and perhaps decisive step in the direction of a lasting solution. In accordance with this line of thought, and in view of the need to take some constructive action in spite of the unfavorable circumstances, I recommended that consideration be given to having a letter sent from the President to Prime Minister Ben Gurion calling upon Israel publicly to acknowledge the right of repatriation as embodied in the General Assembly Resolution of 1948. This suggestion was opposed on the grounds that the Israeli response would not be satisfactory either to the Arabs or to us, and that we should reserve our heaviest ammunition for a general approach at an appropriate moment to the over-all Palestine issue which would include agreement by Israel to take back some of the refugees.

6. While it may be true that Ambassador Eban was more forthcoming in his attitude toward the refugee problem when he discussed his Government's policy with you in connection with Israel's Export-Import Bank loan application, it did not seem to me that his statements differed materially from what has been said before or that they advanced the solution of the problem in any way. It is my firm belief that unless we are willing to exert pressure in some way on Israel to recognize openly the refugees' right to repatriation, we shall be seeking in vain for a means to break the deadlock.

7. My conclusions and recommendations are, in summary, as follows:

a. That the refugee problem is inextricably linked to the political background of the Palestine problem and should henceforth be considered as part of a general approach to the over-all issue of Palestine. This I believe is the present view of NEA.

b. That we should continue to watch carefully and keep in close touch with all developments in the situation, so as to be on the alert for the first opportunity to make progress toward a settlement—whether in whole or in part.

c. That whenever we decide to grasp the nettle of a Palestine settlement, we should bring the strongest pressure to bear for a public declaration by Israel in which Israel would accept *in principle* the right of repatriation for the refugees, subject to equitable arrangements which the Israeli Government could develop as qualifications for repatriation. With Israel's acquiescence in the matter of repatriation, the payment of compensation to those refugees who decided not to return to Israel could be financed by an international loan as suggested in the Secretary's speech of August 26, 1955. (Tab B)⁴ This constitutes the heart of the IO-NEA proposals, which should retain their validity in connection with any ultimate settlement.

d. That as long as political conditions prevent a direct attack on the refugee problem, and pending consideration of the problem in the context of an over-all Palestine settlement, every effort should be made to whittle down the refugee rolls as rapidly as possible by the development of economic opportunities which would enable the refugees—particularly in Jordan—to become self-supporting. The changing attitude of the refugees, as reported by Mr. Labouisse, toward such projects as vocational training, individual aid programs, permanent housing, and the taking of a census, is encouraging and should be seized upon as a practical, even though long term, approach to solution of the problem.

e. That we should support any development projects or assistance programs which are politically and economically feasible and which will contribute to the economic well-being of the area, thus benefiting the refugees indirectly—again, especially in Jordan. This in essence represents the position of Secretary-General Hammarskjold and Ambassador Engen.

f. That in the absence of tangible progress toward a settlement, and to show our continued interest, we should at an appropriate time reiterate the Secretary's proposals of 1955 in regard to resettlement, repatriation and compensation.

g. That we should take steps informally to acquaint key Members of Congress with the Department's special efforts to deal with the problem, outlining in confidence the reasons why so little progress can be made at present.

h. That we now concentrate, in consultation with our Mission to the UN and probably with Mr. Hammarskjold, on the matter of a replacement or substitute for UNRWA when its mandate expires on June 3, 1960. The problem of what is to take the place of the UNRWA operation will undoubtedly be raised in the General Assembly this fall and will certainly bring the question of the refugees' future to a head in 1959.

⁴ For text of this speech, see *American Foreign Policy, 1950-1955: Basic Documents*, vol. II, pp. 2176-2180.

23. Telegram From the Department of State to the Embassy in Israel¹

Washington, June 16, 1958—7:24 p.m.

945. Following is for background use US officials only and should be given strictest Noform treatment:

FYI. At end May Department asked through USUN for views UN Secretariat re rights parties Scopus area. We have now received detailed report which states inter alia:

1) On May 20 Chief of Staff UNTSO informed UNSYG Israel civilian police patrols on Scopus had become noticeably more aggressive and had extended their activities.

2) Extension Israel patrol activities involved: (a) interference with civilian inhabitants Issawiya (b) patrolling of gardens adjoining Hebrew University on Mount Scopus (c) interference with movement villagers Issawiya on road Jerusalem; stopping all Arab traffic on this road.

3) Both Bunche and Chief of Staff have urged Israelis review patrol policy and instead of sending patrols draw to attention UNTSO representative for Scopus any Arab activities which they consider as creating problem of security. Nevertheless encroachments Israel police patrols have continued.

4) It is clear Chief of Staff UNTSO takes view road from Issawiya to Jerusalem which passes Hadassah Hospital is available to villagers inasmuch as he has protested closure of road to Israelis. End FYI.

Embassy Tel Aviv should by appropriate means give Israelis to understand that while we do not wish to assess degree of blame on either party reason USG has not admonished HKJ along lines proposed by GOI is our belief that Israel can not avoid considerable measure responsibility for build up of current tensions.

Dulles

¹ Source: Department of State, Central Files, 684A.86/6-1658. Secret. Drafted by Bergus, cleared in draft with UNP, and initialed for Dulles by Rockwell. Repeated to Amman, Beirut, Cairo, Damascus, Jerusalem, and USUN.

24. **Telegram From the Embassy in Israel to the Department of State**¹

Tel Aviv, June 18, 1958—10 a.m.

1136. Re Deptel 893.² Embassy foresees following problems US-Israel relations in FY 1959:

(1) Future status Israel enclave on Mt. Scopus which is likely to provide continuing source GOI-HKJ-UNTSO friction and possible major incidents such as those of May 1958.

(2) Probable continuing GOI pressure some form US financial support Jordan River diversion south of Lake Hula either in or out of DZ, with special reference US decision assist HKJ in East Ghor diversion project.

(3) While status quo free navigation Gulf of Aqaba which has received US support quiet now, there is possibility of flare up this area in event Egypt or Saudis threaten active measures to close Gulf.

(4) Israel's June 15 announcement of purchase of French Vautour light bombers gives public confirmation of a redressing of air power balance long suspected by western observers. GOI will continue efforts to obtain strategic striking force to match Egypt's Iliushin 28. US deliveries of jets to Lebanon, Jordan and Iraq will be exploited in support of Israel's procurement efforts.

(5) In event of continuing evidence Nasser military and political buildup, Israel will seize any opportunity to press for firmed US guarantees, as evidenced by manner in which GOI welcomed recent extension of Eisenhower Doctrine which was not however deemed strong enough commitment to satisfy Israel.

Lawson

¹ Source: Department of State, Central Files, 611.84A/6-1858. Secret.

² Telegram 893, May 28, noted that a new policy on the Middle East was being considered and asked for comments on the major problems in the area and additional programs that might contribute to their solution. (*Ibid.*, 611.80/5-2858)

25. **Memorandum From the Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Rountree) to the Secretary of State¹**

Washington, June 28, 1958.

SUBJECT

Israel Ambassador's Call, Monday, June 30, 1958, 3:00 PM

Discussion:

Ambassador Eban is returning to Israel on or about July 8 for two months' leave and consultation. As a follow-up to his general discussion of the Near East situation with you on May 26² he has submitted the attached memorandum,³ the contents of which he may wish to discuss further with you at your next meeting with him on June 30.

The memorandum is an ably written document aimed at demonstrating the feasibility and desirability of centering the spread of Nasser-Soviet influence throughout the Middle East and Africa. Its specific recommendations include:

1) The West should again make clear to Nasser and the Soviets its support for the integrity of Middle East states and its opposition to any claims of hegemony or leadership.

2) U.S. and Western commitments to Middle Eastern states should be broadened to include assistance in repelling aggression from any quarter.

3) Defense plans should be concerted with each of the free countries of the region.

4) Economic aid programs of broader scope should be undertaken among free Middle East states.

5) The U.S. should make explicit its opposition to Nasserism.

6) Anti-Nasser countries in the area should be encouraged to cooperate among themselves, according to particular circumstances.

7) There should be a further development of NATO interest in the area.

8) The United Nations should be pressed to give the fullest support to Lebanon, including a United Nations force, if required.

Mr. Eban does not feel that there should be an initiative looking toward settlement of the Palestine problem at this time. He does, however, think that the U.S. should make clear to the USSR and the Arab states its deep interest in Israel's independence and integrity.

¹ Source: Department of State, Central Files, 780.00/6-2858. Secret. Drafted by Bergus on June 27; cleared by Wilcox, EUR, and W/MSC; initialed by Rountree; and sent through S/S. A handwritten notation on the source text indicates that Dulles saw it.

² A memorandum of Dulles' conversation with Eban, primarily concerning Lebanon, is *ibid.*, Secretary's Memoranda of Conversation: Lot 64 D 199.

³ Not attached. A copy of the 11-page memorandum is *ibid.*, Central Files, 780.00/6-658.

Aside from the general discussion, Mr. Eban may mention certain matters pending between the two Governments including:

a) *Yarmuk River Project*: Israel wishes to be assured that its downstream interests in the Yarmuk and Jordan rivers will not be impaired by the East Ghor project presently being undertaken by the Kingdom of Jordan with U.S. assistance. The Israelis also seek assurance that the U.S. would be willing to assist in financing development by Israel of a part of the Jordan River system at a point other than Jisr Banat Ya'acoub in the demilitarized zone.

b) *Arms Requests*: The Israelis seek to purchase from us a number of items including 150 halftracks, 50 106mm recoilless rifles (they are aware that we have supplied these weapons to Jordan and Lebanon), and .50 caliber machine guns.

c) *Arab Union Propaganda*: Mr. Eban may request that we urge Iraq and Jordan to desist from anti-Israel propaganda and what the Israelis consider provocative acts by Jordan in the area of Mt. Scopus.

Recommendations:

1. *General*: That you comment generally on Mr. Eban's memorandum and the present situation in the Middle East. You might wish to make the following points:

a) We feel that both Nasser and the Soviets are aware of our deep interest in the independence of Middle East states. We have had occasion to call Nasser's attention to this most forcefully in the context of recent developments.

b) The U.S. has made clear its opposition to aggression in the area. The question of broadening our formal commitments in this respect raises complex constitutional issues in this country.

c) While we frankly do not anticipate an improvement in our relations with Nasser, we have not yet reached the point where we believe Free World interests would be served by burning all of our bridges.

d) NATO interest in the Middle East is developing to an encouraging degree and has been fostered by the present Lebanese crisis. We hope that this trend will continue and intend to work along these lines. We do not believe that this is a matter which can be rushed, however, due to significant differences of view within NATO as to questions involving relations between individual NATO members and various Near East states, as well as over what role if any NATO should play in the Middle East.

e) We strongly support the maximum feasible United Nations role in the Lebanese situation as we believe that the only satisfactory solution to this crisis is one brought about by the Lebanese themselves, with United Nations assistance. The complexities of the Lebanese situation appear to have created a certain hesitancy on the part of the United Nations Secretary General and the observer mission.

2. *Specific Matters:*

a) *Yarmuk River Project:* You understand that a reply to the Israel memorandum of April 2, 1958⁴ is approaching the final stages of preparation.

b) *Arms Requests:* While we recognize Israel's need to maintain its defense establishment at an appropriate level, we frankly would prefer to defer action on the Israel requests for military vehicles and shooting weapons for the present. Delivery by us of such items to Israel at this time might, we believe, be used as a means of undermining the positions of friendly Arab states. We would hope that Israel could again canvass the possibilities of acquiring this equipment from other sources. We understand that Israel is obtaining 100 halftracks in the United Kingdom.

c) *Arab Union and Scopus Dispute:* We have made clear to the states of the Arab Union our position on the Palestine dispute and our hope that every effort will be made to maintain the present relative tranquility. They evidently feel impelled to make use of the Palestine dispute in their propaganda in order to prove their Arabism. We doubt that they can be persuaded otherwise. With respect to Mt. Scopus and the present difficulties there, while we do not wish to assess the degree of blame on either party, it is our belief that Israel can not avoid a considerable measure of responsibility for the build-up of the current tension. We particularly urge the fullest cooperation by Israel with the United Nations Truce Supervision Organization. (You might point out that you made a similar representation to Mr. Eban prior to his departure for Israel a year ago.)⁵ We would deplore the Scopus situation's developing to a point where the U.S. Government was forced to take a public position on it in the Security Council or elsewhere.

Messrs Rockwell and Bergus of NE will accompany on this call.

⁴ See footnote 3, Document 14.

⁵ Not further identified.

26. **Memorandum of a Conversation, Department of State,
Washington, June 30, 1958¹**

SUBJECT

U.S.—Israel Relations and the Situation in the Near East

PARTICIPANTS

Mr. Abba Eban, Ambassador of Israel
Mr. Ya'acov Herzog, Minister, Embassy of Israel
The Secretary
NE—Stuart W. Rockwell
NE—Donald C. Bergus

Mr. Eban reported that he would leave Washington in a week's time for two months of leave and consultation in Israel. His Government would wish to review the broad spectrum of U.S.—Israel relations. Mr. Eban felt these were on the whole satisfactory and had been so since the discussions leading up to the Israel withdrawal from Gaza and Sharm el Sheikh. There were three basic matters which Mr. Eban would like to mention.

1. *Yarmuk Project*: Mr. Eban referred to the Israel memorandum of April 2, 1958² on this subject. He stressed that even though the Yarmuk project might adversely affect Israel's interests, Israel's primary objective was to maintain a balance in development of Jordan Valley waters with the Hashemite Kingdom of Jordan. In Israel's presentation for FY 1959 DLF assistance, there would be a proposal for a small project which would not involve work in the demilitarized zone nor an Israel offtake of water in excess of the quantities allotted during the Eric Johnston discussions. He hoped the U.S. would look with sympathy on that request.

2. *Arms Supplies*: Israel was aware of the U.S. intention to supply modern jet fighters to Jordan, Lebanon and Iraq. Israel would not oppose any assistance to maintain Lebanese independence and integrity. Israel's attitude with regard to Jordan and Iraq was not the same, but Israel did not contemplate making a statement on this point nor submitting a dramatic request to the U.S. for similar assistance. Israel procured most of its arms in Europe. What was needed from the U.S. were primarily replacement items. Specifically, Israel wished 200 half-tracks; 50 anti-tank recoilless rifles; 50 anti-aircraft machine guns, .50 caliber; and 50 Browning machine guns, .50 caliber.

¹ Source: Department of State, Central Files, 611.84A/6-3058. Secret. Drafted by Bergus on July 1.

² See footnote 3, Document 14.

3. *Jerusalem*: Mr. Eban referred to the recent representations which the U.S. had made to the Government of Ghana on the subject of Jerusalem. Ghana had now indicated that it intended to establish its diplomatic mission in Tel Aviv. The Government of Israel hoped that the U.S. would in the future take the view that it was for the nations intending to establish diplomatic relations with Israel to decide for themselves where their mission should be located. Mr. Eban referred to a recent indication by Chief Justice Warren that he would avoid taking part in any ceremonies in Jerusalem during his forthcoming trip to Israel.³ Mr. Eban hoped there was no inhibition on U.S. officials' participating in academic discussions at the Hebrew University there.

Mr. Eban then turned to the general situation in the Near East and referred to the memorandum on this subject which he had submitted to the Secretary on June 27.⁴ He wished to add that he believed many Near East governments shared Israel's view of the threat to the area posed by Nasser's aspirations to hegemony which the USSR supported. He thought the U.S. should resist this threat of domination.

Mr. Eban had noted in public discussion of the Lebanese situation a tendency to count up the risks and obstacles to Western intervention. He believed that when these risks were analyzed they paled into insignificance compared to the risk of allowing a free democratic government to be subverted. He felt that the Arabs would respect the West's helping its friends, especially if the effort were successful. Furthermore, it should be possible for Western forces which intervened in Lebanon to disengage once a free election for a President were held. He thought, however, that some sort of U.S. military presence in Lebanon, such as a military mission, on a continuing basis would be a stabilizing influence. Mr. Eban felt that a majority within the U.S. would favor the dispatch of a United Nations force to Lebanon, if Lebanon requested it. We should not accept the principle that nothing could be done legally except through the United Nations. It was possible for nations to take action within the Charter of the United Nations which did not involve the use of United Nations machinery. Mr. Eban did not think that the Lebanese were using all their assets in the present crisis. Israeli intelligence indicated that UAR infiltration may have slowed down but there were already enough infiltrators in the country to risk overthrowing the government.

Mr. Eban spoke of the Secretary's forthcoming trip to Paris⁵ and said that the advent of De Gaulle to power had caused no lessening in the relationship between Israel and France which was stabilizing influence in the Eastern Mediterranean.

³ Memoranda of Rountree's conversations with Dulles on this question and Dulles' conversation with Warren, all on June 7, are in the Eisenhower Library, Dulles Papers.

⁴ See *supra*.

⁵ Dulles visited Paris July 3-6.

The Secretary replied that he was unaware of the status of the Yarmuk project but understood that we were preparing a reply to the Israel memorandum. Mr. Rockwell confirmed that a considered reply was almost ready. We believed the effects of the project on Israel's rights would not present the negative character the Israelis envisaged. As regards the Israel desire for an expression from us that we would look with sympathy on the Israel application to the DLF, a complicating factor was that Congressional action on FY 1959 foreign aid was not yet completed. Mr. Eban and Mr. Herzog indicated that the Israelis would probably wait until FY 1959 was well along before requesting DLF assistance for an Israel project in the Jordan Valley. They said it would be a small one and would be presented in the context of a list of projects for other areas.

As for the Israel request for arms, Mr. Rockwell said that we had never been a major supplier of arms to Israel and had no desire to become one. We were happy that Israel was procuring its arms elsewhere. We understood, for example, that Israel was already getting 100 half-tracks in the United Kingdom. Perhaps it could get the other 100 there as well. As regards the recoilless rifles, Mr. Rockwell pointed out that this was not a replacement but a new item. The Secretary stated that where there was a clear case of a U.S. replacement item needed by the Israelis, with no alternative source of supply available, it would seem reasonable to supply it.

Mr. Rockwell said that with respect to Jerusalem we were pursuing a policy based on the view that the international interest in Jerusalem made it appropriate for us to draw this interest to the attention of nations contemplating the establishment of diplomatic missions in Israel. The Secretary asked if we had volunteered our views to the Government of Ghana. Mr. Rockwell replied that we had. Mr. Rockwell pointed out that this was in keeping with a policy which the Secretary had reviewed about a year ago in connection with the transfer of the Cuban Legation from Tel Aviv to Jerusalem and its subsequent return to Tel Aviv. The Secretary thought we might look into this general question again. He said that he was responsible for Chief Justice Warren's intimation that he would prefer to avoid Jerusalem on his visit to Israel. The Secretary had had the impression that the ceremonies in Jerusalem in which the Chief Justice was to participate were in fact in connection with the celebration of the Tenth Anniversary of Israel's independence. In the light of this the Secretary felt that for the Chief Justice to appear in Jerusalem would not be consistent with the President's policy on this matter.

The Secretary said that on the general situation in the Near East he had read Mr. Eban's memorandum with great interest. The situation there was very difficult. The Secretary had spoken to Foreign

Minister Malik of Lebanon that morning⁶ and said that armed intervention in Lebanon might be the lesser of two evils. Nonetheless, it was a great evil. He thought perhaps Mr. Eban exaggerated when he said the difficulties of armed intervention "paled into insignificance" when compared to the other alternative. The difficulties, while not equal, were at least comparable. Armed intervention from the West would intensify anti-Western sentiment in the area and would weaken the position of Jordan and Iraq if not of Lebanon itself. We should be thinking as to how we could resolve the situation without that step. The Secretary did not think a compromise between President Chamoun and Nasser or President Chamoun and the rebels would be acceptable. This would be a setback and Lebanon would be taken over in two bites instead of one.

The problem with regard to the Presidential succession in Lebanon was a difficult one and should be faced up to. From the standpoint of United Nations members, it created embarrassment and a reluctance to see the U.S. do anything. There was considerable comment that all we were doing was helping Chamoun obtain a second term. This issue, therefore, needed clarification.

Our intelligence agreed with Israel's in that we thought there may have been a suspension of active UAR assistance to the rebels. How significant this was in view of what was already there and how long the rebels could hold out we did not know. In any event, the Secretary General at the moment felt that he had accomplished what he set out to do and would oppose more being done now by the United Nations.

The Secretary agreed with Mr. Eban's statement with regard to Article 51 of the United Nations Charter.⁷ Action taken under it would not require prior United Nations action. The Secretary had had quite a bit to do with putting this article into the Charter, and his purpose had been to allow for collective security actions in situations where the United Nations itself was unable to provide such security. We could not, however, be indifferent to the opinions of other nations, particularly our allies. We had been discussing this problem in NATO where at first there had been a generally negative reaction but we hoped some process of education was taking place. Free World opinion with respect to further action was not at the moment very propitious, what with the Secretary General leading the cause against it.

There was no warrant for any impression that we had abandoned or renounced the possibility of intervention in Lebanon. We had not been intimidated by threats from the USSR. As a matter of fact, we felt that our relative power position vis-à-vis the USSR precluded their

⁶ For a memorandum of Dulles' conversation with Malik, see vol. XI, p. 185.

⁷ Article 51 states that nothing in the Charter impairs the right of a member to individual or collective defense in case of an armed attack.

ability to intimidate us. We did feel, however, that military intervention by the West would be an unfortunate development and we hoped to maintain Lebanon in a pro-Western position without this coming to pass.

Mr. Eban commented that Mr. Hammarskjold's success had resulted primarily from the fact that the threat of Western military intervention had strengthened his hand with Nasser. He felt that this prospect should be kept as a "hovering influence." He further indicated that additional United Nations presence such as a UNEF would be helpful. The Secretary felt that this should be explored but not today because of Hammarskjold's present state of mind. It would be necessary to let some time elapse, perhaps, to convince the Secretary General that his success had not been quite as complete as he presently felt. As of today, however, the Secretary doubted that one could get seven votes in the Council for a United Nations force.

Mr. Herzog wondered whether there was not a danger that the Lebanese Government would meanwhile suddenly be toppled. The Secretary said this could not be excluded and there were many rumors of impending coups and the like. If the deterioration continued, further Security Council action would be needed. Perhaps, if only a Soviet veto prevented a unanimous vote for a United Nations force, there would be no point in going to the General Assembly. The facts in the Lebanese situation were complicated and many members of the General Assembly tended to find excuses for taking no action that might lead to difficulty.

27. **Memorandum From the Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Rountree) to the Under Secretary of State (Herter)**¹

Washington, July 11, 1958.

SUBJECT

U.S. Policy on Status of Jerusalem

Discussion:

During the Secretary's conversation with Ambassador Eban on June 30, 1958,² he said that the Department might look again into its policy of setting forth to nations considering establishing full diplomatic relations with Israel the U.S. position on the status of Jerusalem, with specific regard to the implications of setting up diplomatic missions in that city (Tab A). The Israel Embassy has since inquired as to our intentions in this matter. The Embassy indicated that the question might become active within the next two or three months, and we have separate information that the Argentines may be considering moving their diplomatic mission from Tel Aviv to Jerusalem.

Our position in the past has been that the status of Jerusalem is a matter of United Nations concern and that no member of the United Nations should take any action to prejudice the United Nations interest in this question. Our objective has been to keep the Jerusalem question an open one and to prevent its being settled solely through the processes of attrition and *fait accompli* to the exclusion of international interest and an eventual final expression thereof presumably through the United Nations.

The above position has also been taken by the United Kingdom Government which has cooperated with us in approaches to other United Nations members. The French and a large number of other governments, including those of Catholic countries, have likewise pursued this policy.

The matter of U.S. policy toward Jerusalem was most recently raised with the Secretary in my memorandum of June 19, 1957 (Tab

¹ Source: Department of State, Central Files, 611.84/7-1158. Confidential. Drafted by Wahl on July 9, initialed by Rountree, concurred in by Walmsley, and sent through S/S. On July 11, Rountree also sent Herter a memorandum on the Israeli arms request. Herter approved granting an export license for 50 half-tracks, deferred action on the recoilless rifles, and approved asking the Israelis to try other sources on the .50-caliber machineguns. (*Ibid.*, NEA/NE Files: Lot 65 D 5, Defense Files)

² See *supra*.

B).³ At that time, the Secretary approved the policy recommendations set forth below. I believe that nothing has occurred since that time to warrant a change in our position.

Recommendations:

1. That we be authorized to state to the Israelis that the Department has reexamined this matter and continues to believe that the future of Jerusalem is a matter of United Nations concern. The Department accordingly intends to maintain its policy of seeking support for its position from other United Nations members.

2. That if the question of moves of diplomatic missions to Jerusalem should come to our notice, we should continue to endeavor to discourage such moves.⁴

³ Not attached to the source text.

⁴ Herter initialed his approval of both recommendations on July 17.

28. Telegram From the Embassy in Israel to the Department of State¹

Tel Aviv, July 20, 1958—8 p.m.

80. In conversation with Ambassador Eban² immediately prior his sudden departure evening July 18 for Washington via London (two days) under urgent orders Prime Minister, he replied to my specific question as to purposes trip in following sense:

His mission covered four main points:

1. Urge US/UK remain Lebanon/Jordan for some time and until no possible charge half measures. Should resist any pressures to withdraw troops whether from UN or domestic sources.

2. Urge US give clearer and public security guarantees countries in area, including but not limited Israel. In addition to Lebanon and Jordan he included Sudan, Ethiopia, Iran and Turkey.

3. Urge establishment some kind permanent machinery permitting consultations and sharing information and transmission decisions on Middle East between US and Israel. This would act as liaison with other Western powers and NATO and would permit intelligence-sharing and coordination on permanent basis.

¹ Source: Department of State, Central Files, 601.84A11/7-2058. Secret; Priority. Repeated to London, Paris, Amman, Beirut, Baghdad, Cairo, and Damascus.

² A memorandum of Lawson's conversation with Eban was transmitted as an enclosure to despatch 65 from Tel Aviv, July 21. (*Ibid.*, 611.84A/7-2158)

4. Urge new look at Israel's security needs under new conditions of greater threat and heavier drains on Israel economy. Peres, Director General Defense, traveling with him as far as Paris during which will discuss overall military picture; Israel's justification for military assistance, her contributions and involvement during past week; and means whereby Israel can be of assistance. They will discuss specific lists of equipment especially anti-submarine and "aerial equipment".

Eban hoped to return to Israel in two or three weeks.

Further details of these and other subjects discussed will be pouched Thursday.³

Lawson

³ July 24.

29. Memorandum of a Conversation, Department of State, Washington, July 21, 1958¹

SUBJECT

Situation in the Middle East

PARTICIPANTS

Mr. Abba Eban, Ambassador of Israel
 Mr. Ya'acov Herzog, Minister, Embassy of Israel
 The Secretary
 NE—Stuart W. Rockwell
 NE—Donald C. Bergus

The Israel Ambassador said that his Prime Minister had asked him to say that Mr. Ben Gurion understood the great issues which the Secretary and the President faced, that they had his sympathy, and that he was sure that the decision itself to assist Lebanon was right. If things went wrong it would be because too much was lost before or not done after the decision was taken. The decision itself had been right. Its chief significance was proof that the U.S. was faithful to its commitments. It was useful to make this clear at a time when the prospects of atomic war had cast some doubt in the world as to the

¹ Source: Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199. Secret. Drafted by Bergus on July 22. A summary of the conversation was transmitted to Tel Aviv in telegram 61, July 21. (*Ibid.*, Central Files, 780.00/7-2158)

validity of military commitments. The currency of a U.S. commitment had appreciated. Mr. Eban was surprised at the attitude of some countries who based their own security on U.S. commitments.

Mr. Eban said he believed that the reaction of the Soviets and Nasser proved there were already some results to the U.S. action. A limit had been placed to their expansionist possibilities. The Khrushchev letter² had been basically defensive with undercurrents of alarm. It had shown respect for U.S. resistance to Soviet designs. Mr. Eban said that Israel could confirm that Nasser's trip to Moscow was at his own initiative.³ Information available to the Israelis indicated that while he was aboard ship he reacted unexpectedly to the U.S. action and felt that he had better be careful with regard to Iraq, the Sudan and Libya. The effect of the U.S. decision to assist Lebanon had created in Iraq its present caution towards oil interests, etc. While the Iraqi attitude was suspicious, it was worth examining. There was a tendency toward alarm in the United Nations and the Free World. There should be no despair. The dust has not yet settled.

Mr. Eban urged that there be no precipitate withdrawal from the U.S. and U.K. positions in Lebanon and Jordan. The dignity and prestige of the U.S. were involved. Even those who doubted the wisdom of the U.S. entry into Lebanon would agree in the un wisdom of precipitate withdrawal. The Japanese resolution⁴ demonstrated this. Deliberation and care were needed. On the balance sheet to be drawn up by future historians, we would have a clear view.

Mr. Eban asked what would happen next?: (1) Stability should be given to the positions which the West has undertaken. (2) The need arises to help Jordan and Lebanon in some aspects of their national life such as social and economic programs. (3) Constant pressure on Nasser should predominate in policies of the West.

The Israelis had hoped that a basis would be established for action in Iraq. The lack of opposition to the new regime there demonstrated only that Arabs are apathetic politically. Other danger points included Iran where the Soviets had possibilities in Azerbaijan and with the Tudeh Party, the Persian Gulf principalities, Libya where the British action had been warranted,⁵ and the Sudan where the Prime Minister had shown great courage. Nasser must come to terms with the rights of other states. This was felt not only in Iran and Pakistan but even Prime Minister Nkrumah was of this view.

² For text of Khrushchev's letter, July 19, see Department of State *Bulletin*, August 11, 1958, pp. 231-233.

³ Nasser visited Moscow on July 19.

⁴ For text of the Japanese resolution, July 18, see U.N. Doc. S/4055.

⁵ On May 5, the United Kingdom announced that it had reached agreement with Libya on financial assistance to strengthen the Libyan Army and Navy.

Mr. Eban continued that he had not projected Israel too much into this review. Israel did not intend to do so specifically now. The short range reaction in Israel had been one of relief. The arrival of U.S. and U.K. forces in Lebanon and Jordan plus the presence of UNEF meant that there was almost the complete absence of hostility between Israel and the Arab world.

As to the long term which would perhaps be not too long (the U.S.-U.K. positions could not be maintained indefinitely), there would arise in Israel problems of the deepest solemnity. The U.S. and U.K. forces would return to their homes but Israel remained in the Middle East. Vehement nationalism was being exacerbated by the presence of these forces and Israel would be its natural target. Israel territory had made the British action in Jordan possible. All knew this including the Soviets. The Yugoslavs had protested. The Indians had expressed their disapproval. The Egyptians had said they had noted this for the future. Israel had taken risks. It was a matter of time before the USSR would call it to account. Israel would be left alone amidst augmented xenophobia. This could happen even before the withdrawal of U.S.-U.K. forces. Israel therefore wanted the U.S. to know that a problem of its basic security arose and that the U.S. and U.K. had incurred a new and special responsibility. Israel believed that it was necessary to give clarity to Western intentions in the area. There was no longer any virtue in concealment. The Lebanese situation had shown that lack of precision in defining commitments did not avoid the necessity of having to fulfill them. Definition of commitments was a matter of moral duty and political prudence. This was especially so if there were to be great power discussion of the Middle East at which the powers would define their vital interests in this area. One of these should be the independence and integrity of Israel.

Israel had also to increase its defensive capacity. Israel looked for aid in filling gaps in its capabilities in the fields of anti-tank, anti-submarine warfare and aviation. Mr. Eban did not wish to outline details at this time which raised problems not only of availabilities but also of relief of the burdens of the defense establishment on Israel. His immediate suggestion was that these matters be discussed at the functional level. There had for a long time been such contact. Israel understood that there should be no publicity as the reaction in Lebanon, Jordan and Iraq would be hostile.

Israel had just completed a 16 inch pipeline from the Red Sea to the Mediterranean. The Government of Iran was aware of this fact and although this had not been made public it was clearly interested. The next step would be the expansion of the line from a 16 inch to a 32 inch. This was beyond Israel's capabilities. Israel would need a sympa-

thetic attitude on the part of the U.S. and perhaps some assistance. Such a pipeline could bring important economic pressure to bear on Nasser and pro-Nasser elements.

Israel felt that more coordination on security policies was needed between it and the West. Israel could contribute to such a process particularly in the field of intelligence. Israel intelligence on the coup in Iraq had been no better than that of anybody else. The Israelis had noticed the plans that had been made against the regime in Jordan. The closer the Arab states were to Israel the better Israel's intelligence. The final matter was that of cohesion among the remaining friendly states in the Middle East. In the Arab world, the U.S. position has been reduced to beachheads in Lebanon, Jordan and the Persian Gulf. It would be useful if cooperation were encouraged between Israel and the other nations of the area, such as Turkey, Iran and the Sudan.

Mr. Eban concluded by acknowledging that the problems he had outlined were too broad to expect an immediate answer.

The Secretary expressed appreciation for Prime Minister Ben Gurion's expression of sympathy. We knew that these were difficult times and welcomed the recognition of the heavy weight which lay upon us. As to the decision to respond to the Lebanese appeal, Mr. Eban had correctly diagnosed our reason. Our purpose alone was to make it apparent that we were ready and able to respond quickly to an appeal arising out of a suddenly created grave situation. Had we not acted, many other countries would have been tempted to revise their opinion of us. We did not go into Lebanon to solve the problems of the Middle East. We recognized this might even make them worse. When we weighed the implications of non-action however, we looked around the world and found that they would be unacceptable, that we would be considered afraid to act. The foundation of the Free World would have been gravely corroded. We would not solve the problems of the Middle East or Nasser's Pan-Arabism. We hoped the result of our action would be to bring a measure of prudence to the Soviet Union and Nasser. We were shocked by reports that the Cairo, Damascus and Baghdad radios were calling for the assassination of King Hussein.

The U.S. did not intend a precipitate withdrawal from Lebanon.

The Secretary could not speak for the U.K. The U.K. position in Jordan was precarious. While we had been consulted prior to entering that country, we had given them no opinion. The position there is clearer internationally, since there is no conflict within the United Nations and no fighting within the country. At the same time they faced a very difficult logistics problem as well as a grave risk of violence. It was not easy to see a comfortable future in Jordan. The British action had been courageous and the Secretary hoped that it would work out.

The Japanese resolution would not be the basis of our withdrawing but would permit an action which might create a satisfactory basis of withdrawal. This would depend on what was done. The resolution merely authorized the Secretary General to do certain things which could be adequate. We remained the judge as to the adequacy.

We had authorized Mr. Murphy to discuss the economic rehabilitation of Lebanon once the present crisis were resolved. Jordan was a more difficult problem. [3½ lines of source text not declassified]

As to Iraq, we agreed with the Israel estimate that the present regime did not enjoy popularity but only acceptance. Such enthusiasm as it had was among younger elements and was not widespread. [1 line of source text not declassified] One did not have to accept what had happened as being permanent. There was an impression of mounting discontent. The elements controlling Iraq were building up a respectable front, a front probably more respectable than their back. After all for the present they were dependent on a market for their petroleum. Assurance of the Western petroleum supply presupposed access to the resources of Saudi Arabia, Kuwait and Iran. The Western positions in those countries were not as assured as we would like. The Sheikh of Kuwait was in Damascus. There had been previous talks of a Kuwait-Iraq Union and this could be revived. This development could be serious, in fact catastrophic to the U.K. They hoped to prevent it and thought they would. We were not certain as to what could be done. There were many Iraqi workers in Kuwait. The situation was unclear. The Secretary had discussed the problem with Selwyn Lloyd. [3 lines of source text not declassified]

As for Iran, we had already taken steps to bolster up the situation there and given heart to the Shah and his Government. The Secretary was departing for London on July 27 to remain just for two days. Ironically, we had always opposed Iraq's entry into the Baghdad Pact. That was the reason why the Secretary had been against our adhering.

There were similar strains in Libya and the Sudan. The Secretary expressed his admiration for the courage of the Sudan Prime Minister. The Secretary's impression was that we had not been asked to send assistance. Mr. Rockwell confirmed that the Prime Minister's question had been limited to what our attitude would be if the Sudan were attacked by Egypt. The Secretary commented this would not be the method the UAR would use. It would be more likely assassination. Our moral beliefs precluded action of this type on our part. Mr. Eban commented that it was regrettable that there was no international law on this subject. The Secretary said there were some good United Nations resolutions, including the "Peace Through Deeds" one.⁶

⁶ For text of this resolution, November 18, 1950, see U.N. General Assembly, *Official Records, Fifth Session, Supplement No. 20*, pp. 13-14.

The Secretary turned to Israel and said the short range effect of our action had been to relieve the situation in the area. The long range effects would be more serious depending on how events evolve. Our action with respect to Lebanon should give Israel confidence that we would respond in similar circumstances to an Israel appeal. The Secretary had no clear opinion as to whether it was desirable to seek to express this in new words at the moment. It would be hard to write out. Sometimes an undefined relationship was somewhat more dependable.

If there should be a meeting at which there would be a definition of vital interests we would not agree to the exclusion of Israel. This would be unthinkable.

The Secretary understood Mr. Eban would present a memorandum with respect to Israel's arms requests. We would look at it with an open mind and the past would not necessarily decide the future. The Secretary would not depart from this formulation at this time or go beyond saying that we would give the matter a fresh look.

When Mr. Eban had talked about consultations, the Secretary assumed that military consultations were meant. Mr. Eban said that he would be making some procedural suggestions on this point. The Secretary continued that we valued Israel intelligence. We felt that ours was reasonably good also. Mr. Eban should formulate his proposal which we would study. The aspect of immediate concern to us was whether efforts would be made to engage our forces. This could turn the area into a violent seething situation. So far, discretion had been evident in Lebanon, but he was not sure the situation would remain placid. The Secretary referred to reports that *Fedayeen* were being sent into Lebanon. If there were elements desiring to make the situation worse they had the capabilities to do so. We appreciated Israel's acquiescence in the airlift of oil to Jordan. We were trying to find alternatives but the matter was very difficult. The problem was complicated by the lack of storage facilities at the Gulf of Aqaba. The Secretary and Mr. Eban both hoped that alternatives could be found because the political implications in Jordan and elsewhere were not good.

Mr. Eban said his Government would be grateful for anything the Secretary could say to the Iranians and Turks in London. The Secretary noted that he had recently spoken to the Shah about Israel and he had been sympathetic. The conversation concluded with a brief discussion of the proposed 32 inch pipeline from the Gulf of Aqaba to the Mediterranean. The Israel representatives said that it could be constructed in six months at a cost of \$40 to \$50 million. Such a line could carry one-fourth of Europe's oil supply.

30. **Memorandum of a Conference With the President, White House, Washington, July 25, 1958, 10:42 a.m.**¹

OTHERS PRESENT

Secretary Dulles, Secretary Herter, Mr. Reinhardt, Mr. Hagerty
General Goodpaster

Secretary Dulles said the British are objecting to certain passages in our proposed reply to Khrushchev;² a message setting out their objections would be available shortly.³

Secretary Dulles then said that he would be seeing Eban in London,⁴ and expected to get the Israeli views from him. He said that Eban has made a strong plea for the President to give Ben Gurion assurances that, if Israel got into difficulties like Lebanon's, we would give them help. Mr. Dulles said he had told Eban that the Israelis should be assured by our action in Lebanon under the broad provisions of our commitments. Eban then said they would like to get the gist of the Secretary's statement in writing. The President commented that the Israelis are much stronger than Lebanon, both in terms of internal cohesion and in their military forces. We extended help to Lebanon because it was so weak. Mr. Herter commented that any threat to Israel would be an external one, since internal subversion does not exist. [4 lines of source text not declassified] Mr. Herter said we must consider what we would do if they asked for us to back them if they attack the West bank of the Jordan. Secretary Dulles said he did not like the idea of a secret, written commitment by the President. The President commented that the Tri-Partite Declaration⁵ covers this area, as does the Middle East Resolution—and further evidence of our intent is shown by what we have done in Lebanon.

[Here follows discussion other aspects of the Middle East situation and Franco-German relations.]

¹ Source: Eisenhower Library, Eisenhower Diaries. Secret. Drafted by Goodpaster.

² For texts of Khrushchev's letter of July 23 and the President's reply, July 25, see *American Foreign Policy: Current Documents, 1958*, pp. 999-1002.

³ Not further identified.

⁴ Dulles went to London for the Baghdad Pact Council meeting, July 28-31.

⁵ For text of the Tripartite Declaration, May 25, 1950, see *Foreign Relations, 1950*, vol. v, pp. 167-168.

31. Memorandum of a Conversation, Embassy Residence,
London, July 27, 1958, 10 a.m.¹

USDel/MC/5

PARTICIPANTS

The United States
The Secretary
Mr. William M. Rountree

Israel
Ambassador Eban
Mr. Shiloah (Israeli Foreign Office)

SUBJECTS

[Item 1 (1 line of source text) not declassified]

2. Jordan
3. Nasser

Ambassador Eban and Mr. Shiloah called *secretly* to see the Secretary at the Embassy Residence at 10:00 A.M. Sunday, July 27, 1958. Ambassador Eban began by saying that Prime Minister Ben Gurion had received with appreciation the President's recent letter to him.² The Secretary remarked that the message had not gone as far as the President would have liked, but that the Ambassador would understand the difficulty of setting forth anything which might be interpreted as a commitment. He thought the implications were, however, clear. Ambassador Eban appreciated this and said that in any event the Prime Minister had understood the Secretary would be writing in greater detail.

[3 paragraphs (22 lines of source text) not declassified]

Turning to Jordan the Ambassador said that his government had been considering this matter carefully, and that the Prime Minister now felt that there was better alternative than maintaining a separate Jordan, even though there were great complexities involved. Any other proposals involved difficulties and dangers, but if it was, nevertheless, not possible to maintain the status quo or some improvement upon it based upon Jordanian independence, the Israeli thinking was that the western part of the country (the West bank) belonged to the land mass of Palestine. Perhaps it would be possible to bring about a union with Iraq of the eastern portion of Jordan, with the western

¹ Source: Department of State, Conference Files: Lot 63 D 123, CF 1061. Secret. Drafted by Rountree. During this meeting, Eban and Dulles also discussed Israeli cooperation with the Sudan. A memorandum of this part of the conversation is *ibid*.

² On July 25, President Eisenhower wrote to Prime Minister Ben Gurion [*less than 1 line of text not declassified*] stating that Israel could "be confident of United States interest in the integrity and independence of Israel," and noting that Dulles would write to him in more detail. (Eisenhower Library, Herter Papers)

portion established in some kind of autonomous political unit with which there could be a union with Israel. The full absorption by Israel of West Jordan would have a marked disadvantage from the Israeli viewpoint. There was a rebellious population and a very turbulent situation in that part of Jordan. Israel did not, in any event, have expansionist ideas and would not seek to increase its territory by taking over this unhappy situation, if it could be avoided. A free union of Western Jordan with Israel would not, it was recognized, be welcomed by the population in present circumstances. On the other hand, Israel did not believe that their people would wish to be swallowed up by Iraq. The problem was, therefore, to try to create over a period of time some sentiment for a union of the type suggested.

The Secretary observed that most of the population of the West bank were Palestinians who were highly emotional on the question of Israel [1 line of source text not declassified]. The Ambassador [1 line of source text not declassified] concurred that this group could be described as strongly anti-Israel. The Ambassador said it was for that reason that such a union could not occur in a week or a month, but perhaps it could in a year or two, after concerted efforts to build up a suitable climate.

Mr. Shiloah said he had had a long talk with the Prime Minister and the Foreign Minister. Both felt it best to preserve the status of Jordan. In view of events, it was clear that Jordan, as we know it, would not last forever. In that case, if some arrangements could be made with the new Iraqi government along the lines set forth by Ambassador Eban, it might be possible for the Iraqi to take over some of the refugees on the West bank, with Israel taking over some, thus reducing the refugee problem. Mr. Shiloah recalled that there had been some talk in the past by groups in West Jordan of their getting out of Jordan and joining Israel. Things had deteriorated since then, however, and he did not see any immediate chance for such arrangement. If events forced a new solution to the Jordanian problem, the Israeli government wished to avoid a situation in which hostile forces would be on its borders west of the Jordan River. Israel would much prefer an agreement on action to be taken to resolve the problem.

Continuing, Mr. Shiloah said the Prime Minister believed Jordan could be preserved only if anti-Nasser forces in the area cooperated among themselves. It was essential that the Nasser drive be halted, and those opposed to Nasser should be encouraged by the United States to cooperate toward that end. Israel had been gratified at the extent of cooperation on the part of a number of countries in the area which wished to do everything possible to defeat the aims of Nasser. The Prime Minister urged the United States to consider:

1. Doing everything possible to maintain the status quo in the area;

2. Encouraging wider cooperation among the anti-Nasser governments toward this end; and

3. Thus providing enough time to work out carefully future plans for such territorial adjustments in the area as might be required.

Mr. Shiloah emphasized this had been put to the United States only and would not be repeated to representatives of other countries.

Mr. Shiloah said that Nasser's last public speech had made it clear that he had in mind as his immediate targets Sudan, Lebanon and Jordan. The Secretary observed that the popularity of Nasser in the area was due partly to pan-Arabism, and it was also due partly to the aura of success which he had generated. He had gone from one thing to another, and his tactics were such that he could not stand still. He thought Nasser's anger at the presence of American Forces in Lebanon and British Forces in Jordan was not so much because he thought those Forces constituted a military threat to the UAR, but because they tended to check his success. If his success could be interrupted, his prestige would quickly go down. Mr. Shiloah agreed fully. He said that Nasser was not popular in his own right, but that his ability to achieve one success after another had rendered it difficult to generate effective opposition to him. Inside the UAR things were not as happy as they seemed on the surface. The Syrians had had second thoughts and wanted more independence. Nasser already had been forced to make certain concessions to the Syrians. For example, although political parties had been banned, the Ba'ath Party had been reluctant to go out of existence and Nasser had now allowed some latitude. He said that the Ba'ath Party had been encouraging Iraq not to merge with UAR but to retain some independence.

The Secretary referred to his meeting in Bonn with Chancellor Adenauer³ and said the Chancellor had apparently gained the impression from Mr. Fischer of the Israeli Foreign Office that Nasser would be no danger if the Western Powers would concentrate on the economic development of Egypt. Ambassador Eban was surprised to hear this and expressed the conviction that Mr. Fischer had not intended to give that impression. The Israeli view was that Nasser needed a period in which to consolidate progress which he had made. They believe he should not be given such a period, and that pressures should continue against him. The West should stall in widening the Canal without cancelling contracts; credits given by West Germany should be slowed down in implementations, although they should not be withdrawn; other measures should be taken to stall and slow down Nasser's progress in order to frustrate him without creating a situation in which he would have a useable justification for retaliation. The Ambassador

³ Documentation on Secretary Dulles' trip to Bonn, July 26, is in Department of State, Conference Files: Lot 63 D 123, CF 1064.

said he would undertake to arrange for Mr. Fischer to clarify with the German Government the Israeli view, without relating any further contacts to conversation with the Secretary.

The Ambassador turned to the question of the Summit meeting. He said Israel would ask for the right to participate as a matter of principle if the Arab States participated. His Government had not, however, changed its basic view that the Arab-Israel question should not be brought before a Summit meeting at this time. The Secretary inquired as to the Ambassador's attitude upon the possibility that a high-level meeting of the Security Council might be used as an occasion to get started on peace efforts between Israel and the Arab states. The Ambassador responded that progress in this connection must be in stages. As a first stage it was necessary to stabilize the security situation in the area. If this weren't accomplished, nothing could be achieved on substantive issues. The second stage would be to approach the question of settlement in a stabilized atmosphere.

Mr. Shiloah quickly interjected that he would not wish to give a definitive response on the Secretary's question without reference to his Government. He would ask specifically for the Israeli attitude in this regard.

An hour after the meeting Ambassador Eban sent a letter to Mr. Rountree expanding upon certain points. A copy of the letter is attached.⁴

⁴ Not printed.

32. Letter From Secretary of State Dulles to Prime Minister Ben Gurion¹

Washington, August 1, 1958.

DEAR MR. PRIME MINISTER: As you have heard directly from the President,² he has discussed with me [*1½ lines of source text not declassified*]. The heart of the matter, as we see it, is the urgent necessity to strengthen the bulwarks of international order and justice against the forces of lawlessness and destruction which currently are at work in the Middle East. We have been glad that Israel shares this purpose, as

¹ Source: Department of State, Conference Files, Lot 64 D 559, CF 1613. Top Secret; Limit Distribution. Transmitted to Tel Aviv in telegram 108, August 1, which is the source text, for delivery personally to the Prime Minister.

² See footnote 2, *supra*.

illustrated by your deeply appreciated acquiescence in the use of Israel airspace by United States and UK aircraft in their mission in support of Jordan.

There are those who say that we must seek to reach an accommodation with Arab nationalism in the radical form represented by President Nasser's movement. If by this is meant that we must agree to policies of assassination and murder, and to the destruction of the integrity of sovereign states through indirect aggression abetted from outside, I most certainly cannot concur. On the other hand, as I am sure you would agree, it is neither possible nor desirable to oppose genuine nationalist aspirations. The United States record in favoring independence for the Arab states clearly reveals that we have favored legitimate Arab nationalist goals. We have not attempted to stand in their way. However, legitimate nationalist goals and the winning of them by peaceful means are one thing. Indirect aggression, and attempts by a larger state to force its will upon a smaller one, all in the name of nationalism, are quite another. Our action in Lebanon, and that of the British in Jordan, was taken in defense of the principles of international law and justice, the current spreading violation of which in the name of nationalism could, if unchecked, bring anarchy to the Middle East.

You are right in saying that American troops in Lebanon and British forces in Jordan cannot in the long run preserve the independence of those countries. They can, however, give pause to the expansionism of aggressive forces and give the world community an opportunity to take further steps designed to preserve the independence of free nations.

In the long run, the factor essential to the preservation of the independence of nations is the determination of the nations themselves to remain free. The world is well aware that Israel has this determination. The United States has been happy to encourage Israel in its efforts to stand on its own feet [10 lines of source text not declassified].

Like Israel, we are deeply interested in strengthening the security of the nations in the Middle East which are determined to resist the expansionist forces at work in the area. You are aware of the action taken by the United States in London to strengthen its relationship with Turkey, Iran and Pakistan. Out of this action will flow increased United States contributions to the security needs of those countries.

With regard to Israel's security, the President has already written to you of the implications for Israel of our action in Lebanon. We believe that Israel should be in a position to deter an attempt at aggression by indigenous forces, and are prepared to examine the military implications of this problem with an open mind.

I share your belief that the Soviet Union does not desire a general war at this time. I also agree with you that no one should allow Soviet public maneuvers to deceive him into thinking that the principles of Soviet and International Communist policy have changed. In the face of the constant Soviet Communist threat the only recourse is for the Free World to make every effort to strengthen itself against aggression, both direct and indirect. The critical situation in the Middle East today gives Israel manifold opportunities to contribute, from its resources of spiritual strength and determination of purpose, to a stable international order.

[1 paragraph (2 lines of source text) not declassified]

Sincerely yours,

John Foster Dulles³

³ Telegram 108 bears this typed signature.

33. **Telegram From the Department of State to the Embassy in Israel¹**

Washington, August 2, 1958—6:01 p.m.

110. Eban called his request Rountree August 2. Stated USSR had handed to Israel Ambassador Moscow on August 1 note containing strong protest re overflights by US/UK aircraft. Note stated this attitude of GOI made Israel immediate associate aggressive acts US/UK. USSR also deemed it necessary make clear to GOI that by placing airspace at disposal US/UK, GOI assumed responsibility for increased tension in ME which may develop into conflict bringing about particularly perilous consequences to national interest Israel itself.

Eban stated Israel had incurred protest from which [sic] country much larger than self. This strengthened Israel Prime Minister's view US/UK had taken on greater responsibility Israel's security. Urgent necessity US policy re independence integrity Israel be made known to USSR.

Israel did not regret what it had done in making airspace available but believed this action strengthened moral responsibility incurred by US/UK. Prime Minister wished President and Secretary be aware this

¹ Source: Department of State, Central Files, 784A.5411/8-258. Secret. Drafted by Bergus, cleared with Rockwell, and initialed for Dulles by Rountree. Repeated to London, Moscow, and Paris.

belief. In replying to USSR, Israel planned say inter alia it could not accept charge of assisting in "aggressive acts" since UNSC by vote 10-1 had defeated USSR resolution calling US/UK action aggressive.

Rountree undertook convey GOI views to Secretary. He pointed out this appeared to be Soviet maneuver in context protests other countries such as Iran, West Germany. Eban replied USSR doubtless hoped by this act encourage elements in Israel who opposed use of airspace. Chief Soviet purpose, however, was intimidatory. Indispensable USSR be told US had vital interest independence, integrity Israel. Rountree commented that while no formal security arrangement Israel-US, we believed repeated statements US policy and indications US attitude this regard have left no doubt in minds USSR.

Conversation concluded with general discussion about prospects summit conference in SC on ME, during which Eban expressed following views:

1. This not useful forum for discussion Arab-Israel problem which matter for parties themselves to negotiate.
2. This proper place for expression broad principles security all ME nations and opposition to attempts to bring about forceful changes.
3. Israel highly suspicious any proposal for arms embargo to area and doubtful any arrangement could be achieved which would not run counter to Israel interests.

Eban gave impression Israel not anxious attend summit meeting. Would seek do so only in event its interests or security directly involved.

Dulles

34. Telegram From the Embassy in Israel to the Department of State¹

Tel Aviv, August 2, 1958—9 p.m.

137. At 5:30 local time today, August 2, Comay, Assistant Director General Foreign Ministry, delivered most urgent message from Prime Minister to effect overflights by US planes must stop immediately. PM has made same démarche re UK planes to British Ambassador, who is informing London.

¹ Source: Department of State, Central Files, 784A.5411/8-258. Secret; Niact. Repeated to Amman, Beirut, and London. Received at 8:26 p.m.

I pointed out to Comay overflights were scheduled for completion in few days and asked if they might continue at least to August 6. He replied B-G was insistent they be stopped immediately, meaning no flights even tonight, and asked me send urgent message to that effect. I promised despatch message at once but explained that, with planes presently poised for tonight's flights, there was some doubt they could be stopped. Comay repeated B-G's desire there be no more flights from moment of receipt my message but recognized practical difficulties. However, he emphasized B-G's insistence on being able assure Cabinet meeting tomorrow morning August 3 (10 o'clock local time) there were in fact no overflights and none scheduled.

In reply my question as to basis this dramatic and urgent demand, Comay implied that on receipt Soviet protest note Ben Gurion had been on verge calling in British Ambassador and me to make this request because he felt (1) he could no longer submit [*subject?*] Israeli people to risks involved in overflights and (2) he had already exceeded authority extracted from Cabinet. Furthermore, he has no means evaluating present Soviet threat. B-G already drafting reply to Soviet note for presentation to Cabinet tomorrow morning by which time he feels he must be in position to state cessation overflights.

I asked why great rush in replying Soviet note, pointing out replies to similar notes sent other countries had usually taken several days. In reply Comay, who stated that he had not seen actual contents note but that it was firm and threatening, said he knew only that B-G was very insistent on need for speedy action and extremely serious re urgency matter.

I agreed send immediate message to Department and promised report Department's reply without delay. I again underscored difficulties halting tonight's flights in view technical and communications factor.

Comments: Embassy Air Attaché reports complete cooperation IAF as of 4 p.m. local time today, at which time he informed them of change in type of aircraft making overflights.

I have conferred with my British colleague who confirmed his visit to B-G, whom he found in very determined mood. Latter's approach to him coincided with Comay's delivery of message to me. British Ambassador also commented to B-G on unusual speed of action requested and questioned need for such precipitous reply to Soviet note on lines coinciding almost exactly with mine. He received no more convincing replies than I received from Comay, but B-G underscored problem he faced with Cabinet. British Ambassador also pointed out technical and practical factors working against cancellation tonight's flights.

It is apparent B-G has reached point where he convinced urgency of needs of Jordan and troop supply does not justify risk he runs in permitting overflights and he does not feel he has firm basis to resist strong Cabinet and potential public opposition to overflights.

I will appreciate Department's instructions by Niact.²

Lawson

² No instructions along these lines have been found.

35. Memorandum of a Conversation, Secretary Dulles' Residence, Washington, August 3, 1958, 3 p.m.¹

SUBJECT

Israeli Decision to Request U.S. to Cease Overflights of Israel

PARTICIPANTS

Mr. Abba Eban, Israeli Ambassador
Mr. Yaacov Herzog, Israeli Minister

The Secretary
C—Mr. Reinhardt
NEA—Mr. Rountree
NE—Mr. Rockwell

Ambassador Eban and Mr. Herzog called at the Secretary's request. The Secretary spoke strongly to them of the President's and his shock upon learning that as soon as Israel received a Soviet protest concerning the US and UK overflights of Israel to Jordan, Israel was preparing to acquiesce to the Soviet request that the flights be stopped. The Secretary said that it was particularly shocking that Israel would do this without any consultation with the US. We had believed that Israel fully agreed with the US and UK purpose in Lebanon and Jordan of showing the Soviets and Nasser there was a point beyond which they could not go. If Israel had now changed its mind, we would like to know. There were wide political implications in giving the USSR a sense of power in the Middle East by such subservient actions as Israel seemed prepared to take.

¹ Source: Department of State, Central Files, 784A.5411/8-358. Top Secret. Drafted by Rockwell and initialed by Rountree. At a 10 a.m. meeting with the British Minister, it was decided that Dulles would ask Eban to call and would "strongly protest" the Israeli decision. (Memorandum of conversation; *ibid.*)

Ambassador Eban said that Israel was deeply concerned over the malevolent power of the Soviet Union which could destroy Israel in five minutes. The Prime Minister's decision was based on the belief that the additional British request for overflight permission involved the sending of additional troops into Jordan which were an added convenience but not crucial for the support of the British operation. Israel felt that by now the British should have been able to make other arrangements to get these forces into Jordan. Israel lacked a formal security guarantee from the US and felt itself in a most poignant position.

The Secretary stated that the Eisenhower Doctrine made clear that the US would come to the support of Israel should it be attacked by a Communist power. For future guidance we wanted to know whether Israel felt so menaced by the USSR that it would do whatever the Soviet Union requested.

The Ambassador said he would at once transmit the Secretary's important observations to his government. Israeli general fortitude could not be questioned, he thought. The Secretary said he was sorry he had had to speak so bluntly, but important issues were at stake.

**36. Memorandum of a Conversation, Department of State,
Washington, August 5, 1958¹**

SUBJECT

Use of Israel Airspace for Airlift to Jordan

PARTICIPANTS

Mr. Abba Eban, Ambassador of Israel
 Mr. Ya'acov Herzog, Minister, Embassy of Israel
 Mr. Shimon Peres, Director General, Israel Ministry of Defense
 The Acting Secretary
 NE—Stuart W. Rockwell
 NE—William L. Hamilton

Ambassador Eban handed the Acting Secretary a letter from Prime Minister Ben Gurion to the Secretary, a copy of which is attached, expressing the latter's consent to U.S. resumption of its airlift to Jordan through Israel and denying there was any relationship be-

¹ Source: Department of State, IO/UNP Files: Lot 59 D 582, Israel—General. Secret. Drafted by Hamilton on August 6 and approved by Herter.

tween his request to Ambassador Lawson that the airlift be terminated and the Soviet note of August 1 charging that Israel's assistance to the airlift was aggressive.

Ambassador Eban said it was impossible to exaggerate the distress the Prime Minister would feel if any doubt remained in the President's or the Secretary's mind about Israel's determination to resist Communism. There was room for divergence of opinion and judgment on questions of mutual concern but Israel would like to think that one thing was regarded as axiomatic—that there can be no question of Israel's principles in regard to Communism and tyranny and democracy and human freedom. To the Government of Israel, the most urgent aspect of the problem arising from the airlift was the elimination of U.S. doubts about Israel's steadfastness. Mr. Eban asked that this sense of urgency be conveyed to the Secretary and the President as soon as possible.

On the practical problem itself and contrary to the general public impression, Israel's doubts about the airlift were not created by the Soviet note which Israel had no intention of answering in haste.

Governor Herter asked if he was correct in assuming that the Israelis were holding up their reply to the Soviets to be able to give them a definitive answer on the circumstances of the airlift and Israel's termination of its consent to use of its airspace.

Mr. Eban repeated that his Government was in no hurry to respond to the note which, when prepared, would reject the suggestion that there was anything connecting international illegitimacy either about the airlift itself or Israel cooperation. "It's a queer aggression," Mr. Eban said, "if only one in eleven nations so defines it." Mr. Herzog remarked that the Cabinet would not be meeting on the issue until next Sunday, August 10, and the reply certainly would not be made before then. There was no reason to suppose that it would be made with any haste thereafter.

Mr. Eban remarked that when originally approached about the overflights, they had stressed the desirability of the more rational route via Aqaba. He proposed that U.S. representatives in Tel Aviv get in touch immediately with Colonel Harkabi of the Israel Defense Force, whom he described as the liaison officer on the airlift, to begin discussions on the technical level for the purpose of terminating the airlift as soon as possible consistent with U.S. requirements.

Governor Herter concurred and introduced the question of how to move quickly to dispel the impression in the public mind, which was extremely unfortunate to Western interests in the Middle East, that the Israel action was responsive to Soviet demands. A discussion of how best to modify the impression ensued. Mr. Eban volunteered to tell the press that contact between the U.S. and Israel, which had been established with the inception of the airlift, was continuing without inter-

ruption and, contrary to reports in the press, the flights were going on.²

Attachment

Letter From Prime Minister Ben Gurion to Secretary of State Dulles³

Tel Aviv, August 5, 1958.

DEAR MR. SECRETARY: I am distressed and surprised by a misunderstanding which has arisen in your mind of what I conveyed to Ambassador Lawson and Sir Francis Randall on August 2.

In these conversations I was not dealing with our basic approach to global issues [*1½ lines of source text not declassified*]. For many centuries our people has demonstrated, no less than any other nation, its capacity of resistance to the threats of powerful forces. For forty years, millions of our brethren in the Soviet Union itself have stood up to fearful pressures without abandoning their Jewish consciousness and their spiritual heritage. I was therefore shocked to hear that you found it possible to say to our Ambassador that Israel had "caved in" immediately to a Soviet threat, and that a Soviet letter can bring us to submission. I cannot imagine, Mr. Secretary, how it could occur to you that we are capable of "subservience to Soviet Threats". We do not have the physical strength which certain great nations possess. But I venture to say that we do not fall short of any nation in the world in moral courage. Were this not the case, no trace of us would have been left a long time ago.

I even believe that Israel in her ten years of existence has incurred more risks, defied more threats, displayed greater resolution in grave hours than most other nations in the world, including many less vulnerable and exposed than us. Although we have no doubt of the sincere interest of the United States in the independence and integrity of Israel, as expressed by the President in his last letter to me, we have never been granted a guarantee of our integrity. Moreover, we have not heard that the Soviet Union has ever been told concerning Israel what it has been told about the consequences of an attack on Turkey; nor have we ever been told that clear and explicit words about the United States interest in our integrity and independence have been said to Nasser and other Arab rulers who openly declare the policy of

² Following the discussion of overflights, the conversation turned to arms requirements with Peres stating the Israeli needs. A memorandum of this part of the conversation is *ibid.*, Central Files, 784A.56/8-558.

³ No classification marking. A letter of transmittal from Eban to Herter, August 5, is not printed.

destroying Israel. We are surrounded by foes who receive abundant arms from the Soviet Union, and who receive Western arms as well, and yet we are not intimidated. I must however admit that we are concerned because up to now we have not been successful in receiving arms assistance from the United States.

As you personally are aware, we have incurred great risks for ourselves and our brethren in relation to the Soviet Union in days before the Middle East resolution of the United States Congress⁴ was adopted, as well as since that time. In the days immediately following the American and British actions in Lebanon and Jordan, at a time when the air was full of tension and the possibility of world conflict, I did not object to flights over Israel territory in connection with the American air demonstration over Jordan; to an airlift of British troops to Jordan; to an American oil airlift; and to a continuation of British and American supplies to British troops in Jordan for a number of days.

On the other hand, from July 16 onwards I have constantly urged the advisability of finding an alternative route. The use of Israel's territory has involved us in serious embarrassments and dangers. To this day I cannot understand why three weeks after the first landing the alternative route has not been brought into full use.

It is my best judgment that we should try to prevent the tensions created for us and others by this over-flight procedure, and should concentrate all energies on developing the other route. I believe that it was legitimate for me to have this judgment on the over-flight question without my basic stand on the great world issues being called into question.

I admit that the Soviet Note caused us concern. The vast disparity between Soviet strength and Israel strength makes this concern worthy of understanding. But you know of our contributions to the efforts of free people to stem the tide of communism will, on reflection, not believe that a threat, even from so powerful a source, would deter us from doing something vital to the cause of human freedom, which is Israel's cause.

In making decisions involving risk at critical times I have never had the feeling that Israel's security is as firmly guaranteed as is that of other nations within the free world. I take note of the categorical and emphatic way in which you have informed me, through Ambassador Eban, that if a Soviet attack took place against Israel the armed forces of the United States would come to our aid under the Eisenhower doctrine. I cannot refrain from pointing out that such important and explicit words have never been embodied in any written document from the United States to us. You also said to Ambassador Eban that

⁴ See footnote 3, Document 10.

Israel is guaranteed against Soviet attack no less explicitly than any other country. This last point is still not fully clear to me and I should like to return to it on another occasion.

[1 paragraph (5½ lines of source text) not declassified]

Four days have passed and we have not yet replied to the Soviet Note. I told my Cabinet on Sunday that the reply would not be sent before next week.

I note that you do not regard the British request for a new airlift of troops as vital. I did not believe, when I sent my message to Ambassador Lawson, that the American supply airlifts were crucial in themselves. But if you think it necessary I now propose that we consult together in an effort to find an agreed arrangement for bringing them to a conclusion in a manner satisfactory to both our governments.

Above everything else, I am convinced, Mr. Secretary, of the urgent need to strengthen the links between the countries which I mentioned in my letter to the President. I am certain that nothing will more effectively prevent the spread of Soviet influence in the Middle East, both directly and indirectly through the aid of Nasser and communists in Arab countries, than the internal consolidation of the countries of this group and the strengthening of their mutual ties with each other, albeit for the time being without publicity.

I am studying with the deepest interest and attention the important letter which I have received from you on this subject.⁵

Yours sincerely,

David Ben Gurion⁶

⁵ Document 32.

⁶ Printed from a copy that bears this typed signature.

37. **Memorandum From the Assistant Secretary of State for Near Eastern and South Asian Affairs (Rountree) to the Secretary of State**¹

Washington, August 22, 1958.

SUBJECT

Israel Arms Request

Discussion:

Pursuant to Ambassador Eban's July 21 conversation with you (Tab A)² the Israelis have presented a list of arms (Tab B)³ which, in the main, they hope to obtain either from us or from European stocks of U.S. manufactured items. They also ask U.S. financial assistance whether the arms are procured here or elsewhere.

They list tanks, anti-tank recoilless rifles, half-tracks, small submarines, helicopters and transport aircraft, signal equipment, trucks, and anti-aircraft guided missiles. They inform us they have also approached Italy, France and the United Kingdom to obtain tanks—Centurions from the British, and from the French and Italians M-47s supplied by us under military assistance. They have discussed submarines with the British and possibly elsewhere but with little success thus far. They do not ask for combat aircraft but inform us they hope to obtain them from the French.

The Department of Defense, in a letter of August 8 from Assistant Secretary Sprague (Tab C),⁴ informs us that all of the items on the list are available, under various priorities and delivery schedules, except for submarines and helicopters of the types specified, and a specific type of guided missile for which the Israelis can not qualify because of this weapon's security classification.

¹ Source: Department of State, Central Files, 784A.56/8-2258. Secret. Drafted by Hamilton on August 15; initialed by Rountree and Dillon; and sent to Dulles through W and S/S. Concurred in by James. M. Wilson, Jr., Reinhardt, and Leffingwell of the Department of Defense. On August 20, 1958, the Bureau of Near Eastern, South Asian, and African Affairs passed responsibilities for relations with African nations to a new Bureau of African Affairs.

² None of the tabs is attached to the source text. Tab A is printed as Document 29.

³ Tab B was a list of eight items attached to a letter from Eban to Dulles, August 1. (Department of State, Central Files, 784A.56/8-158) A copy of the list was sent to Tel Aviv in telegram 118, August 5, with a request for the Embassy's evaluation. (*Ibid.*, 784A.56/8-558) Lawson replied on August 13 that limited sales of defense arms could be justified both politically and militarily. (*Ibid.*, 784A.5/8-1358)

⁴ Not printed. (*Ibid.*, 784A.56/8-858)

The Israelis have given first preference to the anti-tank recoilless rifle which they describe as simple to operate, inexpensive and ideally suited as a weapon with which to arm Israel's border settlements which they consider to be the country's first line of defense. They are particularly desirable, according to the Israelis, as a defense against Soviet, U.K. and U.S. tanks now in the hands of the Arab states.

The Israelis ask financial assistance in arms procurement to protect their economic development program from the drain of military expenditure. They have cited favorable pricing, which they think is possible by procurement from U.S. military stocks rather than commercial sources, grant assistance for purchases here or offshore procurement, or possibly payment in Israel currency.

As in the past, we believe that political considerations militate against our being a large supplier of heavy military equipment to Israel. We prefer that the Israelis look elsewhere, particularly to the British and French, as they have in the past. We consider the quantities sought to be excessive in several categories.

Even if it were deemed advisable to introduce large quantities of arms into Israel, financial assistance (i.e., grant or credit military aid) of any significant magnitude to support this action would present certain difficulties at this time. As you are aware, no funding provision was made in the FY 1959 MAP program for Israel. Anticipated Congressional cuts in requested funds and a number of requirements which have arisen since the Congressional presentation have combined to create a situation where total requirements are in excess of the funds available to meet them. Nevertheless, if it were considered essential to provide for an Israeli program, this could be done through a diversion of funds from programs which we now contemplate meeting or by drawing on limited contingency funds. It would also be possible to make an advance commitment to fund such a program in FY 1960 by following the procedures set forth under NSC 1550 which requires that certain determinations must be made when future year funds are committed.

Grant military assistance would represent a major departure in our relations with the Government of Israel which might adversely affect delicate relations with the rest of the area. Payment in local currency is not attractive to us because our holdings of Israel pounds are far beyond any foreseeable need and would be tantamount to grant assistance since MAP dollars would have to be used to finance the transaction.

And if, as the Israelis report, France and Italy have M-47 tanks surplus to their needs, we would want to transfer them to programs of other countries which have high military priorities under the MAP.

Despite the continuing validity of most of these objections to supplying or financing large quantities of arms to Israel, the situation in the Middle East has been substantially altered since our last consideration of an Israel arms request. The Israel Government has been helpful to us in such matters as the recent overflights to Jordan and in its adherence to attitudes favorable to the U.S. position on recent developments in the area and the United Nations. Your letter of August 1 to Prime Minister Ben Gurion (Tab D),⁵ taking cognizance of these facts, expressed a U.S. belief that Israel should be in a position to deter an attempt at aggression by indigenous forces and informed Mr. Ben Gurion that we would look at a new Israel arms request with an open mind.

In the light of these considerations some alteration in our policy seems indicated. Sale of weapons which the Arabs would be least able to decry as increasing the danger of Israel aggression probably would be the most advantageous decision from the standpoint of U.S. interests. The strictly defensive anti-tank recoilless rifle seems most nearly to meet these criteria and it is probably the one most likely to compensate the Israelis for their disappointment over our decision not to make other items more readily available or to provide substantial financial assistance. The Department of Defense informs us that 100 recoilless rifles plus reasonable quantities of ammunition, spare parts, and an essential adapter kit would cost about \$1 million. We might consider a credit element, thus providing some financial relief for the Israelis. However, such a credit would be a precedent in the case of Israel and it may be anticipated that it would result in Israel consistently including credit elements in its future requests for military equipment.

The Department of Defense has informed us that the proposed provision of this assistance has no significant military effect and that the \$1 million to finance a credit arrangement could be made available, if political considerations make it advisable to provide the recoilless rifles, though this will of course necessitate a diversion of funds from other FY 1959 requirements.

Recommendations:

1. That we agree to supply the Israelis with 100 of the 350 anti-tank recoilless rifles and ancillary equipment⁶ under the U.S.-Israel Reimbursable Military Aid Agreement on credit terms customary in these transactions (Tab E).⁷

⁵ Document 32.

⁶ On the source text, Dillon underscored the word "ancillary" and wrote below: "This includes ammunition CDD."

⁷ Tab E has not been identified; presumably it was a copy of the U.S.-Israel Agreement on Mutual Defense Assistance, July 23, 1952. (TIAS 2675; 3 UST (pt. 4) 4985)

2. That we inform the Israelis we have no obligations to their buying such of their requirements as may be available from commercial sources. We would agree to license the export of reasonable quantities of such items, which might include half-tracks, trucks and signal equipment.

3. That we inform the Israelis that we are unable to provide the tanks, submarines and guided missiles they have asked us for.⁸

⁸ Dulles initiated his approval of the three recommendations on August 22. On August 26, Rountree informed Eban of the decisions reached on the arms request. At the same time, they discussed Israeli efforts to secure equipment from other governments. (Memorandum of Conversation; Department of State, Central Files, 784A.56/8-2658) Further discussion on August 26 concerned the forthcoming U.N. General Assembly, Nasser, and the new regime in Iraq. A memorandum of this part of the conversation is *ibid.*, NEA Files: Lot 60 D 580, Israel-UN Relations.

38. Memorandum of a Conversation, Department of State, Washington, September 10, 1958¹

SUBJECT

The Mid East Situation and Israel's Arms Request

PARTICIPANTS

Mr. Abba Eban, Ambassador, Embassy of Israel
 Mr. Yaacov Herzog, Minister, Embassy of Israel

The Secretary
 NE—Stuart W. Rockwell
 NE—William L. Hamilton

The conversation, which was at Ambassador Eban's request, opened with an exchange of pleasantries about press reports that the Ambassador plans to retire to seek office in the Israel general election of November 1959. Ambassador Eban said he would not deny interest in the possibility, but described the stories as premature.

The Ambassador said that while developments in the Middle East are over-shadowed by events in the Far East, the former area is not quiet. There is no change in the basic objectives either of Nasser or the USSR, although Nasser had been forced into a less aggressive posture by the presence of the U.S. and British forces in the area which in

¹ Source: Department of State, Central Files, 780.00/9-1058. Secret. Drafted by Hamilton. A briefing paper for this conversation is *ibid.*, 784A.56/9-1058. A summary of the conversation was transmitted to Tel Aviv in telegram 225, September 10. (*Ibid.*, 784A.56/9-958)

Ambassador Eban's view has created a new equilibrium of strength. Nevertheless, Nasser is not cooperating in a positive way and the Secretary General has found much to disappoint him in his efforts to implement the General Assembly resolution.² Present developments in the area are justification for the skepticism with which Ambassador Eban said both the U.S. and Israel had regarded the resolution and its prospects.

Some slight gains had been achieved. Nasser has had to abandon force for the time being. He is apparently reconciled to some degree of independence for Lebanon, and his ambitions toward Saudi Arabia have received a serious check despite minor concessions given to him on purchases of oil with Egyptian currency. He is encountering resistance in the Sudan. Finally, the U.N. debate created a world-wide awareness of indirect aggression although it is not defined in the resolution.

The Secretary agreed that the concept is implicit in the resolution, although not explicitly expressed.

Ambassador Eban went on to say that world opinion, now aware of the dangers of indirect aggression, has placed Nasser under an inhibiting tactical influence, but has not persuaded him to renunciation of his dreams of empire nor his use of Soviet assistance and tactics. He has turned to a quieter subversion and there are disquieting indications that he is having some success especially in Iraq where the new regime is under considerable pressure, generated by Nasser, to turn to the Soviets for military instruction and weapons. He said that the Iraqi Chief of Staff has accepted the idea and it is only prudent to imagine that his desires might prevail with his Government.

Under the Secretary's and Mr. Rockwell's questioning, Ambassador Eban admitted that there is resistance to the suggestion within the Cabinet including the Foreign Minister, but he said real strength for it has developed in the army and as evidence he cited an Iraqi army order of the day which advised commanding officers of the possibility of the receipt of new weapons.

Mr. Rockwell commented that some American arms of obsolete type are reportedly going into Iraq either from Egypt or Syria although obtained elsewhere than from the U.S. He asked whether Israel would prefer to see the U.S. try to divert a possible Iraqi turn to the Soviets for arms by attempting to persuade the Iraqis to rely on continuing U.S. military assistance.

Ambassador Eban said such an alternative would place them in a dilemma, and he would like to consult his government on the suggestion.

² For text of Resolution 1237 (ES-III), August 21, see U.N. General Assembly, *Official Records, Third Emergency Special Session, Supplement No. 1*, p. 1.

It was recalled that a U.S. program of supplying jets to Iraq had been suspended at the time of the recent coup. Mr. Rockwell said the Iraqis have now come to us asking resumption of the program. Ambassador Eban asked if the Iraqis were also prepared to meet MAAG requirements, Mr. Rockwell replying that this was a question we would have to look into. Mr. Eban said it was not inconceivable the Iraqis would come to the U.S. with an arms request so extravagant we would have to decline, whereupon Iraq might follow Egypt's example of 1955, declaring it had no recourse but to turn to Soviet sources.

Ambassador Eban said that in the light of these developments, it is obvious countervailing efforts cannot be relaxed and he mentioned: (1) Strengthening the non-Arab states in the area and improving their cooperation with each other. He expressed gratitude to the Secretary for U.S. interest in this concept [2 lines of source text not declassified]. (2) The preservation of the independence of Lebanon and Jordan. (3) The encouragement of a separatist tendency in Iraq and, finally, strengthening Israel's defensive capacity. Ambassador Eban said his government welcomed what the U.S. had already done by its recent decision on arms for Israel and the understanding of Israel's problem which was implicit in the U.S. decision. Serious problems still remain, however. A gross discrepancy is between the heavy tanks which can be numbered by the hundreds for the Arabs as against none at all for the Israelis. Israel's once formidable tank force is now obsolete by comparison with the Stalin and Centurion tanks in the hands of the neighbors. His government is aware that Jordan wants a great increase in military strength which if granted might put the HKJ in a position not only to resist Egypt but to attack Israel. He said he recognizes U.S. reluctance to supply tanks but that France, with only a word from the U.S., is prepared to turn over M-47's about which it is legally or morally bound to ask U.S. consent. Such a transfer, he said, is not like direct supply by the U.S. and has the additional advantage arising from the fact that the French have supplied so much to Israel that this new concession would not have a serious impact.

He said the 100 anti-tank recoilless rifles are insufficient operationally and his government would like the number increased. Israel also continues to look for ways to reduce the financial impact of its effort to redress the arms imbalance and is preparing a memorandum which will suggest the relief the U.S. may be able to provide within the present legal framework of Israel-U.S. military supply relationships, which do not include grant assistance but permit Israel purchases on a reimbursable basis. The memorandum, which he stated would be presented to Mr. Rountree, would touch on the possi-

bility of payment in Israel currency and arrangement for repayment over long periods of time.³

Israel requirements are urgent as underscored by evidence of early reduction of Western forces now in the area; another threatening Soviet note which while it did not frighten the Israelis was a fact of life; and Nasser's renewed attacks on Israel after a period of relative calm.

The Secretary remarked that Nasser is apparently not in a good frame of mind. It may be surmised, he said, that U.S.-British action has obliged him to slow down his program and that some other countries in the area have been encouraged to attach conditions and qualifications to their relationships with Egypt which are irritating to Nasser. The Secretary noted the great resentment which word of the U.S. arms concession to Israel had aroused in Nasser and commented that he assumes the Israelis wish the concessions had been on as large a scale as Nasser presumes they are. The Secretary agreed that Nasser is devoting more attention to Israel than for the past year or so. Perhaps this indicates his other means of achieving influence are not as strong as he had thought.

The Secretary commented that the Secretary General's trip⁴ apparently is not as successful as he had hoped it might be in terms of establishing some dependable restraint on radio propaganda and a U.N. presence. The U.S. has had no direct report from the Secretary General, but there is at least some evidence, reasons for which we can only speculate about, that the good will era Fawzi talked of is not going to appear. The Secretary General may feel that he has been let down. Possibly this is because Nasser, in turn, has let down Fawzi whom he may have used merely to get over a bad moment in New York.

The Secretary agreed that we cannot expect to get out of the Middle East resolution all the results some governments hope for but some results are possible—focusing the attention of the world on the problem of indirect aggression and slowing down Nasser's program of expansion. Nevertheless, the basic problem still remains which will have to be considered after Hammarskjöld returns and makes his report.

[1 paragraph (8 lines of source text) not declassified]

Mr. Dulles said he could not give an answer off hand to Israel's new arms request as outlined by the Ambassador but would consider it further.

³ On September 9, Lawson discussed Israeli arms requirements with Foreign Minister Meir along these same lines. The Ambassador summarized the conversation in telegram 247 from Tel Aviv, September 9. (Department of State, Central Files, 784A.56/9-958)

⁴ Hammarskjöld visited Amman, Beirut, Cairo, Baghdad, and Jerusalem, August 27-September 12.

The conversation on Middle Eastern matters closed with some consideration of Jordan. The Secretary said it would be necessary to do some very hard thinking on the problem after Hammarskjold has returned. Very difficult financial questions are involved for the U.S. which has had cutbacks in its appropriations making it very difficult to continue pouring money into Jordan on an emergency basis.

Ambassador Eban commented that the solution for Jordan would be closer cooperation with Israel which could give Jordan an outlet via the port of Haifa. The two governments would share the development of the Aqaba port area and the Jordan.⁵

⁵ During this conversation, Eban and Dulles also discussed economic aid to Israel for the oil pipeline from Aqaba to Haifa and for Jordan River projects. A memorandum of this part of the conversation is in Department of State, Central Files, 784A.5-MSP/9-1058.

**39. Memorandum of a Conversation, Department of State,
Washington, October 2, 1958, Noon¹**

SUBJECT

Military Assistance to Israel

PARTICIPANTS

Mrs. Golda Meir, Israeli Foreign Minister
Mr. Abba Eban, Ambassador, Embassy of Israel
Mr. Yaacov Herzog, Minister, Embassy of Israel

The Secretary
NEA—Mr. Rountree
NE—Mr. Rockwell

The Secretary received Mrs. Meir at her request. The Israeli Foreign Minister said that she was very happy with the course of developments between the United States and Israel in the past year. She felt there was no basic difference of views between the countries regarding the situation in the Middle East.

¹ Source: Department of State, Central Files, 784A.5-MSP/10-258. Top Secret. Drafted by Rockwell and initialed by Rountree. A briefing paper for this meeting is *ibid.*, 033.84A11/10-158. A summary of this conversation was transmitted to Tel Aviv in telegram 293, October 2. (*Ibid.*, 784A.56/10-258) Foreign Minister Meir was in the United States to attend the U.N. General Assembly.

The Secretary remarked that events have brought the United States and Israel closer together. Furthermore, the U.S. action in Lebanon made it clear that if Israel should be the victim of unprovoked aggression to extinguish its sovereignty our response would be just as good as it was in the Lebanese case. This should add to Israel's sense of security and act as a deterrent to Israel's enemies.

The Israeli Foreign Minister said that she agreed with the Secretary's observations but that the basic problems in the area had not been solved. The Secretary replied that we had never expected that our action in Lebanon would solve these problems. We believed, however, that it would give heart to small nations everywhere which relied on the U.S. as a friend and encourage them to defend their independence. He personally had no doubt that there had been no change in the goals and ambitions of Nasser.

Mrs. Meir said that Israel has deep fear of being encircled on all sides. It should be strong enough to withstand an attack until outside help could come. Furthermore, although the Secretary's words regarding the assistance the U.S. would render in the case of an attack on Israel were deeply appreciated, what was desired by Israel was a public U.S. statement of U.S. determination to defend the territorial integrity of all nations in the Middle East. Mrs. Meir then asked if she might take up the Israeli arms request.

In replying affirmatively, the Secretary said that we had made important exceptions to our policy of not being a major supplier of arms to Israel. However, our basic policy had not changed; we still did not wish to become an important supplier of arms to Israel, preferring to concentrate on economic assistance, and did not wish to have the exceptions we had made become the rule. The Secretary regretted that he had not had the time to go into the details of the specific Israeli requests.

Mrs. Meir said that Israel would be very happy if the U.S. were to change its basic policy. Certain military items that Israel badly needed could not be obtained anywhere except the U.S. Thanks in part to the Secretary's conversation with Selwyn Lloyd in New York,² the UK had now agreed to sell Israel 55 Centurion tanks, but Israel needed 200 heavy tanks in all so as to balance the 1,000 heavy tanks possessed by the UAR, Iraq and Jordan. There were Patton tanks in France and Italy which Israel could get if the U.S. would release them. Also Israel could not afford to pay for the heavy tanks she needed and, therefore, hoped that through U.S. assistance Israel could obtain them without payment. The 55 tanks from the UK would cost in the neighborhood of \$8 or \$10 million which Israel simply did not have.

² A memorandum of Dulles' conversation with Lloyd, September 25, is *ibid.*, Secretary's Memoranda of Conversation: Lot 64 D 199.

The Secretary said that he thought Israel faced a major policy decision. He did not think it would be practical for Israel to try to match the military power of the surrounding Arab nations which were inherently greater in population and in wealth. It was not clear what military doctrine Israel was following. Mrs. Meir replied that the Israelis realized that they could not match the Arabs tank for tank and plane for plane. Their policy was to match quality for quality. If the Arabs have 1,000 heavy tanks, Israel should have 200. If the Arabs have six submarines, Israel should have two. The Israelis with a smaller amount of arms could do better than the Arabs with larger quantities.

Ambassador Eban inquired whether Israel could expect that in forthcoming U.S. economic aid programs for Israel account would be taken of Israel's arms burden. If so, Israel had definite proposals which would help her acquire the needed arms.

The Secretary said that he did not know what our economic aid capabilities were going to be. Funds for economic assistance had been sharply cut by the Congress this year and there had been two abnormal drains on the emergency funds in the form of the Lebanese and Taiwan situations. It might be necessary to return to Congress for a supplementary appropriation. He could not give any answer now to the Ambassador's inquiry. All he could say on all the Israeli requests put forward in the meeting was that he would go over the situation with his associates both with regard to policy and U.S. capabilities.

Mr. Rountree pointed out that the concept of U.S. economic assistance to Israel rather than military help was not new. In determining our economic aid levels we had borne in mind Israeli expenditures for military items. Ambassador Eban commented that the military burden on Israel was now very much heavier, unfortunately. Israeli military needs amounted to \$20 million and the Israelis had proposals which showed how this need could be met through economic assistance.

40. **Memorandum From the Assistant Secretary of State for Near Eastern and South Asian Affairs (Rountree) to the Secretary of State**¹

Washington, October 9, 1958.

SUBJECT

Response to Israel's Military Assistance Requests

Discussion:

The press of other developments made it impossible for you to reply definitively to Israel Foreign Minister Golda Meir and Ambassador Eban on October 2, 1958 concerning Israel's outstanding requests for military assistance. (Tab B)² At a later meeting that day, I undertook to give them a partial response and, ad referendum, to indicate our thinking on larger questions which they had raised.

The answers which I made in definite terms are set forth in the attached memorandum of conversation (Tab A),³ but can be summarized as follows:

We would license the requested quantities of multiple-barrel machine guns for anti-aircraft purposes, M-1918 30-caliber machine guns, and 7.62 high-velocity, armor-piercing ammunition. We would view sympathetically a request for personnel training without cost in United States military establishments, but believed it to be virtually impossible to undertake this in the absence of a military aid agreement. We could not increase the number of anti-tank recoilless rifles beyond the 100 we have offered, nor could we supply proximity fuses because of their high security classification.

The following three items I gave no decision on, but indicated some hope with respect to the first. My attitude with respect to the latter two was negative.

(1) Licensing of twenty S-58 Sikorsky helicopters which the manufacturer has told the Israelis he will be able to supply for about \$5,100,000.

¹ Source: Department of State, Central Files, 784A.56/10-258. Secret. Drafted by Hamilton; cleared with W/MS and MC; initialed by Rountree; and sent through S/S and Herter. The source text is also initialed by Herter and bears a notation that Dulles saw it. A note attached to the source text states that Dulles had certain reservations about recommendation 2 which he discussed with Rountree on October 12. A memorandum of their telephone conversation is *infra*.

² *Supra*.

³ Not printed.

It might be advisable to agree to license the helicopters, which are regarded as of low offensive potential, to assuage in some degree Israel disappointment if we give negative responses on items (2) and (3) below.

(2) Consent to the transfer of United States Patton tanks from France and Italy, and financial assistance for their purchase, and financial assistance for the purchase of fifty-five Centurion tanks from Britain at a cost of \$8-10,000,000.

To assist either in the financing or procurement of tanks from European sources would derogate from our policy of not supplying this type of equipment to Israel. The nature of our participation in either transaction could not be long concealed and the political impact in the area would be as great as if we were to make the tanks available from our own stocks.

(3) Providing financial assistance to Israel in the purchase from United States sources of \$20-22,000,000 in military equipment.

The Israelis suggested two alternatives: (a) direct assistance in the form of long-term credits to be repaid preferably in Israel currency or (b) upward adjustment of United States economic assistance levels to free equivalent Israel funds to purchase arms.

I indicated to the Israelis that the relationship of either of these types of United States financial assistance to Israel's arms procurement could not be concealed. The proposal of raising economic assistance levels has the additional objection, which I made clear to the Israelis, of embarking us on the questionable policy of relating economic aid levels directly to anticipated arms burdens.

Recommendations:

1. *Re S-58 Sikorsky helicopters.*

That we agree to license.

2. *Re assistance to the Israelis in the financing⁴ of tanks.*

That we decline.

3. *Re financial assistance in the purchase of arms or compensatory adjustment of economic aid levels.*

That we decline.⁵

⁴ Before approving recommendation 2, Dulles crossed out the words "or procurement" at this point.

⁵ Dulles initialed his approval of the three recommendations.

41. **Memorandum of a Telephone Conversation Between the Secretary of State and the Assistant Secretary of State for Near Eastern and South Asian Affairs (Rountree), Washington, October 12, 1958, 10:40 a.m.**¹

TELEPHONE CALL TO MR. ROUNTREE

Re military assistance to Israel. Sec said he had approved all except the one point where he was reluctant to go along. The recommendations² are first that we agree to license the helicopter; Sec agreed. Second, the assistance to Israel in the financing or procurement of tanks; Sec agreed on financing but not sure procurement. Sec said we have in the past, or at least he had, perhaps wrongly, given them the impression that we were somewhat more liberal in economic approach than we would be if they did not have such heavy military burdens. No direct connection at all but in the past we have given the economic assistance and it does not make much difference which pocket it goes into. Sec said it was important to make clear we do recognize that they do have heavy military burdens without which they could get along without economic assistance from us. We are not insisting that they cut out the military because we recognize it necessary within limitations. There is a relationship there we accept in the broad sense; we never accepted it in the narrow sense of \$20 million more for tanks, therefore we [have?] given \$20 million more economic aid; a rather fine line of distinction. Sec said he found it difficult to see why we require them to spend \$20 million for Centurions when they could buy the same number of M-47s for \$8 million. Sec said he wondered how much real difference it makes whether we can maintain in this respect a separate position from the UK; Sec said he gathered Egypt had launched an all-out attack on us. Sec discussed what the status of these tanks were. Sec said he thought they were tanks manufactured in France by the French according to US specifications as part of offshore procurement plan. Sec said they were going to get the tanks—it was a question of spending more money than they needed to. Sec said the important thing was to know whether they were American tanks, offshore procurement tanks, or what. Sec said he would like to defer action until we know the status of the tanks.

¹ Source: Eisenhower Library, Dulles Papers, General Telephone Conversations. No classification marking.

² Reference is to the recommendations in the memorandum, *supra*.

42. **Memorandum of a Conversation, Department of State,
Washington, October 17, 1958, 1:45 p.m.**¹

PARTICIPANTS

Mr. Abba Eban, Ambassador of Israel
 Mr. Yaacov Herzog, Minister, Embassy of Israel
 Mr. Avraham Salmon, Economic Counselor, Embassy of Israel

NEA—William M. Rountree
 NE—William L. Hamilton

Following a brief discussion of weapons and other military equipment, the discussion turned to the possibility of increasing economic aid to Israel. Ambassador Eban had raised this as an alternative in a previous conversation when it was disclosed to him that we are not prepared to give arms to Israel or assist in the procurement or the financing of military equipment from other sources.²

Mr. Rountree recapitulated concessions already made to Israel which he characterized as being substantial. These included the one hundred 106-mm anti-tank recoilless rifles with a credit of \$1,000,000 for their purchase; the consent to licensing various categories of ammunition; multi-barrel machine guns for anti-aircraft defenses; and 1,000 conventional machine guns. To these he could now add our consent to the licensing of the requested S-58 Sikorsky helicopters. The related question of our consent to Sikorsky supplying a specific military configuration depended on what modifications of the basic type the Israelis have in mind, but he anticipated no difficulty on this point.

With reference to Israel's suggestion of economic aid level adjustments, Mr. Rountree dismissed the situation by categories as follows:

(1) Special Assistance Funds are all but completely committed and the possibility of increasing Israel's allotment is very remote.

(2) As for Development Loan Funds, Mr. Rountree said that applications on file, which the United States Government views with favor, already exceed the available lending authority. There is, therefore, no prospect for DLF help to Israel at the present time. Some thought has been given to asking Congress after the first of the year for supplementary appropriations which if authorized would permit the consideration of applications from Israel.

¹ Source: Department of State, Central Files, 784A.5-MSP/10-1758. Secret. Drafted by Hamilton on October 21 and initialed by Rountree. A briefing paper for the meeting, October 17, is *ibid.* A summary of the conversation was transmitted to Tel Aviv in telegram 310, October 18. (*Ibid.*, 784A.56/10-1858) Following the discussion of the arms request, Eban and Rountree talked briefly about the situations in Tunisia and Iraq. A memorandum of this part of the conversation is *ibid.*, 780.00/10-1758.

² See Document 39.

(3) Mr. Rountree said he personally had assumed PL 480 held out the best possibility of assistance but his study had revealed several complications such as the involvement of numerous government agencies and procedural issues far beyond those present in the Israel program itself. Removing the normal marketing requirement has been suggested, but this is a concept we wish to preserve. It is his personal hope, Mr. Rountree said, that we can provide some relief through PL 480 but he felt this is a question on which the Secretary would want to consult Mr. Dillon when the latter returns from his present trip.³ Nevertheless, the door is not closed.

Mr. Eban expressed appreciation, not only for the concessions already made, but the spirit in which the Israel problem had been approached. He noted that while the helicopters are very important, every concession of this kind has its counterpart of anxiety in the economic field.

The Ambassador stated that the negotiations with the United Kingdom on the Centurion tanks are not going very well. The British had only recently asked the Israelis how they expect to pay and inquired as to the results of their discussion of their financial problems with the United States. He said it had been made clear to the British that consummation of the Centurion transaction is dependent on Israel's being able to afford the tanks, weighing Israel's need for them against over-all national requirements. The British had been told, he said, that Israel's negotiation with the United States was not directly related to the tank transaction. The Ambassador observed that Israel's improved relationship with the British is of great importance and Israel would not like to fail to benefit for lack of the economic strength necessary to hold up its end.

Ambassador Eban pressed hard for an estimate of how much assistance Israel might expect if means are found under PL 480. Mr. Rountree said that he did not know what, if anything, would be possible. It was his impression that if we were to eliminate the normal marketing requirements completely, Israel might find itself with something like \$12,000,000 in foreign exchange to divert from commodity purchases. However, there is no possibility of such a decision, and he doubted that any modifications we might make would amount to half that sum.

Ambassador Eban said the Embassy's economists had some proposals on types of commodities with which we might assist Israel under PL 480 to provide meaningful releases of foreign exchange. They could also suggest some development loan fund projects. Mr. Rountree said that such suggestions could provide a useful reference in our own studies.

³ Dillon was in Geneva for the 13th session of GATT.

The Israelis said they would be grateful if a firmer estimate of possible assistance would be available before Mrs. Meir leaves the United States early next week. Mr. Rountree replied that this would be very difficult in view of Mr. Dillon's absence which, he believed, would continue through October 26.

43. Memorandum of a Conversation, Washington, October 21, 1958¹

SUBJECT

Middle East
Aid to Israel

PARTICIPANTS

Israeli Foreign Minister Golda Meir
Israeli Minister Herzog
Deputy Under Secretary Robert Murphy

At the invitation of Minister Herzog, I spent thirty minutes at his home last evening to meet his Foreign Minister. Mrs. Meir commenced the conversation by inquiring what was happening in the world, and I teased her a little by asking whether she was especially interested in events in Milwaukee, her former residence, or the Far East.

After considerable conversation in the lighter vein, we returned to the point of her serious inquiry. This related to our thinking concerning the Middle East and our estimate of that situation. I know of no person who is more dedicated to a cause than Mrs. Meir in her devotion to Israel. Nothing else seems to matter. It was obvious that she wished to elicit as much information as possible from me regarding my recent trip to the Middle East and our views on conditions in a number of countries, especially the United Arab Republic, Jordan, and Iraq. It was obvious from our exchange of views that she continues apprehensive concerning the possible disappearance of the present regime in Jordan. She expressed the usual complete distrust of Nasser, the United Arab Republic generally, pro-Nasser elements in Jordan, as well as in Iraq.

Her primary concern at the moment appears to relate to the acquisition by Israel of additional heavy armament. She expressed particular disappointment over Israeli failure to obtain American Patton

¹ Source: Department of State, Central Files, 780.00/10-2158. Secret. Drafted and initialed by Murphy.

tanks, referring to the Israeli hope that they might have obtained Patton tanks via France under a formula by which France would have released used equipment to Israel and the United States would have replaced it in France. Failing that, she expressed some satisfaction over the prospect of obtaining financial assistance from the United States, some of it in the form of PL 480. This would relieve the financial burden, thus enabling Israel to purchase approximately 58 Centurion tanks from the United Kingdom.

Mrs. Meir pressed me several times for an opinion whether I thought that a move against Jordan by the United Arab Republic in some form, no doubt a subversive action looking to the overthrow of the present regime, might be imminent. I suggested that she probably had a more intimate feel of the situation than I, however from what I knew of the current situation I doubted personally very much that such an action might be imminent. I also referred to Mr. Nasser's statement to me that in plots such as the one he was engaged in which led to the overthrow of Farouk secrecy is usually well maintained, just as it was in the case of Baghdad.

44. Memorandum From the Assistant Secretary of State for Near Eastern and South Asian Affairs (Rountree) to the Secretary of State¹

Washington, October 31, 1958.

SUBJECT

Recommendation that you Send Message to Prime Minister Ben Gurion
Concerning Jordan

Discussion:

Prime Minister Ben Gurion on October 26 gave an interview to the *London Sunday Times* (Tab C)² stating that if the status quo in Jordan were to be altered, the West Bank should be demilitarized and controlled by a UN police force. In response to a query with regard to the effect on Israel of the withdrawal of British troops in Jordan, Ben Gurion declared Israel must be prepared to deal with any combination

¹ Source: Department of State, Central Files, 684A.85/10-3158. Secret. Drafted by Rockwell on October 30, initialed by Rountree, and sent through S/S.

² None of the tabs is attached to the source text. Tab C, a copy of telegram 363 from Tel Aviv, October 27, is *ibid.*, 684A.85/10-2758.

of at least the following conditions: 1) Existing regime in Jordan remains in power; 2) new government formed effecting compromise between present regime and pro-Nasser elements; 3) dissident West Bank Arabs stage coup eliminating monarchy, and 4) Egypt invades Jordan and overthrows the regime by force.

Ben Gurion has subsequently stated publicly that the above interview represented his personal views and not those of the Israel Government. The Cairo press has charged that the interview indicates that Israel is preparing to take military action against Jordan, and the UAR Ambassador came in yesterday under instructions to express the same thesis in terms of grave concern. The Ambassador referred also to reports received by the UAR that Israel had ordered general mobilization (Tab B).³

The report concerning mobilization to which the Ambassador alluded turned out to be from the Cairo press and has been officially denied in Israel. We have no information which would confirm that Israel is undertaking the measures which would be the necessary prelude to major military action. We recall, however, past assertions of Prime Minister Ben Gurion to Mr. Murphy and of Foreign Minister Meir to the British Ambassador in Tel Aviv to the effect that Israel could not tolerate a UAR takeover in Jordan. We have spoken in general terms to the Israelis here about our continuing opposition to aggression by any party in the Middle East but believe that it would be useful in removing any doubt whatsoever from the minds of the Israelis on this point if you were to send a brief message to Prime Minister Ben Gurion. The official *démarche* of the UAR to us affords a suitable opportunity. A suggested message is attached at Tab A.⁴

Recommendation:

That you sign the suggested message to Prime Minister Ben Gurion at Tab A.⁵

³ A copy of Tab B, telegram 1239 to Cairo, is *ibid.*, 684A.85/10-3058. The memorandum of conversation on which it is based and telegram 1321 from Cairo, October 29, which reported a similar *démarche* by the Egyptian Assistant Under Secretary, are *ibid.*, 684A.86B/10-3058 and 684A.86B/10-2958.

⁴ For text of the message as sent, see *infra*.

⁵ Dulles' initials, in an unidentified hand, appear on the source text,

45. Letter From Secretary of State Dulles to Foreign Minister Meir¹

Washington, October 31, 1958.

DEAR MADAME: The Egyptians have come to us expressing great concern over reports of the Prime Minister's October 26 interview in the *London Sunday Times* regarding the status of Jordan. They professed to interpret this, together with reports they had received that Israel had ordered general mobilization, as indicating that Israel is planning some kind of military action in Jordan.

We told the Egyptians that we had no information whatever which would indicate that general mobilization had been ordered in Israel. (Subsequently, we learned of the denial of this report in Tel Aviv.) We also said that we were not aware of any Israeli plans for military action in Jordan. With regard to that country, it seemed to us that what was required was for all parties concerned to refrain from taking action likely to disturb the situation. For example, we earnestly sought full implementation of the Arab resolution of August 25.² Our position of strong opposition to aggression by any nation in the Middle East against another was also well known. We believed that it was essential to establish tranquility if the basic problems of the area were to be solved.

You are of course already aware of the position taken by the Cairo press with regard to the *Sunday Times* interview. I thought that you would be interested to learn of the official UAR attitude as conveyed to us, and of our response.

Sincerely yours,

John Foster Dulles³

¹ Source: Department of State, Central Files, 684A.85/10-3158. Secret. Transmitted in telegram 341 to Tel Aviv, October 31, 9:39 p.m., which is the source text. At 5:46 p.m., Dulles had called Rountree to say that he was "dubious about sending the message to Ben Gurion." Rountree replied that he had given quite a bit of thought to the matter before recommending it. Dulles suggested that the message go to the Foreign Minister instead and Rountree agreed. (Eisenhower Library, Dulles Papers, General Telephone Conversations)

² Presumably a reference to Resolution 1237 (ES-III), August 25, which called, inter alia, for the Secretary-General to make a fact-finding trip to the Middle East. For text, see U.N. General Assembly, *Official Records, Third Emergency Session, Supplement No. 1*, p. 1.

³ Telegram 341 bears this typed signature.

46. Telegram From the Embassy in Israel to the Department of State¹

Tel Aviv, November 4, 1958.

386. Deptel 341,² probably delayed by area atmospheric conditions, not received until November 2, and because Cabinet meeting that day I unable deliver Secretary's letter to Foreign Minister until afternoon November 3.

After carefully reading message Mrs. Meir asked me thank Secretary for his thoughtfulness in informing her of US views given Egyptians and expressed hope Department spokesman might find early opportunity make public statement along similar lines. British Foreign Office spokesman had already stated UK had no information to support Cairo and Moscow charges of Israeli mobilization and she thought it would be "extremely helpful" if US would make similar statement. She felt sure that all reports reaching Department confirmed Israel's peaceful intention and lack of preparation for war and that public acknowledgment of such reports would have a salutary influence in Moscow and Cairo as well as helping to counteract erroneous impressions in US based on newspaper stories originating in Cairo.

In commenting on rumors, Mrs Meir repeated Ben-Gurion's characterization of them as "baseless lies and complete fabrications." (Soviet Ambassador knew this as well any other diplomat in Israel, she said, and she had summoned him for the following day to "give him a piece of her mind.") However volume of propaganda on this subject being issued by Moscow and Cairo was of serious concern to GOI. It is well known that both Ben-Gurion and GOI are sincerely desirous that status quo in Jordan be maintained. Ben-Gurion's newspaper interview suggestions for demilitarization of west bank were clearly predicated only a change in Jordanian status quo and change not brought about by Israel. There was no logical link between Ben-Gurion's statement and accusation Israel was plotting aggression. "Therefore," she said, "there must be some intention behind charges which Cairo and Moscow know are false." In speculating on motive, Mrs. Meir sketched in two possibilities:

1. With British troops withdrawn from Jordan and Hussein out of country on holiday, Nasser might feel it propitious moment to stage situation in which he could pose as saving Jordan from Israeli aggression. His real reason, however, could be to forestall any Iraqi action

¹ Source: Department of State, Central Files, 684A.85/11-458. Secret; Priority. No time of transmission is on the source text. Received at 8:29 a.m.

² See footnote 1, *supra*.

against Jordan. Mrs. Meir believes Nasser worried about possible Jordan-Iraq merger which would deny him possibility of land bridge with his Syrian province and which might eventually attract Syria as a more natural geographic grouping. Evidence growing that some Syrians, awakening from their sweet dreams of UAR grandeur, regret their impulsive gift to Nasser of their independence. Also without taking any action in Jordan, Nasser might embark on series of provocations in hope of goading Israel to retaliate. "However," she said, "we are not about to please Nasser by doing so."

2. Moscow may be interested in blowing up situation into real war scare and then, if nothing happens, to claim its firm stand had prevented Israeli aggression and saved ME from armed conflict.

At end of conversation Mrs. Meir reiterated her hope Department would make some reassuring public statement.³

Baxter

³ On November 7, Meir replied formally to Dulles' letter, reiterating the substance of her comments to Lawson and stressing Israel's interest in maintaining the status quo in Jordan. (Department of State, Central Files, 684A.85/11-758)

47. Memorandum From the Under Secretary of State for Economic Affairs (Dillon) to the Under Secretary of State (Herter)¹

Washington, November 4, 1958.

SUBJECT

Proposed Program for Palestine Refugees

The attached memorandum from IO and NEA gives a total figure for the U.S. share for the Palestine refugee program of \$850 million. By the use of various statistical assumptions of highly doubtful validity the memorandum reduces this figure to a total of \$290 million, which is labeled "Net cost of program to U.S." I think this figure is highly unrealistic.

A fairer analysis would seem to be the following:

Total cost of U.S. share approximately \$800 million. (This eliminates the \$55 million which we will in any event be required to contribute to UNRWA prior to June 30, 1960.)

¹ Source: Department of State, NEA Files: Lot 70 D 229. Secret.

An estimate of \$300 million representing the U.S. cost of continuing care for the Palestine refugees in the ten year period 1960-1970 at the present scale, assuming no resettlement takes place. This would leave a net cost for the U.S. for the resettlement program over and above that of keeping the refugees in their present state of approximately \$500 million.

I doubt if the Congress would approve such a \$500 million program unless it was enthusiastically accepted by both Israel and the Arab states, and unless there was some shift in the present orientation of the UAR toward the Soviet Union. In any event this program should be considered in an inter-agency forum, such as the OCB so that views of other interested departments, i.e., Treasury, could be obtained before any decision is taken to encourage the Israelis that we will in fact proceed with a program of this magnitude.

CDD

Attachment

Memorandum From the Assistant Secretary of State for Near Eastern and South Asian Affairs (Rountree) and the Assistant Secretary of State for International Organization Affairs (Wilcox) to the Acting Secretary of State²

Washington, October 17, 1958.

SUBJECT

Study and Cost Analysis of Proposed Program for Palestine Refugees

You have approved paragraph 3 of the recommendations set forth in the IO/NEA memorandum of June 19 on the Palestine problem,³ namely, that there be undertaken urgently a study and cost analysis of the various recommended means whereby Israel and the Arab host governments might be assisted in carrying out programs for the integration and repatriation of the Palestine refugees after the conclusion of the UNRWA mandate on June 30, 1960. It should be recalled that these programs are based on the premise that Israel would first publicly accept the principle of repatriation and compensation and give effect to that commitment. The study has now been concluded with the collaboration of the International Cooperation Administration and a number of bureaus in the Department.

² Secret. Drafted on September 24 in IO and NEA and initialed by Wilcox and Rountree. Sent through S/S.

³ An undated copy of this memorandum is in Department of State, NEA Files: Lot 59 D 582, Israel—General, 1958.

The total cost of the program is estimated at about \$1,370,000,000, to be paid over a ten-year period. The United States share is estimated at \$850,000,000. This is a large sum dwarfing past United States contributions to the relief and rehabilitation of Palestine refugees. However, it should be viewed not only in terms of liquidating the political and economic problem of the million refugees but also as a significant means of developing the productive capacity of the Near East. The carrying out of the programs envisaged should, therefore, further other programs for the area in which the United States could expect to participate. For example, it is estimated that approximately \$480,000,000 of the United States expenditures could appropriately be channeled through development programs for the area over the next few years. Moreover, regardless of the programs in which the United States might participate for the benefit of the refugees, it is estimated that it would have to contribute to their relief over the period 1960-70 at least \$80,000,000 (if it continued to contribute at a 70 per cent rate). The June 19 recommendations can therefore be viewed as calling for the expenditure of approximately \$290,000,000 beyond what the United States might otherwise pay over the period 1960-70 for high priority development projects in the area and for continued help to the refugees. It should be remembered that the steps recommended on June 19 have as their objective the absorption of all refugees by the end of the ten-year period.

In addition, it is estimated that UNRWA requirements until June 30, 1960, will be \$78,000,000, of which it is anticipated that the United States will contribute \$55,000,000 (including its contribution of \$23,000,000 for relief and rehabilitation during Fiscal Year 1959 as already authorized by the Congress).

The basic assumptions of the study are given in Annex I (Tab A).⁴ The resulting cost estimates are set forth in general terms as follows:

	<i>Total Cost</i> <i>(millions of dollars)</i>	<i>US Share</i>
I. UNRWA requirements until June 30, 1960 (Annex II—Tab B)	78	55
II. A. 10 year program starting on July 1, 1960, for the repatriation in Israel or integration elsewhere of all Palestine refugees.		
1. Repatriation to Israel of 100,000 refugees (Annex III—Tab C)	185	123.2

⁴ Only Annex I (Tab A) is printed here.

2.	Compensation in lieu of repatriation (Annex IV—Tab D)	417	200
3.	Integration either through Jordan and Sinai development projects (Annex V—Tab E) or through settlement otherwise within the absorptive capacities of Arab states (Annex VI—Tab F)	251.2	165.4
4.	Decreasing relief over 10-year span (Annex VII—Tab G)	404.1	282.9
	Total Cost	<u>110.6</u> 1,367.9	<u>77.4</u> 849.9

B. The expenditure of the following amount of the above sum, while resulting in the absorption of refugees, could appropriately be channeled through the high priority development programs for the Near East in which the US could expect to participate over the next few years (Annex VIII—Tab H)

483.3

Regardless of the nature of the programs for Palestine refugees in which the US might participate, the US (if it continued to contribute at a 70% rate) would have to contribute for their relief over the 10-year span at least

77.4
560.7

C. The programs for the complete absorption of the refugees recommended in the June 19 memorandum would represent a cost to the US in excess of what it could expect to spend for high priority

560.7

area development programs
and for continued relief of
[unknown amount of source
text missing]

289.2

III. Support of UNRWA through June 30, 1960, would be with funds appropriated under the Mutual Security Act. The United States' share of settlement programs, including the large development projects, and the terminal relief programs would at least in part be with funds requested under a separate authorization and appropriation. Use might also be made of the Development Loan Fund.

Annex I

BASIC ASSUMPTIONS⁵

1. Every person registered with UNRWA as a refugee is accepted as one for the purpose of this study.

2. The number of refugees will continue to grow at the present rate of 3 per cent a year. The following breakdown of refugees is used:

	No. of Refugees—1000	
	<i>Registered</i>	<i>Ration Recipient</i>
Number of Palestinian refugees reported by UNRWA, June 30, 1957	<u>933.5</u>	<u>836.8</u>
Jordan	(517.4)	(433.5)
Gaza	(221.0)	(214.5)
Lebanon	(102.6)	(101.4)
Syria	(92.5)	(87.4)
Estimated, as of June 30 1960	1,020.0	914.4
Estimated, as of June 30 1965	1,182.4	1060.1
Estimated, as of June 30 1970	1,370.7	1229.0

3. UNRWA would continue to function until June 30, 1960. Until then, the US support of UNRWA would be maintained at the present level, it being anticipated that the UNRWA budget for 1959-60 will be enlarged due to increased caseloads and to liquidation and transfer costs.

⁵ Secret.

4. After June 30, 1960, assistance for repatriation, integration, development projects and terminal relief would be channeled either directly or through international organization such as WHO, UNICEF, Arab development institutions, or through the Development Loan Fund. Compensation payments would be made to refugees in a form and manner agreed upon by the Compensation Fund Administration and the host state concerned.

5. While under the proposal the option to be repatriated would be granted to all refugees, it is assumed that ultimately about 100,000 refugees would, in fact, be repatriated.

6. Every refugee not repatriated would receive an initial compensation payment of \$100, regardless of whether or not he could establish a valid claim to abandoned property. Individual valid claims in excess of \$100 would be accepted and liquidated during a subsequent phase of the program.

7. The total value of abandoned property in Israel is \$480 million, as estimated by the land specialist contracted by the Palestine Conciliation Commission for its Identification and Evaluation Program.

8. Due to the prevalence of community land ownership in certain parts of Palestine, whereby individual property rights were calculated in terms of given percentages of the community land, the fact that in many instances such ownership was fractionalized to insignificant amounts through inheritance, the faulty records kept and conflicting claims, it is anticipated that the scope of valid claims presented would be considerably less than the total value of abandoned property.

9. Registered refugees who are not ration recipients would be considered as integrated upon the receipt of their initial compensation payment of \$100 per refugee. The remainder would be considered as integrated and self-supporting upon the receipt of their initial compensation payment and their settlement. Settlement would be effected either through absorption into the development projects envisaged or through the payment (through the host government) of a settlement fee varying from \$400 per refugee in the case of refugees in Lebanon, Syria and Jordan, integrated in those areas, to \$800 per refugee in the case of refugees in Gaza and Jordan transferred to and integrated in Syria and Iraq.

10. For the purposes of this study, settlement is estimated as beginning on July 1, 1960, and progressing at various rates, depending on the project. However, as settlement will to a certain extent be dependent on progress toward the completion of the various projects, the rate at which refugees can be taken off relief may during the initial stages be somewhat less than indicated.

11. There will be a progressively declining terminal relief and education program after June 30, 1960, to provide for the needs of

those refugees not yet integrated. This program would be completed within ten years insofar as the refugees integrated through the development projects are concerned; for the remainder of the refugees it would be completed within five years.

12. Relief is calculated at the yearly figure of \$30 per refugee and education at a yearly figure of \$10 per refugee. These figures are based on UNRWA experience.

48. Memorandum of a Conversation, Department of State, Washington, November 21, 1958¹

SUBJECT

Palestine Refugees

PARTICIPANTS

The Acting Secretary
 Ambassador Abdullah Khayyal of Saudi Arabia
 Mr. Ibrahim Muhtasib, Attaché, Saudi Arabian Embassy
 IO—Mr. Walter N. Walmsley
 NEA—Mr. James M. Ludlow
 NE—Mr. David D. Newsom

Ambassador Khayyal said that the Arabs had the impression from a recent speech by the United States delegation at the United Nations General Assembly that the United States sought the cancellation of UNRWA in 1960 and was also suggesting a commission to look into the refugee matter.²

The Ambassador said that, at a meeting of all Arab Ambassadors, he was selected to represent them in presenting their point of view and that of their governments in this matter. He said the Arabs had noted the desire of the United States for good relations with the Arab world and that the Ambassadors had conveyed such expressions of desire to their governments. The abolition of UNRWA, however, would have had echoes in Arab countries. The Arabs desired good relations with the United States and did not wish a repetition of past mistakes.

In answer to a question from Governor Herter as to what the Ambassador meant by past mistakes, he said that United States support for the Palestine Partition Plan and the failure of the United

¹ Source: Department of State, Central Files, 320.511/11-2158. Confidential. Drafted by Newsom, initialed by Newsom and Ludlow, and approved by Herter on December 2.

² Throughout October and early November, the U.S. Delegation at the United Nations discussed the texts of various resolutions dealing with the future of UNRWA. Documentation on these discussions is *ibid.*, 320.511. The particular speech referred to here is probably George Harrison's speech in the Special Political Committee, November 10. For text, see *American Foreign Policy: Current Documents, 1958*, pp. 901-907.

States to insist upon the execution of the United Nations resolutions on Palestine were mistakes.

The Ambassador said the Arabs hoped for a renewal of UNRWA and for its continuance until a solution could be found. Above all, he said, the Arabs would not want any change in UNRWA which did not have the approval of the Arab countries.

Governor Herter explained that the United States was now paying seventy per cent of the cost of UNRWA and that it was difficult to get other nations to meet their share. Moreover, he said, Congress has made it clear to the Executive Branch that they do not intend indefinitely to appropriate money for the refugees and want some solution. Congress is assuming that UNRWA will end in 1960. Much of UNRWA's work already has suffered curtailment because of lack of funds.

Governor Herter stressed that everyone wished the United States to go on paying but no one had come forward with a solution. The United States would not wish to see people starve but he said the likelihood of continuing assistance would be strengthened if the Arabs indicated some willingness to discuss a longer range solution. The United States would be happy, he said, if the Arabs would appoint someone to sit down and discuss the matter with the United States. The United States would be willing also to sit down with the Israelis.

Ambassador Khayyal stressed that the Arabs were not prepared to sit down with the Israelis. He suggested that the United States should put pressure on Israel to implement existing resolutions rather than urge the Arabs to talk with the Israelis. It was because the Israelis failed to execute the United Nations resolutions that the United States was now required to pay for the refugees.

Mr. Ludlow pointed out that the United States was a member of the Palestine Conciliation Commission set up by the 1948 resolutions and had made many representations to Israel. The Department had, however, been forced to report to Congress that the resolutions were not implemented.

Ambassador Khayyal stressed again that the Arab governments did not wish the United States to adopt any move toward cancelling UNRWA or to suggest sending a committee.

Mr. Walmsley stated that the United States was not making any move toward the cancellation of UNRWA which would be ending, in any event, in 1960. This country sought only a study to find out what should follow the expiration of UNRWA. This commission, he said, could recommend that the agency be continued.

The Ambassador repeated that he believed it to be in the interest of good relations between the United States and the Arabs to continue UNRWA and to avoid any discussions of new suggestions except those related to the implementation of the present resolutions.

Governor Herter commented that the United States could support the continuance of UNRWA but if it were not able to put up the money, who would support it?

Ambassador Khayyal said that the refugee problem resulted from decisions taken by the United Nations and the United Nations continued to be responsible. Further, he said, no one could deny the influence of the United States Government in this matter and the moral and material responsibility of the United States.

Governor Herter said that even if the Department wished to continue UNRWA it would have a more difficult time getting funds to continue from Congress. He said that the Department anticipated a difficult time even for the one remaining year.

In closing Ambassador Khayyal repeated the three part position of the Arab Governments, namely, that they wish to continue UNRWA beyond 1960, they were opposed to any commissions, and would accept a solution only on the basis of existing resolutions.

49. Memorandum of a Conversation, Department of State, Washington, November 26, 1958, 3:30 p.m.¹

SUBJECT

Israel and the Middle East

PARTICIPANTS

The Secretary

Mr. Abba Eban, Ambassador, Embassy of Israel
Mr. Yaacov Herzog, Minister, Embassy of Israel

Mr. William M. Rountree NEA
Mr. William L. Hamilton NE

Ambassador Eban handed the Secretary a letter (copy attached)² from Foreign Minister Meir in response to the Secretary's letter to her in which he dealt with rumors particularly in the UAR of an impending Israel move against the West Bank. Ambassador Eban underlined Mrs. Meir's statement that Israel preferred the status quo in Jordan. All

¹ Source: Department of State, Central Files, 684A.85/11-2658. Secret. Drafted by Hamilton. See also *infra*. A briefing memorandum for the meeting with Eban, November 25, in Department of State, Central Files, 680.84A/11-2558. A summary of the conversation was transmitted to Tel Aviv in telegram 405, November 28. (*Ibid.*, 684A.85/11-2858)

² See footnote 3, Document 46.

other alternatives which suggested themselves, including UAR control of the West Bank and Nasser's occupation of the Holy City, Israel contemplated with alarm. Prime Minister Ben Gurion's suggestion of the West Bank's demilitarization and an international status for it are objectives to be hoped for if Jordan collapses and not a plan he has any hope of realizing.

Ambassador Eban said he interprets United States policy as being one of resisting forceable political change anywhere. Noting that the day of preferential diplomacy is past, the Ambassador said a government can no longer apply a policy to one problem and fail to take the same action in similar circumstances elsewhere. United States acceptance of this logic was demonstrated by Lebanon and Quemoy, and he hoped the policy would be extended to Berlin if necessary. Israel would not be among those who counseled appeasement or retreat if the Soviets create new crises. The Secretary agreed that the policy dictating the actions cited by Ambassador Eban does have general application and is not pursued on a "pick and choose" basis. Israel or anyone else could be a beneficiary under such conditions as the United States had indicated. United States intervention in these places had not extended our policy beyond previously contemplated limits. But when in implementation of a policy a definite course of action is undertaken, the policy tends to become more apparent and predictable.

Ambassador Eban described two trends in the area which he found favorable. The first stems from British and United States intervention in Lebanon and Jordan, and it is manifest in the courageous manner in which new Middle East governments are asserting a policy of separate nationalism and independence, and resisting the doctrine of submission to Nasser. This tendency is important despite the fact that at the same time democratic institutions are being discarded by some of the same governments.

The Secretary remarked that the assistance given Lebanon and Jordan may have marked a turning point. Since then, there seemed to be an increasing emphasis on nationalism as opposed to adherence to the concept of a monolithic pan-Arabism. The picture is not clear in Sudan but there too we are inclined to believe that the new regime has a nationalistic quality. Mr. Rountree remarked that there is reason to believe that the UAR was extremely disappointed with the development, having had in mind a coup of quite a different character which would have produced Sudanese leadership more to the UAR's liking.

The other trend which Ambassador Eban said he considered favorable was Israel's strengthening position. He cited excellent relations continuing with the United States and France, and marked improvement of Israel's relation with Great Britain and the non-Arab states of the Middle East. In the case of Turkey, Israel's relations were

progressively stronger in all fields and at all levels. Israel anticipated restoration in January of normal diplomatic relations which were interrupted by the Sinai Campaign, at which time the Turks had withdrawn their chief of mission and obliged Israel to do the same. [5½ lines of source text not declassified]

[1 paragraph (4 lines of source text) not declassified]

The Secretary said he had noted with some concern reports of increasing immigration to Israel from Eastern Europe. These reports seem to provide a basis for the fears in the area that population pressures will tempt Israel to expand outward. Ambassador Eban replied that the Israelis are not contemplating external expansion but rather development of their own territory. Outward expansion would only worsen the ratio of population to area. He cited the West Bank as an example. People who think Israel has its eyes on the West Bank should bear in mind that relatively Israel would acquire responsibility for more people than new area for settlement. Israel has less control of immigration than most people imagined. The Soviets were unpredictable in the way they opened or closed the door. Israel feels obliged to take the Eastern European Jew whenever the opportunity presents itself. The opportunity might never arise again if attempts were made to defer it.

The conversation closed with the Secretary remarking he had heard numerous reports about Ambassador Eban's personal political prospects. The Ambassador replied he would not say the reports were inaccurate, but they were premature.

**50. Memorandum of a Conversation, Department of State,
Washington, November 26, 1958, 3:30 p.m.¹**

SUBJECT

Economic Assistance for Israel

PARTICIPANTS

The Secretary

Mr. Abba Eban, Ambassador, Embassy of Israel
Mr. Yaacov Herzog, Minister, Embassy of Israel

¹ Source: Department of State, Central Files, 784A.5-MSP/11-2658. Confidential. Drafted by Hamilton. See also *supra*.

Mr. William M. Rountree NEA

Mr. William L. Hamilton NE

During a conversation on another subject, Ambassador Eban outlined very briefly plans for economic assistance applications which he said Israel would be submitting in the near future. He expressed gratitude for recent United States favorable adjustments in the size and character of the PL 480 program for Israel. However, Israel is still in financial stress because of extraordinary arms requirements.

The Ambassador noted that his government is having difficulty financing the arms offered by other countries. Israel is going ahead with the purchase of about sixty Centurion tanks from Great Britain, but for financial reasons, would have to slow the pace of its acquisition of a great many other items now available.

He said Israel's next approach would be in the field of Development Loan Funds. It is his understanding, he said, that no funds are available from existing appropriations. However, if more money were to be appropriated in the next calendar year, Israel would present plans for projects totaling some \$35 million with the hope that a larger amount of United States financing might be available than the \$15 million allocated to Israel in FY 1958.

The Ambassador also indicated Israel's desire to discuss in the near future its hope for Export-Import Bank assistance for Jordan River development. It was his understanding that the recent U.S. agreement with Jordan on the Yarmouk diversion contained two restrictions, i.e., that it would generate no demilitarized zone problems, and the water taken would be within the technical limitations of the Johnston plan. Israel is prepared to accept these restrictions for a project of its own. He said his Government attaches importance to the principle of simultaneity in development of the Jordan by the two governments interested.

The Secretary replied he did not want to sound a note of discouragement for Israel, but that circumstances were imposing increasingly severe limitations on the extent to which United States could meet, without impairing its own economy, the demands made upon it by other governments. Nevertheless, there was no question but that United States would continue to be a source of economic strength to many governments including Israel.

51. Telegram From the Department of State to the Embassy in the United Kingdom¹

Washington, November 28, 1958—7:54 p.m.

5223. Re: UNRWA (Delga 544).² Over past three weeks USDel has been consulting with UNSYG and potential co-sponsors on UNRWA resolution. Basic element of US position is that with expiration of UNRWA mandate in June 1960 in mind UN should begin planning how best handle refugee problem after that date. This would involve careful study leading to recommendations which we hope could be presented to 14th GA for its consideration. In view complexity UNRWA operation we believe 14th GA is last opportunity decision can be made for approach after mid 1960 without risk of interrupting flow services to refugees. This concurs with opinions expressed in UNRWA Director's annual report³ which is subject of Special Political Committee's discussion over past three weeks. Number of Delegations agree with this approach, including potential co-sponsors of our draft resolution—UK, Netherlands and New Zealand. Arabs have all opposed idea of study, claiming it might result in situation less favorable to them than present one, which they say should be continued beyond 1960. Now, position UK (Beeley) has apparently been reversed. Beeley has indicated to USDel he cannot co-sponsor any resolution such as ours, that "alludes to political aspects of problem". He believes UK can support study on rehabilitation and relief after 1960 which, he expects, would lead to recommendation UNRWA be extended in some form.

US draft resolution as discussed with co-sponsors and Arabs (1) provides for continued operation of UNRWA over next year as in past (2) states need for careful study of problem in light past experience and observations in Director's annual report with view presenting to next GA recommendations concerning steps that should be taken by UN and members regarding future welfare of refugees after 1960, bearing in mind rights of parties as recognized in past GA resolutions (3) requests SYG designate person undertake study (4) requests this person confer with Israel re implementation para 11 of resolution 194 (right of refugees to repatriation or compensation), and with Arabs re implementation para 4 resolution 393 (without prejudice to resolution 194, reintegration of refugees into economic life of Near East is essen-

¹ Source: Department of State, Central Files, 320.511/11-2858. Confidential; Priority. Drafted by Gamon; cleared with Ludlow, Rockwell, and EUR; and signed for Dulles by Walmsley. Repeated to USUN.

² Delga 544, November 26, summarized further discussions of the U.S. Delegation on the UNRWA resolution. (*Ibid.*, 320.13/11-2658)

³ For text of this report, see U.N. Doc. A/3931.

tial in preparation for time when international assistance no longer available).⁴

We have indicated to SYG and potential co-sponsors we would agree to deletion of word "study" from text to meet Arab objections on clear understanding SYG would in fact have study undertaken. We already had acceded to strong wish SYG, apparently shared by potential co-sponsors, that our original idea of group as study facility be abandoned in favor of individual.

Throughout consultations Arabs, as every year over past, have taken negative approach to suggestions that do not wholly meet their position. On basis past experience we would not expect Arabs do more than abstain on our resolution at best; we would be prepared face their opposition if necessary rather than abandon idea of study.

US position on extension UNRWA fully described by USDel (Harrison) before Special Political Committee November 10⁵ as follows: UNRWA had done heroic job provide relief and some rehabilitation. Latter has resulted in taking limited number refugees off relief rolls but not enough to counter-balance natural growth refugee population. Meanwhile world has contributed \$300 million (US \$200 million of this). There must be found some better system than UNRWA that will greatly accelerate rate at which refugees made self-supporting. This will require careful study and advance planning. US recognizes refugees will continue be problem after 1960 and expects sustain its interest in them after that date.

Beeley has expressed to USDel view that Arabs hold trump card in that US in final analysis will not refuse provide funds to assist refugees. We do not fully share this view. US is not now in position make or accept any commitment as to extent or means of helping refugees after 1960.

Embassy requested discuss above urgently with FonOff with view maintaining coordinated US-UK approach. While we do not doubt Beeley following position his government, we are inclined believe US position might not fully have been conveyed to UK by UKDel. Department has already explained our views UK Embassy (Gadel 147 to USUN repeated 5207 London).⁶

⁴ For text of Resolution 194, December 11, 1948, see *A Decade of American Foreign Policy: Basic Documents, 1941-1949*, rev. ed., pp. 718-719; for text of Resolution 393, December 2, 1950, see *American Foreign Policy: Basic Documents, 1950-1955*, pp. 2257-2259.

⁵ See footnote 2, Document 48.

⁶ Gadel 147, November 26, reported that British and French Embassy representatives had discussed the UNRWA resolution with Department of State officers the preceding day. (Department of State, Central Files, 320.13/11-2658) On December 2, the Embassy in London reported that it had discussed the matter with the Foreign Office which did not disavow Beeley's statement, but thought the question could best be worked out in New York by the respective U.N. delegations. (Telegram 2983; *ibid.*, 320.511/12-258)

USUN authorized use any of above in future conversation British to indicate firmness our position, emphasizing importance we attach to UK co-sponsorship our resolution.

FYI Department will determine in light UK reaction whether it desirable for US submit resolution on its own. End FYI.

Dulles

52. **Memorandum of a Conversation, Department of State, Washington, December 1, 1958, 12:30 p.m.**¹

SUBJECT

Future of the United Nations Relief and Works Agency (UNRWA) and the Arab Refugees

PARTICIPANTS

Mr. Leslie Carver, Acting Director of UNRWA
Mr. Sherrington Moe, Executive Assistant to Director of UNRWA
The Acting Secretary
W—Mr. C. Douglas Dillon
IO—Mr. Francis O. Wilcox
NEA—Mr. William M. Rountree

Mr. Carver called to present his views concerning the present situation in the General Assembly debate on the Arab refugee question and problems confronting the Agency. He said that the Arab delegates had been shocked by the position taken by the United States and its statement in debate since they believed that the United States had prejudged the outcome of the proposed study, namely that UNRWA would end in June 1960. He felt that the chances for such a study had been substantially reduced by our position. He felt, however, that with some wording in a resolution calling for recommendations without making any mention of a study, it might be possible for the Arabs to go along with the resolution. Such a resolution, if adopted, could only be implemented by the Secretary-General personally. Mr. Carver had some doubts as to the Secretary-General's will-

¹ Source: Department of State, Central Files, 320.511/12-158. Confidential. Drafted by Ludlow. Prior to this conversation, Carver met separately with Wilcox, Rountree, and Dillon. A memorandum of the conversation with Wilcox is *ibid*. No records of the other two conversations have been found. A briefing memorandum for the meeting with Acting Secretary Dillon, November 29, is *ibid.*, NEA Files: Lot 70 D 66, UNRWA 1958.

ingness to undertake the preparation of recommendations concerning the future handling of the refugee problem because he already had too many involvements in the Middle East.

The Acting Secretary said he believed that shock treatment was indicated as necessary since the United States could not be taken for granted. In our opinion the study was necessary. We had not prejudged its outcome but we could not make any promises or commitments unless we could show Congress some progress toward the ultimate end of the refugee problem. Congress was willing to grant funds for such humanitarian purposes but had increasingly questioned the apparent lack of progress in settling the problem.

Mr. Carver stressed the Arab fears that UNRWA's end would be followed by bilateral aid, thus reducing the United Nations' responsibility for the refugees and eventually resulting in the "paymaster" countries forcing the refugees on other Arab countries. The Arabs felt that they were being singled out for unfair treatment and Israel was not being forced to make similar concessions. He suggested that in another statement the United States reassurance on this point would be desirable. He further suggested that Israel should make a qualified acceptance of the principle of repatriation, thus showing that progress was possible on both sides.

The Acting Secretary said that an approach to Israel was a "chicken or the egg" problem in that Israel wanted to know what the Arabs would be prepared to do. We, of course, would welcome even any partial step by either side toward the solution of the refugee problem.

Mr. Rountree said that he believed Israel would not exclude the idea of repatriation but would wish to know the relationship of agreement to repatriation to other outstanding differences with the Arabs, such as boundaries and resettlement. It was unrealistic to expect Israel to give up its position on repatriation prior to possible negotiations.

Mr. Carver, in commenting on the rehabilitation program, particularly the vocational training programs which UNRWA would be starting up again, inquired concerning the possibility of using the United States fund of \$3.75 million earmarked for repatriation or resettlement for vocational training. After discussion of the legal problems involved in the precise definition of resettlement, it was agreed that Mr. Carver would look into the details governing the removal of students and their families from relief rolls after finishing their vocational training.

The Acting Secretary inquired as to the amount of surplus food which was used by the Agency. Mr. Carver pointed out that the Agency commercially purchased up to fifty per cent of its flour requirement from the United States; that it had been purchasing butter

from United States surpluses so long as the surplus existed. The Agency received six million pounds of skim milk as a gift from the United States through UNICEF.

The Acting Secretary asked that a study be made of the possible increased use of surplus foods by the Agency. He pointed out that we would not wish to interfere with commercial markets but we thought that by the increased use of surplus foods for relief, we might be able to put more of our cash contribution into rehabilitation programs.

Mr. Carver stressed the need for continuing the dollar contributions in order to ensure matching contributions from other countries.

Mr. Carver concluded by suggesting, with reference to his draft resolution,² that the United States take another look at it and then undertake negotiations with Mr. Gohar (United Arab Republic), who was a more reasonable leader of the Arabs than Mr. Shukhairy (Saudi Arabia).

The Acting Secretary appreciated that a satisfactory resolution was the immediate problem for UNRWA and its staff. He said, however, that until the next Congressional hearings, the United States could not make commitments on the refugee problem. A report would be helpful with regard to these forthcoming Congressional deliberations. He concluded by assuring Mr. Carver that the United States remained truly sympathetic to the Agency's problems but that we had no alternative to our present position.

² A copy of this draft resolution with eight operative paragraphs was transmitted in Delga 482 from USUN, November 20. (*Ibid.*, Central Files, 320.511/11-2058)

**53. Memorandum of a Conversation, Department of State,
Washington, December 4, 1958¹**

SUBJECT

Israeli Request for Security Council Meeting

PARTICIPANTS

Mr. Abba Eban, Ambassador of Israel
Mr. Shmuel Yaari, Second Secretary, Embassy of Israel
IO—Mr. F. O. Wilcox
UNP—Mr. D. L. Gamon

¹ Source: Department of State, Central Files, 330/12-458. Limited Official Use. Drafted by Gamon. See also *infra*. A summary of the conversation was transmitted to USUN in telegram 520, December 5. (Department of State, Central Files, 330/23-458)

(Before turning to the announced purpose of his call, UNRWA, Ambassador Eban gave the following explanation of the reasons behind the Israeli request for a meeting of the Security Council.)

Ambassador Eban explained that Israel earlier in the day had requested an immediate meeting of the Security Council to consider recent events in the Israeli-Syrian sector of the Armistice Lines.² After some two years of quiet the Israeli-Syrian lines had recently become an area of considerable tension. There had been the murder of the wife of the British Air Attaché, the shootings on November 6 and, now, the flare-up on December 3. These last two events had resulted in considerable material damage to Israel. The possibility should not be dismissed that events might be leading up to a sequence of violence that should be avoided. In the past, it was only when a major outbreak had occurred that the Security Council acted. In the present case Israel considered it better to bring the situation under the control of the Council as soon as possible and before it got out of hand. The very act of a meeting of the Council would have a very beneficial effect.

The Ambassador hoped that the Council would take Israel's request seriously and not question Israel's motives. He hoped that a meeting could be held within a day or two. There was ample precedent for the Council to accede to such a request and to meet, at least to become seized of the matter.

Mr. Wilcox said that he had been aware of a feeling in New York that, due to the coincidence of several other important matters such as the Cyprus item and discussion of the UNRWA item, a short delay in convening the Council might be advisable. There appeared to be some questioning as to whether the facts justified the Israeli request. He said that he assumed that Israel had been bending over backward to cooperate with UNTSO and hoped that it had made sure its own record was immaculate before going to the Council.

F.O.W.

² Text of the Israeli request was transmitted in telegram 440 from USUN, December 4. (*Ibid.*)

**54. Memorandum of a Conversation, Department of State,
Washington, December 4, 1958¹**

SUBJECT

UNRWA

PARTICIPANTS

Mr. Abba Eban, Ambassador of Israel
Mr. Shmuel Yaari, Second Secretary, Embassy of Israel
IO—Mr. F. O. Wilcox
UNP—Mr. D. L. Gamon

Ambassador Eban said that there had occurred the following two new developments in this year's discussion of UNRWA in the General Assembly: The United States had come out clearly for a study on the future handling of the refugee problem in view of the approaching end of UNRWA's mandate, and, on the basis that such a new and constructive approach was called for, Israel had removed the compensation issue from the political context.

Israel strongly supported the United States' position and felt that, despite resistance to it that had been manifest, the United States should maintain its stand. When the Ambassador had talked to the Secretary General on December 3, the latter seemed to disagree with the United States' approach and to feel that there was no alternative to the continuation of UNRWA after 1960 under its present terms of reference. It would be very unfortunate, the Ambassador said, if the United States were to modify its attitude for the sake of parliamentary tranquility. He urged that the United States table its resolution even though it might not fully suit everybody and suggested that the United States clearly reiterate its position in Committee.

Mr. Wilcox said the United States' position was flexible insofar as semantics were concerned. The important thing was to have a study. Just how that might be achieved, or by whom, was of secondary importance. It was not the intention of the United States to abandon its efforts for a study, he made clear.

¹ Source: Department of State, Central Files, 320.511/12-458. Limited Official Use. Drafted by Gamon. See also *supra*.

Mr. Wilcox added as a personal suggestion, that at some stage, the log jam might be broken if Israel would be willing to make a statement for repatriation. In response, Ambassador Eban questioned whether the Arabs wanted the log jam broken.²

F.O.W.

² On December 4, Eban met with Dillon to discuss financial assistance. A memorandum of their conversation, covering DLF aid, a double taxation treaty, and a program for the development of Jordan River waters, is in Department of State, Central Files, 784A.5-MSP/12-458.

55. Telegram From the Department of State to the Embassy in Israel¹

Washington, December 11, 1958—6:48 p.m.

444. You should immediately convey following to high Israeli official:

US concerned lest tense situation on Israeli-Syrian border deteriorate into further armed action. Seems to us essential that everything possible be done to restore calm, and that matter continue to be handled in UN. If incident not closed and wider repercussions occur, implications would be grave for security of NE.

US has noted Eban's words in Security Council December 8 re Israeli capacity to silence Syrian artillery attack.² We assume these words were uttered for their deterrent effect only and that Israel, as Eban indicated in SC, would continue to use UN as appropriate rather than resort to armed action which US could not support. In our view this is correct course to follow, both in interests of Israel and those of area security. US is approaching UAR to urge extreme caution lest this matter get out of hand.

For Cairo

You should immediately convey following to high UAR official:

¹ Source: Department of State, Central Files, 684A.86B/12-1158. Confidential; Priority. Drafted by Rockwell and cleared by Walmsley and UNP. Also sent to Cairo and repeated to Beirut, Damascus, Jerusalem, London, USUN, and Amman.

² For the verbatim record of the discussion at the Security Council on December 8, see U.N. Doc. S/PV.841.

US is approaching Israeli Government to emphasize necessity that nothing be done to aggravate current situation on Syrian border in view of its possible grave implications for security of area. We are making clear to Israelis our conviction that calm must be established and the matter continue to be handled in UN. We desire UAR Government to know this, and at same time to urge that in its turn UAR exercise great care to insure that there be no further armed action in this area.

Herter

56. Telegram From the Embassy in Israel to the Department of State¹

Tel Aviv, December 13, 1958—6 p.m.

489. Embtel 483.² Foreign Minister asked me to call on her residence afternoon December 12, shortly after Department's message (Deptel 444)³ had been transmitted to her.

Mrs. Meir, in serious and discouraged mood, said she could not help but be hurt at receiving this kind of blunt warning from US. It appeared to her to put Israel on notice it could expect no sympathy or support from US if Israel had to use military means in order protect its citizens from Syrian attacks. Of course Israel would expect no support from any quarter if it initiated unprovoked military action. However, Israel had expected and thought it deserved US support in UN, but "this message from your Government contains no indication of that."

This "blow" came on top of disquieting reports she was receiving of talks in Washington and New York which indicated general desire US and other Western powers to play down Israeli complaint and gloss over Syrian attack of December 3 by bringing into picture past history of border disputes, demilitarized zones, Mixed Armistice Commissions and the like, and thus avoid what was clearly responsibility of SC, i.e. to "let Syria know that this sort of thing must stop." Meroz

¹ Source; Department of State, Central Files, 684A.86B/12-1358. Confidential; Priority. Repeated to Amman, Beirut, Cairo, Damascus, London, USUN, and Jerusalem. Received at 8:09 a.m.

² Telegram 483, December 12, reported that Baxter had delivered orally the message in telegram 444, *supra*.

³ *Supra*.

had been told in Department December 11⁴ that US wanted more time to study background, and it was stressed to him that Department was awaiting reports from Rountree after his visit to Jordan "so that picture could be completed."⁵ She could not understand what Hussein could tell Rountree about a Syrian attack in which villages along a space of 17 kilometers had been systematically shelled. She believed there also some tendency play down incident because it had resulted in merely one fatality. However, it was only because villages had bomb shelters and not something which should be credited to Syrian good intentions that no more people were killed. As matter of fact, only miracle that in at least two instances large groups of school children reached shelters seconds before buildings in which they had been playing were accurately hit by Syrian shells.

Mrs. Meir said GOI fully shares US view of grave consequences of any resumption of military action on borders. It was for this very reason that GOI had considered this serious enough to take to SC. GOI had been severely criticized by public and Knesset over decision to refer matter to SC. "It is hardly a secret," Mrs. Meir said, "that bitter experience has taught Israel not to count heavily on remedial action by UN." But in this case GOI could only hope against hope that SC would realize gravity of incident and do something to prevent recurrences.

Mrs. Meir said she could not help feeling "a little bitter" that Israel should be thus sternly warned when it was Syrians who had attacked peaceful agricultural settlements, and when it was Arabs who were threatening further aggression. Israel had not shelled civilians, nor was it Israel which was threatening to attack Syria. However Cairo broadcasts boast of damage done and severe lesson taught Jews and repeat that Israel cities will soon feel effect of Arab strength and armor. It was true, she said, that first artillery shell on December 3 came from Israeli side, but only after four hours of continuous Syrian small arms fire which had wounded shepherd and pinned down border police who were trying to rescue him. Syrian attack was not simple reply to this Israel shell but premeditated and well executed bombardment of series of agricultural villages.

Mrs. Meir also said she found General Von Horn's report⁶ "discouraging" because it reviewed border activities and incidents over long period of time and did not appear recognize that December 3 was quite different matter. Syria has well fortified positions with range of 7 to 21 kilometers into Israeli territory, far enough to reach Kiryat Shoni,

⁴ A summary of Meroz's conversation with Walmsley on December 11 was transmitted to USUN in telegram 549, December 11. (Department of State, Central Files, 330/12-1158)

⁵ Rountree visited various Middle East posts, December 6-21.

⁶ For text of this report, see U.N. Doc. S/4124.

a town of 14,000 inhabitants. December 3 attack was well-planned and executed operation with Soviet equipment and probably with Soviet advisors. "What does US expect Israel to do if this sort of thing does not stop?" Some people might suggest that all settlements within area be abandoned, but that of course is out of question, not only from point of view of GOI policy but from point of view of villagers themselves who refuse to be intimidated and who look to their Government for protection.

When I asked what Israel's maximum hopes were as result its complaint to SC, Mrs. Meir said she could not speak for B-G or government, as no official attitude definitely formulated, but in her personal view whenever SC refused to put forward resolution because of fear of veto, it was a Soviet victory.

Actual procedure made little difference, she felt, but what was decisive was wording and content of either a resolution or a summing-up résumé by President. Strong resolution, even if vetoed, would have deterrent effect because it would express majority view of SC. What she fears, however, is that SC discussion will cover too much ground and lose sight of seriousness of present situation. If it only ends up in a "plague-on-both-your-houses" and a "you've both been bad boys but try to be good in the future" sort of thing "that will be the end." What was important to GOI and what GOI felt it had right to hope was strong stand by US and other western powers in SC that would make clear to Arabs and USSR incident like Syrian attack was considered very grave and serious by west. Whether or not SC takes a strong stand depends, she feels, upon attitude of US. In conclusion, she repeated she was both hurt and disappointed that US had seen fit to warn Israel so sternly in this instance. She could have understood if message had urged Israel not resort to armed action against Syria but at same time had stated that US would strongly support Israel in SC. She emphasized again her profound hope that this time UN and western powers in SC would give clear warning to UAR and Arabs.

Throughout conversation Mrs. Meir, though unemotional, spoke with extreme earnestness and I think she is genuinely apprehensive that non-committal SC discussion may encourage UAR and Syrians to think they can attack Israel with some measure of impunity. She pointed out small arms fire from Syrian side had continued every night since December 3 without any return from Israeli side, as "last thing we want is to give Syrians any opportunity to claim provocation." Embassy reports confirm this fact, but I believe that another

Syrian attack of nature and scope of December 3 would next time be answered by fairly large scale retaliation.⁷

Baxter

⁷ In a message received in the Department of State at 8:40 a.m., the Embassy in Cairo reported that the UAR had assured U.S. officials that it would do nothing to aggravate the situation. (Telegram 1771, December 13; Department of State, Central Files, 684A.86B/12-1358)

57. Letter From the Israeli Ambassador (Eban) to the Under Secretary of State (Herter)¹

Washington, December 12, 1958.

DEAR SECRETARY HERTER: A conversation held yesterday by the Counsellor of this Embassy in the United Nations Division of the Department of State² has given rise to our apprehension that we have not yet achieved full understanding with the United States on the urgent need for action by the Security Council on Israel's current complaint against Syria.

United Nations representatives and observers in their official reports have attested the following facts:

(1) Syrian forces opened the firing which led to the engagement of December 3 (Para. 3 of General von Horn's Report).³

(2) Whereas Israel's response came subsequently and was limited in scope (Para. 5 of the above-mentioned Report), Syrian forces developed the engagement into a bombardment of seven villages along a front of seventeen kilometers and a depth of five kilometers. They fired some 800 shells into seven Israel villages. The absence of a massive casualty list is fortunate and, indeed, almost miraculous.

I repeat that all the above facts are confirmed by United Nations Reports.

¹ Source: Department of State, Central Files, 684A.86B/12-1258. No classification marking. Attached to a memorandum of a conversation between Meroz and Rockwell, December 12. Meroz remarked at the time he gave the letter to Rockwell that it had been written before Baxter's démarche in Tel Aviv; see *supra*. Eban also sent a copy of the letter to Lodge with an appeal for a definitive statement by the United States against artillery bombardments of peaceful villages. (Telegram 454 from USUN, December 13; Department of State, Central Files, 330/12-1358)

² See footnote 4, *supra*.

³ See footnote 6, *supra*.

The essence of our complaint relates to the artillery bombardment. On no frontier in the world would the despatch of 800 shells from the territory of one State into the territory of another do anything but a grave and sensational event, no matter what the attending circumstances might have been. In this case, the chief attending circumstance is the confirmed fact of Syrian responsibility both for starting the incident, and for enlarging it so alarmingly in intensity and range.

Despite the enormous gravity of the artillery bombardment, my Government decided to limit its action to an appeal to the Security Council. We recall the addresses of President Eisenhower in February 1957 and of Secretary Dulles in November 1956⁴ and subsequently in which the United States expressed its intention to support greater vigilance and resolution by the United Nations in curbing violations of the peace before they developed into major crises. I also recall the Secretary's recent emphasis on the reliance which Israel, and other small countries, can place in the United States.

In these circumstances the effect in Israel and in the Arab world can well be imagined if an artillery bombardment of such scope and range were to be brought to the United Nations without encountering an emphatic American statement that such warlike acts must be renounced. The bombardment in question went far beyond the dimensions of a frontier skirmish. Any reserve by the United States would seriously undermine the policy of my Government in placing its reliance on the United Nations and its leading members. If the absence of a direct response by Israel were now followed by evidence of lack of concern by the United States, the likelihood of a renewed bombardment would be substantially increased; and in these circumstances the results would not fail to be very grave.

We have found amongst other members of the Security Council, as well as in our talks with the Secretary General, an awareness of the need to speak out clearly against the December 3 bombardment, as having been unjustified in any circumstances. I am very perplexed at not having yet heard any such expression of intention on behalf of the United States.

The prospect of preventing large-scale military assaults by international deterrence, rather than by direct self-defense, is definitely at issue here. The help of the United States is acutely needed if such assaults are to be deterred; and if the restraint and peaceful recourse adopted by my Government after the bombardment of last Wednesday are to be vindicated, as I hope they will.

⁴ For text of President Eisenhower's address to the Nation, February 20, 1957, see *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1957*, pp. 147-156. For Dulles' address to the U.N. General Assembly, November 1, 1956, see *Department of State Bulletin*, November 12, 1956, pp. 751-755.

The Security Council is due to meet on Monday or Tuesday of next week.⁵ But I frankly fear that much harm will be done unless unconditional United States opposition to the bombardment of civilian settlements by artillery is expressed at an early stage. It is for this reason that I am addressing you in concern and anticipation today.

I enclose an analysis of recent United Nations reports, the inspection reports on the position in Israel villages and relevant photographs.⁶

Yours very sincerely,⁷

⁵ See *infra*.

⁶ Not found.

⁷ Printed from an unsigned copy.

58. Memorandum of a Conversation Between the Ambassador to Israel (Lawson) and the Israeli Ambassador (Eban), Ambassador Eban's Residence, Washington, December 14, 1958¹

SUBJECT

Israel's Appeal to the Security Council on Syrian Attack December 3—Failure of U.S. to Date to Take Position Thereon

Ambassador Eban reviewed the whole situation along lines already well known to the Department. He exhibited a copy of his letter of December 12 to Under Secretary Herter² in which he had pointed up in rather strong terms the Israeli conviction that the U.S. should make a strong statement against Syrian action.

Ambassador Eban started his conversation by referring to what he considered a "crisis in U.S.-Israeli relations." (I doubt that he meant to use such a strong descriptive term, but wished to emphasize the seriousness of the problem.) In any event, he thought that perhaps the U.S. Government was not fully aware of the importance of Israel of taking a firm position with regard to Syria. He recalled with some emphasis the fact that (a) the U.S. basic policy requires that all nations utilize the UN as an agency to prevent conflict and not to rely on military operations; (b) that the U.S. had frequently and strongly urged

¹ Source: Department of State, NEA Files: Lot 61 D 59, Egypt, Israel, 1958. Confidential. Drafted by Lawson, who had returned to the United States in November for consultations.

² *Supra*.

the GOI to take up potentially dangerous problems with the UN in advance of the point of explosion. This is exactly what Israel is doing in the instance and for that reason feels that it is justified in expecting firm U.S. action in this situation; (c) that the failure of the U.S. to recognize in principle that the Syrians should be condemned for their extensive military operation against civilian villages in Israel would encourage not only Syrian but Arab countries in the area to act in an undisciplined manner with regard to Israel; (d) that the failure of the U.S. to act at this time, when Syrian action was so completely indefensible would have some influences on Israel's future dependence on appeals to the UN; (e) he implied that failure of Israel to receive U.S. support of its present appeal to the UN Security Council must, perforce, require a GOI reappraisal of U.S. urgings in behalf of the use of UN facilities in specific area disputes and might well reduce the influence of direct appeals by President Eisenhower and Secretary Dulles to Prime Minister Ben Gurion in the future.

Ambassador Eban said that Israel had reason to believe that it was being fully supported by the French, British, and various Latins who were willing to state their firm position against Syrian action, but so far he had been unable to obtain a statement of position by the U.S. Government. He said that the British had expressed surprise to him that the U.S. "has held back." It was clear to Eban that no resolution or even an effective summing up by the President of the Security Council would suggest condemnation of the Syrians for their indefensible action unless the U.S. were to take a firm position.

Eban said that while the U.S. had not refused to take a position, it had not yet done so. He repeated that this may be the result of the Department's not realizing the seriousness of such a failure to act or possibly the opinion of some in the United States Government who feel that the GOI should not have gone to the Security Council despite past urging by the U.S. Government and despite the most recent message from the U.S. Government delivered by Embassy Tel Aviv stating its approval of the GOI employment of UN facilities instead of military action.

He read extracts from Golda Meir's report on Chargé Baxter's visit to her³ and delivery of the Department's message. This message from Mrs. Meir followed much the line reported by Embassy Tel Aviv with regard to Baxter's visit to the Foreign Office. It mentioned several times the Department's earlier statement to Israel Embassy, Washington, that the Department's decision as to policy would be held up until information had been received from Mr. Rountree who was in the area. This seemed to confuse Ambassador Eban as it apparently did Mrs. Meir.

³ See Document 56.

He made it clear that Israel would withdraw its complaint to the Security Council if the United States "failed to speak up." He said Israel would avoid further embarrassment by the Security Council.

Although the Security Council meeting is scheduled for the afternoon of Monday, December 15, Eban said that Israel would be willing to delay the meeting another day if the U.S. Government so desired.

Ambassador Eban informed me that he was expecting to see Assistant Secretary Wilcox at the Department Monday, December 15, at 10:30 a.m. He said he also expected to see Deputy Under Secretary Murphy at his home Sunday night, December 14.⁴

In response to my direct questions, he made the following replies: (1) the incident of December 3 is now considered over. There is no thought of retaliation. A failure of Israel to obtain condemnation of Syria by the UN or the failure of the U.S. to take firm action at this time would not bring military retaliatory action against Syria by the IDF. This is a finished episode. But a repetition of the action "would be different—the situation would have to be reviewed in line of Israel's present experience with the Security Council." He reiterated that there was no retaliation planned now. Retaliatory action had been fully considered by the Cabinet in a special meeting at the time of the incident but had been rejected. The fact that there were no casualties, despite the falling of 800 shells on defenseless kibbutzim house where women and children normally resided, was a factor in the decision. (2) Any retaliatory military action would, on account of the terrain and size of Syrian forces, require a large size military operation, which in itself would be very serious. (3) Any sizable military action would lead to incalculably serious area conditions, and now with Berlin, Iraq, and other situations at a sensitive point, the addition of a Near Eastern explosion should be avoided. These were considerations influencing the Cabinet's decision.

When I raised the question of who was first to use artillery, Eban admitted that Israel used mortars first but (a) for a short time only and (b) they were directed only at military positions and in no instance against strictly civilian areas. The use of mortars was required to relieve the Israelis pinned down by Syrian fire, which had earlier started the trouble by killing an Israeli shepherd on Israeli soil. He made the point that the present complaint and the extensive front of actual

⁴ Memoranda of Eban's conversation with Murphy on the border incident and on Israeli relations with Turkey, Iran, and Iraq are in Department of State, NEA Files: Lot 60 D 580, Israel-Syria, 1958, and Central Files, 683.84A/12-1558.

No record of the meeting with Wilcox has been found, but in a telephone conversation at 10:25 a.m., December 15, Wilcox told Herter that Eban was due at any minute and that he was going to be noncommittal in response to the Ambassador's request for support. (Eisenhower Library, Herter Papers)

military action did not involve the demilitarized zones. Therefore, the DZ problems were not involved in the one at hand. In particular, he said, all the villages shelled were outside the DZ.

In conclusion he made it quite clear, I thought, that in the absence of a U.S. statement, Israel would be less influenced by U.S. exhortations in the future to use UN agencies to head off trouble or to settle problems in the area; that Prime Minister Ben Gurion would find such urgings in letters from the President and the Secretary and approaches from U.S. Embassy in Tel Aviv somewhat less than convincing; that Israel hopes for a U.S. statement in the Security Council denouncing the Syrian action. This hope is based on their conviction that such action by the U.S. Government would involve the clear question of principle of whether the U.S. condoned or condemned an indefensible action under any conditions and certainly indefensible under the present undisputed conditions; he held that there were no basic conflicts over the facts of the incident.⁴

⁴ At 3:10 p.m., December 15, Herter called Wilcox who said that "a few changes had been made" in the instructions to Lodge "to be more responsive to Israelis". (*Ibid.*) No copy of these instructions has been found.

The Security Council discussed the Israeli complaint beginning at 3 p.m., December 15. For the verbatim record of that discussion, including Lodge's statement on the question, see U.N. Doc. S/PV.844. The U.S. Delegation to the United Nations, in summarizing the Security Council consideration, said that it went smoothly, but that Israel had given no assurance that it would not retaliate in future similar cases. (Telegram 468 from USUN, December 16; Department of State, Central Files, 330/12-1658) The Council did not consider the matter further.

59. **Memorandum From the Assistant Secretary of State for Near Eastern and South Asian Affairs (Rountree) to the Secretary of State¹**

Washington, January 17, 1959.

SUBJECT

Your Appointment with Ambassador Eban at 3:30 p.m. Monday, January 19, 1959

Discussion:

The Embassy informs us that Ambassador Eban had two purposes in mind in asking for this appointment: (1) to transmit a personal letter to you from Prime Minister Ben Gurion and (2) to outline his government's assessment of the present situation in the Middle East. [3 lines of source text not declassified]

[4 paragraphs (19 lines of source text) not declassified]

Ambassador Eban's analysis of the present situation in the Middle East may focus on the new Iraqi regime and how its development may affect the West's relationship with Nasser. This has been a preoccupation of all Israel Embassy officers in their recent contacts with the Department. At Ambassador Eban's last appearance in the Department, he told Mr. Hart he was under instruction to "express concern that the United States, alarmed over the growth of the Communist influence in Baghdad, may be contemplating a rapprochement with Nasser to assist him to exert a countervailing influence." (Tab C)²

In the face of recent indications that the struggle in Baghdad is moving in favor of the Communists, the Israelis have suggested that if Nasser does turn to the West, care should be exercised to avoid treating him so generously that other countries in the area, now firmly committed to the West, will decide that their national interests would be better served by achieving a more neutral position and reaping benefits from both the West and the USSR.

In reply to the foregoing, the Israelis have been told that the United States Government plans no precipitate flight to Nasser and that while for some months we have assumed a posture of readiness to re-establish normal relations with the United Arab Republic, progress to this end has been slow.

¹ Source: Department of State, Central Files, 611.84A/1-1759. Secret. Drafted by Hamilton on January 15; initialed by Rountree; and sent through S/S. A handwritten notation on the source text indicates that Dulles saw it.

² None of the tabs was attached to the source text. Tab A was not declassified. Tab B was a copy of Eisenhower's July 25 letter to Ben Gurin; see footnote 2, Document 31. No memorandum of conversation between Hart and Eban, December 19, 1958, has not been found. A briefing memorandum for the meeting is in Department of State, NEA Files: Lot 59 D 582, Israel—General, 1958.

You may want to take this opportunity to reiterate your misgivings about the rapidly enlarging estimates of what Israel expects in immigration of Eastern European Jews this year. Jewish sources only recently were predicting an influx of perhaps 20,000 Rumanians but the Government of Israel is now actively planning for as many as 100,000. In your November 26 conversation with Ambassador Eban (Tab D),³ you expressed concern over reports of increasing immigration as providing a basis for fears in the area that population pressures will tempt Israel to expand.

Recommendations:

[2 paragraphs (5½ lines of source text) not declassified]

(2) *United States Attitudes Towards Qasim as They May Bear on West-United Arab Republic Relations.*

It is recommended that you comment along the following lines:

We are intervening in no way in the internal Iraqi struggle but are increasingly disturbed by the apparently unchecked growth of Communist influence over the new regime. We would like to think that Qasim had the desire and the intention to resist but we see little evidence of it. We think that if Qasim does not soon take a stand against the Communists, he may become their prisoner. We are certainly not casting ourselves into Nasser's arms, but are heartened by Nasser's apparent dawning realization of the dangers of Communism to the Middle East. This development, we believe, is of benefit to the free world, and should be discreetly encouraged. We are continuing our efforts to establish a more normal relationship with the United Arab Republic.

(3) *Immigration from Eastern Europe.*

It is recommended that you raise this question on your initiative and comment as follows:

We understand that in Israel it is now anticipated there will be a very substantial increase in immigrants from Rumania this year, the first of whom are already arriving at the rate of some hundreds weekly. As you remarked in your November conversation, this movement, especially in such numbers, is sure to aggravate Arab fears of Israel expansionism and make it difficult for the United States to defend itself against charges that its assistance is financing Israel immigration.

Mr. Rockwell and Mr. Hamilton of NE will accompany on this call.

³ See Documents 49 and 50.

60. **Memorandum of a Conversation Between the Secretary of State and the Israeli Ambassador (Eban), Department of State, Washington, January 19, 1959, 4:05 p.m.**¹

MEMORANDUM OF PRIVATE CONVERSATION WITH
AMBASSADOR EBAN

The Ambassador referred to his Prime Minister's letter to me of January 19.² He indicated that Israel would like to do more of this type of work in the way of training people from Asia and Africa but lacked the money. He wondered whether we could help. They could use, they thought, with advantage to the Free World about \$2 million a year more for 5 years. I asked whether any of the counterpart funds could be used perhaps for this purpose. He said he did not know but thought that that might be worth looking into.

He spoke again about the situation in Iraq and reaffirmed strongly the hope that we would not seem to throw our support back of Nasser in an effort to counter the Communists in Iraq. I said if one has to make a choice between the Communists and Nasser, I suppose Nasser is a lesser evil. He said he was not sure we would have to make the choice and thought there was still a chance that Iraq might opt for independence and neither the Communists nor the UAR.

JFD

¹ Source: Department of State, Central Files, 686B.87/1-1959. Secret. Drafted by Dulles. Dulles and Eban also discussed Soviet Deputy Premier Mikoyan's visit to the United States beginning January 4 and an Israeli request for financial assistance from the DLF. Memoranda of these parts of the conversation are *ibid.*, Secretary's Memoranda of Conversation: Lot 64 D 199.

² A copy of Ben Gurion's 8-page letter [*1½ lines of text not declassified*] is attached to a covering letter from Eban to Dulles, January 19. (*Ibid.*, Central Files, 784A.13/1-1959)

61. Telegram From the Mission at the United Nations to the Department of State¹

New York, January 21, 1959—7 p.m.

563. Re: SYG's trip to ME (Deptel 627).² Following information supplied by Bunche (Secretariat) since Hammarskjöld on short vacation. (See also memo for record dated January 15, pouched UNP January 29.)³

1. Freedom of transit from Jordan across Syria: Bunche reported transit problem remained unsolved when Hammarskjöld returned from me. SYG therefore sent strong appeal to Fawzi (UAR). Within 24 hours (based on telegram dated January 19 which Bunche read to us) UAR officers in Damascus telephoned Jordan officers Amman and declared intention allow petroleum truck transit. Jordanian officials, during telephone conversation, raised problem of excise of phosphate shipments. Latter problem thereupon also settled. Bunche said he had not received any subsequent information transit agreements not in effect. He therefore assumes transit problems overcome. He considered episode reassuring as indication Cairo could control Damascus officials and also as indicative UAR desire reduce difficulties between UAR and Jordan.

2. *Damascus UN presence*: Bunche said he following up transit solution with efforts establish Damascus office. Who to be in charge of office not yet determined. (Bunche mentioned Gaillard, American in Secretariat, as one possibility.) He reported UAR had been reluctant accept any personnel now in Amman who would appear to move from Amman to Damascus. Therefore necessary find person elsewhere. Another obstacle in getting UAR acceptance was difficulty in explaining to UAR what Damascus office would actually do. We suggest existence such office might have made negotiations easier on transit problems. In maintaining ground already gained might be useful have mechanism for overcoming irritants as they develop and Damascus office might be part of mechanism.

3. *Demarcation frontier between Syria and Israel*: Bunche repeated report given us by Von Horn that Israelis now willing implement agreement reached with SYG on marking frontier. Bunche explained

¹ Source: Department of State, Central Files, 315/1-2159. Confidential.

² Telegram 627, January 20, asked the Mission to get Hammarskjöld's impressions of his Middle East trip at the end of December and early January. (*Ibid.*) Reports given to U.S. representatives during the course of the trip are *ibid.*, 315/1-359 through 315/1-2159.

³ Not found.

Israeli procrastinations led to threat by SYG to ask for SC meeting. At that point Israelis agreed to carry out demarcation. (Von Horn told us demarcation would be on Syria-Israeli border, not on DZ's.)

4. *Palestine refugees*: Bunche reported Hammarskjold surprised by universal interest in refugee problem wherever he went. Even in such places as Khartoum, Addis Ababa and Benghazi problem of refugees considered most urgent. He attributed this, of course, to language in Harrison's GA speech⁴ which implied end of UNRWA. Hammarskjold was deeply impressed and a little surprised by extent of interest in refugees and also by misery in refugee camps. Bunche reported Hammarskjold had long, frank talk with Ben Gurion (Israel) on refugee problem.⁵ Ben Gurion began by taking line resettlement only answer. Hammarskjold answered by analyzing possibilities that exist for resettlement country by country in ME with conclusion only Iraq provided significant possibility which for political purposes appeared most unpromising in near future. Hammarskjold made point with Ben Gurion that 2 and 1/2 billion dollars spent to settle little less than million Jewish immigrants in "relatively fertile coastal plain". Financial implications of this for resettlement of Arab refugees obvious.

Ben Gurion's attitude regarding token repatriation by Israel characterized by Bunche as tougher even than public position of Israelis. Bunche said Ben Gurion and SYG in conversation finally agreed on two points: 1) no settlement in ME was possible without providing for Israeli existence and 2) refugee problem appeared insoluble.

Bunche said Hammarskjold came back from ME considering refugee problem as toughest one facing him in ME.

Comment: Hammarskjold's attitude as emphasized by Bunche concerning virtual impossibility of significant progress re refugee problem may not only be evaluation of problem but also may be beginning of attempt to convince U.S. that UNRWA for all practical purposes must continue. In view Harrison's statement with subsequent softening of U.S. position during assembly, Hammarskjold may feel U.S. position not final and therefore wishes to give us his estimate of obstacles blocking shift from UNRWA as now established.

Lodge

⁴ See footnote 2, Document 48.

⁵ A more extensive report on this talk was transmitted in telegram 1611 from Amman, January 5. (Department of State, Central Files, 315/1-559)

62. Circular Telegram From the Department of State to Certain Diplomatic Missions¹

Washington, January 28, 1959—12:58 p.m.

913. Eban morning twenty-seventh informed Rountree GOI intention to ask Security Council consider killing of Israel shepherd by Syrian gunfire.² Israel motivated by desire bring matter to SC for peaceful resolution before series such incidents might precipitate major crisis.

Eban asked United States to take initiative, before Council convenes, to mobilize opinion of leading members and urge them to express their concern over repeated acts of violence on Israel-Syrian frontier. He hoped USG could also indicate to SYG that latest incident is very thing for which SC asked him to seek solution during his recent Middle East visit. SYG might be asked to take further initiative.

Rountree recalled that during consideration of Israel complaint last month SC members, while making clear their abhorrence of renewed frontier violence, had questioned whether Israel made full use of available UNTSO and MAC machinery before bringing complaint to SC. Eban evaded question of submission to MAC, stating only that MAC officers are junior on both sides and mechanism is bogged down with innumerable matters as yet unconsidered. It is any member's privilege to bring threat to its security to SC attention, he concluded, adding Israel should not be rebuffed in this approach.

Rountree applied it is not question SC not being prepared to deal with problem but whether Israelis have laid best possible foundation for complaint by first exhausting remedies available through other UN machinery. In any event, he said, matter would be studied immediately. He indicated Dept would be in consultation with USUN.³

Dulles

¹ Source: Department of State, Central Files, 684A.86B/1-2859. Confidential. Drafted by Hamilton on January 27, cleared in draft with Brown, and signed for Dulles by Rountree. Sent to Tel Aviv and repeated to Amman, Cairo, Damascus, London, Paris, Rome, Jerusalem, and USUN. A memorandum of this conversation is *ibid.*, 780.00/1-2759. Similar approaches were made to Lodge and Wilcox on January 29 by Israeli representatives. (Telegram 599 from USUN, January 29; *ibid.*, 684A.86B/1-2959, and memorandum of conversation, January 29; *ibid.*)

² The shooting occurred on January 23.

³ On January 29, the Department informed Lodge that it recognized the Israeli right to appeal to the Security Council, but believed all local U.N. machinery should be utilized first. The United States should reserve its position until a full report on the incident was made by MAC. (Telegram 645; Department of State, Central Files, 330/1-2959) The Security Council considered the Israeli complaint without decision on January 30. For the record of these proceedings, including Lodge's statement along the lines suggested in telegram 645, see U.N. Doc. S/PV.845.

63. Instruction From the Department of State to Certain Diplomatic Missions¹

CA-6526

Washington, February 2, 1959.

SUBJECT

Restriction Affecting American Citizens of the Jewish Faith in Arab Countries

REFERENCE

CA-1239 of August 8, 1956²

The Department desires to bring once again to the attention of the addressee posts its continuing deep concern over restrictions on entry and commercial relations imposed by Arab states which have the effect of discriminating against American citizens of the Jewish faith.

The Department is well aware of the sensitive nature of this problem and of the sovereign rights of a nation to establish such rules for the admission of foreigners and for trade as it may consider to be consistent with its national interest. The Department is also aware that many of the present regulations arise from the tensions of the Arab-Israel dispute and that, in certain places, American citizens of the Jewish faith might be well advised not to attempt to travel in view of local feelings. These factors necessarily govern the degree to which the United States Government can press effectively for a basic change in the Arab attitudes.

There have, however, been cases in the past and will undoubtedly be in the future, when United States representatives can make successful representations on behalf of individuals and firms, and occasions, as well, where United States representatives may, by emphasizing the strong feelings of this Government on the matter, obtain some improvement in aspects of the general situation. The Department strongly urges that posts remain alert for such opportunities and report promptly cases of this kind. Posts should, in addition, remain equally alert for those opportunities, when no special case may be involved, in which we can emphasize our general displeasure at the restrictions of foreign governments which appear to American citizens to violate the basic principles of this country against discrimination on the basis of race and religion.

¹ Source: Department of State, Central Files, 886.181/2-259. Confidential. Drafted by Newsom; cleared with H, L, AF, and NEA/P; and initialed by Hart. Sent to Aden, Amman, Baghdad, Beirut, Cairo, Damascus, Dhahran, Jidda, Khartoum, Kuwait, Rabat, Tunis, and Benghazi.

² CA-1239 transmitted the text of Senate Resolution 323, July 26, 1956, which forbade discrimination against Americans because of their religion. (*Ibid.*, 886.181/8-856)

The Department appreciates that the regulations and practices on these matters may not be uniform. It is requested that posts receiving this instruction provide an up-to-date report on the local rules, practices and the administration of the Arab boycott in a manner directed against individual US citizens on the basis of their faith, or against US firms for related reasons.

With respect to the restrictions on entry, the Department would be particularly interested in the following:

Has the Government to which you are accredited promulgated official regulations prohibiting the admission of persons of the Jewish faith or Zionists? Do these prohibitions apply to transit as well as entry?

If the Government has promulgated such regulations, are they administered with any flexibility? If no such regulations have been promulgated, does the Government in practice restrict the transit or admission of persons of the Jewish faith?

Do these regulations and practices appear to apply to persons of the Jewish faith from all countries, or just from the United States?

Are these regulations and practices the result of the Arab-Israel conflict, or of some earlier historical custom?

Has the post, in the last two years, had any occasion to seek exemptions for US citizens from regulations or practices? What has been the result of the post's effort?

The other aspects of the problem, equally displeasing to this government, are the restrictions on US firms and individuals arising from the Arab League boycott of Israel. The United States does not recognize that a state of belligerency exists between the Arab states and Israel and, therefore, that any basis exists for a boycott of Israel. Posts were instructed in 1953 generally to protest the boycott and have, on occasions since, been instructed informally to assist in specific cases.

In the face of the official Arab League action on the boycott, however, it is recognized that the Arab states are not likely to accept any challenge from this government to their right to restrict trade with those firms dealing with Israel.

Certain Arab governments, however, have exceeded the specific regulations of the Arab League with respect to the boycott and are endeavoring to make it apply, equally, to firms with officers and owners of the Jewish faith. A number of protests have been received by the Department from individuals who have been asked for affidavits concerning their religion as a condition to opening commercial relations with Arab states. The Department cannot accept the practice of a foreign government doing this and cannot authenticate any document which thus endeavors to distinguish between religious and racial groups in the United States. The Arab League, itself, is on record as not favoring this application of the boycott. The "News and Views" of

the Arab Information Center in New York on February 5, 1958, stated, "The Arab States have officially affirmed that they will never discriminate against Jewish individuals or firms which respect the Arab boycott against Israel." The same issue quoted a statement from the General Union of the Arab Chambers of Commerce, Industry, and Agriculture which stated: "Jewish firms outside Israel receive from the Arabs the same treatment as non-Jewish firms. There is no discrimination. Any firm, irrespective of the creed or race of its owners, shareholders, or managers will be able to deal with the Arab countries so long as it does not breach the regulations of the Arab boycott of Israel." Where this type of problem appears, posts may wish to make use of the above questions in emphasizing our opposition to this form of discrimination.

In this connection, as in the case of the entry problem, certain additional information would be helpful to the Department.

Does the Government to which you are accredited oppose, by regulations or practice, commercial dealings with firms in which there are Jewish officers or owners? Does this apply to American firms only, or to all firms?

Has your post been asked to authenticate affidavits concerning the religion and race of American business men or firms? What has been your practice?

In general, does the Government at your post enforce the Arab boycott regulations rigidly? Do you have the impression that they attach importance to the boycott?

Has your office informally been able to help US citizens or firms to resolve difficulties resulting from the boycott?

The Department will leave to the discretion of the posts whether local governments should be approached for the answers to foregoing questions. It is the opinion of the Department that any approaches should be entirely oral and informal.

Dulles

64. **Telegram From the Department of State to the Mission at the United Nations**¹

Washington, February 5, 1959—6:43 p.m.

655. Re: Israeli-Syrian border. In light seriousness with which SYG views present situation and fact he believes Israeli press campaign makes prompt action necessary, and taking into account UK and French have already agreed to SYG suggested procedure, you authorized inform SYG US prepared support his plan as outlined urtel 611.² We also concur in SYG's sending letter to Ben Gurion along lines indicated paragraph 3 urtel 620.³ We would like to know whether SYG considered advisability awaiting Israeli reply before instructing Von Horn. We wonder also whether SYG is considering sending appropriate letter to UAR. Even if main problem is Israel, fact of UAR assent to plan would place further pressure on GOI.

In agreeing to SYG suggested procedure, Department wishes make additional suggestion, as well as inject note of caution.

We believe that as part of procedure outlined by SYG, UNTSO Chief of Staff should be requested make analytical report to SYG based on complaints pending before MAC, possibly using complaints registered last month or two as illustrative of differences in views of parties re GAA rights. Purpose such analysis would be to establish clearly fundamental problem underlying rash of border incidents and make recommendations for strengthening UN machinery, including possible reinvigoration and renewal meetings of MAC. This might involve for example finding that problem stems in part from unjustified attempts establish claims to sovereignty over demilitarized area. Among possible results, UNTSO Chief of Staff might decide desirable recommend MAC get fresh start by wiping slate clean of existing complaints.

Note of caution which Dept wishes inject relates in part to desirability using Von Horn in manner suggested by SYG. SYG undoubtedly aware Israelis are quite unsympathetic to Von Horn, and this being case we are inclined to doubt whether Israelis would accede to his request for permission conduct interrogations and inspection military

¹ Source: Department of State, Central Files, 684A.86B3/2-559. Confidential. Drafted by Brown, Buffum, and Sisco; cleared by Ludlow; and signed for Dillon by Wilcox.

² Telegram 611, February 2, transmitted the text of Hammarskjöld's orders to Von Horn to initiate an investigation on the Israeli-Syrian border area, stated that he would send them if he had U.S., British, and French support, and asked for comments on them. (*Ibid.*)

³ Telegram 620, February 4, reported that London and Paris had agreed to the orders for Von Horn and stated that the Secretary-General was planning to send a letter to Ben Gurion saying that certain steps would soon be taken. (*Ibid.*, 684A.86B3/2-459)

installations. Furthermore, we tend question right Von Horn interrogate parties on military instruction, disposition etc. outside DZ. Obviously has clear authority in DZ.

Nevertheless, Dept willing support SYG's plan for conduct of investigation and initial approach by Von Horn in view fact we seriously concerned over pattern of events in area during past two months and do not wish to put ourselves in position of impeding UN, particularly since Israelis appear bent on campaign of demonstrating UN inability take effective measures in circumstances.

Dillon

65. Instruction From the Department of State to All Diplomatic Posts¹

CA-7189

Washington, February 20, 1959.

SUBJECT

Location of Diplomatic Missions in Israel

In view of the increasing number of countries establishing diplomatic missions in Israel, it is pertinent to note that there has been no change in the United States view that out of deference to United Nations resolutions concerning Jerusalem foreign diplomatic missions in Israel should be located at Tel Aviv rather than Jerusalem. In accordance with this view, the Department as occasion permits continues to advise friendly governments which for the first time are contemplating establishment of diplomatic missions in Israel, of the importance of respecting UN resolutions concerning the status of Jerusalem. As the addressee posts know, even though the seat of the Israel Government has moved to Jerusalem, the United States Embassy and most other diplomatic missions in Israel remain located at Tel Aviv.

The following background has been prepared particularly for the future reference of U.S. missions which may be instructed by the Department to discuss this issue with the governments to which they are accredited if the latter are considering or reconsidering the location

¹ Source: Department of State, Central Files, 601.0084A/2-2059. Confidential. Drafted by Meyer and Hamilton, cleared by Ludlow, and approved by Rockwell.

of diplomatic missions in Israel. Although this guidance has appeared in previous instructions, it is brought again to the attention of addressee posts.

Briefly stated, the U.S. believes that the Jerusalem question should be settled with due regard for the international interest in the City, not solely through the processes of attrition and fait accompli to the conclusion of that international interest and of the eventual final expression thereof presumably through the UN. The statement made by the Secretary in a major address on August 26, 1955, remains valid: "It should also be possible to reach agreement on the status of Jerusalem. The US would give its support to a UN review of the problem."²

A resolution of the United Nations General Assembly adopted November 29, 1947,³ provided for the partition of Palestine into an Arab and a Jewish state and the creation of a corpus separatum, under direct international administration, of the City of Jerusalem and its environs. This resolution could not be carried out since hostilities broke out in May 1948 between Arab states and Israel. The hostilities were terminated by a series of armistice agreements in 1949. The armistice agreement between Israel and Jordan established armistice demarcation lines which divided Jerusalem into sectors under Israel and Jordan control with a no-man's-land between the two sectors. The United Nations General Assembly on December 9, 1949,⁴ reaffirmed its recommendation that a corpus separatum be established, and requested the Trusteeship Council to proceed with formulating a Statute for a Corpus Separatum for Jerusalem. The United States and certain other interested powers did not support this resolution, which was, nevertheless, passed by the Assembly. It was the belief of this Government that events had made efforts at carrying out the terms of such a resolution unrealistic, inasmuch as the two countries in actual occupation of Jerusalem were strongly opposed to the creation of a corpus separatum. The Trusteeship Council failed to produce an acceptable draft statute as did the UNGA that same year (1950). The United States undertook, however, to give due recognition to these formal acts of the General Assembly and the Trusteeship Council and has since maintained its position that the Holy Places in the Jerusalem area are of international interest to a degree which transcends ordinary considerations of sovereignty.

After the passage of the 1949 UNGA resolution, the Israel Government, in defiance of the resolution, officially transferred the Israel capital to Jerusalem. Israel Ministers began moving to the city, but the

² For text of this statement, see Department of State *Bulletin*, September 5, 1955, pp. 378-380.

³ For text of this resolution, see *Official Records of the General Assembly, Second Session, Resolutions*, pp. 131 ff.

⁴ For text of this resolution, see *ibid.*, *Fourth Session, Resolutions*, p. 25.

Foreign Ministry remained behind in Tel Aviv for a period. On May 4, 1952, the Israel Government announced that it was transferring the Foreign Office to Jerusalem. The actual transfer took place as of July 12, 1953. On July 9, 1952, the Embassy at Tel Aviv handed an aide-mémoire to the Israel Government stating that the U.S. Government did not view favorably the transfer of the Israel Foreign Office to Jerusalem, and that there was no intention of transferring the U.S. Embassy from Tel Aviv to Jerusalem.⁵

In a speech made on June 1, 1953, the Secretary stated “. . . the world religious community has claims in Jerusalem which take precedence over the political claims of any particular nation.”⁶

Of the fifty nations which have diplomatic relations with Israel, about forty have established diplomatic offices in Israel. All but four or five of these are located at Tel Aviv.

Herter

⁵ Regarding this aide-mémoire, see *Foreign Relations, 1952-1954*, vol. IX, pp. 960-962.

⁶ For text of this speech, see Department of State *Bulletin*, June 15, 1953, pp. 831-835. Ellipsis in the source text.

**66. Memorandum of a Conversation, Department of State,
Washington, March 9, 1959, 3:30 p.m.¹**

SUBJECT

Israel's Request for Assistance With Its Jordan Water Development Project

PARTICIPANTS

The Acting Secretary

Mrs. Golda Meir, Israel Minister for Foreign Affairs

Mr. Abba Eban, Ambassador, Embassy of Israel

Mr. Yaacov Herzog, Minister, Embassy of Israel

NEA—William M. Rountree

NE—William L. Hamilton

¹ Source: Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199. Confidential. Drafted by Hamilton on March 10 and approved by Herter on March 16. See also *infra*. A briefing memorandum, March 6, noted that Meir was in the United States as a speaker to raise funds for the United Jewish Appeal. (Department of State, Central Files, 033.84A11/3-659) A summary of the conversation was transmitted to Tel Aviv in telegram 598, March 10. (*Ibid.*, 684A.85322/3-1059)

During a courtesy call on the Acting Secretary, Mrs. Meir spoke in support of Israel's request, recently submitted to the Department, for financial assistance to Israel's comprehensive plan for the development of water resources, including the increased use of the waters of the Jordan River.² Mrs. Meir cited three factors which she said argued for United States support: (1) The adaptation of Israel's blueprint to fit the framework of the Johnston Plan, which was accepted by the technicians of the several states affected; (2) the selection of Lake Tiberias as the point from which the water would be taken rather than the Jordan River at the Banat Ya'qub in the demilitarized zone, thus eliminating the principal political issue; and (3) the United States decision to assist with the Yarmuk diversion in Jordan, also envisaged by the Johnston Plan, which tended to suggest that the United States should assist with a project of comparable scope in Israel. She added that Israel's development plans have reached a stage where further delay in beginning the Jordan project will prove increasingly costly.

The Acting Secretary asked her if the Israel scheme had to be executed in one step. Mrs. Meir and Ambassador Eban replied to the effect that three or four years would be required and the project could be done in stages. Mrs. Meir said that, ideally, they would like a United States commitment to assist with the project from beginning to end. The Acting Secretary commented that such a commitment was impossible for statutory reasons. She suggested that as an alternative, Israel hoped the United States could agree to assist with the initial stage, leaving the question of United States participation in subsequent stages for later discussion.

The Acting Secretary asked if Israel had in mind borrowing from the Development Loan Fund, which at present had no uncommitted resources. Ambassador Eban replied that the Israelis hoped discussions between the two governments could be begun at once to determine the acceptability of the plan to the United States from all standpoints except the financial. The question of United States economic assistance could be taken up when the Development Loan Fund obtained new lending authority.

In conclusion, the Acting Secretary said the Israel plan is being considered by various offices in the Department and that Mrs. Meir's remarks would be kept in mind in our consideration of the proposal.

² A memorandum of Eban's conversation with Dillon on February 19 concerning this request is *ibid.*, 684A.85322/2-1959; a copy of the 7-page request, dated January 28, is attached to a briefing memorandum for Dillon, February 19. (*Ibid.*, NEA/IAI Files: Lot 70 D 254, Jordan Waters, 1959-1960)

67. **Memorandum of a Conversation, Department of State,
Washington, March 9, 1959, 3:30 p.m.**¹

PARTICIPANTS

The Acting Secretary

Mrs. Golda Meir, Israel Minister for Foreign Affairs

Mr. Abba Eban, Ambassador, Embassy of Israel

Mr. Yaacov Herzog, Minister, Embassy of Israel

NEA—William M. Rountree

NE—William L. Hamilton

During a conversation on another subject, Mrs. Meir informed the Acting Secretary that her Government would appreciate the United States taking a more passive role than in the past with other governments on the question of locating diplomatic missions in Israel. While most missions have chosen to remain in Tel Aviv, a few, including the Netherlands, Uruguay, Guatemala, and Venezuela, have located in Jerusalem. She said others would move there too if they were not afraid that to do so would incur the displeasure of the United States. The Israelis wished to submit that this is a decision governments should be permitted to make for themselves without being intimidated.

Mr. Rountree said that past experience had revealed a difference in the views of the two governments on the problem. The United Nations regards the Jerusalem question as an international issue. Consequently the United States feels it has a moral obligation in the matter. As Mrs. Meir had said, each government must decide its position for itself. However, we are convinced that the United Nations interest is a legitimate one and, on this premise, we make our views known to interested governments.

Ambassador Eban said that the problem has two aspects. The United States decision to remain in Tel Aviv is one which the Israelis do not presume to question. They do, however, disapprove of our bringing our influence to bear on other governments. He said two countries located missions in Jerusalem only to move them to Tel Aviv later. He and Mrs. Meir implied that this move from Jerusalem was responsive to United States pressure. Mr. Rountree said he assumed they had Liberia in mind as one of the two instances, to which the Israelis nodded assent. Mr. Rountree stated we had explained our position to the Liberians but once they had decided on Jerusalem we had taken no further action. Their decision to move to Tel Aviv was their own.

¹ Source: Department of State, Central Files, 601.0084A/3-959. Confidential. Drafted by Hamilton on March 10 and approved by Herter on March 16. See also *supra*.

Mrs. Meir concluded by saying that all Israel asked was that governments be permitted to decide for themselves without being given the impression there was a special United States interest in their decision.

68. Memorandum of a Conversation Between the Assistant Secretary of State for Near Eastern and South Asian Affairs (Rountree) and the United Arab Republic Ambassador (Kamel), Washington, March 9, 1959¹

SUBJECT

Rumanian Immigration to Israel and American Contributions to Jewish Organizations

Ambassador Kamel referred to his earlier conversation with Mr. Rountree on March 2² and said that he had known at that time that his government has been very concerned over the question of Jewish immigration to Israel from Eastern Europe. He had now received instructions which, inter alia, informed him that the Rumanian, Hungarian and Soviet Ambassadors in Cairo had been called in and told that this question was one of "life or death" for the Arabs. The Rumanian government had subsequently stated that reports regarding Rumanian Jewish immigration to Israel were exaggerated; that only those having relatives in Israel were permitted to migrate; that this migration was permitted for humanitarian reasons; and that no Rumanian citizens of the Jewish faith under the age of 60 were permitted to leave. The Russians had asserted that no Jews were permitted to leave the USSR for Israel. The UAR had informed representatives of these countries that their statements had been noted and would be checked against other reports.

Dr. Kamel then stated that his Government had instructed him to raise with the Department the question of official and private American funds which flow to Israel every year, since, in the UAR view, this financial assistance facilitates the continued absorption of Jewish immigrants from abroad. Dr. Kamel understood that private contributions were tax-free and tax-deductible. His government believed that,

¹ Source: Department of State, Central Files, 884A.1866/3-959. Confidential. Drafted by William D. Brewer on March 11.

² A memorandum of Kamel's conversation with Rountree on March 2, during which the Ambassador stated that the UAR took the question of emigration of East European Jews very seriously is *ibid.*, 884A.1866/3-259.

if the US sincerely desired to work for area stability, the US authorities should not permit the continuation of these tax-free donations which were not, in fact, for charitable purposes.

Mr. Rountree replied that published figures regarding the numbers of Eastern Europe Jews emigrating to Israel had been of concern to the Department as we did not wish to see anything which would exacerbate area problems. However, these figures seemed to be substantially exaggerated, since we understood that only 16,500 Jews had gone from Rumania to Israel since September 1958. As to why the Rumanian government permitted this movement, we could, of course, not speak with authority but the Rumanian decision probably stemmed from a desire to inflame the situation.

With respect to official and private American financial assistance, Mr. Rountree emphasized that official US aid to Israel was clearly not related to the immigration question in view of the specific agreements governing its use as well as our general policy of avoiding measures which would exacerbate area tensions. Private American financing falls in either of two categories: (a) donations to philanthropic organizations in the US which are tax-deductible; and (b) purchases of Israel Government bonds, amounts for which are not tax-deductible. Mr. Rountree emphasized that, at the moment, the Israeli bond drive represented a major effort on the part of that government to obtain funds here. He noted that the question of what portion of private contributions to Jewish fund-raising organizations represented tax-deductible items is, under US law, very involved. In the past it had not been possible to differentiate between bona fide donations and portions of these funds which might, through charitable organizations, be diverted to other uses in Israel. Mr. Rountree emphasized that we understood the UAR view in this matter and wished to prevent problems in the area from becoming inflamed. He, therefore, hoped that the question of Rumanian immigration was not as serious as it had initially appeared from press reports.

Ambassador Kamel expressed appreciation for Mr. Rountree's views. He noted, however, that the continued flow of American funds for Israel represents a weak point in US relations with the Arab countries and quoted a March 9 *New York Times* article to the effect that it is hoped to collect \$300,000,000 in the US to be used to absorb 500,000 Jews who would be coming to Israel during the next five years. The USG should seriously consider the implications of this flow of funds and he had already raised this question with Senators Humphrey, Mansfield and Wiley. Dr. Kamel emphasized that the Arabs would never be convinced that this American money was actually devoted to philanthropy. On the contrary, the Arabs considered that these funds were spent for arms and to facilitate the absorption of more Jewish immigrants, both developments which could only give rise to Israeli

expansion. The UAR Ambassador emphasized that Arab concern regarding this problem should be conveyed to the highest US authorities and indicated that he hoped action would be taken to control the present flow of funds. Unless this is done, Dr. Kamel concluded, parallel efforts of US and UAR officials to improve relations between the two countries would be set at naught. He added that Foreign Minister Fawzi or his representative would be speaking to Embassy Cairo along the foregoing lines. Dr. Kamel subsequently observed that he hoped Mr. Rountree would be able to give him a further reply on this matter and that the US Embassy in Cairo might be authorized to furnish appropriate assurances to the UAR authorities.

In response to Ambassador Kamel's inquiry, Mr. Rountree furnished general information regarding the confused Iraqi situation. The UAR Ambassador reported that Moscow radio was asserting that the rebels were endeavoring to arrange "an imperialist coup".

69. Telegram From the Department of State to the Mission at the United Nations¹

Washington, March 12, 1959—5:29 p.m.

745. Re: UNRWA. USUN should request Cordier convey following message to SYG:

Dept has given careful thought to SYG statement (urtel 592)² he intends issue report in May recommending indefinite continuation UNRWA as now constituted. For reasons set forth below Dept feels alternative should be proposed to SYG.

(1) US position at 13th GA reflected earnest desire have full reappraisal refugee problem, which in our judgment justified by absence of progress toward solution during past decade. While we did not wish prejudice outcome such study, we felt necessary indicate we believed continuation UNRWA in present form no longer represented proper way to handle Arab refugee problem.

(2) If proposal contemplated by SYG adopted by UN it would create great difficulties for us. We have expressed publicly and privately to countries concerned over last few years our feeling they must assume greater responsibility for solution problem. We have given

¹ Source: Department of State, Central Files, 320.511/1-2859. Confidential. Drafted by Buffum, Brown, and Ludlow on March 6; cleared by Wilcox, Rountree, Hanes, H, and W/MS; and approved by Herter.

² Dated January 28. (*Ibid.*)

ample indications in UN of our feeling there are alternatives to handling refugees through UNRWA and have offered special sums to assist in finding such alternatives. We remain convinced continuation of UNRWA would be interpreted by Arab govts and Israel as justification for continued avoidance resolution refugee problem, and they would assume US willing to continue carry major burden. If UNRWA's mandate renewed they will argue it can be renewed again without their having to examine their responsibilities carefully.

(3) Basic elements of reasonable proposal for future handling of Arab refugee problem might be as follows:

(a) Between now and end of UNRWA mandate, June 30, 1960, SYG, Director Davis, or any other negotiator agreeable to Arabs, would enter into bilateral arrangements with Arab host governments affecting transfer of rights, property, and relief and rehabilitation operations of UNRWA to host governments involved. At appropriate stage US is prepared support these approaches in Arab capitals.

(b) Without prejudice refugee's rights, new UN agency, e.g., UN Arab Refugee Commission, would be established at next GA to ensure continued UN interest in welfare Arab refugees. Functions specified for new commission would include: solicitation and collection of funds from UN members and other sources; budgeting and allocation of funds to individual host governments after receipt of individual host countries' requirements and review thereof; receipt of, and reporting on information on the disposition and use of funds contributed by UN Members and expended by host governments; provision of such expert assistance to individual governments as may be feasible and desired by individual host governments; possible maintenance of transportation and communications system; and procurement of provisions and supplies from abroad if agreeable with host governments.

(c) In short, proposal would be new UN body which would be basically a budgeting and auditing operation with such additional functions as may prove acceptable to Arab host governments, such as perhaps transportation and communications and employment of international personnel. Arab host governments would prepare and submit annual budgets to UN commission and would submit reports on use made of money for information of GA through commission. Actual handling of monies, personnel, and physical equipment would be in hands of host governments.

(d) In order help make progress, at same time approaches being made to Arabs, approach should also be made to Israel urging it agree indicate it prepared take public step substantially beyond what it has thus far done indicating its concern and responsibility for future welfare of refugees and ultimate solution problem. We suggest SYG make approach. (US would be prepared give follow-up support and urge some other major contributors do likewise.)

(4) Basic arguments for new proposal are the following:

(a) If Arab refugee problem is to continue unresolved and therefore must have continued international support, it must have "new look" which may help produce greater international interest in Arab

refugees as result of Arab governments assuming key role in actual administration of Arab refugee programs, thereby promising eventual solution.

(b) Such transfer of administrative responsibility should be made in view of decreasing inclination UN Members to contribute to UNRWA's support. Consequences of collapse of agency due to lack financial support warrant taking earliest steps to avoid such crisis or chaos. With transfer administrative responsibility to Arab host governments, any drastic reduction or cut-off of contributions through UN could, if emergency warranted, be more readily supplemented by direct bilateral assistance to Arab governments if they are caring directly for refugees, with far less likelihood serious security situations developing in those countries.

(c) SYG might be reminded that, as US has made obvious in past, it well aware UN must continue its interest in welfare of refugees, and believes foregoing plan most feasible method of assuring continued support.

(5) In light above, US hopes SYG will reconsider submission report in May and in particular recommendation he intends make. We recognize decision is his to make but believe he would wish be aware in advance of considerations involved for us if recommendation remains as indicated.

(6) Dept would appreciate learning SYG reaction to above suggestions.³

Herter

³ On March 20, the Mission reported that it had delivered the message to Cordier who said it merited deep consideration, but declined to comment further. (Telegram 796 from USUN; *ibid.*, 320.511/3-2059)

70. Telegram From the Department of State to the Embassy in Israel¹

Washington, April 6, 1959—7:43 p.m.

684. Embtel 782.² During call by Israel Minister Herzog April 6,³ Rountree raised subject Foreign Minister Meir's reported distress over Department's press statement (re her budget speech) and apparent belief by Foreign Ministry officials that US displeased with Israel.

Rountree said he wished clarify motivation Department's press statement and said he was disturbed by reported feeling in Foreign Ministry. He assured Herzog US not unhappy with Israel and made following comments on points cited reftel:

1) Re Meir's speech Rountree explained we had wire service reports giving quotations, and question was raised in Department's press briefing. Although obvious Foreign Minister did not intend speak for USG, implication even in official text could clearly be that she was referring to USG views or spoke with knowledge USG. Our statement was intended remove possibility such interpretation and to reiterate US policy re friendly relations with all countries in Middle East including UAR. Our prompt response is explained by sensitivity our relations with states in Middle East and need obviate any misunderstanding before speech made its initial impact. Rountree asked Herzog inform Mrs. Meir that Department statement in no way directed at her personally nor did it have any implication on cordiality US-Israel relations. Rountree indicated we would ask Embassy convey above to Chef de Cabinet.

2) Re Suez issue Rountree emphasized US has been concerned at problem and has taken what it considered to be most constructive steps to resolve issue. Added we were pleased at indications UAR had not adopted rigid policy on detaining cargoes. Mentioned belief Ceylonese Ambassador Cairo (Cairo's 2908)⁴ that foreign pressure on UAR might prejudice solution; and said Ambassador Hare and Department continue believe reliance should be put on Hammarskjold approach to Fawzi. Herzog assured Rountree GOI fully informed and appreciates US efforts. Mentioned problem press treatment US action and resulting lack public awareness US efforts.

¹ Source: Department of State, Central Files, 684A.00/4-359. Confidential. Drafted by Wahl and signed for Herter by Rountree. Repeated to Beirut, Cairo, Damascus, London, and Amman.

² Telegram 782, April 3, reported that Meir was "distressed and upset" about a Departmental press statement and commented that the Foreign Ministry was "decidedly unhappy" at what it believed was U.S. displeasure with Israel. (*Ibid.*) The text of the Departmental statement was transmitted to Tel Aviv in telegram 664, March 31. (*Ibid.*, 611.80/3-3159)

³ Memoranda of Rountree's conversation with Herzog are *ibid.*, 784A.5-MSP/4-659; a briefing memorandum for the conversation, also dated April 6, is *ibid.*, 601.84A11/4-659.

⁴ Telegram 2908, April 4, described efforts by the Ceylonese Ambassador to obtain the release of an Israeli cargo of potash. (*Ibid.*, 986B.7301/4-459)

3) Re economic assistance Rountree explained decision not include Special Assistance in Israel FY 1960 illustrative program not politically motivated but made on economic grounds and related to specific purposes various types of assistance. Noted: Israel economic progress reflected in growth per capita GNP; general trend from Special to DLF and PL-480 assistance; and fact FY 1959 SA actually used to purchase surplus agricultural commodities. Rountree pointed out US has not decided on levels of FY 1960 aid but fund availabilities will be limiting factor, especially re SA; also noted contingency funds can be used for emergency purposes. In reply Herzog inquiry, Rountree agreed Israel economic officers could meet with Department officials to explain economic and technical bases Israel request for Special Assistance.

Chargé should make approach indicated numbered paragraph 1.

Herter

71. **Memorandum From Eric A. Johnston to the Acting Secretary of State¹**

Washington, April 9, 1959.

I feel a responsibility to report to you conversations that I had with King Hussein of the Hashemite Kingdom of Jordan, with Prime Minister Rifai, and with Saman Daud, Minister of Economic Development.

The first conversation was at the dinner given by Deputy Under Secretary of State Robert Murphy at Blair House for King Hussein.² During a private talk with the King he asked about Russia's plans for economic development in the Middle East and including the high Aswan Dam in Egypt. This led to an expression of regret on my part that the Jordan project had not proceeded years ago. He completely agreed with me and blamed Syria for the failure.

The second conversation took place at the dinner given by King Hussein on Wednesday evening, March 25th. After dinner Mr. Daud took me aside saying he wished to discuss economic developments in Jordan, especially what might be done to increase his country's gross national product. He invited me to meet with him and Prime Minister Rifai at their hotel, the Shoreham, next morning.

¹ Source: Department of State, UNP Files: Lot 79 D 215, Palestine Economic. No classification marking.

² King Hussein visited the United States March 23-26.

I did so and we discussed various possible economic projects including the Jordan River Valley. But the time was too short to go into details. I suggested that the Prime Minister and the Economic Minister have luncheon with me privately in New York on Thursday, April 2nd. They accepted.

The luncheon conversation opened with the Prime Minister expressing fears of what would happen to the Arab refugees if the United States pursued its proposed policy of discontinuing aid to them. He explained how these citizens of Jordan were imposing a great burden on the country. This underlined the importance, in the Prime Minister's mind, of developing economic projects.

[1 paragraph of source text illegible]

I explained to the Prime Minister that I had doubts about the method of irrigating by weirs in the Yarmuk River. I wondered about the dependability of an adequate water supply for irrigation in dry years without a reservoir on the upper Yarmuk to regulate the flow. I also raised the question as to whether the effectiveness of weirs would be lessened in time by the river washing its channel deeper on the other side.

It was unfortunate, I said, that a dam could not be built on the Yarmuk at Maquarin; that a dam could not be erected for the necessary diversion of waters of the Yarmuk to utilize Lake Tiberias as a reservoir for surplus water. This approach would permit the irrigation of all the utilizable land in the lower Jordan Valley in Jordan.

The Prime Minister said that Jordan would like to go ahead with this full-scale project but had been stopped by Syria.

I recalled to the Prime Minister my conversation in Cairo with Nasser in 1955,³ after the Arab League had requested further study of the project. Nasser at that time promised me to use his influence to obtain Syria's approval to construct the dams in the Yarmuk. The dams would be partly on Syrian territory.

I asked Prime Minister Rifai if he thought he could do anything with Nasser now that Syria was a part of the United Arab Republic. The Prime Minister doubted that the Jordanians could do anything. In view of my 1955 conversation with Nasser, the Prime Minister wondered if I were not the one to undertake the task. He indicated he would like me to speak privately to President Eisenhower. He felt this was a most opportune time to make another try.

Returning to the subject of the two dams on the Yarmuk I explained that the only other thing necessary would be to store 300 million cans of water in Lake Tiberias for Jordan's use. This would complete the project for Jordan and enable all of its land in the Jordan Valley to be irrigated.

³ See vol. xiv, pp. 567-568.

The Prime Minister raised doubts as to whether Jordan could agree with Israel to store the water. He felt that Israel might not give it back.

Jordan was really in control of the situation, I said. However, if Israel should fail to deliver the water, then Jordan could allow the water to go down the Yarmuk River and not go to Lake Tiberias. Moreover, under this plan with its dam Jordan could also withhold water from the Yarmuk-Jordan triangle, the richest agricultural area in Israel.

The Prime Minister said that he hadn't realized this and that the full project certainly seemed worth exploring. He seemed most anxious to have me talk with the President and even suggested that I communicate directly with him on the President's attitude.

I told the Prime Minister that there were no United States funds available for the over-all project and explained the difficulty of getting Congress to vote the funds.

His reply was that he thought the American Congress should understand its world leadership; if America did not take this leadership in economic developments around the world then Russia would. He hoped that America would take this leadership and the world could go forward under freedom. The luncheon adjourned in a most friendly atmosphere.

From these conversations it seems to me that this might be an ideal time to reexamine the whole Jordan Valley development program. The refugee problem remains critical to us, to Jordan and to Nasser.

The Israelis have told me of their intention to utilize their portion of the water of the Jordan River. I hope they can do so, but if they should do so without regard to the over-all plan, it would be much more expensive to eventually complete the program.

If Nasser can be persuaded to agree to a program that is patently beneficial to himself and Jordan, I feel that the whole project could be developed substantially as originally planned. To do so would have these results:

1. It would effect the rehabilitation of a very substantial number of Arab refugees.
2. It would give Israel the water it desperately needs at lower cost.
3. It would irrigate all of the utilizable land in the Jordan Valley.
4. It would bring Jordan much closer to an economically viable state.
5. It would lessen or remove the economic burden which is now placed on the United States.

In my opinion, the Jordan Valley project still constitutes the most effective and substantial step toward accomplishing these results.

Eric Johnston

72. **Memorandum of a Conversation Between the Acting Secretary of State and Eric A. Johnston, Department of State, Washington, April 11, 1959¹**

SUBJECT

Jordanian/Syrian/Israeli Irrigation Problems

Eric Johnston handed to the Acting Secretary a copy of his memorandum dated April 9, 1959,² concerning his conversations with King Hussein, Prime Minister Rifai and Saman Daud, Minister of Economic Development. The Acting Secretary read this memorandum and said that he felt this constituted "something very real".

Johnston felt there was a good chance Nasser could be talked to privately and convinced of the merit of this irrigation project, if he could be convinced that refugees in Jordan were not plotting against him and that inflammatory statements were not being made against him. If the Egyptian/Jordanian/Israeli triangle could be solved, the money could be found to carry out this project. It was estimated to cost \$150 million in 1955 but probably would be somewhat higher now. The Acting Secretary pointed out that there was little money left in the refugee rehabilitation fund. Johnston proposed that Nasser be approached without publicity perhaps on a non-Department of State basis to obtain his consent to the construction of two dams. The first dam would be the Yarmuk on the Jordan River. This would store 400 million cubic meters of water mostly in a deep canyon which would entail little flooding of Syria and would lead to little evaporation. The rest of the water would be diverted with a lower dam to Lake Tiberias which would be raised eight feet. The flow of water would be regulated under UN supervision.

All technical features had been agreed upon in October 1955, when Syria asked for a meeting of the Arab League. The Prime Minister then stated confidentially that he would be assassinated if he were to approve such a plan and requested three to four months delay. The

¹ Source: Department of State, Central Files, 683.85322/4-1159. No classification marking. Drafted and initialed by Harry F. Stimpson, Jr.

² *Supra.*

Egyptian Deputy Foreign Minister said it would either be turned down or he could get a vote for a study which Johnston then requested. At 10:00 p.m. that night, Nasser called in Johnston and talked to him until 3:00 a.m. Nasser indicated that in six months perhaps his project could be worked out but, after the border incident of January 1956 and the Suez affair, it faded into the shadows. This is the first possible chance per Johnston to convince him again of the benefit to Syria and Egypt. Johnston believes, if Syria ever splits from Nasser and joins Iraq, Jordan would still stick to the bargain.

Johnston doubts the wisdom of using weirs in place of a second dam as these tend to erode the opposite side of the river bank over a period of years. There is a danger in dry years that Israeli's share of 35 million cubic meters would leave Jordan almost dry. But a dam with storage facilities could overcome the problem of the dry years whereas the use of a weir would not.

Syria could irrigate four to five thousand acres of their land by the use of some pumping. One hundred twenty-five thousand acres could be irrigated in Jordan for the growth of cotton, dates, pineapples, tomatoes and such crops.

Syria would get 35,000 kilowatts of power from the 300 to 400 foot fall. Nasser himself would derive great prestige for having helped the Arab world economically.

The dam would be made of rock, earth-filled, with perhaps 100,000 refugees employed. Johnston estimates 65% to 70% of the cost would have to be paid in dollars. Considering the \$50 million a year necessary to keep Jordan afloat plus PL 480, it was estimated the dam would pay for itself in five years. The cotton would be for local consumption, and would not upset world markets. Jordan would have a food surplus to export. The dam would require five years to build with the expense running somewhat higher in the last year for the machinery. The plans are ready and bids could be taken in 90 days.

Johnston reported Rifai is very curious about Khrushchev's plans in the Middle East and about the Aswan Dam in particular. Rifai expressed a fear that the US would not continue refugee help indefinitely.

73. Telegram From the Embassy in Israel to the Department of State¹

Tel Aviv, April 17, 1959—4 p.m.

831. Embtel 796.² In response to my request last week for opportunity of informal exchange of views with Foreign Minister at her convenience, I was received by Mrs. Meir yesterday.

After tour d'horizon of recent area developments (reported separately)³ she said she had several specific topics she would like take up with me.

1. Cut in special aid. At outset she wished express GOI's deep gratitude for generous aid it had been and was still receiving from US. This aid had contributed incalculably to Israeli development and she thought she could say with pride it had been well used. She said she accepted without question assurance that decision cut out grant-aid based on economic and not political grounds. Though flattering that US considered Israel so far along road to economic viability that it no longer needed grants, she wished point out that this type assistance, though relatively small in comparison total aid, had particular importance for Israel out of proportion to its magnitude because of its unusual character. Other types assistance tied to specific projects, but special aid was money which Israel could use freely and with flexibility to meet exceptional needs. Of course this aid, like other types, was channeled into fields of development. However, its maneuverability meant it could be used to generate economic activity of much greater size. According to her advisers it could be shown that grant of \$7.5 million had in fact "generated economic and development activities in Israel totaling \$30 to \$40 million." She expressed the hope this type of aid, "even if it came from some other source," might be made available in FY 1961 program. In any event, GOI hopes total aid next year will be no less than present year.⁴

2. Jordan water development. Mrs. Meir asked if I had any information on present status Israeli request of some months ago⁵ for financial assistance in connection with Jordan water diversion, which she understood had been referred to US experts for study. She men-

¹ Source: Department of State, Central Files, 684A.00/4-1759. Confidential; Priority.

² Telegram 796, April 9, reported that Baxter had an appointment with Foreign Minister Meir on April 16 for a general exchange of views on the current international situation. (*Ibid.*, 684A.00/4-959)

³ Not found.

⁴ On April 15, and again privately on April 17, Herzog raised this question with Rountree along similar lines. Memoranda of these conversations are in Department of State, Central Files, 784A.5-MSP/4-1559 and 611.84A/4-1759.

⁵ See footnote 2, Document 66.

tioned fact Israel had accepted Johnston plan but that its implementation had been blocked in other quarters. Now that work was being started in Jordan on Yarmuk diversion, GOI hoped US would concurrently assist Israel in its projected Jordan water diversion, which falls within approved Johnston plan. I said Embassy had no recent information this subject but I would transmit her request to Department.

3. PL 480 Title II. Mrs. Meir wished express GOI's continued interest in drought relief under title II. She said she was distressed to learn from Israeli Embassy Washington that action on this request appears to have been delayed because application not made in proper form. According her information, it will now be necessary for request to be resubmitted in revised form. I pointed out that obviously Israel could not qualify for title II assistance under heading of famine. Other criteria for eligibility were within the competence of Washington agencies. We have been informed that Mr. E.D. White of ICA/W will be in Israel within week or two and will bring with him latest Washington thinking on subject.

4. Suez. Mrs. Meir expressed appreciation US interest and help in connection with recent Egyptian seizure of Israeli cargoes. She remarked Hammarskjold has had no success in eliciting commitment from Nasser and in fact can get no answers to his letters on subject. In absence French and British diplomatic representation in Egypt, she hoped US would be willing to pursue matter with Nasser. She felt Nasser should be made recognize general principle of free passage and that question should not be allowed bog down in such technicalities as ownership of cargoes or charter of vessels. Status quo since Sinai and until recently had been that all varieties of "mixed arrangements" had transited canal without question. Some ships under Israeli charter had carried cargoes to Israeli ownership, cargoes whose ownership already vested in purchaser and cargoes in which there was no Israeli interest. Ships not under Israeli charter but carrying Israeli cargo had also been permitted through. Nasser's recent "piracy" was something new. In addition to UN resolutions requiring free passage, there was exchange of letters between Hammarskjold and Fawzi following nationalization of canal in which Fawzi guaranteed freedom of passage. Of course Israel had legal right to use canal for ships under its own flag but it had no intention of trying to do so. I asked Mrs. Meir if any Israeli cargoes or ships under Israeli charter were on way to canal at this time. She replied negatively but said there would be some soon, probably in May, and that we would be given advance notice of their schedules. Mrs. Meir added that Israel had kept fairly quiet about this matter and would continue to do so. However, if it appeared World Bank was about to give loan for widening and improving canal without some assurance Israeli cargoes could go through unmolested, Israel would

raise its voice. She thought Israel might not be alone in this case as she could not believe world opinion would sanction World Bank loan which would in fact be "subsidizing discrimination and piracy".

Comment: Because Mrs. Meir, in discussing four foregoing subjects, consulted typed memo on her desk, I believe she was running through topics intended as Eban's instructions for his meeting with Acting Secretary Herter which press reports was scheduled for last Wednesday but which now postponed because Secretary Dulles resignation.⁶ Mrs. Meir evidently took opportunity my call to present same subjects through Embassy.

Both Embassy and USOM have been surprised that, despite flood of press stories about cut in grant-aid, no GOI official on any level had mentioned this subject even informally to US officials. Today *Jerusalem Post* reports my calls on Mrs. Meir under headlines "Meir, US Envoy Discuss Grant." Article itself, by stating (correctly) that meeting was arranged at my request, gives erroneous impression question of aid was brought up at my initiative. Article further states "\$7.5 million grant was part of US special assistance program to Israel which was cancelled at instance of Department of State on grounds Israel no longer requires direct aid. Instead, it was proposed grant be made in form development loans." Article further states Mrs. Meir impressed upon me Israel's need of direct grant "to cover a temporary deficit in her foreign currency budget." Mrs. Meir did not use this phrase in her discussion with me, nor did she explain to my satisfaction what was meant by her statement that grant-aid could generate four times or more its value in economic activities.

USOM comments on Mrs. Meir's version of need for and use of grant-aid will follow in separate message.⁷

Baxter

⁶ On Wednesday, April 15, Dulles submitted his resignation to President Eisenhower.

⁷ Not found.

**74. Memorandum of a Conversation, Department of State,
Washington, April 22, 1959, 11 a.m.¹**

SUBJECT

Aid to Israel

PARTICIPANTS

Mr. Abba Eban, Ambassador of Israel
Mr. Aryeh Manor, Economic Minister of Israel
ICA—Leland Barrows
W—Douglas Dillon
NE/E—John F. Shaw

Ambassador Eban opened the discussion by noting Israel's efforts to narrow its import deficit of \$340 million, and to achieve better economic equilibrium. In his opinion economic indices are misleading for while Israel reserves have risen recently Israel's debt has increased by an even larger amount. He hoped that in assessing Israel's need for aid that requirements over the next five years might be envisaged and Israel's need for assistance in this period viewed as a continuing and long term requirement. He also stressed that the quality of U.S. aid is important to Israel. He noted that loans, for example, are tied to projects, and PL 480 aid is subject to limitations on use. On the other hand, U.S. grant assistance does not carry the same limitations. As for the use of the \$7.5 million Special Assistance grant funds in prior years the Ambassador indicated this money would not have been directed to foodstuffs if Israel had been completely free to use it as it desired. He also pointed out that defense outlays amounted to 38 percent of Israel's budget and that in the absence of direct military assistance, which is enjoyed by some states in the area, grant economic aid was most useful.

Turning to the subject of Jordan water development, Ambassador Eban indicated Israel is not asking the U.S. to take over the planning and execution of its water program, but to help in obtaining certain equipment such as pipe and pumping and generating equipment. In fact, the note which his Embassy sent the Department some time ago on this subject was forwarded due to the importance attached by Israel to financing for this project, and to the fear that in the absence of such a note the project might "get lost" among Israeli requests for financing of cement plants and other projects.

¹ Source: Department of State, Central Files, 884A.00/4-2259. Confidential. Drafted by Shaw on April 24. A briefing memorandum for the conversation, April 22, is *ibid.*, 784A.5-MSP/4-2259. A summary of the conversation was transmitted to Tel Aviv in telegram 750, April 25. (*Ibid.*, 784A.5-MSP/4-2559) Eban and Dillon also discussed Iraq. A memorandum of that part of the conversation is *ibid.*, Secretary's Memoranda of Conversation: Lot 64 D 199.

The third point which the Ambassador developed related to Israel's need for DLF assistance, and the priorities which Israel has established for projects now before the Fund. The most urgent need, he said, was for \$5 million for the III. In connection with this request, he said the Embassy would submit a list of projects for which this money would be utilized since he detected a hesitancy in DLF to extend this Institution more money in the absence of a demonstrated capability of using the \$5 million for which a loan is about to be consummated. Mr. Dillon said that receipt of this list should remove any doubt in the minds of the DLF as to Israel's capabilities in using additional funds. The other projects for which the Ambassador expressed interest in DLF financing were a cement plant and a sugar mill; these were mentioned in this order.

Mr. Dillon, commenting on the Special Assistance grant aid for Israel, said the problem had been expanded out of all proportion; the Department's thought was that Israel's requirements could be met from DLF and/or PL 480 instead of grant funds under the Mutual Security Program. Our aim, however, was identical with that of Israel, and we desire to cooperate with Israel in meeting its economic problems and assisting it to meet the strain which will arise when reparations and compensation payments are terminated. He stated the Department has been under pressure to reduce grant Mutual Security expenditures wherever possible, and, from a strictly economic point of view, the use of grant money, whether \$5 million or \$7.5 million, seemed unwarranted; now, however, a psychological-political problem has arisen. We have no objection in principle, he said, to having a grant program for Israel provided funds are available. It is possible that contingency funds could be used for meeting the requirements of such a program. He thought the Congressional Committee might recommend \$5 million additional in the Special Assistance account with the understanding that it would be available for Israel. One way or another, however, Mr. Dillon thought that there would be a continuation of the grant program. He reiterated, nevertheless, that he did not think there was an economic case for this program; Congressional leaders know of the Department's views. The situation, he said, could be handled at the time the Committee acts on the authorizing legislation.

Turning to the subject of Jordan water development, Mr. Dillon indicated this was a problem now under study in the Department; however, he would be interested in the Ambassador's views as to what would be the difference in overall cost to Israel if the project were done as now planned rather than as Eric Johnston envisaged. Ambassador Eban and Mr. Manor said the Israeli plan for expenditures in the next two years as presented to the Department would involve no additional cost since Israel proposes to use the same pipe

and pumping installation for moving water from Galilee up to the conduit for transport to the western watershed as would be employed in the Johnston plan. Mr. Manor said that he would be very happy to provide Mr. Dillon with a statement amplifying this point.

**75. Memorandum of a Conversation, Department of State,
Washington, April 22, 1959, 2 p.m.¹**

SUBJECT

Call of Senators Regarding Aid to Israel

PARTICIPANTS

Senator W. Kerr Scott
Senator Jacob K. Javits
Senator Thomas H. Kuchel
Senator Kenneth B. Keating
Mr. Christian Herter, Secretary of State
NEA—William M. Rountree
NE/E—John F. Shaw

Messrs. Javits and Kuchel, who arrived first, were subsequently joined by Senators Keating and Scott. Mr. Javits, speaking for the group, reported that the elimination of grant aid for Israel from the Mutual Security Program had caused a great stir in Israel and in the United States. He felt the situation might have been different if the Government of Israel had been consulted in advance on the elimination of this item and had agreed to the substitution of other forms of assistance. However, as things had developed, the elimination of this aid had caused great embarrassment to Ambassador Eban who was about to return to Israel. Ambassador Eban, he said, was a great friend of the United States, and, if he were to be made Foreign Minister, the United States could certainly count on his support. In Senator Javits' opinion it would be the path of wisdom to reintroduce an item of \$7.5 million; then, if it were thought desirable to eliminate the item next year, to obtain Israel's agreement in advance. Turning to the subject of Jordan water development, Senator Javits said that this was a project

¹ Source: Department of State, Central Files, 784A.5-MSP/4-2259. Confidential. Drafted by Shaw on April 24. A briefing memorandum for Herter, April 22, with an attached memorandum from Rountree giving extensive background information on the decision to eliminate the request for Special Assistance funds, is *ibid.* Herter became Secretary of State on April 22.

in which the Israel Government sought DLF assistance. He said the group would like to see the U.S. Government help in this project, if it were determined that it was in accord with our overall policy.

In reply, Mr. Herter stated that the decision to eliminate the line item of \$7.5 million of grant aid for Israel was not a political decision; that this was based upon economic considerations; these funds had come to be used for foodstuffs and it was thought that our surplus stocks permitted a substitution of PL 480 assistance for grant aid. He also noted the improvement which has occurred in Israel's economic situation. In addition, the Bureau of the Budget, he said, brought considerable pressure on the Department at the time the MSP program was prepared to reduce the level of the Administration's request for aid by the elimination of any item that was not considered absolutely necessary. In the review of the MSP requests, it was thought that the aid figure of \$7.5 million could be met from other resources. Mr. Javits said he understood the considerations on which the decision was based; he felt that the issue involved here was not a political one, since it was not the policy of the U.S. Government to deny aid to Israel; however, inasmuch as the elimination of the item had had serious political effects, he thought the course of convenience would be to restore the item.

Mr. Herter assured Senator Javits that it was certainly not the Department's intention to deny aid to Israel, or to put Ambassador Eban on the spot. As for Jordan water development, he said, this is a project in which the Department is interested, but that the timing of how to move on this project was most important. He recalled that it is a project in which Eric Johnston has been interested, and that it is mixed up in the refugee problem. In reply to Senator Javits' question as to whether now was an appropriate time to move on the refugee problem, he said he did not think so. The Department, he reported, had just recently completed a survey of the attitude in the area on this subject, and that it was not encouraging; however, it is a project in which the Department is greatly interested and settlement of the water question would help greatly.

In response to Senator Javits' question as to whether US-Israel relations were not now very good, both Mr. Herter and Mr. Rountree assured him that for the past two years they have been very good; while there have been some border problems from time to time, there have been relatively few untoward incidents. Mr. Rountree said Ambassador Eban and Mr. Herzog know that the decision to eliminate special economic aid for Israel was not a political one. He recalled that Israel's public reaction to the termination of the aid item was very sharp, but that after he met with Mr. Herzog the attitude of the press changed, and it is his understanding that the press now reflects more understanding of the problem.

**76. Memorandum of a Conversation, Department of State,
Washington, April 23, 1959¹**

SUBJECT

Mr. Hammarskjold's draft UNRWA report

PARTICIPANTS

The Secretary
The Secretary-General of the United Nations
The Honorable Henry Cabot Lodge
Mr. Walter N. Walmsley, Acting Assistant Secretary, IO

The Secretary-General's discussion with the Secretary, which lasted from 11:20 through lunch to 2:45, was arranged on Mr. Hammarskjold's initiative and was therefore essentially of subjects of Mr. Hammarskjold's selection.

Mr. Hammarskjold said that he did not believe it was practicable today to seek acceptance by the Arab host countries of the principle of responsibility for Palestine refugees. The Arab attitude is that they would be left holding the bag if funds were cut. In the light of their own low standards of living, their countries could not absorb or support the refugees, and survive. Hammarskjold was therefore proposing in his report that the problem be approached on a function-by-function basis starting with education, which he said both Cairo and Amman have agreed to accept responsibility for. He intends to show his draft to the Arabs concerned, to us, and perhaps to some of the other contributors (e.g. the UK) before it is released in a matter of weeks.

The Secretary and Mr. Hammarskjold agreed that the Rifai scheme was not practicable.² The Secretary believed, however, that if agreement could be obtained from the UAR and Israel for the two earth dams in Jordan, abutting on Syria, that were contemplated in the Johnston Plan, this would be an immense step forward in settling the refugees in Jordan. The Secretary would hope that Hammarskjold would look into this as a first step toward resettlement of the refugees. Mr. Hammarskjold was impressed by the promise of this idea.

The SYG said that he had just sent Bunche out to visit Israel, Gaza, Cairo and possibly Baghdad. While Bunche is charged with such specific purposes as the Israeli use of the canal and the situation in Gaza, there is also the general purpose of not leaving the Arabs too long "unattended", lest they get out of hand. He was glad that Fawzi

¹ Source: Department of State, Central Files, 320.511/4-2359. Secret. Drafted by Walmsley and approved by Herter on May 19.

² On April 8, Lodge reported on a dinner conversation with Rifai at which the Prime Minister had proposed long-term bilateral aid to Jordan for economic development. The resulting economic activity would draw in refugees and get them off the relief rolls, thus reducing UNRWA expenses. (Telegram 873 from USUN; *ibid.*, 320.511/4-859)

had asked to see him in Geneva. The SYG feels he must talk to Fawzi about the Palestinian Brigade, said to number some 300, that had gone to the Gaza Strip for the anniversary of the Israeli withdrawal but had stayed on. The UNEF and this Police Force cannot, he said, "co-reside". The Egyptians say that this force is needed for security purposes in the strip because of the presence of Communists among the refugees. The SYG is also worried about the Egyptian build-up in Sinai since the recent troubles between the Syrian region and Iraq.

Concerning the canal, the SYG said he felt that the flags of necessity vessels used by Israel were regarded by the UAR as "provocative", and that the UAR now cares less about the cargo than about the charters. He would talk with Fawzi about this as well.

On Egyptian relations with France and the UK, Hammarskjold said that Algeria balks any improvement with the former, while in the case of the UK, the Egyptians have been holding back on suspicion of UK backing of Kassim.

(Subsequently the Department heard from Hare that the Brigade in Gaza numbers closer to 1,000. This has been confirmed by a letter from Hammarskjold who adds that reports from Burns and Bunche "give me a gloomier picture of the Middle East than I had when meeting you.")

**77. Memorandum of a Conversation, Department of State,
Washington, May 7, 1959, 4:30 p.m.¹**

SUBJECT

United States-Israel Relations

PARTICIPANTS

Mr. Abba Eban, Ambassador, Embassy of Israel
Mr. Moshe Erell, Counselor, Embassy of Israel

NEA—William M. Rountree
NE—William L. Hamilton

Ambassador Eban said that as his assignment in Washington draws to a close, he becomes increasingly convinced that the primary fact of the United States-Israel relationship is that the influences drawing the two governments together are more fundamental than

¹ Source: Department of State, Central Files, 611.84A/5-759. Confidential. Drafted by Hamilton. A briefing paper for the conversation is *ibid.*, NEA Files: Lot 61 D 43, Tel Aviv. See also *infra*.

those imposing a strain on it. The difficulty is that the Israelis are not aware of the great area of understanding and cooperation that exists in which matters are treated unobtrusively, and often in confidence, while the points of friction are of a character to be known almost inevitably. As a result the average Israeli has an exaggerated impression of the differences between the two governments and no real understanding of the true character of the relationship.

He felt the remedy might lie in a re-statement by the United States of its principles regarding Israel. If an opportunity could be found for American leadership to reaffirm U.S. friendship for Israel and a determined interest in the preservation of the independence of Israel, as well as of the other states of the area, the occasional points of friction would be viewed in a better perspective. The irritants would be recognized for what they are, superficial and transient, and insignificant by contrast with the favorable character of the relationship as a whole.

Mr. Rountree agreed that a better sense of proportion is something to be desired in viewing foreign relationships. He cited as an example the press treatment of the question of Special Assistance to Israel in FY 1960, which suggested that the very existence of the relationship depended on whether we extended a mere \$7.5 million in assistance. Mr. Rountree commented that preoccupation with an insignificant facet of the whole so often created the most grotesque concept of the real state of an international relationship which was eminently satisfactory to all parties concerned.

**78. Memorandum of a Conversation, Department of State,
Washington, May 7, 1959, 4:30 p.m.¹**

SUBJECT

Water Development

PARTICIPANTS

Mr. Abba Eban, Ambassador, Embassy of Israel
Mr. Moshe Erell, Counselor, Embassy of Israel

NEA—William M. Rountree
NE—William L. Hamilton

¹ Source: Department of State, Central Files, 684A.85322/5-759. Confidential. Drafted by Hamilton. See also *supra*.

In handing Ambassador Eban the Department's note, dated May 7,² in reply to a note from the Israel Government of January 28, 1959,³ which asked United States assistance in Israel's proposed Jordan Water Development projects, Mr. Rountree made the following points orally:

(1) The United States had studied the Israel request sympathetically, consistent with our belief that the Jordan River is an important natural asset which should be developed for maximum benefit to all the people of the area.

(2) Accordingly, our note expresses sympathetic interest in the Israel proposal regarding conveyance of water from Tiberias to the Beit Shean region. We believe this project may well be analogous in many respects to the East Ghor project with which we are assisting Jordan on the other side of the river.

(3) However, the larger project, described as "stage one" proposing to move large quantities of water from Lake Tiberias over the mountains to Israel's coastal plain, presents difficulties. In our view it would adversely affect the other riparians unless undertaken in the context of an agreed, unified development in which affirmative Israel performance would be offered in a number of respects including storage of water in Tiberias and rights of way for conduits. There would also be the question of the salinity of the water remaining in the Tiberias-Jordan channel for downstream uses if Israel were to take this quantity of fresh water out of the system without provision for replenishment.

(4) We are preparing to explore these questions at greater length. We continue to hope that new opportunities for international agreement will present themselves.

(5) Secretary Herter wished Mr. Rountree to acknowledge the Ambassador's letter of May 4⁴ which contained assurances that the "stage one" project would not represent an expensive modification of the unified concept. We are glad to have this information on record although it does not seem directly applicable to the considerations on which the United States reply is based.

Ambassador Eban said he could not comment comprehensively until he had advice from his Government's experts on the questions raised by the United States note. Israel had presented its proposals, he said, with the conviction that projects suggested could be undertaken without adversely affecting subsequent agreement or the interests of other riparians.

He was not sure that international agreement was any the less elusive today than when the Johnston negotiations broke down. He is aware that the Arabs talk in more reasonable tones privately. It is quite

² A copy of the note, summarized below, is in Department of State, Central Files, 684A.85322/1-2859.

³ See footnote 2, Document 66.

⁴ Not found.

possible that agreement could be reached once more on the technical level. When it came to a political agreement, however, he was very much afraid the attempt would fail just as it failed before.

Israel could not contemplate the possibility of additional years of complete paralysis of its development hopes. His Government felt that the only acceptable alternative is to start projects now that can some day fit into an agreed plan, if such is ever achieved.

79. Letter From Acting Secretary of State Dillon to Secretary-General Hammarskjöld¹

Washington, May 21, 1959.

DEAR MR. HAMMARSKJÖLD: I understand that during your visit to Washington on April 23² the Secretary was not able to discuss with you in detail the problem of United Nations Relief and Works Agency for Palestine Refugees (UNRWA). Since then you have been good enough to provide us, as you told him you would, with a copy of your draft report³ on the future of UNRWA and to give us an opportunity to comment on it. I am informed that you intend to publish the report about the end of May, and I should like to give you our views on the subject.

We believe the report contains an excellent analysis of the difficulties connected with the refugee problem. In view of the political complexities involved, your reluctance to recommend a more specific solution of the problem than through a broad program of economic development for the area is understandable.

We believe your suggestion for giving host governments full responsibility for general education is a step in the right direction. However, in our view, the report does not go far enough in the direction of turning over to these governments the administrative responsibilities for the refugee program. We are aware of your reservations about the capability and willingness of the host countries to move further in this direction at the present time, but we remain convinced that such a development is an essential part of a total program looking toward a

¹ Source: Department of State, Central Files, 320.511/5-2159. Confidential. Drafted by Buffum on May 13 and revised in S/S on May 14; cleared with Ludlow, Rountree, Rockwell, Walmsley, Murphy, A, H, and SCA.

² See Document 76.

³ No copy of the draft report has been found; for the report as released on June 15, see U.N. Doc. A/4121.

permanent resolution of the problem. There are admittedly some risks inherent in the proposals which our Mission at New York transmitted to you on March 20.⁴ However, we believe that in the long run, should international assistance be reduced, the Arab host countries could more readily be assisted in other ways, including bilateral programs, if they are caring directly for the refugees.

The need to move ahead toward an ultimate solution of the problem is of great concern to us. In this connection, your report recommends continuation of UNRWA beyond its presently scheduled termination date "pending reintegration of the refugees in the Middle East". This, in essence, means an indefinite continuation of the program since there is no indication of how much time might be involved before it could be terminated.

I hope you will appreciate that the issuance of the report in these terms would confront the United States with very serious problems. We have made very clear on a number of occasions that we do not consider that indefinite continuation of UNRWA in its present form is the proper way to handle the problem and that feasible alternative courses do exist. Among other reasons, we are concerned that a renewal of UNRWA's mandate might be interpreted by the countries concerned in the Near East as an indication that the United States is willing to continue to carry the major burden without those countries having to reassess carefully their own responsibilities.

Therefore, while of course the decision on publishing the draft report is yours to make, since you were kind enough to give us an opportunity to comment on it before it is issued, I must in all frankness express our regret that it does not go farther toward providing for a fundamental solution of the refugee problem.

I am confident that you will interpret my remarks in the spirit intended. I hope that you will review the contemplated report with these thoughts in mind, since real difficulties must be expected if, as now formulated, it should constitute the basis for discussion of the problem at the fourteenth General Assembly session.

Sincerely yours,

Douglas Dillon⁵

⁴ See footnote 3, Document 69.

⁵ Printed from a copy that bears this typed signature.

80. Telegram From the Mission at the United Nations to the Department of State¹

New York, May 27, 1959—3 p.m.

1062. Re: UNEF—re ourtel 947.² Following is report of conversations had by Mission officers with Bunche (UN) and Vaughan (UN), who have just returned from Gaza.

In initial conversation, Bunche stated was sent by Hammarskjold to Gaza with view assessing feasibility of reducing size UNEF in 1960. Upon return, Bunche reported to Hammarskjold view that any reduction in size UNEF is not feasible, and that reduction would destroy usefulness. He believes (though not certain) SYG has accepted this view and intends so to report to GA.

Bunche pointed out that present disposition UNEF forces practically assures absence incidents on UAR-Israeli border. Outposts are in view each other and can prevent or at least immediately note border crossings and apprehend persons responsible. This important in Bunche's view, since demarcation line very difficult for inhabitants of area to observe in many places, with result that number of border crossings are made inadvertently.

In Bunche's opinion, present scope UNEF operations could not be maintained if force reduced, and he said this is view of Burns and other senior UNEF officers. He believes Burns would resign if any sizeable cut made in UNEF on ground he could not guarantee success of operation. In his opinion, appreciable reduction UNEF forces would result in increase border violations and retaliation within month, which would shortly bring UAR-Israeli issue back to GA and/or SC.

Bunche has since reported subsequent conversations with Hammarskjold, in which latter expressed view there must be "showdown" on UNEF at next GA. (Bunche said Nielsen (Norway) and Ritchie (Canada) concurred in this view.) By "showdown", Bunche understood Hammarskjold to mean he would have put all facts (including financial) on table so that govts could decide what course follow. Bunche said Hammarskjold generally aware threat posed to financial position entire UN organization by UNEF deficits and that he expects sit down shortly with Turner (UN controller) to go over entire situation. Hammarskjold has scheduled mtg UNEF Advisory Comte for June 2 and, if he able have full discussion with Bunche and Turner prior that time, will probably discuss UNEF future with comte.

¹ Source: Department of State, Central Files, 320.5700/5-2759. Confidential.

² Telegram 947, April 29, reported that UNEF financial difficulties required a careful re-examination of the basis and size of UNEF's operation in order to assure its continued presence as long as possible. (*Ibid.*, 320.5700/4-2959)

[2 1/2 lines of source text not declassified] While disclaiming role of expert, he indicated belief might be possible give up many fixed observation posts along Gaza border if simple barbed wire fence installed in demarcation ditch and this patrolled. He believed this would avoid unintentional border crossings and most of those made for non-military purposes. Reduction in number outposts would enable consequent reduction in number supporting forces. Vaughan stated belief that, if forces were cut, Burns would recommend setting up unified headquarters at Rafah rather than maintaining separate headquarters at Gaza and Rafah as is now case. However, he pointed out life at Rafah headquarters would not be pleasant.

A major point emerging from discussions with Bunche is following: while drastic reduction in size UNEF, perhaps to 2,000–2,500 men, inevitably would result in increase border incidents and retaliations and probably result in issues being presented GA and/or SC, such cut in size probably would not reduce effectiveness UNEF as deterrent major aggressive action by either UAR or Israel. Bunche stated his recent conversations in ME indicate both UAR and Israel wish UNEF remain and that UNEF furnishes both govts with political excuse not to engage in major aggressive action. In his opinion, this would very likely still be case if UNEF greatly reduced in size.

Our reaction to foregoing is that, while it obviously in our interest maintain UNEF at present level and avoid all border incidents (and consequent report to GA and/or SC where Soviets will pose as Arab defenders) if we can solve financial problems, we cannot, as indicated USUN 947, see how UN can continue finance UNEF at present level for any appreciable period, given this situation, continue believe most desirable course action is to cut size UNEF—perhaps in half—in order maintain it indefinitely as effective barrier to major aggressive action by either UAR or Israel. If we can live with limited UN operations on other frontiers, such as Syrian-Israeli border, we can probably get along, even if not comfortably, with greatly reduced UNEF in Gaza. Our hope is that, by acting early enough, we may be able maintain such smaller UNEF on semi-permanent basis with substantial assessed financing.

Barco

81. Letter From Secretary-General Hammarskjöld to Secretary of State Herter¹

New York, June 3, 1959.

DEAR CHRIS: Before the conclusion of the Foreign Ministers' Conference,² I must bring to your attention the crisis that we are facing in the financing of the United Nations Emergency Force (UNEF). By the end of this year, at the current pace of contributions, both our cash and our reserves will be exhausted. The United Nations, therefore, will approach the new year in a very critical financial condition.

At the present time, Members of the United Nations are \$22,527,000 in arrears on their payments, of which amount the members of the Soviet bloc account for \$10,628,000.

We are now engaging in consultations with a number of Members of the United Nations in the hope that they will pay their assessments at an early date.

I am well satisfied with the efforts that are being made both at Headquarters and in the field to cut the budget to the utmost. By a succession of careful reviews of the needs of UNEF, we have reduced and stabilized the budget at about eighteen to nineteen million dollars a year. In reply to my request to General Burns to review the size of the Force in terms of his needs, he has made a convincing case for the retention of the present reduced level of the Force if its functions and responsibilities continue unchanged. Some new difficulties which have emerged in the last several months add strength to his case and I therefore am not in a position to argue for any further reduction of the size of the Force. When one considers the invaluable contribution that UNEF had made to the peace and quiet of the area, the expenditure of eighteen to nineteen million dollars a year does not, in any case, seem excessive. There can be little doubt that if by lack of financial support we are forced to abandon UNEF, we would most certainly be confronted with a new crisis which would require the organization and presence of a new force not unlike UNEF.

Consequently, our task clearly is to widen generally the contribution of Members of the United Nations to this United Nations effort. I think everyone will agree that too much of this burden should not fall upon one country alone, in this case, the United States. It is an effort that should be supported by the United Nations membership as a whole.

¹ Source: Department of State, Central Files, 320.5700/6–359. No classification marking.

² Reference is to the four-power Foreign Ministers meeting at Geneva, May 11–August 5.

As you know, the Soviet refusal to contribute has been based upon the argument that the "aggressors" should pay the bill. On that point, of course, as we move farther away in point of time from the Suez crisis, the presence of UNEF becomes more and more a current mechanism for the maintenance of quiet along the line between two Member countries and continues to have vital meaning and significance for the foreseeable future.

The second argument sometimes used by the Soviets is that UNEF, arising out of Chapter VI of the Charter, lacks a proper constitutional basis. It should have been approved and organized, they maintain, under Chapter VII of the Charter. Nevertheless, two Soviet bloc states—Czechoslovakia and Romania—offered contingents to UNEF. As you know, Soviet leaders have been making references to possible United Nations activities in Berlin which might have constitutional implications similar to those of UNEF in the present phase of Middle Eastern developments—a fact that seems to emphasize further the weakness of their "objections in principle".

I have already talked to the Soviet leaders in the above terms but without results. If you should share the views expressed here and the approach I suggest, I should be glad to complement your efforts in whatever way might prove most useful in achieving a soundly and more broadly based financial support for this important contribution to peace and security.

I am writing to you urgently now as you may find it appropriate and possible to talk with Gromyko about this matter. In any case, it might be desirable to open the subject with him now since its importance and significance would seem to be of such a character as to deserve consideration in the course of a Summit Meeting, if such a meeting is held later in the summer. The last word on the Soviet side would probably have to come from Mr. Khrushchev. If there is a desire to reduce the scope of the cold war, the support of UNEF by all parties would represent a significant contribution to that end in one specific area, the Middle East.³

With kind regards,

Yours sincerely

Dag

³ A copy of this letter was sent to Herter in Tosec 220 to Geneva, June 6. (Department of State, Central Files, 320.5700/6-659) On June 9, Herter replied that he would be glad to raise the question of UNEF funding with Gromyko, but the present moment was "singularly inappropriate". He hoped to find a more propitious opportunity. (Secto 211 from Geneva; *ibid.*, 320.5700/6-959)

82. **Letter From Secretary-General Hammarskjöld to Acting Secretary of State Dillon**¹

New York, June 4, 1959.

DEAR MR. DILLON: I am writing to thank you for your letter of 21 May² in which you convey the reactions of the Department of State to the draft of my report on UNRWA.

I am happy to note your favorable reaction to the analysis of the refugee problem and your understanding of my reasons for avoiding a suggestion of any more specific solution of the problem. In fact, an attempt to that effect would have gone beyond my terms of reference.

I hope that the report presents a picture of the refugee question as solid and realistic as possible. Of course, what is said about the role of economic development—which I hope will be helpful from a tactical point of view—is in my opinion nothing but a statement of fact: what Government, anywhere, would survive an integration into its population of new elements if this integration had to be paid for by a reduction of a standard of living which, at all events, is even now intolerably low?

I fully appreciate the reasons for the concern you express. I understand that the United States Government may face difficulties if the report is presented as it stands. Indeed, I would have been happy to be able to prepare the ground in a more helpful way for your efforts to get the necessary contributions. If I feel that I cannot do so, it is, as I believe you would understand, because I am convinced that more far-reaching proposals for a re-modeling of the United Nations assistance to the refugees would create even greater difficulties—also for you—as such proposals are likely to raise all Arabs up in arms and render it impossible to register even the slight progress which, with some luck, the report may achieve.

Indeed, I fear that I am already straining our possibilities in proposing the transfer of education and in insisting on a revision of the lists. My hope to get these two things finally accepted, in spite of the resistance they undoubtedly will provoke, is based on the fact that I do not put in question the continued operation of UNRWA; were I to leave any doubt about my stand on the future of the United Nations assistance, I am sure that I would fail to get the necessary acceptance of what I now propose. On the other hand, were I to propose a more complete transfer of responsibilities, I am convinced that we would

¹ Source: Department of State, Central Files, 320.511/6–459. No classification marking.

² Document 79.

not get even what I am now suggesting—apart from the fact that I would then probably introduce a charge of dynamite into the whole Middle Eastern situation.

However, I wish to stress that, although the recommendation for an indefinite—which obviously does not mean perpetual—continuation of UNRWA has the tactical advantage to which I referred, my stand is not based on tactical considerations but on the fact that an honest analysis of the problem leads me to conclusions with which any proposal for a time limit from my side would be incompatible. Obviously, there would be no logic in saying that integration of the refugee population requires an economic development of unknown duration and, on the other hand, to state that United Nations assistance should be of a certain limited duration. If it is considered necessary to put a limit on the duration of UNRWA, the suggestion to that effect has to come from the contributing countries, as they, while accepting my argument, might state that they wish to have a new look at the matter within a certain time for reasons of their own. Were the United States to wish to follow this line, I would, however, recommend that you test it out rather cautiously in the debate, because a premature proposal to that effect from the United States side might well have a rather disastrous impact.

I am sure you will appreciate the reasons which have prompted me to strike the balance you find in the report. I guess that it will be criticised from practically all sides. But just because it is based on an obviously straight analysis of the problem—while taking into account basic psychological complications in the area with which we are concerned, to the extent that they seem to be hard facts—I hope that, at the final last, the line presented in the report may become a rallying point for the various governments concerned. It would be unwise for me to play a short-term tactical game. It is imperative that the report, whatever the reactions in 1959, will stand up in following years so as to let us have at least this firm point in the touchy policy-making in the Middle East.

Yours sincerely

Dag Hammarskjöld

83. **Memorandum for the Record**¹

Washington, undated.

(Mr. Rountree's Briefing of Ambassador Ogden R. Reid, June 11, 1959)²

(The following is a paraphrase of remarks exchanged by Mr. Rountree and Mr. Reid. Others present were Murat Williams and William L. Hamilton.)

United States-Israel Relationships

Mr. Rountree: Israel occupies a very special place in U.S. international relations. Because of its youthful vigor, its dynamism, its triumph over great odds, it holds a special place in the esteem of the American people and, of course, is of particular interest to the American Jewish community which is more effective in support of its protegee than any other American minority.

A very close relationship with Israel has to be carefully balanced by our attention to the Arab states. Impartiality is essential but not always easy either for the U.S. Government itself or individuals to exercise. It will be important for you to take no position that tends to identify you with Israel causes or interests.

Mr. Reid: I hope I am sufficiently sensitive to this consideration. It is my intention to represent the U.S. first, last and always and to make that intention clear at all times. I appreciate that it will be difficult and I am already aware in a small degree of the pressure that can be brought to bear on one going to Israel by its friends.

Status of Jerusalem

Mr. Rountree: Many problems in our relations with the Government of Israel arise with our determination to support the U.N. resolutions on various aspects of the Palestinian complex. For example, we have never weakened in our determination to respect the resolutions giving a special status to Jerusalem. It is important to avoid public actions or statements which in any way indicate that we are resigned to Israel's conduct of government in Jerusalem in resistance to the expressed desire of the U.N. This imposes a difficult responsibility on our Embassy, not only in support of our own policy but because of its

¹ Source: Department of State, Central Files, 611.84A/6-1159. Secret. Drafted by Hamilton on June 17.

² On March 12, the Department of State announced that Ogden R. Reid had been nominated as the new Ambassador to Israel. The Senate confirmed the appointment on June 4 and Reid presented his credentials on July 2.

effect on other governments. It is U.S. practice to inform governments planning to establish missions in Israel of our position vis-à-vis Jerusalem and our determination to maintain our own offices in Tel Aviv.

Mr. Reid: I talked today to Ambassador Lawson who said that it was his practice to avoid official functions and, when obliged to go to Jerusalem, to attempt to see officials in their homes rather than in government buildings. He told me, however, that appearances at non-government functions in Jerusalem could be reconciled with our policy.

Mr. Rountree: It is important to avoid actions in Jerusalem that will attract conspicuous public attention or publicity.

Israel Defense Forces and Military Aid to Israel

Mr. Rountree: The personal position of the Ambassador is very important regarding the above. The IDF is regarded with fear and respect and its activities or acquisition of new weapons are matters of great sensitivity to the Arabs. Here too public statements or appearances related to the armed forces should be scrupulously avoided.

Mr. Reid: How about visits to IDF establishments?

Mr. Rountree: Such should be avoided as well as any activity that can be interpreted as support or sympathetic interest in the IDF.

We are opposed as a matter of policy to supplying most categories of military equipment to Israel. Such assistance as we give them is on a reimbursable basis. This represents no hardship for the Israelis because they have traditional sources of supply from whom they obtain their major requirements.

Eilat and the Straits of Tiran

Mr. Rountree: U.S. supports Israel's use for maritime purposes of the Gulf of Aqaba and as expressed in our Memorandum of February 11, 1957,³ support for Israel's peaceful transit of the Straits of Tiran. It is a subject of some sensitivity, however, in our relations with Saudi Arabia and appearances in Eilat should be avoided on occasions related to Israel's efforts to expand traffic via that route.

Relations with Asia-Africa

Mr. Reid: How do we feel about Israel's efforts to cultivate economic and political ties with Afro-Asian countries?

Mr. Rountree: We regard this enterprise with favor. We are pleased that Israel is able to assist newly emergent nations by supplying them with technical guidance. However, we have declined sugges-

³ *Foreign Relations, 1955-1957*, vol. xvii, pp. 132-134.

tions by them that we underwrite some of the expense of this activity because of its adverse impact on our relations with certain other countries.

Assistance to Israel

Mr. Rountree: We give Israel's request for assistance of one kind or another most sympathetic attention. We find little economic justification for any but commodity or loan assistance but political considerations make it almost impossible to eliminate grant assistance altogether. You will find that Israel needs no encouragement in seeking assistance for development objectives, and, unlike the situation in some countries which cannot formulate assistance requirements, the Israelis come up with more suggestions than we can hope to satisfy or should satisfy, considering the availability of funds and the legitimate needs of other governments.

Jordan Valley Plan

Mr. Rountree: You may find it necessary to resist importunities from the Israelis on this complex. They are able to make a plausible case for pushing ahead with their projects, arguing that Arab refusal to undertake a unified plan should not bind their hands as well. We are opposed, however, to assisting them in proceeding with projects which will take their share of the water without any of the reciprocal concessions they would be obliged to give the Arabs under a unified development engineered to divide the water equitably.

84. Telegram From the Department of State to the Embassy in Jordan¹

Washington, July 7, 1959—7 p.m.

29. Amman's 2523, Jerusalem's 378, Tel Aviv's 1048, New York's 1135.² Hart called in Israel Chargé Herzog alone 6th to express concern with reported harassment Isawiya villagers by Israel Mt. Scopus patrols. He made following points:

¹ Source: Department of State, Central Files, 684A.85/6-1659. Confidential; Limit Distribution. Drafted by Hamilton on July 3, cleared with Palmer, and approved by Hart. Repeated to Jerusalem, Tel Aviv, and USUN.

² Dated June 10, 15, 16, and 12, respectively, these telegrams discussed various aspects of Israeli harassment of the Isawiya villagers. (*Ibid.*, 684A.85/6-1059 through 684A.85/6-1659)

1) HKJ recently addressed note to USG complaining that patrols subjecting villagers to indignities and creating unnecessary difficulties for them.³

2) While note specifically cited incident in which wedding party allegedly forced out of cars and off road, it appears this only culmination series of incidents occurring with increasing frequency since UN SYG's discussion of problem with GOI last year.

3) It is our understanding UNTSO had complained of patrols' behavior to Israel authorities.

4) Asked Herzog to inform GOI that in interests of peace in area, harassment of Isawiya villagers should cease and that in our opinion, nothing is gained by constant irritation this neuralgic point.

Hart recalled that on visit to Jerusalem in 1954 he had discussed what he considered unnecessary inflammation border tensions with Herzog, other foreign ministry representatives and IDF officers. He had left Jerusalem feeling there was difference of opinion between Foreign Ministry and IDF and that approach towards border problems would have been more conciliatory had Foreign Ministry viewpoint prevailed. It was because of this previous impression that Hart wondered if IDF personnel on Mount Scopus now acting in manner that has no official sanction. He added it was because of their earlier consideration of similar problems he had decided to discuss Isawiya villagers with Herzog on personal basis rather than making official *démarche*.

Herzog said that sort of dichotomy Hart outlined did exist to considerable extent in 1954 but had largely disappeared since Sinai Campaign. Officials concerned now working in better relationship. He said he regretted wedding party incident and agreed such frictions were potentially dangerous. He would report to his Government immediately. However, underlying cause of difficulty was failure to implement Article 8 of GAA.

For Amman: In lieu formal reply to HKJ note, suggest you see Majali and inform him confidentially as follows:

Department is concerned to learn that despite efforts by SYG and others, incidents in Mt. Scopus area continue. Department has taken problem up with Israel Government in manner it hopes will be effective. In interests of effectiveness this U.S. endeavor to be helpful should be regarded as matter of confidence by HKJ.

Herter

³ Text of the June 6 note was transmitted in despatch G-50 from Amman, June 11. (*Ibid.*, 684A.85/6-1159)

85. Memorandum From the Assistant Secretary of State for Near Eastern and South Asian Affairs (Jones) to the Acting Secretary of State¹

Washington, July 23, 1959.

SUBJECT

Your Appointment with Mr. Herzog, Israel Chargé d'Affaires

Mr. Herzog, Israel Chargé d'Affaires, and Mr. Manor, Israel Economic Minister, are calling on you July 23, 1959 at 4:00 p.m. The Embassy has indicated that Mr. Herzog wishes to discuss with you Israel's aid requirements in FY 1960 with particular attention to his Government's request for assistance in its water resources development program. Mr. Hamilton and Mr. Roberts of NE will attend.

Background:

In April 1958, following the announced decision of the United States Government to assist the Kingdom of Jordan in the development of the Yarmouk River, the Government of Israel presented a note to the Department seeking to establish that because the United States was helping Jordan, it was morally obligated to aid Israel in its project for Jordan River development (Tab A).² This thesis was not accepted by the Department. We told the Israelis that our attitude toward sound projects in developing water resources in Israel, which lie within the Armistice lines and which do not conflict with the coordinated development of the Jordan system (Eric Johnston's plan) and established international obligations, would be determined in the light of the nature of the projects themselves, of Israel's need for assistance in connection with them, and of the availability of funds (Tab B).³

In January, 1959, the Israel Embassy presented a note to the Department, outlining Israel's water development program and stating that the Government of Israel intended to complete stage one of the project during the next four years (Tab C).⁴ This first stage would include the diversion of 150 to 180 metric cubic meters of water annually from Lake Tiberias to the coastal plain and the southern part of the country. It would also include a smaller project involving the construction of a canal from Lake Tiberias to Beit Shean. The note

¹ Source: Department of State, Central Files, 784A.5-MSP/7-2359. Confidential. Drafted by Roberts; cleared by Hamilton, L/NEA, and ED; initialed by Jones; and sent through S/S.

² None of the tabs is attached to the source text. A copy of Tab A, the Israeli note, April 2, is *ibid.*, 684A.85322/4-258.

³ Department of State note, August 1, 1958; not found.

⁴ See footnote 2, Document 66.

expressed the hope that the United States would assist in the implementation of this program in order that water resources now being wasted might contribute to the progress of Israel's economy.

Our reply dated May 7, 1959, (a) found difficulties with the proposal to move water outside the Jordan basin because with its planned projections this project was of a character and magnitude to put Israel on the way toward obtaining her maximum expectations from the Jordan river system without being required to give any reciprocal concessions to other riparians; (b) referred to the fact that certain elements of the proposal were not feasible without prior international agreement; (c) noted that the salinity of Lake Tiberias and the lower Jordan would be significantly increased; and (d) expressed the view that the project to convey water from Lake Tiberias to Beit Shean might not from our standpoint be subject to the difficulties surrounding the other parts of the proposal and might have merits similar to those which governed the Department's attitude toward the East Ghor project (Tab D).⁵

The Government of Israel has now presented another note in which it states that it is ready to enter into negotiations with a view to reaching an agreement on the use of the Jordan and Yarmouk water resources (Tab E).⁶ It states (a) that Israel's water development proposals can be incorporated into the regional development of the Jordan River waters; (b) that water resources development which Israel proposes is no more linked with its planned projections than is the East Ghor project in Jordan which represents the first stage of the Jordanian portion of the overall Johnston plan; (c) that the Jordan East Ghor project will bring about a unilateral change detrimental to Israel in the established usage of the water resources of the Jordan basin; (d) that the proposed Lake Tiberias-Beit Shean conduit to which the United States took a more favorable attitude cannot be equated with the Jordan East Ghor project, but is merely a remedial measure designed to repair the harm resulting from the East Ghor diversion; (e) that the first stage of the Jordan project will not, in the view of the Government of Israel, have an adverse effect on the salinity of Lake Tiberias.

Because Israel's need for additional water supplies will, in the Israel Government's view, become acute within the next few years, Israel is determined to go ahead on its master plan for developing water resources—with or without United States financial assistance. Without United States financial support the project will be completed at a much slower rate. A recent conversation with Mr. Manor indicated that because of probable international repercussions Israel views

⁵ See Document 78.

⁶ The Israeli memorandum, July 17, is in Department of State, Central Files, 684A.85322/7-1759.

United States political support for the project as important to the Government of Israel as financial support.⁷ In any event, there are a number of points in Israel's most recent note to us which do not appear to jibe with our understanding of the facts. Accordingly, our first task is to undertake a thorough technical review designed to compare Israel's assessment and proposals regarding Jordan water resources with the assessment and unified development plan which governed the proposals of Ambassador Eric Johnston. In this connection, Mr. Herzog may suggest that Israel's water development engineer could be made available for consultation on this point. We believe, however, that before such bilateral consultations take place a thorough technical staff study of our own records is required.

Mr. Herzog also may raise the question of further DLF assistance to Israel. In FY 1959, the Israel Industrial Institute was granted loans totalling \$10 million. Israel still has applications pending totalling more than \$30 million. It is understood that the DLF is now planning to proceed with a staff study of one of these applications—\$7.3 million for a lubricating oil plant—in the second quarter of FY 1960. At the present time, it is not known what relative priority the Government of Israel places on its pending applications.

Mr. Herzog may also raise the question of Special Assistance to Israel. Discussion of this point would appear to be premature as Congressional action on the Mutual Security Program has not been completed.

Recommendations:

(1) That you inform Mr. Herzog that before we can express a view on Israel's latest request for Jordan water development assistance, as thorough technical review of the problem by our technicians is necessary since some assumptions in the Israeli note do not seem to coincide with our understanding of the facts and recollections of the Johnston negotiations. (If Mr. Herzog suggests that Israel's experts would like the opportunity to go over the records with us, you may wish to reply that such consultations might follow completion of our own studies.)

(2) With respect to DLF applications, it is suggested that you express satisfaction that we have been able to provide \$10 million of DLF assistance to Israel (the second \$5 million loan was approved only recently). You might also invite Mr. Herzog's views as to the priority which the Israel Government attaches to its several pending DLF applications.

⁷ A memorandum of Manor's conversation with Department of State officers on July 16 is *ibid.*, 684A.85322/7-1659.

(3) With respect to Special Assistance, that you inform Mr. Herzog that no decisions on this type of aid can be reached until the magnitude of the Mutual Security Program has been finally determined.⁸

⁸ During the meeting at 4 p.m., Dillon made the points outlined here. Brief memoranda of conversation on the three economic topics are *ibid.*, 784A.5-MSP/7-2359 and 884A.10/7-2359; a summary of the discussion on water resources was transmitted to Tel Aviv on July 24 in airgram G-3. (*Ibid.*, 684A.85322/7-2459)

86. Telegram From the Embassy in Jordan to the Department of State¹

Amman, August 15, 1959—2 p.m.

239. During visit with Prime Minister Majali morning 15th, I said that although it was not matter involving US, and I was raising question on my own without instructions, if he would forgive me I wished express concern re situation I had heard was developing on Mount Scopus. I had heard that in retaliation for failure Israelis to cease patrolling Solomon's Garden and failure remove night blockade of track leading to Issawiya village, GOJ intended refuse permit next fortnightly convoy to Mount Scopus to return with books.

I told Prime Minister I personally could not avoid considerable sympathy with GOJ on whole Mount Scopus question and easy to understand desire to retaliate against Israeli violations of agreements. But, I asked, would retaliation be wise? I pointed out that in month whole question of UNRWA would come up in UNGA and was it wise for GOJ to open Arab world to storm of attack to which it will be subjected by Israel and latter's supporters if GOJ does not live up to provision Urrutia agreement under which books removed from Scopus by each fortnightly convoy. I said I did not believe Arab countries had facilities open to present their side of story as forcefully to public as Israelis and net results would be residual belief in countries whose friendly interest Arab countries still wish and need in next UNGA that Arabs, and they alone, are difficult and refuse to live up to agreements.

Majali asked me what he could do since Israelis breaking agreements all the time; he appealed to UN presence and was told was matter for UNTSO, and complaints to General Von Horn did not seem give any results. I replied I thought when Von Horn could not require

¹ Source: Department of State, Central Files, 684A.85/8-1559. Confidential. Repeated to Jerusalem, London, Tel Aviv, and USUN.

compliance, then matter passed to office UNSYG and I thought proper course was for GOJ permanent UN representative to bring pressure on office, that is, on Hammarskjold, Bunche, or Cordier. Majali said he had instructed Rifai in New York press for action but latter reported he had had no success. What should he do in such a case? I suggested that if oral representations were ineffective then written ones might be called for, prepared by best lawyers in Foreign Office, since it is difficult for any agency to ignore a communication in writing.

Majali said he had not heard of decision by Defense Minister to deny authorization to bring books out in next convoy until this morning and he was meeting with GOJ officials to review that decision 15th. He asked if I thought that would be wise and fair for GOJ permit situation continue as in past for another month, at which time GOJ would take some retaliatory action if GOI had not ceased violations and provocations.

I did not express clear-cut opinion but stated I hoped such postponement could be made to give UNSYG time to try to bring about Israeli compliance with agreements.²

Jerusalem advise Von Horn.

Mills

² On August 16, Ambassador Reid, acting on instructions from Washington, also approached Israel on the Mt. Scopus problem. (Telegram 165 from Tel Aviv, August 18; *ibid.*, 684A.85/8-1859)

**87. Memorandum of a Conversation, Department of State,
Washington, August 25, 1959¹**

SUBJECT

Various matters pertaining to UNRWA

PARTICIPANTS

Dr. John H. Davis, Director UNRWA
IO—Mr. Francis O. Wilcox, Assistant Secretary
NEA—Mr. Randolph Roberts
UNP—Mr. Stephen E. Palmer, Jr.

¹ Source: Department of State, Central Files, 320.511/8-2359. Confidential. Drafted by Palmer on August 26. A briefing memorandum for the conversation is *ibid.*, IO Files: Lot 65 D 30, UNRWA.

At the outset Dr. Davis presented his view that UNRWA could not be expected to solve the Palestine refugee question and that it should act only as a relief agency. UNRWA should not be tied to economic development plans in the area; rather, jobs should be created in ways unrelated to UNRWA and not formally connected with any plans for integration of the refugees.

According to Dr. Davis, Lebanon, because of the delicate confessional balance there, is more seriously opposed to integration than are the other host countries. It was the Lebanese who pressed for the Sawfar Conference of experts.² It was only under Lebanese pressure that the UAR and Jordan assented to attend the conference.

The individual grant and loan program in Jordan is very successful, Dr. Davis stated. The Prime Minister and the Minister of Construction and Development (Nashishibi) told Dr. Davis about ten days ago that they were in favor of this program's being expanded. Mr. Wilcox inquired if Director Davis thought the Arabs would really welcome economic development assistance of a nature which would in effect lead to some integration. Dr. Davis replied in the affirmative, provided the programs were formally unrelated to the refugee question.

Dr. Davis stressed the point that despite the facade of apparent unanimity, there are as many different official Arab attitudes regarding the Palestine refugee question as there are Arab countries. Gohar of the UAR told Dr. Davis the day before the Sawfar Conference began not to be concerned if he (Gohar) were quoted as having taken a stand at variance with Mr. Hammarskjold's understanding of the UAR position.

In response to Mr. Wilcox's inquiry about the total number of refugees now registered with UNRWA, Dr. Davis replied that there are about one million, although not all of these receive rations. In an exchange about the possibility of rectifying the refugee relief rolls, Dr. Davis conjectured that such an operation would probably not result in a significant reduction. There are, for instance, between 120,000 and 150,000 persons illegally on the rolls in Jordan, but there are about 120,000 children who should be added. Seventeen or eighteen per cent of the original Palestine refugees have died in the last 12 years, but the natural increase now is about 30,000 a year. Dr. Davis said that only forty-five per cent of the registered refugees are now in camps and that it is hoped to have all of the refugees in "permanent housing" by the end of this year.

Mr. Wilcox asked whether the younger refugees would take jobs if they could get them. Dr. Davis said that this is indeed the case, although it is very difficult for any of the refugees in the Strip (Gaza)

² Documentation on the conference of Arab League experts, held August 8-18, is *ibid.*, Central File 320.511.

to leave, and the refugees in Lebanon are far from welcome in the local labor market. Due to lack of funds, he added, there are six times as many applications for loans and grants as can be approved. The \$350,000 which is being spent on "self-support" loans and grants in Jordan this year will result in the permanent resettlement of about 90 families.

The question of the correction of the relief rolls was brought up again by Mr. Wilcox and here Dr. Davis emphasized that this is one improvement for which the U.S. should hold out strongly. He believed that it could be presented as a humanitarian matter, in that needy children would be added and that "greedy people" would be taken off the rolls. Dr. Davis said that the Jordanian Prime Minister recently promised UNRWA the death registration lists. Dr. Davis also recommended that the U.S. support an increase in the self-help programs. The new budget would provide \$500,000 for the expansion of the vocational programs and \$1,000,000 for self-help programs in Jordan. Dr. Davis warned, however, that we should not relate these programs directly to integration.

On the question of the turnover of the responsibility for educational administration to the host governments, Dr. Davis stated that the Arabs will resist this if the General Assembly "crams it down their throats." In other words it would be best if this were not included in the UNRWA resolution. Rather, UNRWA could approach the host governments separately and work out with them such a turnover by promising UNRWA subsidies for a certain period of time.

Dr. Davis, in an exchange about U.S. tactics at the General Assembly, advised us not to announce our policy at the outset. We should let the Arabs speak first and even then not react significantly, but rather let the Arab spokesmen think further about the situation. In other words, we should not at the beginning present a convenient target to the Arabs. Later we should push for a correction of the relief rolls and increased vocational training, but present the latter on the basis of aid to individuals and not relate it to integration.

Mr. Wilcox stressed that we are under constant pressure from Congress to secure some meaningful programs on the Palestine refugee matter. Dr. Davis, expressed the belief that Congress should be persuaded it is "buying stability in the Middle East with its contributions to UNRWA." This, said Dr. Davis, is a very valuable asset and is the most that can be expected of UNRWA. Director Davis suggested that we support extension of UNRWA's mandate for the next five years. Then another reappraisal could be made. He said this would conform to the "pattern" already set.

Mr. Wilcox asked for Dr. Davis' views on the current Arab suggestion that UNRWA contributions be put under the regular UN operating budget. Dr. Davis replied that he could not see how the Arabs

could gain by such a move. The ten per cent of the UNRWA which is provided for by countries other than the U.S. and the UK has always been the most difficult to obtain. If this percentage were increased to thirty-five or forty per cent, UNRWA's financial state could not help but be worse. Before Dr. Davis left he remarked that there had been some difficulty about the new UNRWA budget, and implied that he had come from Beirut to see Hammarskjold almost solely about this subject. He stated that the problem had now been solved.

After the meeting Dr. Davis remembered that he had meant to bring up, with Mr. Wilcox and at an earlier meeting with Assistant Secretary Jones,³ the question of UNRWA assistance to the Azazma bedouin. He pointed out that perhaps two thousand of these people had died of starvation in the last year or two, and that there are only six thousand left. Mr. Roberts stated our view that whatever the need of these bedouin and certain other peoples in the area, UNRWA is not the proper vehicle for the administration of aid to them. He added that if UNRWA began to assist this group, a precedent would be set for the expansion of UNRWA's responsibility to hundreds of thousands of other needy people in the Middle East. Dr. Davis suggested as a possibility that the U.S. Government might make available to UNRWA food for the Azazma bedouin. UNRWA would serve only as the distributor, and it could perform this function more efficiently than we could under our direct aid programs.

In this subsequent conversation the Director also remarked that he had solved the budget problem by merely splitting his 1960 budget into two equal parts. He said that the first part would be the regular budget for the first half of the year, and the second would be called an "estimate" of the regular expenses for the last six months of 1960.

F.O.W.

³ Davis presented the same arguments to Jones at the earlier meeting. A memorandum of their conversation is *ibid.*, 320.511/8-2359.

88. Telegram From the Embassy in Lebanon to the Department of State¹

Beirut, August 27, 1959—4 p.m.

693. We believe we are now able to give reasonably accurate assessment of line Arab States will take on Palestine question at UNGA. It is increasingly apparent predictions made to Embassy by Arab League propagandist Fayez Sayegh prior experts conference so far (Embtel 416)² were correct. This is attributable to fact Sayegh did much of preparatory drafting and has been working closely with various delegates, particularly Lebanese. As Department will remember, Sayegh got into act immediately after publication of Hammarskjöld report (Embdes 37)³ with demand for concrete Arab counter-proposal.

Thereafter Sayegh appears to have succeeded in persuading Lebanese Foreign Ministry and President Chehab himself that time was ripe for Arab initiative on Palestine question. Since Lebanon has more to fear from integration than have other Arab States and was severely shaken by SYG report, it was highly receptive to Sayegh concept of counter-proposals. Lebanese mood has become one not only of rejecting integration but of finding means of divesting themselves of Palestinian refugees. In last few days Minister Pierre Gemayel has given open expression to this point of view during exchange with Jordanian Prime Minister Majali conducted through the press.

Lebanese, with Sayegh in wings, have in turn succeeded in infecting rest of Arab League with idea of most intensified campaign in UNGA in recent years. Implication all this, at least as far as Lebanon concerned, is hopeful US support.

Sayegh's motives are not completely clear to us. He may honestly consider himself prophet of new Palestine, but he may equally well be trying to make himself indispensable to Arab League, which he believes has treated him shabbily. Fact remains information he has been giving us has thus far been straight.

Only as in further conversations with Sayegh and various officials Lebanese Ministry Foreign Affairs as well as of local press reports following general points can be made.

¹ Source: Department of State, Central Files, 320/8-2759. Secret. Repeated to Amman, Baghdad, Benghazi, Cairo, Damascus, Jidda, Khartoum, Rabat, Tunis, London, Paris, Tel Aviv, and USUN.

² Telegram 416, August 5, reported that the conference of Arab League experts would probably recommend making the UNRWA budget part of the U.N. general budget or perhaps institute a refugee tax as alternatives to Hammarskjöld's report. (*Ibid.*, 320.511/8-559)

³ Dated July 23. (*Ibid.*, 320.511/7-2359)

(1) Hammarskjold report has provoked Arabs into unwanted display of energy and solidarity and determination to move from defensive to offensive.

(2) While normal tendency Arab States to fall out can not be entirely discounted, it now seems likely Casablanca conference⁴ will endorse AL experts findings and that Arabs will go to UNGA with certain concrete proposals.

(3) Most important elements in proposals are, apart from rejection of Hammarskjold report, to get start in direction of implementing UN resolutions which have not been heeded by Israel and to press for placing UNRWA on regular budget of UN. First element will take form of demand for UN custodial team to safeguard Arab property in Israel and for revival and strengthening ME conciliation commission. Should this prove unsuccessful Arabs will then declare they have borne Israel's flouting of UN resolutions long enough and now consider themselves free to act as they see fit. We are not clear what implications this maneuver are, nor are we sure Arabs themselves are clear. One obvious implication is preparation for war, but we have no indication this in fact being discussed. Second will if necessary be backed by area threat to take over UNRWA and support it through "refugee tax". This would take form of levy on ships transiting Suez Canal or tax of one-half cent per barrel on all oil produced in Arab world. Continuation of mandate if UNRWA under present financing for "reasonable" time (Edwart Rizk of Lebanese Foreign Ministry mentioned five years) would also be acceptable to Arabs, although they would insist UNRWA be divorced from all integration implications—i.e., that Hammarskjold report be disavowed by UNGA or withdrawn by SYG. Arabs fully aware placing UNRWA on regular UN budget would reduce US contribution from 70 percent to 30 percent (Rizk thought this would be attractive to US). Reasoning is that this would relieve them of uncertainty and of being "at mercy" contributing states. They also seem believe they could save some millions of dollars by drastically reducing international staff.

While most of results of experts conference have leaked to local press, foregoing key points have only been hinted at. However, neither Sayegh nor Rizk has hesitated to discuss them with us. As matter of fact, Sayegh, with or without blessing of league, is embarked on publicity campaign in which these concepts are alluded to but without stating that they are already part of experts report. As noted in Embassy telegram 659,⁵ he is probably behind articles in Beirut press insinuating US and UK trying to force six month budget for UNRWA on agency and UN. Purpose of Sayegh's campaign is to prevent loss of interest before UNGA convenes.

Sayegh states so far program accepted with enthusiasm by Iraq, Jordan, Saudi Arabia, and Lebanon. Others, including UAR, less enthusiastic but all endorsed report. Rizk has told us speculation that

⁴ Reference is to the Arab League Conference scheduled to begin September 1.

⁵ Dated August 25. (Department of State, Central Files, 320.511/8-2559)

Jordan and UAR were taking softer line on Hammarskjold report misleading. They were, he said, 100 percent with others in rejecting report.

Apart from fundamental approach noted above, there is obviously still disagreement among Arab states on some very important issues. Controversy over concept creating provisional Palestinian Government is one such. Embassy has been approached by Palestine refugee group soliciting US support for plan involving creation of state prepared to live at peace with Israel if Israel will accept UN partition lines. This being reported separate telegram.⁶

Before and during Sofar Conference Lebanon has been consistently taking initiative. It is to be anticipated this will be repeated at Casablanca and at UNGA. Rizk has asked us to display understanding should Lebanon take extreme position in UNGA. [4½ lines of source text not declassified] He also stated that President Chehab himself is strongly behind new Arab initiative in pressing for solution Palestinian problem.

There can be little question but that Lebanon would welcome anything which would solve her own particular problem. Rizk has admitted to us, however, that there is no possibility of taking separate line from Arab League now.

Just what Lebanon—or any Arab state—hopes to achieve through program outlined above is difficult to say. There appears to be genuine hope on part of Lebanon and possibly of other states that Israel may be ready to make some concessions (Embtel 605)⁷ and that Arab initiative now could possibly lead to eventual solution of Palestinian problem. Failing this, idea seems to be to safeguard self-esteem and make play for public opinion by coming back with something which could be called victory. Noisy rejection of Hammarskjold report is one such measure. Denunciation of UN resolutions on grounds Arabs have waited patiently for ten years for Israel to honor her commitments is another. Getting UNRWA on regular UN budget or taking it over from UN entirely would be still another.

In any event, we are convinced we should be prepared for most active assault on Palestinian problem in recent years. Cairo's 543⁸ to

⁶ Telegram 692 from Beirut, August 27. (*Ibid.*, 320.511/8-2759)

⁷ Telegram 605, August 20, reported that the Director of the Political Section of the Lebanese Foreign Ministry had given the impression that the Arabs were searching for a *modus vivendi* with Israel. (*Ibid.*, 320.511/8-2059)

⁸ Telegram 543, August 22, reported the Egyptian view of the experts' conference and speculated that the Arabs had "something up their sleeve" with respect to UNRWA for the forthcoming U.N. General Assembly session. (*Ibid.*, 884.411/8-2259)

Department would seem bear this out. While Lebanese impetus may still be checked at Casablanca, they and Sayegh have already gone far in preparing and selling the case they wish to make.

McClintock

89. **Memorandum of a Conversation, Foreign Office, London, August 28, 1959, 4:30 p.m.**¹

US/MC/6

PARTICIPANTS

United States

Secretary of State
Ambassador Whitney
Mr. Gates
Mr. Merchant
Mr. Irwin
Mr. Berding
Mr. White
Mr. McBride
Mr. Burdett

United Kingdom

Foreign Secretary Lloyd
The Rt. Hon. David Ormsby-Gore
Ambassador Caccia
Sir Richard Powell
Sir Frederick Hoyer Millar
Sir Patrick Dean
Mr. C.P. Hope
Mr. J.G.S. Beith
Mr. D.S. Laskey
Mr. K.M. Wilford

SUBJECT

IBRD Loan to Egypt and Israel Transit of Suez Canal

Mr. Lloyd raised the question of Israel transit of the Suez Canal saying the Israelis appeared to have three choices: (1) to throw in the sponge to Nasser; (2) to go to war; (3) to appeal to the UN. The last appeared most likely. However, if Israel went to the Security Council it could not expect much help. Israel must also realize that a General Assembly debate would not result in a satisfactory resolution. Perhaps Israel would ventilate the matter in its opening speech at the General Assembly. Mr. Lloyd hoped the UK would speak before Israel so that he would not be obliged to start off with statements on freedom of transit. However, in a subsequent speech something might be said on the subject.

¹ Source: Department of State, Conference Files: Lot 64 D 560, CF 1449. Secret. Drafted by White and Burdett and cleared with Merchant. A summary of the conversation was transmitted to the Department of State in Secto 24, August 29. (*Ibid.*, 886B.10/8-2959) Secretary Herter accompanied President Eisenhower on his visit to Paris, Bonn, and London, August 26-September 7.

In Mr. Lloyd's view real trouble would arise if Israeli transit of the Suez Canal came up in the UN at the time IBRD approval of a loan to the UAR for improvement of the Canal was announced. Inevitably there would be a strong public reaction in the UK. The UK would be asked why it was giving money to Nasser when he was behaving badly on the transit issue. Mr. Lloyd assumed that there would also be a reaction in the United States fostered by the Zionist press. The US and UK would be placed in an almost untenable position.

The Secretary stated that he was not up to date on the present status of this matter. At his request Mr. Burdett explained that the US believed it would be politically inadvisable for the Bank to attach to a loan conditions about the Israel transit issue. Except for the question of Israeli transit the UAR had been behaving satisfactorily in its operation of the Canal. The political issue of Israeli transit might perhaps best be handled by the UN. Mr. Herter said he doubted the question of transit could be dealt with effectively by the UN. Israel is also at fault on the Palestine problem and this of course would be brought out in any UN discussion.

Mr. Lloyd continued that the last thing the UK wanted was to give anyone the impression that it was trying to block a loan to Egypt for Suez Canal improvement. This would run completely contrary to UK efforts to improve relations with the UAR. He rather agreed with Mr. Black that it would be a mistake to attach specific conditions to a loan. Perhaps there could be some general statement by Egypt with respect to the Constantinople Convention. What worried him was that announcement of loan and debate on Israeli transit of the Canal at the UN might occur at the same time.

The Secretary commented that in general Egypt seemed to be living up to the Suez Canal Convention. Egypt justified its stand on Israeli transit by the argument that a state of war existed with Israel. Mr. Lloyd remarked that when Egypt took action, it was justified by the claim that "a state of belligerency" existed, but that when the Israelis so acted, it was "aggression." Mr. Burdett mentioned that Israel might be persuaded to give the "practical" arrangements worked out by Mr. Hammarskjold a trial run. Mr. Lloyd said this would be difficult in view of the public rejection of the Egyptian proposals by the Israeli Foreign Minister.

Mr. Lloyd expressed the opinion that we might be heading towards trouble over the Gulf of Aqaba. He said that if the Egyptians blockaded Aqaba, Israel would go to war. The Secretary said he was more worried over action that Saudi Arabia might take. It would be easy to place guns at the entrance of the Gulf and fire on Israel shipping. Mr. Lloyd thought that in this case also Israel would fight.

The Secretary expressed doubt. He added that trouble over Aqaba would place the US in a most difficult position since it has taken the position that the Gulf comprises international waters.

Referring to the IBRD loan, Mr. Herter suggested that if a rumpus arose at the UN at the time the loan was being considered, it might be possible to get the Bank to postpone a decision. However, Egypt might press for conclusion of the agreement. In response to a question Mr. Burdett said our latest information was that the loan might come before the IBRD Board in September. Mr. Rucinski was completing technical negotiations in Cairo. Egypt had announced that agreement had been reached but the IBRD had countered that the statement was premature. Mr. Burdett said he understood Mr. Kaissouni was expected in the United States in September at which time he might press for conclusion of the loan agreement.

Mr. Lloyd alleged that handling this problem with the IBRD was "your baby." The Secretary rejoined that it was a joint problem. Mr. Lloyd inquired about the attitude of France but no definite information was available at the meeting.

Mr. Lloyd again asked where the loan now stood in the Bank. He had understood from Mr. Black that the Bank would not extend the loan prior to a solution of the *Inge Toft* case. Mr. Lloyd inquired whether it would be possible to obtain from the Bank a precise timetable of the handling of the loan. Mr. Herter said he thought this could easily be done and undertook to do so. He added that discussions with the IBRD of the connection between the loan and Israel transit of the Canal was a delicate matter which might be handled best by private talks with Mr. Black rather than through telegraphic exchanges.

The Secretary asked Mr. Lloyd how the UK would vote on the loan when it came before the IBRD Board. Mr. Lloyd replied that he could not give an answer at this stage. It would be disastrous to have to vote negatively when the UK was trying to coach Nasser back to normal relations. It would be better if the Bank decision were not taken in September.

90. **Telegram From the Mission at the United Nations to the Department of State**¹

New York, September 17, 1959—7 p.m.

375. Re: Mt. Scopus, Deptel 241.²

1. We saw Bunche to inquire about "unconfirmed report" of Jordanian intention starting September 18, to fire on Israeli patrols in Solomon's Garden area. Bunche replied this unfortunately not "unconfirmed report". He then showed us cables from Von Horn reporting his conversation with Jordanian Minister Defense September 10, text letter from Jordanian Defense Minister Sept 14, and text letter Von Horn sent Jordanian PriMin presumably Sept 15.

2. Sept 10 Von Horn saw Jordanian Minister Defense at latter's "urgent request." Defense Minister told Von Horn lull in Israeli patrolling of Solomon's Garden area had ended with Israeli patrols on 1st, 3rd, 5th and 6th of Sept. Defense Minister said Jordan could not continue tolerate such activity. UN could have week, that is through Sept 17, to attempt end patrols by diplomatic means. Unless something accomplished by Sept 18 Jordan would be forced to "ultima ratio" and army would fire on Israeli patrols.

3. Subsequently, on Sept 14, Minister Defense sent letter to Von Horn restating position presented on 10th even more categorically judging from language of Von Horn's reports. Also Sept 14, Von Horn cabled SYG text letter Von Horn proposed send to Jordanian PriMin. Key paragraph in two-page letter says that unless Jordan changes its decision on military action Von Horn will have no choice but to bring decision to SYG's attention for transmittal to Security Council since military action by Jordan will be military action violation SC's unconditional cease-fire resolutions. (With small alteration in text, Hammarskjold on same day, September 14, authorized Von Horn to send letter to Jordanian PriMin.)

4. Bunche estimates Jordanian PM received Von Horn's letter September 15. So far no reply has been received from Jordanians. Israeli patrol action tomorrow unless PM withdraws or alters virtual ultimatum contained in Defense Minister's letter of September 14.

5. If shooting incident occurs tomorrow or if a reply comes from Jordan which does not indicate change from Defense Minister's position, Bunche expressed view SYG will have no choice but to report

¹ Source: Department of State, Central Files, 684A.85/9-1759. Confidential; Priority. Repeated to Tel Aviv and Amman.

² Telegram 241 asked the USUN to call to the attention of Bunche or Cordier an unconfirmed report that Jordan would fire on Israeli patrols on Mt. Scopus if they had not been stopped by September 18. (*Ibid.*, 684A.85/9-1059)

present problem and its background to SC. Bunche made it clear that utterly "unnecessary" provocative and "politically motivated" character Israeli patrolling would emerge from any such report by SYG.

6. Bunche said he, Cordier and SYG have all at various times in recent months told Israelis their patrolling activities at night on road to Issawiya Village and in vicinity Solomon's Gardens were unnecessary irritants inevitably leading toward trouble. He said when such comments made to Israelis in times of relative quiet, Israelis retorted in effect "What are you concerned about? These areas are quiet. You are only trying to stir up trouble." When such approaches made to Israelis during times of tension, Israeli retort had been, in effect, "you are acting as agents of Jordanians in trying to get us to change under pressure of threatened use of force."

Bunche said in reply to our question he thought it useless for SYG to approach Tekoah or FonMin Meir (now in New York) on this question. He said Meir would only blow up at SYG for acting as agent of Jordanians in trying to get Israelis to back down under threat of force.

8. Bunche had some hope Von Horn's letter to Jordanian PM might still ease tension. However, he expressed strong hope our Ambassador Tel Aviv approach Israeli Government urging end to patrolling at Issawiya and Solomon's Gardens; at same time Bunche suggested our Ambassador in Amman could approach Jordanian Government urging against military action.³

Wadsworth

³ In telegram 445 from Amman, received in the Department of State at 3:30 a.m., September 18, the Embassy reported that following a conversation with Von Horn during the morning of September 17, the Jordanian Government had withdrawn its ultimatum. (Telegram 445, September 17; *ibid.*, 684A.85/9-1759)

91. **Memorandum of a Conversation, Department of State,
Washington, September 29, 1959, 2 p.m.**¹

SUBJECT

Israel's Arms Requirements

PARTICIPANTS

The Secretary

Mrs. Golda Meir, Israel Foreign Minister

Mr. Avraham Harman, Ambassador, Embassy of Israel

Mr. Yaacov Herzog, Minister, Embassy of Israel

NEA—G. Lewis Jones

NE—William L. Hamilton

Mrs. Meir said that Prime Minister Ben Gurion had asked her to use the opportunity presented by this appointment to raise the question of Israel's arms requirements, details of which the Embassy would supply later. The problem was developing in an increasingly serious form. Israel, like any democracy, could not devote all of its resources to security but must give adequate attention to education, health, and other social services. It was surrounded by neighbors, particularly the UAR, which are under no such limitations. While Israel is obliged to make full payment for anything it procures, the UAR obtains from the Soviet Union anything it desires at perhaps one-third of the market value and on the basis of long-term credits at low-interest rates. The UAR was little troubled by the social welfare of its people but could, if necessary ask the Soviet Union to alter the terms of arms deals to permit a small portion of UAR resources to go to social services.

She said that Israel did not hope to match the UAR quantitatively but felt that it must keep abreast in a qualitative sense, especially in certain major categories. It must have a combat plane as good as the UAR's best, a tank as good and, now that Egypt has acquired a fleet of nine submarines, Israel must strike a balance there also. During the last three years, she said, Russia has supplied to the UAR 250 MIG-17 fighters; 50 Ilushyn bombers; nine submarines, eight of which are the long-range W type; 530 T-34 tanks, 70 T-54 tanks; and artillery of all kinds for a total value of \$500 million.

¹ Source: Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199. Confidential. Drafted by Hamilton on September 30 and approved by Herter on October 6. See also *infra*. A third memorandum of this conversation, regarding Khrushchev's visit to the United States, is not printed. (Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199) A briefing paper for the meeting, September 28, is *ibid.*, Central Files, 784A.13/9-2859. A summary of the conversation was transmitted to Tel Aviv in telegram 278, September 30. (*Ibid.*, 784A.56/9-3059) Meir was in the United States to attend the U.N. General Assembly.

She recalled that in August 1958, the late Secretary Dulles in a letter to Prime Minister Ben Gurion had said: "We believe that Israel should be in a position to deter an attempt at aggression by indigenous forces, and are prepared to examine the military implications of this problem with an open mind."² The Secretary's words had encouraged the Israelis to submit a request for assistance, involving both procurement in the United States and elsewhere on those items which the United States had declined to supply.

The Secretary pointed out that we had opened a line of credit; had permitted Israel to shop with United States industry for a wide range of equipment; and that the GOI had been able to obtain heavy equipment elsewhere; for example, tanks from Great Britain.

Mrs. Meir agreed but went on to say that the financial pinch had made it impossible for Israel to take full advantage of these opportunities. It had been unable to buy all of the tanks Britain had been able to offer. The same was true of material the United States had been prepared to license for export. Even now Israel had not purchased all that the United States had authorized it to buy from private sources.

Mrs. Meir argued that the Israel Defense Forces, in their present state of effectiveness, are the strongest deterrent to trouble in the area. Her Government remains convinced, however, that when the Arab states believe that the balance has tipped in their favor, they will not hesitate to attack Israel. Israel is unique, she said, in being beleaguered by superior numbers and yet has no ally to whom she can turn for arms or security treaty relationships. In the circumstances, she hoped the Department could make a favorable reply to the request it would receive from the Embassy.

[1 paragraph (2½ lines of source text) not declassified]

The Secretary told Mrs. Meir we would review the details of their problems as sympathetically as possible but reminded her that it has been our policy to supply to Israel only nominal quantities of purely defensive items, believing that Israel's major requirements should be obtained from sources which have now become traditional.

² Document 32.

92. Memorandum of a Conversation, Department of State,
Washington, September 29, 1959, 2 p.m.¹

PARTICIPANTS

The Secretary

Mrs. Golda Meir, Israel Foreign Minister

Mr. Avraham Harman, Ambassador, Embassy of Israel

Mr. Yaacov Herzog, Minister, Embassy of Israel

NEA—G. Lewis Jones

NE—William L. Hamilton

Mrs. Meir reviewed briefly Israel's efforts to obtain support from UN delegations for the concept of freedom of passage through the Suez Canal, particularly for Israel. She said that when all delegations have spoken in the General Debate, 18 or 20 will have supported the proposal, with or without reference to Israel. Israel does not hope to improve that total very much because its obligations to support France on the Algerian question preclude special solicitation of support among those African or Asian countries otherwise uncommitted. The question confronting Israel, she said, is what step should be taken next.

The Secretary commented that he saw no course presently open except continued reliance on the Secretary General whose renewed efforts might be strengthened by the references to the issue in the UNGA General Debate.

Mrs. Meir registered doubt as to the efficacy of the Secretary General's efforts and said that she believes her Government would continue to press the matter, adding that the Israel Cabinet probably would want an appeal to the Security Council despite the inevitability of a Soviet veto. She hinted strongly that new cargoes would leave Haifa under the same circumstances as the *Inge Toft*, which she observed has now been detained at Port Said since May, and that there might develop a whole string of detained ships at Port Said.

Mrs. Meir said that not only is Israel greatly concerned with preserving its developing trade with the Far East but it is very much afraid that Nasser's success in blocking Israel at Suez will tempt him to make the Straits of Tiran his next target.

The Secretary asked Mrs. Meir if either Nasser or the Saudis had manifested any interest in the departure through the Straits of the frigates which Israel had sold to Ceylon. Mrs. Meir replied in the negative but said Nasser would be seeking new ways to enhance his

¹ Source: Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199. Confidential. Drafted by Hamilton on September 30 and approved by Herter on October 6. See also *supra*.

prestige sooner or later. Eilat would be a logical target. She said one move by Nasser toward Eilat would bring an automatic reaction from the Israelis who would move in the manner of which the world had been warned in March 1957 (presumably a reference to Mrs. Meir's speech to the General Assembly on March 1, 1957² in which Israel threatened military measures).

A discussion ensued on the possibility of Eilat as an alternate route to the Far East. Mrs. Meir said that Eilat can be used as a port of exit for potash and phosphate from nearby works in the Negev, but it would be folly to consider transporting cement from northern plants, including the largest near Haifa. Government subsidies would have to be so great that such trade would bear no relationship to the economic facts of life.

² For text of this speech, see U.N. Doc. A/PV.666, pp. 1275-1279.

93. Memorandum of a Conversation, Department of State, Washington, October 1, 1959, 4 p.m.¹

SUBJECT

Israel's Water Requirements

PARTICIPANTS

The Under Secretary

Mr. Levi Eshkol, Israel Minister of Finance

Dr. Yaacov Arnon, Director General, Israel Ministry of Finance

Mr. Avraham Harman, Ambassador, Embassy of Israel

Mr. Aryeh Manor, Economic Minister, Embassy of Israel

NE/E—Enoch Duncan

NE—William L. Hamilton

Mr. Eshkol said he had decided to use the opportunity presented by this conversation to emphasize Israel's need for water as the key factor in their agricultural and industrial development plans as the country begins its second decade. Israel has reached a point at which

¹ Source: Department of State, Central Files, 684A.85322/10-159. Confidential. Drafted by Hamilton and approved in U on October 9. A memorandum of the part of the conversation on an Israeli application for funds for slum clearance is *ibid.*, 411.844A/10-159. A summary of the conversation, transmitted to Tel Aviv in telegram 296, October 9, and a briefing paper for it are *ibid.*, 884A.10/9-2859 and 784A.5-MSP/9-2459.

further progress toward viability depends on its making use of all water available for agriculture and light industry. He urged United States assistance for the proposals outlined in Israel's July 17 note,² now under study in the Department, by which water would be conveyed from the Jordan River basin across the Galilean hills to Israel's coast and thence south to the Negev. He suggested that it is inequitable for the United States to assist Jordan with its diversion of Yarmuk River water, via the East Ghor project, without providing comparable assistance to Israel. Furthermore, he said, the Yarmuk project carried a potential for serious trouble if in drought periods Israel farms in the "triangle," dependent on the Yarmuk, are deprived of traditional water because of expanded Jordanian usage. The United States, he said, has accepted Jordan's assurances that Jordan would share the deficiency with Israel in drought periods. He asked if Jordan is more to be trusted than Israel, referring to a statement in the Department's May 7 note³ that Israel's Tiberias project could not be separated from its planned projections. Mr. Eshkol seemed to infer that the United States trusted Jordan not to exceed an agreed quota but was not prepared to repose equal confidence in the Israelis.

He asserted that while Jordan could begin taking water from the East Ghor in 1960, it might be as much as four years before Israel would be in a position to take water from Tiberias even if the United States were to lend immediate assistance. He urged an affirmative answer from the United States to the latest Israel note on the question.

Mr. Dillon recalled the question raised in the United States May 7 note as to the compatibility of the Israel proposals with the Johnston Plan. He said that the amplified study contained in the latest Israel note is being given the most careful consideration by this Government. Difficulties remain and the Department's reply is still not formulated. However, Mr. Dillon said, the Department should be able to respond fairly soon.

Mr. Eshkol then turned to a brief exposition of Israel's request for \$12 million of DLF loan for the "central conduit project." He explained that this is a pipe of nine-foot diameter which would be constructed initially to carry water of purely Israel origin from the Haifa area in the north to the headworks of the Negev pipeline near Tel Aviv. Eventually, he said, it would be linked with the system which would convey water from the Jordan River to the coastal plain.

The Under Secretary said that he knew of this application but that our consideration of it had just begun.

² See footnote 6, Document 85.

³ See footnote 2, Document 78.

94. **Memorandum From the Assistant Secretary of State for Near Eastern and South African Affairs (Jones) to the Director of the Office of Near Eastern Affairs (Meyer)**¹

Washington, October 5, 1959.

SUBJECT

Israel's Water Problem

Mr. Dillon invited me to come to his office following the Secretary's staff meeting today. He raised with me the following:

The recent call of Mr. Eshkol² upon him had been the occasion for an impassioned plea for the United States to do something about water for Israel.

Dillon said "we cannot hold to our present policy indefinitely". Dillon continued that he has two specific things in mind: the first was the Beit Shean conduit and the second was a DLF project to help "some phase" of the 108 inch pipe project to use excess ground water in Galilee.

Dillon said that he was aware that the Israeli Government had sent us a note and that a negative reply in draft was being worked on by NE. He thought this reply should be "looked at carefully" in the light of the necessity for doing something about water for Israel. He said that one way or another we should make it known to the GOI there is no "political objection to these two projects".

Dillon said that he has in mind the trouble likely to break out at the other end of Pennsylvania Avenue if we go ahead with the Suez Canal loan without something corresponding for Israel. The ETA of the Suez Canal loan was, Dillon thought, about November 15. If about the same time we could promise the Israelis favorable action with regard to part of their water plans one action would balance off the other.

The action rests with NE and NEA.

Note: Please consider carefully, and if you agree, draft a telegram to Cairo, rptd info Tel Aviv and Amman outlining what we propose to do on these two problems.

Please also reexamine our reply³ to the GOI note.

¹ Source: Department of State, NEA Files: Lot 61 D 43, Tel Aviv. Confidential. Drafted by Jones and sent through Hart.

² See *supra*.

³ Not found.

95. **Telegram From the Department of State to the Embassy in Egypt**¹

Washington, October 15, 1959—5:33 p.m.

1516. In informal conversation New York October 13, Eric Johnston broached with UAR FonMin Fawzi subject Jordan water development. Referring to highly constructive attitude displayed by President Nasser and Egyptian officialdom during 1953-55 when virtual technical agreement reached re unified Jordan valley plan, Johnston pointed out that in interest of protecting their riparian interests Arabs would be well advised to agree to equitable distribution Jordan waters before it too late.

Stating he himself had been on verge calling Johnston to discuss Jordan water development, Fawzi emphasized Nasser keenly interested in development all Arab resources, not only oil (re which he said there has been recent discovery in Syria as well as North Africa) but all other resources including water. Fawzi cited his own recent visit to Ghana where development of Volta River is of key importance. He felt Arab capabilities for developing their resources very good and cited UAR management of Suez.

Fawzi went on to indicate regret that "noisy minority" blocked Jordan agreement in 1955. He said and repeated later that Arab people must be made to realize that they have choice either of "slogans or water". He expressed personal view that some quiet piecemeal approach to Jordan development appeared offer best hope and recommended that any future discussions not be held by group such as Arab League but on individual country basis.

With reference to possible Jordan talk with Nasser in manner which Nasser might judge most appropriate, Fawzi urged such talk not be delayed, and possibility first week in November mentioned. He said he would telegraph Nasser and would report back to Johnston Nasser's reaction. Johnston expressed his belief it preferable that visit if made be kept as unpublicized as possible and Fawzi agreed.

Fawzi said that while on surface UAR-HKJ relations had improved there still existed some mistrust underneath surface and contact between them limited. Thus he wondered what HKJ attitude might be toward proceeding with unified Jordan development. Johnston referred to discussions he had had with Jordanians during King Hussein's visit to US last spring² during which Jordanians indicated failure to reach agreement in 1955 was mistake and evidenced their

¹ Source: Department of State, Central Files, 685.85322/10-1559. Secret; Limit Distribution. Drafted by Meyer on October 14, cleared with Ludlow, and approved by Jones who signed for Herter.

² See Document 71.

interest in securing arrangements for equitable division Jordan water system. Fawzi said Cairo could handle Syria in working out satisfactory agreement re Jordan system. He thought Lebs so disinterested technically that it best to ignore GOL in any new discussions.

Fawzi expressed concern re holding Israel to Johnston plan terms. Johnston replied that while he could not commit USG to anything specifically, he thought "persuasion" and "public opinion" would be two strong influences on Israelis. Johnston also pointed out that while refugees would benefit from Jordan valley development he continues to hold to view expressed to Arabs in earlier negotiations that Jordan valley plan not designed as the answer to refugee problem.

For Ambassador: Informal letter enroute to you from Lewis Jones³ which may be of use to you should subject of Jordan waters arise in any discussion you may have with Nasser. Department realizes one swallow does not make summer and that Nasser after calculating political risks may reach conclusion it not possible to undertake further steps re Jordan water development. Nevertheless, Department interested in fact that even allowing for Fawzi's tendency toward diplomatic niceties, he not only did not rule out discussion with Nasser but seemed genuinely to welcome prospect. Johnston indicated his approach entirely personal, but at same time expressed confidence President and other USG officials continually interested this problem. He carefully pointed out however that no funds on hand and any USG financial assistance could only come if President made recommendations to Congress and Congress responded favorably.

Herter

³ Not found.

96. **Memorandum of a Conversation, Department of State,
Washington, October 19, 1959, 4:45 p.m.**¹

SUBJECT

Israel Government Interest in Damascus Trial of Six Syrian Jews

PARTICIPANTS

H.E. Mr. Avraham Harman, Israeli Ambassador
Mr. Yaacov Herzog, Minister, Israeli Embassy

The Under Secretary for Political Affairs

NE—Nicholas G. Thacher

NE—William D. Brewer

Ambassador Harman said that he had just received an oral message from Foreign Minister Meir to the Secretary. Under Secretary Murphy commented that the Secretary had asked him to receive the message in view of Governor Herter's absence from the city. Ambassador Harman then referred to two conversations which Minister Herzog had had with Deputy Assistant Secretary Hart on this question in the past week² and said that Mrs. Meir was grateful for the interest which the Department had already shown in this question. However, she expected the trial to be concluded on October 21, following a brief defense presentation. Despite the doubtful nature of the charges, Mrs. Meir feared that the death sentences would be approved by the court and the executions carried out almost immediately thereafter. She had accordingly requested Secretary General Hammarskjold to do what he could with the UAR to ameliorate the prospective sentences. However, there continued to be concern and very great public excitement in Israel over this question. Mrs. Meir said she had so far refrained from public comment on the issue but this had placed an added responsibility on her to explore all possible means of ameliorating the prospective sentences. She therefore requested that the full moral pressure of the United States be brought to bear on this question.

Ambassador Harman commented that, while the foregoing comprised Mrs. Meir's message, he wished also to emphasize that the current trial had caused concern in Israel particularly among families of Syrian origin. If death sentences were passed and carried out, the feeling of tension in the country on this question would be increased. He therefore suggested the Department communicate with UAR For-

¹ Source: Department of State, IO/UNP Files: Lot 79 D 215, Palestine—General. Secret. Drafted by Brewer on October 22 and approved by M on October 26. A briefing paper for the conversation, October 19, is *ibid.*, NEA/NE Files: Lot 65 D 5.

² Herzog discussed the question on October 14 and 16. A memorandum of the latter conversation is *ibid.*, IO/UNP Files: Lot 79 D 215, Palestine—General; a briefing paper for the former is *ibid.*, Central Files, 611.84A/8-1459.

eign Minister Fawzi on this question and ask Ambassador Hare to raise the matter personally with the President of the UAR. Mr. Murphy inquired what Ambassador Harman thought we might say in such circumstances. Ambassador Harman replied that he supposed one would say one did not wish to intervene in President Nasser's affairs but would like to point out that carrying out the sentences demanded by the prosecutor would have repercussions throughout the world, including the United States, and would hardly be likely to improve the current atmosphere surrounding Near Eastern questions. He asserted that Israel had handed down no death sentences against Arabs, much less carried them out, even in cases involving *fedayyin*. Mr. Murphy noted that it was an assumption that the Damascus court would approve death sentences for the accused, since the matter was still sub judice. This made it doubly difficult for action to be taken. We were, however, sympathetic, and he had discussed the problem with the Secretary the previous evening in an effort to work out steps which the United States might take which would be effective, not counterproductive.

Mr. Herzog noted that, with respect to the sub judice argument, the sentences had not yet been passed, and the prosecutor could presumably in his summation modify his earlier request for the death penalty. Ambassador Harman observed that the defendants had been accused of attempting to expatriate themselves to Israel and of seeking to join the Israel Defense Force. Presumably the prosecutor could present proof of attempted expatriation but not of intention to join a foreign army. It might be easier to obtain modification of the prosecutor's request now rather than to seek clemency for the accused after the death sentences had been pronounced. Ambassador Harman recalled in this connection the difficulties experienced several years ago in the case of several Egyptian Jews sentenced to death in Cairo for espionage. Mr. Herzog remarked that it might be helpful in any communication with President Nasser to note that he had, in a recent press interview, declared as a matter of policy that the UAR opposes bloodshed and executions. Evidence that this was not the case would cause serious repercussions throughout the world as well as in the Near East. Hope could be expressed that President Nasser might find a way to ameliorate the sentences on humanitarian grounds.

Mr. Murphy agreed but said that we feared such action might prove harmful to the accused by arousing resentment on the part of UAR officials who would then make greater efforts to carry out the maximum sentences. The best channel for the present seemed to be the UN Secretary General who was actively working on this problem. We had conveyed our support of his endeavors. At the same time we had also given Ambassador Hare full discretion to take whatever ac-

tion he might deem helpful in the circumstances.³ Ambassador Hare was on the spot and was therefore the best judge of what might be useful. Ambassador Harman should inform Foreign Minister Meir that the Department desired to be as helpful as possible on this matter, that we wished to avoid the development of a nasty, emotional situation but that we sought to avoid actions which [would make] the situation worse. Mr. Herzog again referred to the possibility that death sentences might be passed and carried out soon after October 21. Mr. Murphy felt that such action would be extremely summary. Mr. Brewer observed that, according to our Consulate General in Damascus, the trial had begun on August 30 and the prosecution had not completed its presentation until October 4. Mr. Murphy commented that, in these circumstances, it would appear most unusual for the defense to be given only a few hours for its presentation. We would hope to have comments from Ambassador Hare shortly and meanwhile would send another telegram to Cairo authorizing our Embassy to inquire informally of President Nasser regarding the status of this matter.⁴

³ The instructions to Hare were transmitted in telegram 75 to Aleppo, October 16. (*Ibid.*, 886B.411/10-1659)

⁴ On October 21, the Embassy in Cairo reported that the message had been passed to Nasser. (Telegram 1228 from Cairo; *ibid.*, 886B.411/10-2159)

97. Memorandum of a Conversation, Department of State, Washington, October 26, 1959¹

SUBJECT

UNRWA Item at 14th General Assembly

PARTICIPANTS

Ambassador Nadim Dimeshkie, Lebanon
 IO—Woodruff Wallner
 UNP—William I. Cargo
 NEA—James M. Ludlow
 UNP—Stephen E. Palmer, Jr.

¹ Source: Department of State, Central Files, 320.511/10-2659. Confidential. Drafted by Palmer on October 27. On October 26, the Jordanian Foreign Minister, who was in the United States for the U.N. General Assembly session, held a brief but similar conversation with Herter. A memorandum of their conversation is *ibid.*, 884.411/10-2059.

Note: Ambassador Dimeshkie endeavored to call upon Under Secretary Murphy for a "very important talk" about the Palestine refugees. The Ambassador claimed to have urgent need for the definitive US position on this item.

The Ambassador commenced by stating that there were variations in the Arab countries' appraisals of the US position on the UNRWA item. Some have pessimistic interpretations of our attitude; some are more optimistic. At a recent Arab delegation meeting, there was so much disagreement about this point that it was decided to seek the Department's stand directly. Can the US and the Arabs agree on a pleasant solution? Will the US agree to the continuation of UNRWA, or not? If the US does agree, how would it be continued?

Mr. Wallner replied that we have not yet decided upon our final position. We realize that there will be a Palestine refugee problem after June 30, 1960, and we certainly do not expect that the refugees will be left to starve after that date. However, we certainly hope that some progress in getting at the roots of the refugee problem can be made; that some good ideas will come out of the debate. We must keep in mind the views of Congress on this matter.

The Ambassador inquired if the US would support or oppose the Hammarskjold Report. Mr. Ludlow observed that apparently the Arabs, in their letter of October 6, had rejected the SYG's recommendations. The Ambassador denied that this was the case. Mr. Cargo commented that it was his impression too that the letter constituted a rejection of the Report. The Ambassador explained that the Arabs had accepted the "only operative" portion of the Report, i.e., paragraphs 1 and 2 which called for the continuation of UNRWA. The Arab letter had disputed only some of the assumptions on which the SYG's extensive economic analysis was based.

Ambassador Dimeshkie suggested that there was no point in having a bitter discussion of the UNRWA item this year. Why could not a simple resolution be tabled, calling for the extension of UNRWA as suggested by the SYG, and making unnecessary a prolonged, political debate?

Mr. Wallner pointed out that the contributors' enthusiasm for the UNRWA program wanes as year after year goes by without progress. The Ambassador asked if the US had any concrete proposals. Mr. Wallner replied that we are looking for new ideas from the States in the region directly involved. Ambassador Dimeshkie retorted that the US, not the Arabs, has influence with Israel; if we want progress we should insist that the Israelis carry out UN resolutions on Palestine. The Ambassador expressed appreciation of how difficult it would be for the US to deal thus with Israel. The Arabs too hope for real progress, just as does the US. The US evidently believes it cannot make substantial concessions; neither does Israel, and neither do the

Arabs. Therefore, it seems obvious agreement should be reached upon a stop-gap, compromise measure; i.e., the continuation of UNRWA. It was in order to reach mutual agreement on this realistic basis that the Ambassador had called.

Mr. Cargo recalled the practical problems posed by our having to answer critics of the UNRWA program when no progress was evident. The Ambassador implied that we could influence Israel by calling off our aid program. Mr. Wallner replied that a free world economic aid program simply is not run on the basis of turning off aid every time a recipient does not agree with us on an issue.

Mr. Wallner suggested that the Ambassador keep in close touch with USGADel, for the Delegation is fully aware of the Department's views on this item and would be eager to hear any proposals the Ambassador or other Arab spokesmen might have.

Ambassador Dimeshkie asked if it were correct to assume that the US favored the extension of UNRWA's Mandate. Mr. Wallner said that perhaps we would favor an extension and perhaps not, but that certainly the status quo is unattractive to Congress. The Ambassador wondered how the continuation of UNRWA could be made "slightly less unattractive" to the US. He stressed that the status quo is the least attractive alternative the Arabs could possibly accept. UNRWA has worked passably well. Of course it should not be permanent, but as an essential stop-gap, it is the only answer. The Ambassador then averred that he wanted the UNRWA debate to be as devoid of bitterness as possible. He pointed to the improvement of US-Arab relations over the past 6 or 8 months. He was disturbed about any possibility which would prejudice these better relations. Mr. Wallner said that we would not bring any bitterness into the UNRWA debate.

The Ambassador said that if agreement could not be worked out in advance, the Arab delegations would be forced to make strong statements and to "fight with all their means" against any denial to the refugees of their rights under previous UN resolutions, etc. Messrs. Ludlow and Cargo said that the US had no intention of favoring any steps which would prejudice the refugee's basic rights. The Ambassador asked again if the US would "continue the UNRWA rations" after June 30. Mr. Wallner repeated that the problem would not cease to exist after that date, but that the form of aid to the refugees is a question we shall all have to see about, and that we would be interested in the ideas which emerged in the UN discussion.

W.W.

98. **Telegram From the Mission at the United Nations to the Department of State**¹

New York, November 5, 1959—8 p.m.

Delga 349. Re: UNRWA.

1. With UNRWA item expected be taken up about November 10, pre-debate assessment situation here may be helpful.

2. Tactics pursued so far appear have paid off at least insofar as present atmosphere concerned. Arab Dels, while clearly much concerned re future UNRWA and still resentful UN (especially us) responsibility for creation of Palestine problem, in contrast to earlier years, are at least now prepared discuss issue rationally and comparatively unemotionally with us in private. Last year Arabs before our speech concentrated on telling us what not to say and after speech on what was wrong with our position. Contrasting low temperature this year is healthy development which we believe should be encouraged.

3. We have been making clear in numerous corridor discussions what our general approach to problem this GA will be, i.e., deep concern that some progress be made toward fundamental solution of problem, recognition that international assistance for refugees must continue after June 1960 regardless of what form it takes, coupled with indication that we hope states immediately concerned will advance constructive suggestions and we intend wait and hear their views.

4. With exception of Israelis (who, of course, have own interests in suggesting tactics to us), all dels contacted expressed sympathy with present approach. More importantly, there have now been several indications (see Delga 333)² Arabs may be prepared be more forthcoming in statements in debate, even though we must recognize initial round (particularly Shukairy) will undoubtedly involve considerable letting off steam.

5. In view foregoing developments, we convinced desirable continue wait for reasonable time and give at least most Arab States chance express their views in committee before we speak. During this time we would continue maintain present line in discussions outside committee room. Of course, we cannot give final judgment yet as to optimum time for our first intervention, and we probably cannot do so until after first few speeches delivered.

6. In any event, however, as situation has developed thus far, it seems particularly important to us that no matter when first US intervention made, our statement should avoid provocation. We will

¹ Source: Department of State, Central Files, 320.511/11-559. Confidential.

² Delga 333, November 4, reported on conversations with the U.N. Representatives from the UAR, Lebanon, and Jordan. (*Ibid.*, 320.511/11-459)

thereby discourage unnecessary acrimony in debate and not turn debate into struggle between Arabs and us. One of considerations in development UNRWA item should of course be avoidance damage recently improved US-Arab relations.

7. We have not formed final judgment what further tactical moves may be most effective in achieving at least those limited improvements described in SYG report.

8. As reported, our preliminary conversations with UK and Canada indicate they ready to accept mere extension UNRWA. Dept may wish consider approaches either in Washington or capitals in effort assure these two key countries take no steps here which would prejudice our efforts secure maximum possible progress.

Lodge

99. **Memorandum of a Conversation, Department of State, Washington, November 10, 1959¹**

SUBJECT

Arab-Israel Question and Palestine Refugee Problem (Three of three)

PARTICIPANTS

For the United States:

The Secretary

NEA—Parker T. Hart

IO—Woodruff Wallner

NE—William D. Brewer

For the United Arab Republic:

H.E. Dr. Mahmoud Fawzi, UAR

Foreign Minister

H.E. Dr. Mostafa Kamel,

UAR Ambassador

Dr. Fawzi said the UAR desired world peace and no unpleasant surprises in the Near East, whether with respect to Israel or otherwise. The Secretary noted that we had understood the UAR had recently been concerned about the possibility of some Israeli action. We had endeavored to check this as far as possible and could find no evidence that the Israelis were planning to initiate anything. Dr. Fawzi replied that, whether it was with respect to the Jordan River or any other problem, nothing should be allowed to disturb the maintenance of area peace which was useful and vital to the development of the states concerned. The Secretary assured Dr. Fawzi that no one could desire settlement of the manifold Arab-Israel difficulties more than the US.

¹ Source: Department of State, Central Files, 884.411/11-1059. Secret. Drafted by Brewer on November 13 and approved by S on November 16. Fawzi was in the United States for the U.N. General Assembly session.

Dr. Fawzi remarked that the moment did not seem propitious to seek a definitive solution of the Palestine issue. There were two present imperatives: (1) the situation should be kept quiet; and (2) provision should be made for the continued care of the Palestine refugees. The Secretary observed that Congress was increasingly reluctant to approve funds for assistance to the refugees without some indication that progress would be made towards a solution of this problem. The Department would find it difficult this year in seeking additional funds from Congress unless there could be some glimmer of a possible solution. Dr. Fawzi responded that other Parliaments had had the same problem. He had suggested to other representatives that they might suggest to their Parliaments that, pending a final solution of the Palestine problem, the refugees either had to be supported or the situation around Israel's borders would explode. The Secretary recalled that the US had already appropriated more than a quarter of a billion dollars for the refugees, including \$63 million for training and resettlement. UNRWA had made an effort to do more than merely feed the refugees, but so far very little had happened.

Dr. Fawzi expressed the hope that the US delegation would not put difficulties in the way of renewing the UNRWA mandate for a definite period of time. The Secretary observed that the US delegation could not commit the Congress. It was probable that UNRWA in some form would be continued, but Congress might at some point vote no further funds if it were indicated that assistance would continue to be required indefinitely. The Secretary therefore hoped there would be suggestions during the debate regarding a way out of this dilemma. Dr. Fawzi observed that all nations had appropriations problems, but it was sometimes possible to reach agreements in principle for future years subject of course to the availability of funds. The Secretary reiterated that we would like to see some light at the end of the road.

Dr. Fawzi cautioned that any attempt to discuss general aspects of the Palestine question would give rise to more difficulties in the UN. He also felt that any exploration of a possible alternative body to UNRWA would be unhelpful. The Secretary replied that the US had no interest in any proposal whereby the same organization would merely be called by a different name.

Mr. Wallner wondered whether it might be possible to find some intermediate ground between the status quo and a final solution to the Palestine question. Perhaps there might be a move in the direction of integration of the refugees. Some development of this nature would be helpful in connection with the problem the Secretary had outlined. Dr. Fawzi commented that the question had to be looked at from the Arab, as well as the US, point of view. For example, any reference to the word "integration" by the UN would result in attacks throughout the Arab area, with allegations made that the rights of the refugees had

been surrendered. Dr. Fawzi felt that the more modest the proposals put forward, the more realistic would they be. Expressing agreement, the Secretary noted that Congress might nevertheless show a degree of impatience which the Department could not control. Dr. Fawzi observed that the Arabs also had very profoundly entrenched differences but that, in New York, they had been seeking to work out a compromise on the extension of UNRWA, believing five years a better solution than either one year or an indefinite extension. Perhaps the UNGA might decide to take note of the Secretary General's report, and his suggestion that UNRWA be extended, and approve such an extension for a five-year period. Of course, any delegation could independently express the hope that a solution might be found to the Palestine question but any effort to scatter and settle the refugees would create trouble. The Secretary emphasized that the US continued to support the principle of repatriation or compensation for the refugees. Dr. Fawzi observed that the Israelis had recently said publicly that they were ready to negotiate. The Arab reply was that the Israelis should first show their good will by recognizing existing UN resolutions and Arab rights. Once these rights were recognized it would be possible to seek a solution for the Palestine problem. Meanwhile, we should seek to continue cooperation on specific problems.

100. Memorandum From the Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs (Hart) to the Under Secretary of State (Dillon)¹

Washington, November 17, 1959.

SUBJECT

Israel's Jordan Water Project

Discussion:

In discussing Israel's water problem with Lewis Jones following the Secretary's staff meeting on October 5,² you suggested a reappraisal of our attitude toward Israel's program for water resources

¹ Source: Department of State, Central Files, 684A.85322/11-1759. Confidential. Drafted by Meyer on November 4 and revised on November 17; concurred in by Baxter, Ludlow, L, L/NEA, E, ICA, NEA, and L/SFP. A preliminary draft of this memorandum, October 7, which is shorter and has different recommendations, is *ibid.*, NEA Files: Lot 61 D 43, Tel Aviv.

² See Document 94.

development. Specifically, you suggested that we seek to be helpful with respect to: a) the Beit Shean project in Israel; and b) a proposal from the Israelis for DLF assistance to a "Central Israel Water Conduit" project.

We have studied this matter further in the light of your suggestions and have had the benefit of the technical views of Mr. Wayne Criddle, the State Engineer of Utah and water engineer on Eric Johnston's mission. The following observations have emerged:

1. *Importance of Water to Israel.* Israel's Finance Minister recently told an American official who was visiting Israel, "Wherever you go in our country you will be confronted by one word, 'water'". Ground water supplies in Israel are apparently being depleted, while irrigation needs are mounting. In the well-conceived plans for Israel's economic development, the need for water will be increasingly acute, particularly if Israel is to achieve its objective of attaining sufficient economic growth to compensate for the sizable external assistance currently being received from West Germany which is due to terminate in 1963-64.

2. *Conflict between Israel and Johnston Plans.* It is unfortunate that the strenuous efforts of Eric Johnston and the Department to work out a unified Jordan water development plan in 1953-55 did not culminate in success. As you know, Ambassador Johnston achieved general agreement on the technical level. His efforts foundered when his plan reached the political level, notably at the Arab League. It has been our feeling that his efforts were not in vain and that the virtual technical agreement which was achieved is highly valuable and the progress which was made should be preserved.

In a note dated July 17, setting forth Israel's water proposals (Tab B)³ the Israelis indicated to us that "Israel's attitude toward the future implementation of a unified plan such as that discussed by Ambassador Eric Johnston will not be affected by Israel's prior utilization of Jordan water" and that "there will be no difficulty in incorporating the Tiberias-Western Israel project in its entirety within such a unified plan." Our position heretofore has been that by unilaterally proceeding with its ambitious plans for diverting water out of the Jordan basin, Israel would ultimately have the capability for obtaining all waters allotted to it under a unified plan without prior or concomitant guarantees to the other affected states as to the proper allocation or control of the waters of the river system. Having established this position, the Israelis would then have little incentive to negotiate an agreement.

³ None of the tabs is attached to the source text. Regarding Tab B, see footnote 6, Document 85. Regarding Tab C, see Document 95. None of the other tabs has been found. According to airgram G-29 to Tel Aviv, November 20, Hart handed Harman the note (Tab A), which gave the U.S. position as outlined here, on November 19. (Department of State, Central Files, 684A.85322/11-2059)

Since receipt of the Israel note of July 17, plus the receipt from the Israelis on a confidential basis of their master water plan, our position concerning the prejudicing of prospects for an ultimate agreement has been reinforced by a clear analysis that the Israel project, as it is in fact already being constructed, entails a capacity for diverting waters, without any international check or control, at least 25% to 35% in excess of the water allocations envisioned for Israel in the Johnston negotiations.

According to the Johnston Plan, as it is interpreted by Engineer Wayne Criddle, Israel would be allowed to divert 231 MCM from the Jordan basin to Western Israel and the Negev. According to the Israel master plan, 320 MCM's would be diverted, although the diversion in "Stage One" would be only 180 MCM's. Moreover, the actual capacity of the Israel structures is 425 MCM's. There are other divergencies from the Johnston Plan, which, when coupled with the 320 MCM diversion, appear to deprive the Kingdom of Jordan of 124 MCM's or roughly 25% of its water needs as envisaged by the Johnston Mission. It is obvious that there is considerable discrepancy in the Israel and American interpretations of the terms of the Johnston Plan.

The repercussions in the Arab world of our identification with Israel projects incompatible with the Johnston proposals would be sharp. Upon learning about it the various Arab governments and peoples, particularly Jordanian, would bitterly resent what they would consider to be a very partial action, and they would demand redress. The present relatively tranquil atmosphere in the Near East, both with respect to Arab-Israel relations and Arab-American relations, could be expected to become radically altered. It is possible, however, that some advance understanding with the Arabs could be obtained, using the Johnston Plan as our lodestar, which would mitigate Arab reactions. Such understanding might involve an indication of our willingness further to assist Arab projects for developing the Jordan water resources in accordance with the Johnston Plan.

What appears to be a fundamental incompatibility between the Johnston and the Israel water proposals has rendered difficult any consideration to going along with the Israel project as though the Johnston technical plan were already in effect. Besides the excess structural capacity which the Israelis are building, there would be no means of checking or controlling Israel water off-takes as had been provided under the Johnston Plan. For these reasons our conclusion has been that we should not become a participant in the project as proposed by Israel, since it would amount to an undermining of Eric Johnston's endeavors and the plan whose technical features had virtually gained acceptance on the part of all parties. Thus our position until now has been that Israel might proceed on its own, as it is doing

in any case, and that our assistance to Israel should be in alternate fields or at least only in such water projects as would not upset the technical arrangements negotiated by Johnston.

3. *United States Draft Reply.* In accordance with the foregoing considerations, the Department and other interested agencies have produced a draft reply to the Israel note of July 17 (Tab A). In substance it re-states our support for the principle of unified development of the Jordan system and our wish not to see prejudiced the prospects for international agreement or for carrying out the technical arrangements negotiated by Eric Johnston. In a deliberate attempt to avoid being completely negative, the note repeats the suggestion that United States assistance might be available for the Beit Shean project and suggests talks between U.S. and Israel technicians to iron out differences in interpretation of the Johnston Plan.

4. *Beit Shean.* In our opinion, the Beit Shean component, which is common to both the Johnston and Israel plans, is probably of a type which we can support without prejudicing the prospects for future international agreement or without undermining the Johnston proposals. In this respect, it is similar to the East Ghor Canal project in the Kingdom of Jordan which we are assisting. The two projects are also in general similar as to water off-take, utilization within the basin, and expense of construction. Israel argues that the Beit Shean project is being undertaken solely to offset the adverse effects of Jordan's East Ghor diversion. We would be pleased to compare our figures with those of the Israel technicians to see if Israel's fears on this score can be mitigated.

5. *Central Israel Water Conduit.* In apparent anticipation that the United States Government might not wish to identify itself with its plan for diverting ultimately 320 MCM's of Jordan water to western Israel, the Israelis subsequent to their July 17 note have submitted a DLF application for \$12,000,000 to assist with the "Central Israel Water Conduit." The proposal suggests this conduit would be utilized at least in the beginning for moving coastal water resources to the Negev. Since these resources are under 100 MCM's, the Israelis do not, of course, hide the prospect that the conduit will eventually carry Jordan water in accordance with the ultimate Israel water plan. In point of fact, this 108-inch conduit is already being laid. It represents an impressive commentary on Israel's manufacturing and engineering ability. (See Tab E)

We have given thorough consideration as to the possibility of aiding Israel on this isolated and somewhat camouflaged project, including the possibility of DLF financing through an intermediary such as the Israel Industrial Development Bank, to which DLF last year loaned \$10,000,000. Our conclusion continues to be that in view of its involving us in a project which inevitably will not only prejudice

prospects for negotiating an international agreement on the Jordan waters but also could effectively undermine the Johnston proposals, it would be preferable for us not to become so involved. One alternative which has come to mind, subsequent to your expression of interest in this project, would be to inform the Israelis of our readiness to support the conduit project financially on the condition that they will give us written assurance that they will abide in their water development program strictly to the terms on the Johnston Plan as we interpret that Plan. Before undertaking this alternative or suggesting it to the Israelis, we should however, as a first goal, seek Israel's concurrence in our interpretation of the Johnston Plan.

6. *International Agreement.* There would be, of course, a distinct element of unfairness in expecting the Israelis to suspend all of their water development plans until Arab political agreement is achieved, particularly when the prospects for the latter are not bright. Nevertheless, as originators of the Johnston proposals, as impartial friends of both sides on this highly explosive issue, and as possible policemen in future years should either side violate the technical arrangements so nearly consummated by Eric Johnston, we believe we should continue to adhere to the objective of unified development of the Jordan system. This does not preclude Israel's proceeding on its own.

In the meantime, we should remain alert to possibilities for achieving agreement among the riparians. In this connection, Eric Johnston on October 13 broached the subject of Jordan waters with UAR Foreign Minister Fawzi in New York (Tab C). Somewhat surprisingly Fawzi evinced what appeared to be a genuine interest in concluding water arrangements as worked out technically by Johnston in 1955. Fawzi agreed to telegraph Nasser to determine whether Nasser might not renew consideration of this matter with Johnston, and Fawzi repeated several times that the Arab choice is reduced to either "slogans" by a "noisy minority" or water. Fawzi's thinking seemed to be in the direction of: a piecemeal approach, in accordance with the Johnston Plan; U.S. negotiations with individual riparian countries rather than another Arab League fiasco; and a minimum of publicity. This is indeed an encouraging development and we have followed it up in communications with Ambassador Hare in Cairo (Tab D). Until now, Nasser has not, as far as we know, responded to Johnston's approach.

Recommendations:

(1). That you initial the Department's note (Tab A) in reply to the Israel note on July 17, call in the Israel Ambassador and hand it to him. This will again record our support for unified development of the Jordan so that all riparians may have an equitable apportionment of the water resources of the Jordan-Yarmuk system.

(2). That in handling the note to the Israelis you make the following oral observations:

a) Very much aware of Israel's water needs, we have given the most thorough study to Israel's water proposals with a view toward ascertaining whether there might not be some way in which we might be helpful.

b) As indicated in our note, our study has convinced us of the importance of hewing to a unified development plan such as that of Ambassador Johnston which would assure for all the riparians an equitable apportionment of the Jordan-Yarmuk water resources. We are highly gratified that Israel, as indicated in its July 17 note, shares our belief in the importance of a unified development plan.

c) As had been indicated previously and as reiterated in our note, we believe the Beit Shean project is of the type which does not conflict with the achievement of a unified development program and which we, therefore, might find it possible to assist financially. (Cost to U.S. would be under \$1 million.)

d) Our consideration of the major element of the Israeli proposals, the project for diverting 320 MCM's of Jordan water to Western Israel, has brought us to the conclusion that there are significant discrepancies in the Israel interpretation and our own as to the specific terms of the Johnston water plan.

e) That, while we would not wish at this time to commit ourselves to any specific response to such proposals as that of the Central Israel Water Conduit, which the Israelis have presented separately as a DLF proposal, we believe it would be helpful to both the Israelis and ourselves that there be a clear understanding of our interpretation of the specifics of the Johnston water proposals so that assurances on the part of the Israelis to adhere to those proposals would mean the same to both our governments. Accordingly, we believe it would be helpful for Dr. Wiener, Israel's water expert who is currently in the United States, to meet with our water technicians to seek to assure that Israel's concept of the Johnston Plan coincides with our own understanding of that plan. Such a meeting would also provide Dr. Wiener an opportunity to set forth what he considers to be the effects on Israel of the East Ghor project in Jordan.

(3). That no indication be given to the Israelis at this time that any approach is being made by Eric Johnston to the Arabs for achieving agreement on the Jordan unified development plan.

(4). That we bear in mind that if we eventually agree to assist Israel with the Central Water Conduit, it will also be necessary for us to further assist Arab water projects, particularly those in the Kingdom of Jordan. We will in effect be proceeding with a unified development program on a piecemeal basis under the assumption that the Johnston Plan is actually in effect. This will, of course, require assurances to us from the Arabs as well as the Israelis that they will abide by the terms of the Johnston Plan.⁴

⁴ Dillon initialed his approval of all the recommendations on November 18.

101. **Telegram From the Embassy in Egypt to the Department of State**¹

Cairo, November 17, 1959—3 p.m.

1560. Beirut's 1650 to Department.² Presented Senators Gore and McGee to Nasser yesterday and ensuing hour and quarter of conversation devoted entirely to discussion Palestine question which Gore said he, as chairman NE subcommittee, had been commissioned study on behalf Foreign Relations Committee with assistance McGee from Appropriations Committee.

Line which he took was that he and McGee are young Senators who had played no part in earlier phases of Palestine problem but who nevertheless now faced with making serious effort do something about it since they being criticized by their constituents for continuing vote funds for refugees without being able show any progress toward settlement. Furthermore, their visits to refugee camps had filled them not only with revulsion but with strong feeling that in name justice and humanity something should be done restore refugees to normal life. Suggestion then made that, although there is growing opposition in Congress to continuing annual appropriations, it might be possible obtain really large sum—something say in billion dollar range—if it could be made part of definitive liquidation of refugee problem. Gore said formula which he had in mind would consist of undertakings by Israel repatriate refugees but, in anticipation he would probably wish return, massive resettlement program would be required. Gore said realized many predecessors had given their best in attempt find settlement this problem without success and would be presumptuous think he could succeed where others had failed. However, he had been commissioned by Committee to dissipate Arab fears and thereby make it possible for Arabs and Jews to live side by side in peace. He didn't think there was anything visionary in this because Egypt itself had been country where up till few years ago Arabs and Jews had lived in harmony; it was only after Israel had been set up that problems had developed.

Nasser then went on say there was one thing he wished make absolutely clear and that was that UAR has no intention whatsoever of initiating war with Israel if for no other reason than that it is obvious

¹ Source: Department of State, Central Files, 884.411/11-1759. Confidential. Repeated to Amman, Beirut, Baghdad, Damascus, Jidda, Tel Aviv, London, Paris, and USUN.

² Telegram 1650, November 14, reported on Gore's and McGee's discussion of the refugee question with the Lebanese Foreign Minister who was confident that no more than 10 percent of the refugees would accept repatriation to Israel. (*Ibid.*, 884.411/11-1459)

that no such conflict could be localized. Result would be that in matter of days great powers would intervene and freedom of action would be lost. Even British and French had made mistake of thinking they could localize a war in Middle East and had been taught lesson the hard way. But aside from sheer expediency, Nasser said he doesn't believe in resort to force as matter principle. However, this does not mean that UAR will not defend itself. It will do so even though it means, as it does, that much money has to be spent on defense that should desirably be applied to building up economy of country. What use would there be to building tall chimneys of factories and leaving the country prey to Israeli invasion? If some solution can be found, so much the better, because no question but that UAR and its revolution would be much further ahead than is now case if it were not for Palestine problem.

In ensuing conversation, Senators endeavored draw Nasser out on various points but with only limited success. Asked what proportion of refugees he thought would want to return, Nasser said difficult say, and recalled resettlement project in Sinai which had been thwarted by refugee objection. Even if given option for settlement elsewhere, he thought at least half would want to go back.

Pressed to acknowledge (especially by Senator McGee) that break-through on refugee problem would be important step in solving Palestine problem, Nasser seemed acquiesce but it appeared that in so indicating he was thinking in terms of solution where substantial number would return whereas Senators envisaged only token return.

When Gore indicated interest in revival of PCC suggested by Nasser in Ellis-Wynn interview,³ Nasser merely responded by saying that Israelis had been interested in PCC until they admitted into UN and then had dropped it.

Following interview Senators said they had been favorably impressed by thoughtful and quiet way in which Nasser had received their comments and questions and said this quite contrary to what they had expected on basis his public utterances as reported in American press. They also seemed feel that Nasser's strong disclaimer of intention initiate war with Israel afforded base on which pursue study settlement.

Comment: I believe conversation was casual [*useful?*] exercise despite fact it brought out nothing new as far Nasser concerned except perhaps for his observation that any settlement of refugee problem that did not result in return of considerable number and reestablishment significant Arab component in population would mean that basic

³ For Harry B. Ellis' account of the interview with Nasser on October 8, see *Christian Science Monitor*, October 8, 1959, p. 1.

problem of Israeli-Arab relationship would remain unchanged. However, as Senator McGee observed, difficult as this might be, it would at least be problem of more conventional type.

Since foregoing is in nature material being assembled for report to Foreign Relations Committee, suggest circulation be confined to American officials.

Hare

102. Message From Senators Albert Gore and Gale W. McGee to the President¹

Amman, November 19, 1959.

Refugee program Palestine refugees as presently operated in Jordan is immoral, dishonest and unfair. Fundamental change required before extension justified.

UNRWA officials say fraudulent possession and use of ration cards for Jordanians widespread but GOJ will not permit validation cards now 11 years old. Some officials estimate there may be 150,000 ration cards unjustifiably or fraudulently used. Ration cards have become chattel for sale, for rent or bargain by any Jordanian whether refugee or not, needy or wealthy. These cards used as security for loans from money lenders, for credit from merchants, almost as negotiable instrument. By mortgage foreclosure and various other means including concealment of death, many have acquired large numbers ration cards which in turn are rented or bartered to others who unjustifiably receive UNRWA rations much of which now in blackmarket.

George B. Vinson, field registration and eligibility officer stationed old Jerusalem told: "We are fully aware we have tens of thousands of non-existent people with ration cards with which somebody draws rations." When asked estimate extent such unjustifiable distribution Vinson replied: "20 to 30 percent." Col. Edward Miller, Deputy Direc-

¹ Source: Department of State, Central Files, 320.511/11-1959. Limited Official Use; Priority. Transmitted in telegram 922 from Amman, November 19, which is the source text. Also sent to Herter, the United Nations, the Senate Foreign Relations Committee, and the press. The message was sent following a 2-hour meeting by the Congressional delegation with Jordanian Prime Minister Majali during which the question of fraudulent ration cards had been raised "forcefully" by Senator McGee. (Telegram 926 from Amman, November 20; *ibid.*, 320.511/11-2059)

In a separate telegram, Ambassador Mills reported that he had not seen the message or known that it was being sent until after the delegation left Amman. (Telegram 923 from Amman, November 19; *ibid.*, 320.511/11-1959)

tor UNRWA, said such use ration cards is "quite widespread". Dr. Harry Howard, US Representative UNRWA Advisory Committee, confirmed this and added: "I have actually seen merchants openly weighing and buying UNRWA supplies from recipients of distribution centers." Meanwhile rations have been denied estimated 100,000 babies born to refugee families since January 1, 1951. This heartless denial excused basis Jordanian refusal permit reasonable validation ration cards.

Dag Hammarskjold, Executive Secretary [*Secretary-General*] UN, excused both situations in draft report to UN on grounds they approximately "equated" each other. This is strange cruel equating—fraudulent blackmarket profiteering on UNRWA rations on one hand and denial of rations to hungry children on the other.

We do not criticize local UNRWA officials. On contrary we admire their efforts to obtain improvements. It is GOJ prevents check on holders of ration cards. Their difficulty is appreciated but situation must be corrected.

Future program of relief and rehabilitation direly needed for refugees, the victims of tragic situation, but ten-year extension present program without significant correction would be most unfortunate. Perpetuation present situation can but have corroding effect. It breathes contempt of law and order, promotes and regards [*rewards*] dishonesty.

Relief program only part refugee problem which in turn is only part of strife and conflict that permeates this area. Is necessary however speak out on relief program in particular now because this question now up for decision in UN and in budget process of US.

In confidential report on spot investigation October 6 George Vinson wrote in concluding paragraph: "It will be observed out of 145 ration recipients 61 were found to be ineligible, that is 42 percent." As further illustration extent unjustifiable holding ration cards our investigation showed some Jordanians employed by US Embassy itself at salaries far above average income of Jordanians actually held ration cards.

The baffling, exasperating nature this problem overall and in its various parts appreciated. We were assured by Prime Minister and Ambassador Mills discussions underway looking toward effective solution. We were encouraged by this. Even so clean-up this widespread dishonesty should be necessary prerequisite any extension present program.

Fundamental change would appear urgently needed. Something-for-nothing policy should be abandoned for those who are able to work. This area in dire need of reforestation, reclamation, road construction, reservoir building, and many other helpful developments.

There should be early transition to works program at going wage scale for this area.²

² Telegram 922 does not bear the Senators' signatures.

103. Telegram From the Department of State to the Embassy in Israel¹

Washington, November 20, 1959—10:39 p.m.

426. Following based on uncleared memorandum of conversation:²

In interview with Secretary November 20 Israel Ambassador conveyed personal gratitude Foreign Minister Meir re US efforts on behalf Syrian Jews. On general US-Israel relations, Harman said increased strength Ben Gurion's party resulting from election gives assurance continuity Israel foreign and defense policies, and discussed following substantive points:

1) *Arms requirements*: Ambassador did not present list of arms requirements promised Foreign Minister Meir in September 29 interview.³ No new points raised but Ambassador reiterated GOI anxiety re a) adverse trend arms balance in Near East because of "continued massive armament" by UAR; and b) economic impact of arms purchases needed to redress balance.

2) *Suez transit issue*: Ambassador referred to SYG Hammarskjold's efforts resolve transit issue and said Israel had made considerable accommodation in order achieve progress toward return of 1958 status quo. Israel now preparing send chartered ship through canal without publicity. In response query he said SYG informed this plan and ship would probably leave within few weeks. In course of discussion Secretary indicated we have been in touch with Hammarskjold on question and he aware our interest in solution of problem.

3) *Jordan water*: Referring to US note of November 19⁴ replying to GOI request for assistance Jordan water development, Ambassador

¹ Source: Department of State, Central Files, 611.84A/11-2059. Secret; Priority. Drafted by Theodore A. Wahl and approved and signed for Herter by Meyer. Repeated to Cairo, Amman, and USUN.

² A briefing paper for the interview and a memorandum of the conversation on general U.S.-Israeli relations are *ibid.* A memorandum of the conversation on arms requirements is *ibid.*, 601.84A11/11-1959.

³ See Documents 91 and 92.

⁴ See footnote 3, Document 100.

said he instructed point out GOI concern that USG appears not give same weight to GOI assurances re compatibility its plans with Johnston Plan as given to similar assurances by Kingdom of Jordan. Major GOI concern is that HKJ proceeding with implementation its portion of Johnston Plan with full US support and assistance while this lacking for Israel. Ambassador reiterated GOI arguments Beit Shean project in no way equivalent to East Ghor. Noting differences in GOI and HKJ projects, Department officer pointed out problem is not acceptance GOI assurances but resolution differences over interpretations of technical aspects Johnston Plan.

(US note observes inter alia that GOI interpretation of Johnston Plan differs from that of USG and suggests it might be useful if talks could be arranged between Israel and US experts with view to assuring that Israel's understanding of technical aspects of Johnston Plan coincides with our own.)

Herter

104. Telegram From the Embassy in Egypt to the Department of State¹

Cairo, November 23, 1959—5 p.m.

514. I called with Senators Gore and McGee on Ben Gurion afternoon November 22 in Jerusalem. Senator Gore expressed hopeful view in light his talks Beirut, Cairo and Amman that some progress might be made on refugee question. He commented favorably on Ben Gurion's recent London *Times* interview on general disarmament and non-aggression pacts: Ben Gurion made following points:

1. He tended to credit what Senators Gore and McGee had heard in Lebanon and Jordan, but he had reason doubt as to sincerity of Nasser's statements. Ben Gurion referred to Robert Anderson's secret mission as special envoy several years ago and commented that Nasser changed his initial position in later talks, and that he sometimes told different visitors different things.

2. Refugees had been used as political weapon. He could understand Nasser and Arabs fighting the Jews whom they perhaps considered foreigners but non-humanitarian treatment Arab refugee did not admit of same explanation as refugees were their own people.

¹ Source: Department of State, Central Files, 884.411/11-2359. Confidential; Priority. Repeated priority to Amman, Beirut, and Cairo.

3. An understanding of beginning of problem was important as this a "moral question." Here, Ben Gurion referred to offer of Haganah in early hostilities end of mandatory period to Arabs of Haifa to remain provided their arms turned in. Many, he said, were inclined to accept and stay, but Mufti ordered them to leave and that this pattern repeated in Tiberias, Sfad, and Jaffa.

The Arabs had assumed that the Jews could be easily defeated, that they could occupy all Palestine and then do with the Jews as Hitler had done.

Also, it should be remembered that some 130,000 Jews, after 2500 years, had been forced to leave Iraq while still others . . . many in ill-health . . . had to leave Yemen, Morocco and other countries.²

4. [1½ lines of source text not declassified] Ben Gurion referred to fact Egyptian officers captured in Sinai insulted when told stay in same compound enlisted men and eat same food. This contrasted with respect and friendship between Israeli officers and men. Further, some UAR officers now heading business concerns not wholly honest as they shipping out monies to banks in Switzerland.

5. Little hope for peace until democratic government formed in Cairo responsive to people and interested in raising living standards of Fellahin which now \$60 to \$70 a year with some 70% diseased. If Nasser spent a fraction of money on Fellahin that did on arms and propaganda, future could be different.

6. Refugee settlement could best be effected in Syria and Iraq as Egypt overpopulated and as Arabs not pioneers who would reclaim desert. Hence, necessary for them to be settled in fertile lands.

Senators Gore and McGee, returning to point, said nonetheless some hope refugee settlement; that after much talk Nasser had agreed to consider solution refugee question separately. Both Senators stressed psychological aspect of question and that "principle of repatriation" very important. Here, they said, recognition of plight of refugees and moral responsibility must be recognized by Israel by at least "token repatriation". Senators Gore and McGee then said a first step by Israel was necessary to break the log jam. Ben Gurion asked what that would be. Senator Gore replied that a beginning could be made through talks via the Palestine Conciliation Commission, the United Nations, or other avenues looking to progress on eventual solution of refugee question on basis of resettlement and repatriation.

Ben Gurion said while not overly hopeful, he fully willing to cooperate on separate consideration of settlement refugee question. He said he would consider doing this through Palestine Conciliation Commission, the United Nations, or the US Government. Ben Gurion added United Nations difficult due to Soviets and that he would prefer

² Ellipses in the source text.

to work not through committee but through US Government. However, he willing to work "directly or indirectly" if something could be done.

Comment: Ben Gurion took careful notes and he admitted there could be change in Nasser's view as reported by Senators. By implication he indicated preference for solution through avenues of quiet diplomacy. Senators Gore and McGee said they would make confidential report, undertaken at request Senator Fulbright, to Foreign Relations Committee, Department of State, the President, and the United Nations.

Reid

105. Memorandum of a Conversation, Department of State, Washington, November 24, 1959, 11:30 a.m.¹

SUBJECT

UNGA Discussions Regarding Renewal of the UNRWA Mandate (one of two)

PARTICIPANTS

The Secretary
IO—Francis O. Wilcox
NE—Armin H. Meyer
NE—William D. Brewer

H.E. Abdel Khalek Hassouna, Secretary
General of the Arab League
H.E. Dr. Hussein Kamel Salim,
Minister, UAR Embassy and Director
of the Arab League Information
Center in Washington

Ambassador Hassouna expressed gratification at the good relations existing between the United States and the Arab World and hoped that the present favorable trend would continue. Matters were moving satisfactorily at the UNGA, and Ambassador Hassouna hoped that the current refugee debate would accomplish the main objective of renewing the UNRWA mandate for a "reasonable time." UNRWA's Director would thus be able to plan intelligently for the future and the refugees themselves would have a measure of continued security.

The Secretary replied that he assumed Ambassador Hassouna was well aware of the very real difficulties which confronted the United States in connection with the renewal of UNRWA. Both through legislation and oral comments, the Congress had clearly indi-

¹ Source: Department of State, Central Files, 320.511/11-2459. Confidential. Drafted by Brewer on November 25 and approved by S on December 1. A briefing paper for the conversation is *ibid.*, NEA Files: Lot 79 D 215, Palestine Refugees.

cated that the United States could not be expected to continue to pay 70% of the cost of UNRWA indefinitely. We therefore hoped that the current debate would throw light on how progress might be made. It would be difficult to obtain funds from Congress to assist the refugees unless there were tangible and concrete indications regarding the possibility of an eventual solution to this problem.

Ambassador Hassouna noted that the Arabs recognized the US problem but observed that the entire question had been "frozen" since 1949 by reason of the inactivity of the Palestine Conciliation Commission. Certainly the Arab States and the refugees themselves did not wish to have relief payments continued indefinitely. It was hoped that something better could be proposed, and, with the area now relatively quiet, action on this overall problem should be of serious general concern. Meanwhile, both Secretary General Hammarskjold, and UNRWA Director Davis had made unqualified suggestions that UNRWA be renewed. Their views might carry weight with the US Congress. On November 23, Pakistan and Indonesia had tabled a resolution proposing that UNRWA be extended for five years.² This period might be sufficient to give hope to the refugees, while also recognizing the legitimate concern of the major contributors. If such a resolution were accepted, perhaps progress toward a solution of this program could be made during the five-year period, provided that the Government of Israel displayed a more constructive attitude than heretofore regarding previous UN resolutions. Ambassador Hassouna emphasized that he had long believed that the PCC might play a useful role if it could be activated.

Mr. Meyer inquired whether specific reference had been made to the reactivation of the PCC in the Pakistani draft. Ambassador Hassouna replied negatively, noting that the draft merely requested UNRWA to cooperate with the PCC in carrying out the resolution. However, the role of the PCC could be examined more fully, and perhaps its composition might be altered. However, Ambassador Hassouna recalled a remark that the late Secretary Dulles had made regarding the difficulty of modifying commissions already in being. Ambassador Hassouna felt that this subject might be a suitable one for discussion.

Mr. Wilcox remarked that what the Secretary had in mind was the United States need for tangible evidence of progress on this question. Perhaps this could be accomplished by providing in the resolution for the re-examination of the refugee rolls or for improvement in UNRWA's educational program. Ambassador Hassouna opined that the problem of the refugee rolls involved Jordan primarily. He thought

² For text of the resolution, transmitted in Delga 495 from New York, November 20 (*ibid.*, Central Files, 320.511/11-2059), see U.N. Doc. A/SPC/L.38.

the Jordanian authorities would be found very willing to discuss this question with UNRWA and reach a satisfactory solution. He, himself, had found Ambassador Rifai and Foreign Minister Nasir favorably disposed. Jordanian assurances on this point might also be helpful in connection with the US problem vis-à-vis Congress.

Ambassador Hassouna continued that he did not believe there were important differences among any of the interested states with respect to UNRWA's self-liquidating projects. He noted, however, that any attempt at the UNGA to go beyond the work of UNRWA itself might create problems. The Secretary observed that the UN was indeed a very large forum in which to discuss sensitive matters. Ambassador Hassouna asserted that, despite what he described as a "very mild" opening speech by Saudi delegate Shuqairi, the Israeli delegate had made inordinate use of his right to reply. Ambassador Hassouna wondered whether there would be anything left for the delegate's formal statement.

106. Memorandum of a Conversation, Department of State, Washington, November 25, 1959, 5 p.m.¹

SUBJECT

UNRWA

PARTICIPANTS

Ambassador Avraham Harman, Israel
 Counsellor of Embassy, Moshe Erell
 Mr. Francis O. Wilcox, IO—Assistant Secretary
 Mr. Joseph J. Sisco, UNP
 Mr. Ludlow, NEA
 Stephen E. Palmer Jr., UNP

After an exchange of pleasantries the Ambassador said that he had called on Mr. Wilcox to seek clarification of Dr. Hancher's statement of November 20 on the Special Political Committee.² The Ambassador was particularly interested in what we had in mind specifically with respect to the Palestine Conciliation Commission. Mr. Wilcox first observed that nothing in our statement should have been

¹ Source: Department of State, Central Files, 320.511/11-2559. Confidential. Drafted by Palmer on November 27. A briefing paper for this conversation is *ibid.*, NEA Files: Lot 79 D 215, Palestine Refugees.

² For text of this statement, see Department of State *Bulletin*, January 4, 1960, pp. 31-33.

surprising to the Israelis. He said that this year we had not taken the lead on this item but rather had sought constructive suggestions from other parties. A number of suggestions had been made, although unfortunately few from the parties directly concerned. Among the proposals were some relating to the reactivation of the PCC, but the US at present has no specific ideas in this regard.

Ambassador Harman pointed out that almost every time that suggestions relating to the PCC were put forward in debate mention was made of such factors as "suitable composition" or "equitable geographic distribution". Were changes to be made in the composition of the Commission there would be danger that the Soviets might be included. Largely because of this possibility the GOI has grave doubts about any reactivation of the PCC, believing that it probably would be a retrogressive step. Mr. Wilcox said that he assumed, therefore, that the GOI would prefer not to have the PCC enlarged. The Ambassador replied that enlargement could not help but create difficulties with regard to the question of parity, etc. Mr. Wilcox reiterated that we have no specific plan to offer at this time on the PCC. He admitted that reconstitution of the Commission would run the risk of creating new problems, but added that we shall seriously consider any reasonable proposal which might allow some progress to be made in this issue.

Mr. Sisco pointed out that the United States has always been in favor of the Commission's doing what it was set up to do, namely, to provide for a fundamental settlement. The Ambassador said that the GOI believes that only through direct contacts between the Arabs and the Israelis could any progress be made, and that fundamental progress is not likely to be made through the PCC.

Following an exchange about the timing of the remainder of the UNRWA debate, Mr. Wilcox noted that Senators Gore and McGee apparently had an interesting talk with Prime Minister Ben Gurion.³ Ambassador Harman stated that Ben Gurion had been informed by the Senators that they were quite hopeful about the possibility that Nasser might be willing to compromise on outstanding issues. The Ambassador continued by saying that Ben Gurion was skeptical about Nasser's intentions but that, however, Israel was prepared to meet the Arabs, directly or through intermediaries, to discuss any issue. The Ambassador said that Ben Gurion told the Senators that he would prefer the United States to take the initiative with respect of any such negotiations; that they should be undertaken most privately, and that if talks were conducted in a forum like the PCC the result would be only a hardening of the respective positions. Mr. Wilcox said that the Senators seemed to be encouraged both by the reactions of key Arab

³ See Document 104.

leaders and Ben Gurion's reactions. Ambassador Harman stressed Ben Gurion's skepticism about the possibility of any real advancement at this time.

Mr. Wilcox inquired if there were in the Ambassador's opinion anything the United States Government could appropriately do at this time to help the situation move along. The Ambassador replied that any public steps, in this area where quiet diplomacy could conceivably be rewarded, might boomerang.

Mr. Wilcox speculated that the Senator's criticism of the refugee registration situation could conceivably have a couple of results; 1. Congress may be even more reluctant than before to support the UNRWA program financially, and 2. the governments directly concerned with the refugee problem may be impressed by this evidence of Congressional concern. The Ambassador said that it is important for the United States Government to realize that the UNRWA program affords the Near East a certain stability. The situation in the Near East is not moving forward in a positive way but at least it is not deteriorating to an explosive point. The Ambassador said that it is well to keep this "balance of stability", for one reason because a number of the Arab refugees have in fact integrated themselves in the host countries, and there is among the refugees a significant degree of concealed self-support.

Mr. Wilcox reverted again to the Senator's impression of Ben Gurion's reaction to their observations, specifically to the matter of repatriation and compensation. Mr. Wilcox said that in a sense Israel really holds the key to any significant step forward in the refugee deadlock. He stated that very likely he would consult with Senators Gore and McGee upon their return. He would therefore appreciate the Ambassador's view as to what degree the GOI would be willing to move in an explicit way with regard to the repatriation and compensation issue.

The Ambassador said that Ben Gurion will be in a stronger position with his new government but added, "It is not realistic to assume that we can go beyond what Eban said last year." Eban's statement (to the Special Political Committee, November 17, 1958)⁴ represented "the most that can be expected from any government of Israel on the repatriation and compensation question." The Ambassador then explained in some detail the "severe domestic situation created by Israel's Oriental problem." He referred to the recent riots in Haifa and Beersheba, said that there are about 450,000 Oriental Jews who consider themselves refugees from the Arab countries, that the old and new Oriental Jews in Israel now constitute about 50 percent of the total population, and that this large segment has grave grievances

⁴ For text of this statement, see U.N. Doc. A/SPC/SR.84, pp. 82-85.

against the Arab states, particularly Iraq, from which they were allowed to bring nothing out, and the UAR. This, said the Ambassador, is entirely apart from the continuing concern about the general security situation of Israel. The Government of Israel has no reason to feel less concerned about its security situation now than it has in the past. Thus, Eban's "careful formulation" will continue to guide the Israelis in this question.

Mr. Wilcox expressed the hope that Mr. Eban's statement of last year would be somewhat amplified at some future time. The Ambassador replied that this would occur only when genuine negotiations between Israel and the Arab states are underway. This, he stressed, was what Ben Gurion had in mind when he responded to the Senators. Mr. Wilcox observed that for 12 years the refugee camps have been focal points of animosity directed against Israel. Were the refugee problem to begin to be solved there would be a good chance for a real improvement in Israel's position in the area. Were, for instance, the Government of Israel to make a public statement indicating willingness to consider again the repatriation-compensation issue, this might well bring about a considerable improvement with respect of Israel's security and its political posture in the area. The Ambassador said that he doubted whether people like Shukairy would allow the refugee question to be solved, for it is important to such people to be able to direct animosity against Israel.

The Ambassador stated that he would very much appreciate being informed about our thinking with regard to the UNRWA item in the days ahead. This could be handled either here or in New York. The thinking of the United States Government, he added, will influence Israel's approach to the issue.

Mr. Ludlow said that in recent talks he had with several Arab delegates he had been impressed by their relative reasonableness, particularly by evidence that they seem to be more willing to face the fact that in the end the host countries probably will have to assimilate most of the Palestine refugees. However, Mr. Ludlow continued, the Arab spokesman do not feel it is politically possible for them to compromise in the absence of an initiative from Israel.⁵

F.O.W.

⁵ On November 30, Harman again expressed Israeli concern about injecting the PCC into the refugee question. (Memorandum of conversation; Department of State, Central Files, 320.511/11-3059)

107. Telegram From the Department of State to the Mission at the United Nations¹

Washington, November 25, 1959—7:06 p.m.

Gadel 143. Re UNRWA (Delga 495).² Dept commends GADel for manner in which it has conducted delicate behind-the-scenes discussions with Arabs and others on UNRWA item. We believe string has been played out now and time has come for us to make our concrete views known with respect to resolution which Special Committee can be expected to adopt. Debate thus far as well as discussions in corridors indicate that Arabs at this point are in reasonable mood and are prepared to talk seriously on terms of what should be included in res in addition to continuance of UNRWA for specified period of time. We believe best tactic would be for USDel to consult directly with Arabs on basis of Pakistan-Indonesian resolution² which Arabs are well aware is unacceptable to us in its present form. However, with certain basic changes we believe this resolution can provide basis for acceptable action by Special Political Committee.

Following comments on Pakistan-Indonesian draft resolution provided for your guidance, and you are authorized initiate direct consultations with Arabs on following basis soonest:

1. First three preambular paragraphs satisfactory.
2. We suggest addition of two new preambular paragraphs as follows: "Noting further that various suggestions have been advanced in the debate with regard to reactivating the PCC", and "Having reviewed the budget and noting with concern that contributions from member states are not sufficient,".
3. Substitute "two" for "five" in operation paragraph one. We believe important to start out on this basis, though GADel authorized to agree to three-year extension provided other parts of res satisfactory to Department. We believe that as a result conversations already held with Arabs that initial starting position of two years will come as no great surprise to them.
4. In order to assure that res will incorporate positive recommendations of the character which we have long sought we suggest following two operative paragraphs to which Dept attaches very considerable importance: "Requests the governments concerned to assist the Agency in giving urgent effect to the recommendations contained in paragraphs 5, 6, 12, and 16, of Part II of the Secretary-General's report," and "Endorses the proposals in paragraph 47 of the Director's report and requests the host government to cooperate with him in

¹ Source: Department of State, Central Files, 320.511/11-2059. Confidential; Priority. Drafted by Sisco and Palmer, cleared by Ludlow, and approved and signed for Herter by Wilcox.

² Delga 495, November 20, transmitted the text of the Pakistani-Indonesian draft resolution on UNRWA (U.N. Doc. A/SPC/L.38). (*Ibid.*)

giving urgent effect to these proposals." With respect to recommendation relating to turn over of responsibility to host governments in field of education, we leave it to your discretion as to whether and when to suggest its inclusion in res to Arabs in view their particular sensitivity on this point.

5. Dept would also like very much to see some reference to PCC. We suggest you put following paragraph to Arabs: "Requests the PCC in consultation with the countries concerned to consider urgently what measures can be taken to enable the commission to discharge more effectively the function assigned it in resolution 194 of December 11, 1948."³ This paragraph would replace operative paragraph two of Pakistan-Indonesian resolution.

6. There are several other points of lesser magnitude which we suggest for possible inclusion in res in addition to present third operative paragraph of Pakistan-Indonesian resolution. These are: "Directs attention to the precarious financial position of the Agency and urges governments to consider to what extent they can contribute or increase their contributions so the Agency can carry out its programs," "Directs the Agency to continue its program of relief for the refugees, and, insofar as is financially possible expand its programs for their rehabilitation."

In connection with above Department wishes stress what it has previously said on this matter: that resolution should provide for extension of UNRWA for limited specified period and it should also include various recommendations of SYG on questions of interest to us, rectification of relief rolls; turn over of administrative responsibility for education to host governments; and cooperation between UNRWA officials and host governments. In addition we are hopeful in view of statements made in Committee that it will also be possible to retain in resolution reference to PCC along lines indicated above.⁴

Herter

³ For text of this resolution, see U.N. Doc. A/810, pp. 21-25.

⁴ Discussion of the U.S. revisions began on November 26 at a meeting with Arab and British delegations. In the course of the next week, the U.S. Mission met regularly with other interested missions before an agreed text could be reached on December 3. For text of the resolution on UNRWA, as finally approved by the General Assembly on December 9, see U.N. Doc. A/4354, p. 8. Documentation on the discussions leading to the agreed draft is in Department of State, Central File 320.511.

108. Telegram From the Embassy in Israel to the Department of State¹

Tel Aviv, December 2, 1959—6 p.m.

541. I called on Foreign Minister Golda Meir at her request in Jerusalem December 2.² She presented in some detail following views GOI on refugee question:

1. GOI not only wants refugee question settled, but "anxious" to work towards its solution.

2. GOI willing to work towards solution refugee question separate from over-all Israel-Arab settlement, but GOI could not go back to "49". GOI's offer to take back 100,000 refugees would not now stand. Here it should be remembered that GOI had already permitted resettlement of 40,000 Arab refugees, some of whom rejoined their families while others entered Israel illegally, but were permitted to stay.

3. GOI believed in resettlement of refugees in Arab countries.

Specifically, GOI willing:

A. To consider compensation for loss of Arab properties—but this must be offset against claims against loss Jewish properties Iraq (particularly in Baghdad), Egypt, Yemen; and in other countries. Further, compensation discussions would need to comprehend fact that some \$10 million in blocked Arab accounts Israel had been released, including final monies now being unfrozen. No Jewish accounts released in Iraq or Egypt.

B. To provide technical assistance resettlement in Arab countries out of GOI's considerable experience this regard.

C. To permit repatriation of certain number provided these refugees last ones to be settled. Mrs. Meir also said repatriation of unknown number not feasible as many might be encouraged to return and Israel could not be expected to permit establishment of substantial and potential fifth column.

D. To make mutual and minor border adjustments.

Mrs. Meir then said she and Prime Minister had discussed report US considering sponsoring UN resolution on Palestine Conciliation Commission that would also refer to earlier UN resolutions including that of 1948.

¹ Source: Department of State, Central Files, 884.411/12-259. Confidential; Priority. Also sent to USUN. Repeated to Amman, Beirut, Cairo, London, and Baghdad.

² In a telephone conversation at 1:30 p.m., December 2, Buffum told Palmer that the Israeli Delegation at the United Nations had informed him that Foreign Minister Meir would call Ambassador Reid in to protest the involvement of the PCC. (Paper drafted by Palmer, December 2; *ibid.*, NEA Files, Lot 72 D 294, PCC)

She wished, in light of this and on behalf of the Prime Minister, to make "eleventh or twelfth hour" appeal for understanding and support to USG and to indicate GOI willing to cooperate on anything except project which could endanger security of state.

Mrs. Meir stated categorically GOI would not vote for draft resolution as they now understood it and would not cooperate with PCC; that there was no point to resolution and that it could only make future settlement less likely and more difficult. She remarked that UNGA resolutions amounted in reality only to recommendations.

I asked whether GOI would consider supporting a resolution on PCC if it limited to refugee question.

She replied that GOI might support a resolution which would limit PCC to using its good offices to bring about direct or indirect talks between Israel and Arabs on settlement refugee question. Mrs. Meir added that PCC should not be in role of arbitrator but solely a means of providing good offices to get talks started.

Comment: Mrs. Meir and Prime Minister concerned about going back to 49 and clearly believe best hope settlement of refugee question lies in quiet diplomacy; preferably through good offices of USG. GOI would hope that any UN resolution be limited to refugee question alone and phrased so as not to open Pandora's box.

Reid

109. Telegram From the Department of State to the Embassy in Israel¹

Washington, December 4, 1959—9:43 p.m.

456. Re: Embtel 542.²

1. By time you see Prime Min he will have been informed results Amb. Harman's call on Secretary Dec. 4. Following based on un-cleared memo of conversation.³ Amb., calling on instruction Ben-Gurion, repeated Israeli objections to tying of PCC to para 11 res. 194 (III), saying that "turning clock back" to 1948 res would be negative

¹ Source; Department of State, Central Files, 884.411/12-359. Confidential; Priority. Drafted by Palmer, cleared with Jones and Ludlow, and approved and signed for Herter by Wilcox. Repeated to USUN.

² Telegram 542, December 3, asked for the latest position on UNRWA in view of a meeting with Ben Gurion on December 6. (*Ibid.*)

³ Not printed. (*Ibid.*, 320.511/12-459) A briefing paper for the conversation is *ibid.*, IO Files: Lot 65 D 30.

step and food for Arab propaganda. He expressed opposition GOI to any language which might tend support Arabs' "outmoded concept" of para. 11. Expressed hope US would consider even at this late date change in language PCC para.

2. Secretary made following points. USG, including Congress, deeply concerned that every effort be made search for some glimmer of hope for solution Arab refugee problem. Text para re PCC (text resolution, as accepted ad referendum by Arab host countries, being sent separately) very limited in its charge to Commission. Composition PCC (France, Turkey, US), which is an already existing instrumentality, favorable to Israel. Obviously no significant progress will be made without good will both sides. Para. on PCC represents very modest yet tangible demonstration that further efforts will be made towards solution refugee issue. We have encountered great difficulties gaining Arab acceptance most essential UNRWA reforms, and res. includes several concessions the Arab States have made. Entire res. would probably fall apart were changes to be made in PCC para., about which GOI, in our opinion, has unreasonable fears. Majority UNGA and US adhere principle para. 11, res. 194, but GOI should be reassured we convinced there is no basis, in present reference thereto, for fear that result may be detrimental Israeli interests.

3. Amb. Harman expressed hope US at least would "set record straight" in its statement in support of res., to counter inevitable Arab attempts capitalize in propaganda on "reaffirmation their outmoded interpretation para 11."

4. You encouraged take same line with Ben-Gurion. You may wish to mention our disappointment that parties directly concerned did not, in response our appeal for constructive ideas, offer much hope in debate. Limited reactivation PCC most modest forward step possible, in absence other concrete ideas, since US could not support mere extension UNRWA. You should also point out to Premier that US-GADel has consulted frequently and fully with Israeli GADdel. We have shown sympathetic understanding of GOI objection to PCC reference, but in view all pertinent factors could not in last analysis accede to GOI views. As friends of Israel we sincerely hope GOI will not take any steps which might tend preclude making some real progress on refugee problem, perhaps through PCC.⁴

Herter

⁴ Ambassador Reid reported on December 6 that he had reviewed the U.S. position with Ben Gurion that day. The Prime Minister, while not happy, had not seemed disturbed about the resolution and had stated that he would "wait and see." (*Ibid.*, Central Files, 884.411/12-659)

110. Memorandum of a Conversation, Department of State, Washington, December 4, 1959¹

SUBJECT

Draft UNRWA Resolution

PARTICIPANTS

United States

The Secretary
 Mr. Parker T. Hart, Deputy Assistant
 Secretary, NEA
 Mr. Woodruff Wallner, Deputy
 Assistant Secretary, IO
 Mr. Alfred L. Atherton, Jr., Iraq-Jordan
 Desk Officer

Jordan

His Excellency Musa Naser, Foreign
 Minister of Jordan
 His Excellency Dr. Yusuf Haikal,
 Ambassador of Jordan

Mr. Naser opened the conversation by referring to the draft resolution on UNRWA being negotiated for submission to the United Nations Special Political Committee. He had asked for an appointment with the Secretary to emphasize the importance he attached to modifying the paragraph of the present draft concerning rectification of the UNRWA rolls (paragraph 8) in order to make possible the inclusion of certain categories of persons who had not up to now been eligible for UNRWA relief. The Jordanian delegation agreed that the rolls needed to be rectified, but felt that this should be done "properly". Further discussion disclosed that the categories to which Mr. Naser referred were the so-called "economic refugees" (those who had lost their means of livelihood but not their homes), and Bedouin formerly resident in what is now Israel.

The Secretary replied that there was no objection to correcting the rolls "properly", but that he had doubts about the feasibility of including economic refugees and Bedouin. As he understood it, they were not considered bona fide refugees, and their inclusion would greatly increase UNRWA's financial burden. In any case, the details of relief administration should be left to UNRWA.

Mr. Naser stated that UNRWA could not include these persons unless a resolution were passed authorizing it to do so. His proposal could be carried out without increasing the overall cost to UNRWA, and he was prepared to have this condition incorporated in the resolution. Since many persons in these additional categories were more

¹ Source: Department of State, Central Files, 320.511/12-459. Confidential. Drafted by Atherton and approved by S on December 21. Memoranda of the the portions of conversation on Algeria and aid to Jordan are *ibid.*, Secretary's Memoranda of Conversation: Lot 64 D 199. A summary of all three parts of the conversation was transmitted to Amman in telegram 1025, December 4. (*Ibid.*, Central Files, 320.511/12-459)

destitute than others now receiving relief, and since there would be no increase in overall costs, he wondered what objection there could be to his proposal.

The Secretary stated that he did not want to go into the details of the draft resolution. He wanted to emphasize, however, the importance we attached to correcting the relief rolls to eliminate present abuses, and in this connection noted the recent shocked reaction to these abuses in Congressional circles. Our concern was to see UNRWA funds used for the purpose for which they were made available. We could not, for example, understand why UNRWA rations should continue to be drawn against cards issued to persons who were now deceased.

Mr. Naser opined that the seriousness of this situation had been exaggerated, but reiterated that the Jordanian Government was not opposed to correcting such abuses. What he wanted was to make paragraph eight of the resolution refer not only to paragraphs 17 and 18 of the UNRWA Director's Report, but to paragraphs 29, 30, 31 and 32 as well.

Ambassador Haikal interjected that, if this were not possible, another way of approaching the problem would be to eliminate from the resolution reference to any specific paragraphs of the Director's Report.

Mr. Naser explained that he feared serious political repercussions in Jordan if the paragraph of the resolution relating to rectification of the rolls were passed in its present form. A modification of the resolution along the lines he was proposing would strengthen the hand of the Jordanian Government and enable it to move rapidly towards correction of existing abuses and long-range solutions of the basic problems involved. He would be prepared to recommend that his Government begin to take such steps in the near future, i.e., by March, 1960.

The Secretary stated that the Department would need time to study Mr. Naser's proposal, and agreed to take it under consideration.

Mr. Naser said that there was another matter which he would like to mention. Both the Director of UNRWA and the UN Secretary General felt that a three year extension of the UNRWA mandate, as provided for in the present draft, was too little, and would create unnecessary administrative complications. They would prefer a four year extension, with provision for a review after two years. Mr. Naser said he sympathized with their view, and had promised to raise this point with the Secretary.

The Secretary replied that we would also give consideration to this suggestion. He was worried, however, about attempting to change the draft resolution at this late date. We had thought that in its present

form it was acceptable to all concerned except the Israelis, and feared that any last minute tampering with the language might undo the work already accomplished.

Turning to paragraph four of the draft UNRWA resolution, Mr. Naser urged that it be amended to include the phrase "through repatriation or resettlement" after reference to "reintegration". The Secretary inquired whether the Jordanians would accept the draft resolution if this change were made. Mr. Naser was noncommittal.

**111. Memorandum of a Conversation, Department of State,
Washington, December 7, 1959, 2:30 p.m.¹**

SUBJECT

U.S. Policies in the Near East

PARTICIPANTS

The Secretary

Mr. Philip M. Klutznick, Chairman of the Presidents' Conference

Mrs. Rose L. Halprin, Acting Chairman, Jewish Agency for Israel

Dr. Maurice N. Eisendrath, President, Union of American Hebrew Congregations

Mr. Adolph Held, Chairman, Jewish Labor Committee

NEA—G. Lewis Jones

NE—Armin H. Meyer

NE—Theodore A. Wahl

Mr. Klutznick expressed on behalf of the group his great pleasure in being able to meet with the Secretary and offered his congratulations to the Secretary on his assumption of office. He recalled a number of earlier meetings between members of the group and the late Secretary Dulles, and explained that an important reason for forming the Presidents' Conference, which he said represents 90 to 95 per cent of the organized Jewish community in the U.S., was to reduce the number of such individual calls.

The Secretary responded that he was pleased to meet with the group and indicated his desire to have the talk on an off-the-record basis. Mr. Klutznick agreed, stating that the group would report back to the other presidents in the Conference but that the latter as well as the present group would respect the Secretary's confidence.

¹ Source: Department of State, NEA Files: Lot 79 D 215, Palestine—General. Drafted by Wahl on December 8 and approved by S on December 11. A briefing paper for the meeting is *ibid.*, Central Files, 611.84A/12-459.

Turning to matters of substance, Mr. Klutznick said the group felt obliged to bring to the attention of the Secretary matters which are causing uneasiness and concern among their members. He said he realized the Middle East is not at present an area of primary concern to the Secretary and the President. He then raised the following three subjects:

Suez Transit Issue

Mr. Klutznick emphasized the group's belief that freedom of passage through the Suez Canal is a matter of direct interest to the U.S. and the entire world, not merely to Israel. He referred to President Eisenhower's announcement in 1957 that freedom of transit for all nations would be defended by the U.S.² and questioned the propriety of the IBRD's going ahead with a loan for Canal improvement in the present circumstances.

The Secretary recalled his reaffirmation of the U.S. position on freedom of transit in his speech before the UN General Assembly³ and added that our position has not changed in the least. He reviewed the difficult problem of the IBRD loan, emphasizing that it would be unfortunate from the position of the bank's future utility if the U.S. should try to use the bank as a political instrument. The Secretary said he had spoken to IBRD President Black on the subject of freedom of transit and could assure the group that Mr. Black is very conscious of the issue. It may well be that the delays in formal consideration of the Bank loan are not unconnected with that issue. The Secretary referred to U.S. support of freedom of passage into the Gulf of Aqaba, and later in the discussion mentioned our continuing hope that UN Secretary General Hammarskjöld's direct efforts to resolve the Suez transit issue may be successful.

Mrs. Halprin later rejoined that the point at issue in the IBRD loan was not entirely political but rather one of international morality, including the fact that Nasser is flouting his own word regarding freedom of passage. She also emphasized the traditional U.S. position in favor of freedom of the seas.

Palestine Refugees

Mr. Klutznick said American Jewish organizations are keenly aware of the importance of resolving the Arab refugee problem but he doubted that returning to the 1948 resolution would be useful in this regard. Indeed, this might be seriously disadvantageous.

² For text of this statement, February 28, 1957, see Department of State *Bulletin*, March 18, 1957, pp. 438-439.

³ For text of Herter's address to the General Assembly, September 17, 1959, see U.N. Doc. A/PV.797, pp. 9-14.

The Secretary reviewed recent U.S. consultations with the Israel Government on the UNRWA resolution. His impression was that Prime Minister Ben Gurion now seems relatively relaxed about the resolution. The Secretary pointed to the recurring problem of obtaining Congressional appropriations for UNRWA and the need to have something of a constructive nature to indicate to Congress that a real effort is being made to achieve progress. The current resolution before the UN would be useful for this purpose. Furthermore, we cannot see how the resolution could do Israel any harm in view of the composition of the Palestine Conciliation Commission.

The Secretary also reviewed U.S. discussions with the Arabs and our success in having persuaded them to agree to such points as rectification of the relief rolls. He said the resolution referred only to paragraph 11 of Resolution 194 (III) and not to the resolution as a whole. We have sensed, he said, some improvement in the Arab attitude toward the refugee problem and are gratified that the Arabs have in general agreed to the resolution as it now stands.

Arab Boycott of Israel

Mr. Klutznick said he knew the moral principles which govern the Secretary's attitude on the boycott question, but he felt he should nevertheless raise as a matter of continuing concern to Jewish organizations the discrimination against American Jewish interests resulting from the Arab boycott.

The Secretary responded that the Department equally deplores this situation, but in cases involving regulations of foreign countries there is little we can do except resort to exhortation. Mr. Held brought up a specific case involving a U.S. Navy contract for delivery of oil to the Mediterranean fleet. He asserted that the contract contained a clause forbidding tanker owners to call at Israel ports. The Secretary commented that he was sure this had no relation to Navy policies except perhaps under force majeure, which might make it essential to effect delivery of oil. He indicated that the Department would look into this question.

112. Telegram From the Embassy in Jordan to the Department of State¹

Amman, December 15, 1959—4 p.m.

1036. Paris for NATO. Naples for Lister. Depcirtel 821² re dispute over Jordan waters arrived over weekend. After study I requested see Prime Minister and spent hour and half fifteenth with him and Wasfi At-Tal (Broadcasting Head and Prime Minister's favorite translator). I summarized Depcirtel omitting FYI portion.

Prime Minister then said perhaps in hundred years there might be Jordanian Prime Minister who could accept Johnston plan or something like it as agreement between Jordan and Israel but certainly now no Prime Minister of Jordan could do so contrary to opinion Arab League.

Majali then said not correct that Arab rejection Johnston plan involved only political considerations and only difference was over 30 MCM water. (Re this 30 MCM he stated it consisted of saline waters Israel wished Jordan to accept.) Majali said many other differences on technical side of Johnston allocation although he did not specify.

Majali asked whether my visit was to bring pressure for acceptance Johnston plan because if this USG policy, all Arab world would be up in arms. I said I came merely to express as clearly as could views USG. Majali said Arabs could not go back to Johnston plan.

Majali continued by stating he studying whole question right now but he would give me his first informal opinion. He said Jordan did not take all of Yarmuk but left 25 percent to meet needs Israel. He indicated Jordan not at all worried about Beit Shean project. What worried Jordan was Israel planning pump out of valley for use in Negev almost all sweet water in Jordan River before it enters Lake Tiberias, leaving saline Tiberias water (nourished also by salt streams and springs) for lower Jordan. He said it unfair for Israel to deprive lands which have depended on Jordan River since time immemorial from usable water they have always used.

¹ Source: Department of State, Central Files, 684A.85322/12-1559. Confidential; Priority. Repeated to Ankara, Baghdad, Beirut, Cairo, Damascus, Jerusalem, London, Paris Topol, Tel Aviv, Tehran, Rome, and Naples.

² Circular telegram 821, December 12, transmitted a summary history of the Jordan water development program since the inception of the Johnston mission in 1953 and instructed U.S. officials to make the following three points if the subject was raised: 1) the problem was the responsibility of the people in the area, 2) the Johnston plan was the most effective way to distribute and utilize Jordan river resources, and 3) nothing would be gained by an emotional approach to the question. (*Ibid.*, 684A.85322/12-1259)

When I pointed out that if allocations agreed upon it should make no difference to Jordan how Israelis used their allocation, Majali disagreed strongly, saying perhaps Israelis would only take out of valley their allocation under Johnston plan but they would take sweet water before it entered Tiberias, leaving saline water which would ruin agriculture in lower Jordan valley.

At another point I stressed that USG adherence to concept of Johnston plan meant USG did not favor developments which would mean any riparian would get water in excess such allocations. Majali asked if this applied to Israel as well and I said I was sure it did.

In passing I had mentioned I could see difficulty of Majali position since Nasser was presenting himself as greater champion Jordanian interests than Jordan Prime Minister. Majali replied he had made statement which published *New York Times* November 17 to effect Jordan had no capacity to prevent Israelis from taking Jordan River water before it enters Lake Tiberias since that would occur in territory adjacent to UAR and could be prevented only by latter. For some reason Nasser had taken this up; he does not know why but may be because of internal unrest Syria. Nevertheless Majali declared if UAR takes some action to prevent Israelis from taking this sweet water and shooting occurs on Syrian-Israeli border, Jordan could not stand aside but would have to come to UAR support. Implication was such support would be Military.

Majali deprecated emotionalism surrounding this problem but stated if Israelis are permitted siphon off sweet water of Jordan and trouble occurs, it would be case where tripartite declaration should apply and this means USG particularly would have role in preventing war over this issue. He reiterated that Israelis if not stopped by USG will be taking this sweet water by 1963 if not before. I asked Majali if Jordan had technically dependable information regarding damaging salinity in Lake Tiberias should Israelis take off water now entering it from Jordan River; he replied this known both from Johnston studies and from 15 volumes of Baker–Harza studies, all of which in Washington. I replied he could not take it for granted that Baker–Harza studies in hands of Department as might be filed away in ICA/W. If these studies in fact proved this point, Jordanian Ambassador in Washington might well bring this technical study to attention Department.

Majali said that yesterday (14th) UAR started attack USG this issue.

I told Majali I would be glad communicate to Department any information on this question he wished provide me and he said I would be hearing from him.

Comment: I have no doubt Majali finds himself in situation where his whole reputation as defender Jordan Valley is at stake. He is convinced Johnston Plan technically was unfair and that if Israelis take

sweet water from Jordan before it flows into Lake Tiberias, lower Jordan Valley crops will be ruined. Although he obviously does not wish war, he gave me distinct impression that if force only means preventing this from happening, its use would be fully justified. It obvious he expected USG, in interests of maintaining peace in Middle East, should step in to prevent Israelis from taking such water even though within their Johnston allocations as to quantity.

Assumptions in Depcirtel as to degree of technical agreement reached in Johnston negotiations certainly do not agree with Majali views and, I have no doubt, of all other Jordanians who were involved, as he was, as Cabinet member at time.

If Jordanian information incorrect, I believe technically competent USG experts should come here (and probably Cairo and Beirut as well) to correct what may be basic difference opinion.

Mills

113. Telegram From the Department of State to the Embassy in Jordan¹

Washington, December 18, 1959—9 p.m.

1104. Embtel 1036.² Re your conversation December 15 with Prime Minister on Jordan water problem.

1) Department regrets Majali's negative reaction. Awareness deep Arab feelings this subject one reason Department began final paragraph Depcirtel 821, "If in private conversations this subject is raised by foreign officials" (perhaps this garbled in transmission).

2) Jordanian Ambassador Haikal called on Lewis Jones on instructions December 17 to reiterate points made by Majali as reported paras 5 and 6 reftel.³ In course discussion Jones emphasized Department's belief this is basically problem people of area must resolve. We not trying bring pressure on Arab countries to accept Johnston Plan, we continue believe unified development under Johnston Plan most effective means set forth to date to serve interests all riparians. Responding Haikal's presentation Jordanian assessment Israel plans re Jordan

¹ Source: Department of State, Central Files, 684A.85322/12-1559. Confidential. Drafted by Wahl, cleared in draft with Ludlow and L/NEA, and approved and signed for Dillon by Jones. Repeated to Beirut, Cairo, Damascus, Jerusalem, London, Paris Topol, Tel Aviv, Ankara, Baghdad, Tehran, Rome, Naples, and USUN.

² *Supra.*

³ No other record of this conversation had been found.

water development, Jones pointed out Israel not to our knowledge presently working on project to take water from Jordan River north of Lake Tiberias but plans several years hence to take water from Lake itself.

3) Department's presentation background Johnston Plan in Depcirtel 821 similarly was not for purpose bring pressure on Arabs but merely to review arrangement we believe most practical answer to this sensitive problem.

4) Department has following comment on substance Majali's remarks:

a) Johnston and USG never contemplated direct agreement between Jordan and Israel. Plan carefully provided for bilateral agreements with USG with no contact between GOJ and GOI and subsequent neutral international supervision to meet this political problem.

b) Majali and other Arab leaders appear exercised mainly by belief Israelis intend in immediate future to divert "almost all sweet water in Jordan River before it enters Lake Tiberias". 1) It not in Israel's interest to cause Tiberias become more saline in view Israel use of Lake as storage reservoir and Israel direct irrigation from Lake and lower Jordan. 2) Only in last stage of Israel plan, considerable distance in future, would diversion north of Tiberias be contemplated and then presumably complications regarding Demilitarized Zone would have to be resolved.

c) Johnston Plan fully provided for HKJ's need to irrigate all reasonably cultivable areas through following measures: 1) East and West Ghor irrigation system; 2) Yarmuk storage dam at Maqarin; 3) Storage of 300 mcm in Lake Tiberias; 4) Delivery by GOI of 100 mcm usable water (including limited amount of saline water) from Tiberias; and 5) Neutral international supervision. Total 477 mcm river water allocated for irrigation in Jordan out of total approximately 1100 mcm in river system. Including ground water, total allocation to Jordan was 720 mcm annually.

d) Israelis apparently just as concerned over HKJ capability divert entire summer flow Yarmuk (during important crop-growing period) as Arabs are over GOI capability re Jordan River. Although Majali stated Jordan leaving 25 percent of Yarmuk flow to meet needs Israel, Israel has raised question whether in absence storage on Yarmuk, downstream uses can be met during period of low flow. U.S. engineers also believe that if HKJ proceeds beyond first phase East Ghor project (for irrigation 30,000 donums) without Yarmuk storage, Israel irrigation downstream could suffer.

e) Record Johnston negotiations indicates technical differences between parties had been narrowed to allocation 30 mcm of river water as stated Depcirtel 821.

f) You were correct in assuring Majali that USG will not look with favor on any actions incompatible with Johnston allocations.

5) In view Dept's position set forth para 2 above, USG not prepared send out emissary as suggested final paragraph reftel unless clearly at constructive initiative of governments of area.

6) While we do not wish prolong discussions with Majali and give him thereby impression we undertaking renewed initiative this problem, you may, if he again broaches matter, draw on foregoing to correct misconceptions. Info addresses should use as background only.

Dillon

114. Telegram From the Department of State to the Embassy in Israel¹

Washington, January 9, 1960—6:11 p.m.

527. Following based on uncleared Memorandum of Conversation:²

Acting Secretary January 8 discussed Israel's water development plans and US assistance to Central Conduit project with Israel Ambassador Harman.

1) Acting Secretary reviewed study given subject by Department and long exchange between two governments re compatibility Israel's projects and plans with basic Johnston Plan. We had some real concerns on latter point but November technical talks did great deal relieve our minds.³ We now much nearer agreement and understanding of each other's positions. Acting Secretary then handed note to Ambassador⁴ a) reaffirming US conviction unified development of Jordan River System will best serve interests of riparians; b) stating USG has taken note of specific figures for total stream depletion provided by Wiener in November talks, and of Israel's contention its plans pose no major problem from viewpoint remaining within Johnston allocations; and c) expressing gratification at reiterated GOI assurances that it intends take no action which will conflict with Johnston Plan or which will prejudice prospects of obtaining international agreement on such a plan.

2) Acting Secretary said he could now inform Harman Department has no further political objections re financing \$15 million foreign exchange costs of Central Israel Water Conduit project but we still studying best means make financing available. It might be desirable

¹ Source: Department of State, Central Files, 684A.85322/1-960. Secret; Limit Distribution. Drafted by Wahl, cleared in draft with Jones, and approved and signed for Dillon by Meyer.

² A memorandum of Dillon's conversation with Harman is *ibid.*, 884A.2614/1-860.

³ No record of these talks has been found.

⁴ Not found.

use an intermediate institution which could relend money for Conduit; also loan or credit might advantageously be extended in two stages, \$10 million followed by \$5 million. Noted Conduit is to carry water originating outside Jordan Valley for first few years.

3) Loan application can now be considered by appropriate lending agencies in usual manner. Standard procedure is for DLF application to be submitted to Export-Import Bank for prior consideration. We do not know Bank's interest in this loan but in present circumstances there is a limit to total Israel indebtedness which Bank can undertake. If Bank wishes undertake financing for Conduit, DLF would take loans for other projects or vice versa. Department has not yet looked into economic factors or even considered whether or not this is good economic project. Earlier Israel water development projects undertaken by Ex-Im Bank (credit of \$24.2 million announced March 4, 1958).

4) Re publicity for eventual loan or credit, Acting Secretary indicated this could have unfortunate impact on future of unified development of Jordan River System. Consequently he hoped assistance from US would not be publicized.

5) Harman expressed gratification at information. Commented GOI all along felt Conduit project from all points of view fitted into DLF framework because of its long-term development character and expressed hope pending study would result in DLF undertaking loan. Re publicity he said Israel had no intention or interest in publicizing loan, but Jordan water problem being aired in provocative propaganda from Arab side. Israel which has active public opinion has tried resist provocation and hopes agitation re Jordan waters will die down.

6) Washington agencies now considering modalities of extending assistance and Department will take up with Israel Embassy in next few days.

Dillon

115. Telegram From the Embassy in Lebanon to the Department of State¹

Beirut, January 12, 1960—2 p.m.

2209. Foreign Minister Oueini asked me to call this morning. He said during his recent vacation in Cairo he had seen Nasser and had also attended meeting of tripartite Arab committee on diversion of Jordan waters made up of UAR, Jordan and Lebanon. Minister said purpose of his convoking me this morning was to stress, as an old friend, utmost gravity with which he views possibility of Arab Governments undertaking hostilities against Israel if safeguards are not provided against fulfillment of Israeli project to divert Jordan waters to Negev.

Foreign Minister said he could make no secret of fact that if matters continued as they now seemed to then Arab Government would, in self-defense, undertake military action against Israel.

Oueini said, as I knew, he had always stood for course of moderation in Arab League councils, and he believed firmly that peace must be maintained in Near East until long outstanding issues between Arabs and Israel were ultimately and peacefully resolved. It was because of his firm conviction in favor of a moderate course that he felt he had a right to appeal to United States to exercise utmost influence on Israel to stay its contemplated plans for diverting Jordan water to Negev. Minister said that, if he could attend forthcoming meeting of Arab League council in Cairo after first week of February with some indication that Washington had been able to exert a restraining hand in Tel Aviv, he thought he would be able to persuade other Arab delegations to refrain from impetuous and perhaps overtly hostile acts.

Recalling paradox traced Embtel 2088,² I asked Oueini what difference it would make if Arab fears of irrigation of Negev, predicated on assumption this would facilitate immigration of 2,000,000 additional Jews to Israel, were realized if Israelis irrigated Negev by desalination rather than by diversion of Jordan waters. To this Oueini replied that, in first place, he did not believe Israelis would be successful in securing enough sweet water by desalination process; but even if

¹ Source: Department of State, Central Files, 684A.85322/1-1260. Secret; Limited Distribution. Repeated to Amman, Cairo, Baghdad, Damascus, Tel Aviv, London, Paris, and USUN.

² Telegram 2088, December 31, 1959, noted that Lebanese censors were deleting references to Israeli desalination successes in foreign periodicals, perhaps because if these became known, the drive to frustrate Israeli use of the Jordan waters would collapse. The paradox to this was that ability to provide water to the Negev would allow increased Jewish immigration. (*Ibid.*, 684A.85322/12-3159)

they did, this would not pose same emotional challenge to Arabs as diversion of Jordan waters. He said, "The Jordan is our river. We can not tolerate that it be taken away by Israelis."

Comment: I have rarely seen Oueini so deeply stirred although at same time restrained in his expression. It was clear that he viewed possibility of an outbreak of hostilities as of utmost gravity. End comment. He spoke of possible military operations against Israel by UAR and Jordan, and said that despite Qasim's quarrel with Nasser, Iraq would have to go along. He was sure that Saudi Arabia would not forebear in supporting other Arab Governments and that Lebanon, although it had no hankering for war, would of necessity not only facilitate passage of Syrian troops across its territory but would of itself take part in military operations.

Minister said he had yesterday summoned French Ambassador to say that a report had reached him that about a month ago when Mrs. Meir was in Paris she had stated that Israel could count on French support for its project for diversion of Jordan waters. Oueini said he told French Ambassador that he would be unwise to count unduly on continuing Lebanese friendship for France. He pointed out Lebanon was sole Arab country (other than Magreb states) which had maintained relations with France. However, he could assure Ambassador that if quoted report were true Lebanese friendship, official and otherwise, for France would be at an end.

Minister asked my advice as to whether he should make a similar démarche to British Ambassador. I said that if in fact situation was as grave as he portrayed it I thought most certainly he should discuss issue with my British colleague since UK was one of signatories with US and France of tripartite agreement on Palestine. Oueini said he thought this was good advice and he would ask Crosthwaite to call.

Foreign Minister said he was going from this interview with me to consult with Foreign Affairs Commission of Parliament and asked if he could inform members that he had discussed threat of Jordan waters diversion with American Ambassador. I said I had no objection, provided he made it clear that he had talked with me because US and Lebanon shared a mutual desire to see that every step was taken to maintain peace in Near East and to settle differences only by peaceful means.

Interview concluded with Minister asking if Washington could give him some hopeful sign along lines of having exerted a moderating influence on Israeli Government before he goes to Cairo next month for Arab League meeting. I recalled that in past years US, as friend of both parties, had in fact been willing to lend itself to various moves

designed to lessen tension and to preserve the peace. I would certainly recommend to my government that it give immediate study to ways and means of once more exerting a moderating influence.

McClintock

116. **Telegram From the Department of State to the Embassy in Lebanon¹**

Washington, January 14, 1960—7:34 p.m.

2474. Embtel 2209.² You authorized respond Oueini on subject Jordan waters along following lines:

1. Department appreciates forthrightness with which Oueini has presented to you dangers and difficulties facing Arab leaders re Jordan waters question. We have continually been impressed by constructive attitude which Oueini has exhibited toward this problem, refugee problem and other thorny aspects Palestine question.

2. We fully share Oueini's concern re possible Arab-Israel flare up over Jordan waters. We have long feared such possibility and earnestly sought to help avert it through Eric Johnston missions of 1953-1955. We had been very encouraged by fact that agreement for equitable distribution Jordan resources was clearly obtainable on technical level. Our hopes, however, had been dashed by shortsighted Arab League decision on political level. We realize difficulties solution of type proposed by Johnston poses for an Arab politician but still convinced some formula along lines that proposed by Johnston is only realistic solution.

3. Our impression is that most Arab leaders, including those who actively concerned with Jordan problem at this time, have only vague knowledge of contents Johnston proposals. Fundamental principle under which Johnston operated was that first priority on Jordan water allocations must go to all lands within Jordan basin reasonably cultivable. Thus HKJ would receive sufficient water for East Ghor and West Ghor canals which would irrigate all lands reasonably and economically cultivable in valley in Jordan. According our estimates, some

¹ Source: Department of State, Central Files, 684A.85322/1-1260. Confidential. Drafted by Meyer on January 13; cleared in draft with Ludlow, Wallner, and L; and signed for Merchant by Jones. Also sent to Amman, Cairo, and Damascus and repeated to Baghdad, Tel Aviv, London, and USUN.

² *Supra.*

200,000 Jordanians could today be living on lands irrigated under Jordan Plan had Arab politicians not blocked plan on political grounds. Similarly Syria and Lebanon legitimate needs were cared for, i.e., water provided for all reasonably cultivable lands. In case of Lebanon, Hasbani water was allocated even though usage Lebanese allocation obviously impractical for foreseeable future. Johnston Plan required no agreement or contact with Israel on part Arabs but rather commitments by both sides to US as friendly third party. Also, although some refugees were to benefit from Johnston Plan it was to be without any prejudice to their rights of repatriation or compensation.

4. In our view it is illogical expect Israel stand still re its water development program merely because Arabs unable reach agreement among themselves re logical scientifically planned development River system to economic benefit of Arabs and to mutual advantage. Arabs should know that without in any way tapping waters at Banat Yacub or other demilitarized areas Israel by simple process pumping water from Lake Tiberias will be able take all water it wishes. Moreover further development Israel program creates more established water uses which could carry great weight in any international forum. Our impression is that Israelis still willing abide by Johnston allocations and our hope is they will do so. However, some rational approach on Arab side is needed or Arab interest will go by default.

5. All foregoing is not designed to "sell" Johnston Plan. In our view problem is clearly one for peoples of area. We made earnest and vigorous effort be helpful without success. We would be ready again to seek be helpful should Arabs and Israelis so wish but initiative must come from parties concerned.

6. We gratified Oueini shares our conviction that Jordan problem be resolved peacefully. As UN members Arab states have responsibility under UN charter to seek peaceful adjustment of differences with other states. Resort to military action would not be condoned by nations of world including US. In this connection it our opinion that in any airing of problem at issue Arabs would receive little sympathy since practical formula for solution of problem seems so readily available.

7. Our hope is that Oueini will utilize his best efforts to inject realism and rationality into Arab League discussion concerning Jordan waters. This is problem where emotionalism cannot serve Arab long-run interests. Quiet rational approach with possible assistance from friends of both Arabs and Israelis seems only appropriate course to follow.

Other addressees may speak along above lines in conversations local officials should suitable occasion arise.

Merchant

117. Telegram From the Department of State to the Embassy in Lebanon¹

Washington, January 20, 1960—8:47 p.m.

2554. Embtel 2265.² FYI While physical possibility exists for Arab diversion of some of Jordan headwaters, opinion of Johnston mission engineer is that diversion structures would be only partially successful and exceedingly costly estimating cost Hasbani tunnel, canal and diverting works at approximately \$10 million. Even in unlikely event that Arabs able complete proposed diversionary structures, amount of water Lebanese and Syrians could divert would not greatly exceed amount of water Israel obligated to deliver to Kingdom of Jordan under Johnston proposals. Furthermore, if Arabs undertook such diversionary efforts Israelis might well feel freed to initiate prompt and effective action to make up for anticipated upstream losses. Such Israeli action would be to lasting detriment of Jordan, Boteiha Farms in Syria and other downstream users. These technical facts undoubtedly understood by Arab engineers who participated in Johnston negotiations. End FYI.

Under circumstances, Department believes best course is for USG officials in discussions with Arab leaders give impression of mild but resigned regret. We believe over-eagerness on our part should be avoided if Arab leaders are to be induced to become less emotional and more realistic re Jordan waters question. In any case USG not interested becoming involved in Jordan waters issue unless there clear indications that parties directly concerned honestly wish third party assistance.

With foregoing considerations in mind, Department skeptical re providing Oueini with informal memorandum containing substance Deptel 2474. We see likelihood his using this piece of paper as fuel for fire which he seeking to ignite. Unless you have strong views to contrary you may inform him Department has not agreed you provide written memo since to do so would serve no constructive purpose and would give impression US seeking involve itself in area problem which can only be resolved by parties concerned.

¹ Source: Department of State, Central Files, 684A.85322/1-1660. Confidential. Drafted by Meyer; cleared in draft with L/NEA, Ludlow, Cargo, and Jones; and signed for Herter by Thacher. Repeated to Amman, Baghdad, Cairo, Tel Aviv, London, Paris, Damascus, and USUN.

² Telegram 2265, January 16, reported that McClintock had made the *démarche* authorized in telegram 2474 (*supra*), but Oueini was unmoved. The Foreign Minister talked at length about a diversion of the Hasbani River and stated that Lebanon would request U.S. aid for such a project. At the end of the conversation, Oueini asked McClintock for a "piece of paper" embodying the text of telegram 2474. (Department of State, Central Files, 684A.85322/1-1660)

If Oueini again mentions matter of US assistance for Hasbani diversion, you might simply remark that Washington has indicated this would not contribute to welfare of the area. If you think it would serve a useful purpose and if suitable opportunity arises, you may mention casually to Chehab or other Cabinet ministers that in our eyes project does not make sense from point of view of the area.

Herter

**118. Memorandum of a Conversation, Department of State,
Washington, January 28, 1960¹**

SUBJECT

Saudi Arabian Démarche re Jordanian Waters

PARTICIPANTS

His Excellency Sheikh Abdullah Al Khayyal, Saudi Arabian Ambassador

G. Lewis Jones, Assistant Secretary of State, NEA

Hermann F. Eilts, OIC, Arabian Peninsula Affairs, NEA/NE

Ambassador Khayyal said that following a meeting with his Arab colleagues on Israel's reported projects to divert water from Lake Tiberias, he had decided to call on Secretary Jones to ask that the United States use its influence to prevent Israel from going ahead with these plans. The Ambassador acknowledged that it was the intention of the Arab states to try to hurt Israel as much as possible and that stopping the proposed Israel project was part of this program. He thought the Arab-Israeli situation re the Jordan River should be "frozen." He hoped that the United States, as a friend of the Arab states, would take steps to stop the Israelis.

Mr. Jones said that, as he had earlier told the Jordanian and Lebanese Ambassadors, the United States is not involved in this matter.² Israel, using its own resources, is planning to draw water from Lake Tiberias. He knew of no plan, however, that would take water from the Arab states in the next 3, 4 or 5 years. It was exceedingly

¹ Source: Department of State, NEA/NE Files: Lot 63 D 59, Memoranda of Conversation. Confidential. Drafted by Eilts. Khayyal also met that day with Deputy Under Secretary Hare, who asked him to discuss the Jordan water question with Jones. A memorandum of that conversation is *ibid.*, Central Files, 684A.85322/1-2060.

² A memorandum of the conversation with the Jordanian Ambassador is *ibid.*, NEA Files: Lot 62 D 25, Jordan Water Development; a summary of the conversation with the Lebanese Ambassador was transmitted to Beirut in telegram 2663, January 28. (*Ibid.*, Central Files, 684A.85322/1-1660)

difficult to stop the Israelis from going ahead with their water diversion plans when the Arab states are showing complete disinterest in any constructive proposals to use the Jordan waters.

Speaking personally, Mr. Jones said he was deeply disappointed at the lack of progress made with respect to productive use of Jordan waters. Between 1953 and 1955 the United States, in an effort to be of help, had assembled the best engineering talent available to study the water resources of the Jordan Valley and to make recommendations. The so-called Johnston Plan was based on purely scientific and technical considerations. It would have provided an impartial mechanism to allot fair quantities of water to the riparian states. It did not envisage any direct Arab contact with Israel. Rather, control would have been exercised through an international water master.

Arab technical experts had recognized this and approved the plan. Unfortunately, on the political level, the Arabs had rejected it. Syria, which has the least need for Jordan waters, was the loudest in condemning the project. Jordan, regrettably, is the principal loser. Had the Johnston Plan been accepted, some 200,000 additional Jordanians would now have land for cultivation. All of this, however, is a thing of the past. The United States is not trying to sell the Johnston Plan or any other plan to the Arab states. The problem is essentially one for the states in the area to resolve.

In a reply to an indirect inquiry whether the United States would assist the Arabs in any water plans affecting the Jordan River, Mr. Jones observed that funds are tight at the present time but that, again speaking personally, he felt that the United States would be prepared to explore how it might assist in furthering some feasible program.

Ambassador Khayyal said he was not acquainted with the technical details of the problem and asked whether he might have a copy of the Johnston Plan. Mr. Jones said that the Arab governments doubtless had copies, but that he would be happy to lend the Ambassador a copy. (*Note:* Mr. Eilts later delivered to Ambassador Khayyal a copy of our memorandum of September 30, 1955,³ for his study, but asked that it be returned once the Ambassador had finished with it.)

³ Not printed.

**119. Memorandum of a Conversation, Department of State,
Washington, February 1, 1960, 4 p.m.¹**

SUBJECT

Israel Prime Minister Ben Gurion's Request for an Appointment with President Eisenhower

PARTICIPANTS

The Secretary

Avraham Harman, Ambassador, Embassy of Israel
Yaacov Herzog, Minister, Embassy of Israel

NEA—G. Lewis Jones
NE—William L. Hamilton

Ambassador Harman called to convey a request from Prime Minister Ben Gurion for a private conversation with President Eisenhower. The Ambassador said an invitation to receive an honorary degree from Brandeis University could serve as a pretext for a trip at a time convenient to the President. The Brandeis ceremony could be scheduled on a week's notice. The Prime Minister would receive a degree and then come "quietly" to Washington.

Ambassador Harman indicated the Prime Minister had certain thoughts he would like to present which might make a contribution to the President's preparations for approaching events. He suggested a date within the next six weeks or two months. Subjects to be discussed would include: 1) East-West relations; 2) problems of the new African nations; 3) the Middle East situation in general.

The Secretary said he could make no definitive reply without consulting the President but he felt sure nothing was possible before the President's return about the 7th of March from his South American trip.

The Secretary emphasized that the heavy schedule of events of the next few months made an official invitation out of the question. Ambassador Harman said the Prime Minister understood fully; he had no interest in press conferences, public appearances or Congressional courtesies. He had had all of these during his visit in 1951 and did not want the experience repeated. The Embassy would be prepared to work very closely with the Department to avoid activities which might in any way make the visit a matter of embarrassment.

¹ Source: Department of State, Central Files, 033.84A11/2-160. Confidential; Limit Distribution. Drafted by Hamilton and approved by S on February 6. The source text is labeled Part I of II. For Part II, see *infra*. Three briefing papers for the conversation are in Department of State, Central Files, 601.84A11/1-3060, 601.84A11/2-160, and 684A.86B/2-160. A memorandum of Harman's conversation with Jones earlier in the day regarding the visit is *ibid.*, 033.84A11/2-160.

The Secretary said he would be seeing the President in the near future and would undertake to put the Israel proposal before him.²

² Herter sent a memorandum to the President on February 2 recommending approval of the visit. (*Ibid.*, Conference Files: Lot 64 D 559, CF 1615) Across the top of the memorandum is the handwritten notation: "Pres app'vd appointment, arranged for 11 a.m. 3/10/60. Secretary to accompany."

**120. Memorandum of a Conversation, Department of State,
Washington, February 1, 1960, 4 p.m.¹**

PARTICIPANTS

The Secretary

Avraham Harman, Ambassador, Embassy of Israel
Yaacov Herzog, Minister, Embassy of Israel

NEA—G. Lewis Jones
NE—William L. Hamilton

The Secretary expressed his concern at reports that Israel-Syrian hostilities seemed to be broadening in the Demilitarized Zone at the southeast shore of the Sea of Galilee. We were disturbed by indications that military personnel and heavy equipment were being moved into the Zone contrary to the provisions of the Israel-Syrian Armistice Agreement. We hoped both sides would cease shooting and seek a solution through the UNTSO mechanism.

Ambassador Harman said that the Government of Israel is in touch with General Von Horn and wants only to achieve restoration of the status quo. Israel's action was to be defended, however, since the Syrians were first to violate the Armistice Agreement by introducing into the Zone military personnel disguised as peasants cultivating Arab-owned lands. The Israelis have no objection to Arab farmers entering the Zone but could not tolerate Syrian efforts to alter the status quo to their advantage.²

¹ Source: Department of State, Central Files, 684A.86B3/2-160. Confidential; Limit Distribution. Drafted by Hamilton and approved by S on February 6. See also *supra*.

² On February 1, the Embassy in Tel Aviv, in telegram 723, received in the Department of State at 1:17 p.m., reported that the Israeli Defense Forces had eliminated a Syrian fortified position within the southern demilitarized zone. Reid in a telephone conversation with Meir that morning "repeatedly urged" that no further action be taken. (*Ibid.*, Central Files, 684A.86B/2-160)

121. Telegram From the Embassy in Israel to the Department of State¹

Tel Aviv, February 2, 1960—3 a.m.

730. Pass OSD, Army, Navy, and Air. Joint Embassy, Army and Air Attaché message. Reference Embassy telegram 729.² In long discussion evening February 1 Foreign Minister made following points about southern demilitarized zone (DMZ) situation:

1. Decision to "clean up military base" old Tawafiq taken by Cabinet afternoon January 31.

2. In reply my query whether Israeli action not contrary to paragraph 5(B) Article V armistice agreement, she did not disagree but said it was necessary prevent further loss of life and in "interests self-defense within our border." She also mentioned Article 51 UN Charter.

3. Israeli Army not going attack and will take no action except in self-defense. I inquired whether Israel as UN member would act in conformity Articles I and II UN Charter, to which she responded, "of course." I then asked whether reported northward movement troops and equipment might not be misinterpreted. She stated she had not asked Prime Minister particulars these movements but she believed he would do what was necessary, and further that it was better to be alive and misinterpreted than be dead and eulogized.

4. On DMZ history Mrs. Meir said Israel had made over 700 complaints to UN and MAC. "UN more to blame than Syrians" and should have made an attempt to get Syrians to stop work. Last Saturday she had sent personal word to Von Horn and to Cordier through Tekoah urging return to "status quo" and Israel's complete willingness discuss matter. GOI considered DMZ as much of Israel as Tel Aviv and would not discuss with Syrians anything pertaining to DMZ. Israel would discuss with Syrians questions border tranquility and would discuss with chairman of MAC or Von Horn Arab cultivation and grazing rights in DMZ if Arabs had previously cultivated land. Mrs. Meir added one thing certain these Syrians "not farmers" and action "pure and simple attempt to get foothold in Israel territory called DMZ."

Comment: At end of meeting I again urged on Mrs. Meir the need for fullest cooperation with UN, the danger of misinterpretation by other countries over reported substantial troop movements even if

¹ Source: Department of State, Central Files, 684A.86B/2-260. Secret; Niact. Also sent priority to USUN. Repeated to Cairo, Damascus, Jerusalem, Amman, Beirut, London, and Haifa.

² Telegram 729, February 2, reported various troop and equipment movements in Israel. (*Ibid.*, 684A.86B/2-160)

defensive in character, and the need to find a constructive peaceful solution to present situation. She said Israel "day or night would be prepared for discussion," but that the "UN should tell the Syrians to stop this." She was willing to see Von Horn "any time." Mrs. Meir concluded, we are concerned with "self-defense of our people; not looking for a war."

Reid

122. Memorandum From the Assistant Secretary of State for Near Eastern and South Asian Affairs (Jones) to the Secretary of State¹

Washington, February 12, 1960.

SUBJECT

Israeli Arms Request

On February 9 the Israel Embassy delivered the attached note (Tab A)² concerning Israel's need for arms. This is the note which Foreign Minister Meir in a conversation with you last September indicated would be forthcoming (Tab B).³

I think you will find the note worth reading, particularly since this is a subject about which we may be hearing a great deal between now and next November. The note is skillfully drafted. The Israel Embassy says every word was carefully weighed, as was every item in the list of military items.

Briefly, the note contends that because of the heavy influx of Soviet arms to the Arab countries, particularly to the United Arab Republic, Israel has no choice but to seek a "qualitative equilibrium" in arms during the next two to three years. Reference is made to a communication from Mr. Dulles to Prime Minister Ben Gurion in August 1958 (Tab C)⁴ which the Israelis interpret to mean we will be sympathetic to their efforts to maintain deterrent military capabilities.

¹ Source: Department of State, Central Files, 784A.56/2-1260. Secret. Drafted by Meyer; initialed by Jones and Herter; and sent through S/S.

² None of the tabs is attached to the source text. A copy of Tab A is *ibid.*, 784A.56/2-960.

³ See Documents 91 and 92.

⁴ Document 32.

The note makes a flat request either for arms on a grant basis or the equivalent in economic assistance which will enable Israel to purchase the arms elsewhere.

The arms list is quite formidable. It includes nearly 100 aircraft of the latest models, 530 tanks, 300 armored cars, 60 howitzers, 250 recoilless rifles, 600 missiles of the Sidewinder and Hawk types, 2 small submarines and a large quantity of electronic equipment. Our guess would be that the Israelis do not really expect us to provide the heavy equipment. They probably feel we might be willing, however, to provide their electronic needs and then to some extent subsidize through indirect means their purchase of aircraft and heavy armament from French or other non-American sources.

In presenting the note, the Israelis expressed the intention of making their case known to key officials in the State Department and the Defense Department. Ambassador Harman will call on me shortly and then he hopes to discuss Israel's arms needs with Deputy Under Secretary Hare and Under Secretary Merchant. No doubt he will be discussing this subject with you also. We have indication from other sources that the Ambassador is also making appointments with Senator Fulbright and other key leaders in Congress. Undoubtedly this will be one of the principal subjects on Prime Minister Ben Gurion's mind when he visits Washington on March 10.

As you know, our traditional policy has been that we not become a major supplier of arms to any of the countries of the Near East. While we believe we should adhere to this policy, we also believe a thorough study of the Israeli note is in order. Accordingly, we are: (a) obtaining a thorough assessment from Defense and other sources of the Israeli contention that the United Arab Republic military build-up is a serious threat to Israel, (b) asking the Defense Department to put price tags on the various military items requested and determine their availability, and (c) examining possibilities for modest increments in PL 480 or DLF aid which might be available in the formulation of our response to this well-organized Israeli approach.

We shall keep you posted as to further developments.

123. Memorandum of a Conversation, Department of State,
Washington, February 16, 1960, 3 p.m.¹

SUBJECT

Israel's Arms Request

PARTICIPANTS

Abraham Harman, Ambassador, Embassy of Israel
Moshe Erell, Counselor, Embassy of Israel
Col. Aharon Yariv, Military, Naval and Air Attaché, Embassy of Israel

NEA—G. Lewis Jones
NE—Armin H. Meyer
NE—William L. Hamilton

Ambassador Harman said the purpose of his call was to supplement his Government's note of February 9² requesting United States assistance in procurement and financing of Israel's arms requirements. The note, he said, is the product of a study requested by Prime Minister Ben-Gurion some months ago and completed recently at which time he presented the rather alarming conclusions of the study to his Cabinet.

Israel's examination of its defense posture had revealed four objective factors which might be defined as follows:

1. The appearance of a dangerous gap in the quality of matériel possessed by Israel as compared with the Arab states, and
2. A large gap in relative quantities of matériel.
3. The absence in Israel of adequate warning systems, especially against air attack.
4. The growth of Arab capacity to manipulate and employ their military machine. This last factor could be described in terms of an actual growth in the size of UAR armed forces as well as increases in a) trained personnel and b) organization of training facilities.

Ambassador Harman said that the study had not addressed itself in any direct way to an appraisal of Arab intentions towards Israel despite the fact that there had been a substantial increase in Arab expression of hostility against Israel in the last 6 or 8 months. He said Arab intentions were not relevant at the moment. What Israel feared deeply was the prospect of finding itself in a situation which could not

¹ Source: Department of State, Central Files, 784A.56/2-1660. Secret; Limit Distribution. Drafted by Hamilton on February 17. The source text is labeled Part I of II. For Part II, see *infra*. Briefing papers for the conversation, February 15 and 16, are in Department of State, NEA Files: Lot 62 D 35, 1960 Chron. A summary of the discussion of the I/S MAC meeting was transmitted to Tel Aviv in telegram 613, February 16. (*Ibid.*, Central Files, 684A.86B/2-1660) A memorandum of a similar conversation among Erell, Tariv, Meyer, and Wahl, February 12, is *ibid.*, 784A.56/2-1260.

² See footnote 2, *supra*.

be remedied after it became apparent that danger was imminent. The principal danger was that of a surprise air attack because of Israel's circumstances, mounting of an air attack does not require long preparation if any enemy has the aircraft.

The Ambassador said that the list of arms appended to the Israel note represents the gap as it now exists between Israel's equipment and what is required to re-establish the previous equilibrium. He said it might be divided into three categories: 1) The equipment needed to improve the quality of Israel's equipment and replace items rendered obsolete by the Arabs' recent acquisitions. 2) Minimum additions vital to achieve relative equality in a quantitative sense. (The Ambassador commented at this point that Israel was not thinking of an overall increase in its forces or equipment.) 3) Items needed to increase Israel's capacity to alert itself to sudden attack.

The magnitude of the deficiency, according to Ambassador Harman, places Israel in a terrible dilemma. Security is a consideration overriding all others, but without assistance Israel could reduce the gap only by seriously undermining its capacity for economic growth. He suggested that the problem of repairing Israel's defense posture was of importance to the West, arguing that Israel's defense capacity had been one of the factors contributing to the relative stability prevailing in the area since 1957.

He said he wanted to underscore the fact that the gap results entirely from Soviet intervention in the area. How the situation could be corrected is a matter that his Government would like to consider in consultation with the United States. They would welcome suggestions. There was no rigidity in their views as to what processes could best meet the problem.

In response to Mr. Jones' inquiry, Ambassador Harman said that Israel defense expenditure represents some 26 to 30 per cent of the Government's budget, plus other items which had a direct bearing on Israel's security but were not defined or revealed in the budget.

Mr. Jones complimented the Israelis on the eloquence with which their note presented the Israel case. However, he said, United States consideration of the request has only begun. He said the Department of Defense has been asked to provide some estimates of cost and availabilities without reference to the political factors which Mr. Jones described as far-reaching. He reminded the Israelis of U.S. reluctance to become a principal source of supply for the area in the belief that introduction of large quantities of arms there is not a good thing.

Mr. Jones indicated that we would be interested in any further statistics the Israelis might care to produce on the Arab buildup. He commented that the Department had not been conscious it was as great as the Israelis asserted.

Col. Yariv said that there had been a marked growth in the size of UAR forces. Outfits which had once existed only on paper were now full strength and very well-equipped. New units had been added. While Iraq was not a "first-line threat", as compared with the UAR, it also has increased the size of its forces and the state of its general competence. He reported a greatly accelerated rate of training since 1956 and replacement of all the equipment the UAR had lost in the Sinai campaign. Since then, he said, all UAR officers who had field commands had been in the Soviet Union for training. He credited the UAR with great improvement in its paratroop outfits, under water or "frogmen" units, submarine crews, etc.

Mr. Meyer asked the Israelis if they had a timetable on UAR acquisition of equipment. Col. Yariv replied it is Israel's belief that there had been steady substantial deliveries from 1955, when the Czech Arms Deal was signed through the middle of 1959 after which they may have tapered off.

**124. Memorandum of a Conversation, Department of State,
Washington, February 16, 1960, 3 p.m.¹**

SUBJECT

Israel's Boycott of I/S MAC Meeting, February 16

PARTICIPANTS

Avraham Harman, Ambassador, Embassy of Israel
 Moshe Erell, Counselor, Embassy of Israel
 Col. Aharon Yariv, Military, Naval and Air Attaché, Embassy of Israel

NEA—G. Lewis Jones
 NE—Armin H. Meyer
 NE—William L. Hamilton

Mr. Jones expressed disappointment at reports that Israel had declined to attend a meeting of the I/S MAC called by General Von Horn to discuss the recent flare-up between Syrian and Israel forces in the southern Demilitarized Zone. He observed that with UNEF or UNTSO personnel on all its borders Israel is unique in having a "built-in trip wire" against surprise attack. This was an asset Israel should make full use of. Ambassador Harman replied that Israel is prepared to

¹ Source: Department of State, Central Files, 684A.86B/2-1660. Secret; Limit Distribution. Drafted by Hamilton on February 17. The source text is labeled Part II of II; for Part I, see *supra*.

discuss frontier problems at any time but cannot participate in a MAC meeting if there is a possibility it will provide Syria with an opportunity to assert an interest in the Demilitarized Zone. He said Syria has no locus standi in the Demilitarized Zone under the terms of the Armistice Agreement. Israel is determined to avoid any concessions that tend to suggest that Syria does have such status.

Mr. Jones reaffirmed U.S. support of the UN view that the question of sovereignty in the Demilitarized Zones is in abeyance pending final settlement of the Palestine issues.

Ambassador Harman said that leaving quite aside the question of Israel's sovereignty over the Demilitarized Zones, Syria had been definitely excluded from them by the terms of the Armistice Agreement, a 1951 ruling by General Riley, then UNTSO Chief of Staff, and a subsequent letter by Dr. Ralph Bunche. The Chief of Staff of UNTSO but not the I/S MAC had certain supervisory responsibilities in the DZ, Ambassador Harman said.

Mr. Jones commented that the Department believes General Von Horn is doing an excellent job and, with UNTSO, constitutes a very valuable entity of which maximum use should be made.

Asked why Israel felt it necessary to insist in advance that there be limitations on the I/S MAC's terms of inquiry, Ambassador Harman reiterated Israel's determination to avoid actions tending to concede locus standi to the Syrians. He said General Von Horn is aware that the Israelis are willing to discuss the incidents themselves and corrective measures. This could be done at any time either with or without the Syrians, but not necessarily within the framework of the I/S MAC.

125. Telegram From the Embassy in Israel to the Department of State¹

Tel Aviv, February 18, 1960—4 p.m.

789. Deptel 619.² Message re UAR report of Israel mobilization conveyed Foreign Minister noon today by Counselor who acted in my unavoidable absence (due birth of daughter).

¹ Source: Department of State, Central Files, 684A.86B/2-1860. Secret; Priority; Limit Distribution. Repeated to Cairo and USUN.

² On February 17, the Embassy in Cairo reported that Nasser had requested any information available to the Embassy concerning Israeli mobilization and preparation for aggressive action. (Telegram 2557; *ibid.*, 684A.86B/2-1760) Telegram 619 to Tel

Mrs. Meir grateful for first part of message, but annoyed by use of word *both* in reference to our belief both sides should continue show restraint, et cetera. She loudly asserted that Israel refused to be put in same category as Nasser and bitterly resented our equalization of the two sides. There are not two sides that have been failing to show restraint, she said, but only one. She added, it is Nasser who makes speeches threatening to destroy Tel Aviv and not Ben-Gurion threatening Cairo. She added that Nasser was now going up and down Syria making unrestrained speeches.

Counselor pointed out that message did not mention "equalization" but was rather designed to further restraint and cooperation with UNTSO. Foreign Minister insisted that regardless of our intention, Nasser would treat this as equalization, and she would not be surprised if Nasser took this message as basis for new broadcasts stating that United States "warned" Israel. Mrs. Meir further remarked that she regretted that we had not been "willing to be critical of Nasser".

She expressed a certain amount of disappointment over results of United Nations action by referring to reports of yesterday's ISMAC meeting and to *Inge Toft* affair, and drew from her desk letter of October 7, 1959, from Hammarskjold in which she said he stated that *Inge Toft* if unloaded can go anywhere any time. She said Secretary General had also written he believed Egypt's position was such that cargo of the ship could not be confiscated.

Mrs. Meir sarcastically scoffed at reports of mobilization and said we could see for ourselves what that amounted to.

Comment: Embassy has no present indications of mobilization after considerable reconnaissance which is continuing. Military Attachés estimate major Israeli military action on Syrian border, requiring several brigades and airborne preparations, would be observable. Politically Embassy believes Israel most unlikely to take any major action now, partly in light of Arab League meeting and principally because security of Israel not presently threatened. Moreover Israel doubtless still cherishes some hope of assistance in obtaining defensive arms from western friends.

Reid

Aviv, February 17, reported this approach, noted that the Embassy in Cairo had been instructed to tell Nasser that the United States had no reason to believe Israel was contemplating such actions, and instructed the Embassy in Tel Aviv to say the United States believed both sides should continue to show restraint in actions and public statements on Palestine. (*Ibid.*)

126. **Telegram From the Mission at the United Nations to the Department of State**¹

New York, February 18, 1960—8 p.m.

774. Re: Middle East.

1. At mtg called by SYG with US and UK Dels today SYG said he regarded situation in ME as serious (“potentially very serious”) and wanted to consult US re next UN steps. During course of long discussion he reviewed Suez Canal issue and Jordanian water problems along lines his conversation with Reinhardt (USUN 770)² but concentrated most of his remarks on current northern Demilitarized Zone (D/Z) problems.

2. He received letter on D/Z problems from UAR today for circulation to SC.³ Last para of this letter SYG regarded as “rather dangerous”. As read out by SYG para read “The Govt of the UAR impresses upon the SC the grave consequences if Israel’s serious violation of the demilitarized zone is unchecked. The UAR reserves the right to take whatever measures it deems right to rectify the situation.” SYG was afraid this para might be invoked by UAR as pre-warning under Art 51 of Charter; that it would alarm Israel and that it showed disturbing state of mind in UAR. He was asking Asha to change it.

3. Later in mtg Bunche received word that Asha had agreed to revise last sentence to read “UAR reserved the right to seek to restore the previously existing situation” and that he had formally submitted letter for circulation. After some discussion it was generally felt this was slight but not great improvement over original language, which Asha (UAR) had told Bunche was itself more moderate than language in his instructions. In any case, SYG still thought main problem was UAR governmental attitude which original wording reflected.

3. [*sic*] SYG also said he had received TS cable yesterday (Feb 17) from Gen Gyani (UNEF) saying he had been informed “formally” in Gaza by UAR that any military aggression on northern region of UAR would be considered act of aggression on UAR in both regions. This implied UNEF would be caught between parties in any serious conflict.

4. In all circumstances SYG said he was planning to send Council members letter tomorrow when text UAR letter was circulated. SYG’s letter would say recent developments may call for consideration of

¹ Source: Department of State, Central Files, 780.00/2-1860. Confidential; Priority. Repeated priority to Tel Aviv and Cairo.

² Telegram 770, February 17, transmitted Hammarskjöld’s views on the Suez transit question and UAR-Israeli relations. (*Ibid.*, 986B.7301/2-1760)

³ For text of this letter, see U.N. Doc. S/4268.

situation by SC (see USUN 775 for full text).⁴ It would also refer to anticipated report from Von Horn (UNTSO) with intention counteracting sharp reaction he expected in Israel from UAR note.

5. SYG made clear he felt border situation was serious and that he personally thought SC would have to meet in near future to deal with it. His idea was that SC should meet to avoid outbreak by showing it was fully aware of situation and that any move by parties would come under SC study and reaction. He has in mind SC would reaffirm either in res or consensus procedure its previous stands on status DZ and against unilateral action by parties. He would prefer Council be called by someone else but would not discard acting under Art 99 as he feels this would be fully justifiable constitutionally and in actual circumstances.

6. He does not feel Israelis are in "aggressive mood" but he does feel they intend to acquire control over northern DZ as they have done over El Auja because they will need this in connection with Jordan water diversion, which they regard as vital. He therefore considers DZ situation will continue to be serious, although he indicated both sides at fault in recent clashes. (Von Horn report on these clashes will be available NY this weekend and will be promptly circulated.)⁵

7. Dixon (UK) said UK had nothing to indicate Israel was in unsettled mood; in fact, everything they had pointed other way. He said SYG's proposed letter would in effect compel SC mtg. It would be abrupt change from pattern of last two years in which SYG has been handling problem except in extreme circumstances. Such shift in itself might magnify problem. Beeley added that SC discussion on DZ would have certain lack of reality about it particularly since it would not touch canal or Jordan waters issues. While not ruling out possibility SC might have to look at DZ issue they question whether situation yet warranted such sudden move. They therefore suggested last para of SYG's letter might be deleted. (After meeting Dixon called to say that while he had poured cold water on SC idea with SYG he intended to give it "fair wind" in report to London.)

8. SYG, while continuing to maintain his belief SC mtg ultimately has to be held, replied that what he might do would be to substitute for last para of his letter fol sentence: "I wish to call these reports to the urgent attention of members of SC". He observed mere fact he felt it necessary to send covering letter of this sort would serve notice to SC of his concern, while leaving necessity of SC mtg somewhat more open.

⁴ Not printed. (Department of State, Central Files, 780.00/2-1860)

⁵ For text of Von Horn's report, see U.N. Doc. S/4270.

9. I said I felt SYG's assessment of situation, including letter from UAR and his information from Gyani, deserved serious consideration as did also Dixon's observation implying sudden shift to SC might further magnify current issue. I thought Dept would probably prefer SYG's alternate formula for letter but would like opportunity to consult. At same time, I pointed out SC mtgs in past had quieting effect on border issues, even when they had no positive outcome.

10. SYG said he intended we would have opportunity to consult but asked that we provide him with our views on text his letter to SC members by tomorrow (Friday) noon, as he could not delay publishing UAR letter further and wished get his letter out at same time.

11. Dept's urgent instructions requested on formulation SYG's letter. Also suggest Dept give full consideration to whether or not it considers SC action desirable in near future in light SYG's concern.⁶

Barco

⁶ On February 19, the Department of State replied that it agreed with Hammarskjöld's general assessment of the situation in the Middle East and was strongly supporting his efforts to reduce tension. It advised that the UAR letter be circulated as a routine matter and that, before any Security Council meeting was called, full consideration be given to whether a meeting would increase or reduce tension. (Telegram 696; Department of State, Central Files, 780.00/2-1860) Following remarks to the press on February 19, the Secretary-General decided that no Council meeting was needed.

127. Telegram From the Department of State to the Mission at the United Nations¹

Washington, February 25, 1960—8:05 p.m.

706. Dept appreciates full and frank comments SYG on Middle East situation contained USUN's 797.² Suggest you so inform Cordier or Bunche if SYG absent and in your discretion make following points as appropriate:

¹ Source: Department of State, Central Files, 780.00/2-2460. Secret. Drafted by Brewer, cleared by Jones and Ludlow, and approved and signed for Dillon by Cargo. Repeated to Tel Aviv and Cairo.

² Telegram 797, February 24, reported that at the end of the Security Council luncheon that day Hammarskjöld stated that the situation on the Syrian/Israeli DMZ had reached an impasse. (*Ibid.*)

1. While UAR build-up continues to be chief unstabilizing factor in current NE situation, reports available USG indicate moves so far defensive in character. Passing UAR February 22 anniversary and subsequent quieter tone Cairo press give hope that tension may have passed its peak.

2. We nevertheless believe situation requires close watching and have informed both UAR and Israel we believe both sides should show restraint in actions and public statements and cooperate fully with existing UNTSO machinery.

3. Confronted by Nasser's inflammatory statements and large-scale UAR mil activity, GOI has in our opinion shown commendable restraint. We have so informed Israelis, expressing hope GOI would continue avoid responses which might exacerbate situation. While difficult assess precise motivations UAR build-up, we inclined believe they compound of (a) genuine concern at reports Israeli moves; (b) desire guard rear in event Iraqi developments or strong Israeli reaction Nasser's recent speeches Syria; (c) reaction recent Demilitarized Zone tension and concern at Israeli "designs" on Jordan Waters.

4. View foregoing we inclined believe it preferable not send communications (USUN 798)³ or make public comment of type which might provoke sharp reaction of either side when instead situation should be allowed cool. However, we have great faith in SYG's judgment and believe he should play situation as he sees fit.

5. In same vein, we uncertain in present circumstances whether any dramatic gesture, such as SYG trip area of which GOI apparently thinking, likely prove helpful. Continuing SYG contact with Israel and UAR reps we believe most useful as well as generally reassuring, so is cautionary message which we understand SYG has just sent Fawzi. We are inclined to doubt whether anything beyond quiet diplomacy would be advantageous at this juncture. We would of course carefully consider any suggestions the SYG has for reducing tension. SYG should know that this offer includes readiness consider requests he may have for specific diplomatic backstopping of his initiatives.

6. While circulation Von Horn report may produce some reaction, particularly on part Israelis, we see some merit in SC members having info re Demilitarized Zone situation which has been contributory factor in current tension.

7. We continuing counsel both parties exercise restraint and emphasizing we do not believe either side contemplating offensive action.

Dillon

³ Telegram 798, February 24, reported a discussion with Hammarskjöld on various aspects of the Suez transit question. (*Ibid.*, 986B.7301/2-2460)

128. Telegram From the Department of State to the Embassy in Israel¹

Washington, February 27, 1960—4 p.m.

660. Israel Ambassador Harman twenty-sixth pressed Merchant for US support against what Harman described as UAR's attack on fairly satisfactory status quo existing Arab-Israel relations since 1957. He cited Suez Canal transit issue, flareup on Syrian frontier, intensification of Arab boycott, revival Arab League efforts discomfit Israel, and present UAR military buildup as planned challenge of situation on which Arabs and Israelis might have worked toward accommodation of their differences.

Harman expressed GOI's concern with UAR Sinai buildup along lines of Israel Minister's conversation with Hart Thursday (Deptel 3505 to Cairo).² He added that while GOI still felt Israel had capacity to counter any UAR aggression based on present relative strength it is disturbing that Nasser apparently thinks his own position has improved to point where he can take risk of Israel reaction implicit in his present troop deployment. Nasser's current bravado pointed up urgency of Israel acquiring arms to preserve present relative balance of strength as requested in Israel's February 9 Note to USG.

Merchant commented Israel Note now under study both in Department and Pentagon. Latter been asked to supply data on such factors as prices and availabilities. Israel request would be given most careful consideration but of necessity against backdrop of frequently reiterated United States reluctance to become major supplier of arms to Near East.

Merchant said we shared Israel bewilderment and concern re Nasser's troop movements.³ He reported that we had asked Embassy Cairo to explain circumstances as we saw them to UAR Government. He expressed hope Israel would be able to maintain commendable restraint it had thus far exhibited in face of recent disturbing developments and that any precautionary measures Israel felt necessary to initiate would be made with minimum exacerbation current tension in view.

¹ Source: Department of State, Central Files, 684A.86B/2-2760. Secret; Priority. Drafted by Hamilton, cleared by Jones and Meyer, and approved and signed for Dillon by Perkins. Also sent priority to Cairo and to London and USUN.

² Telegram 3505, February 25, reported that Herzog had discussed the Sinai situation with Hart and summarized the conversation along lines similar to those reported here. (*Ibid.*)

³ In telegram 2635 from Cairo, February 24, the Embassy had speculated on the reasons behind Nasser's behavior, concluding that Cairo was alive with theories, but there were few facts to explain the phenomena. (*Ibid.*)

Re Suez transit issue, Harman said he hoped soon to ask Department's consideration of direct USG intervention in issue as providing most promising support for Hammarskjold's personal efforts in matter. He said Hammarskjold's present study of *Astypalea* documentation to determine ownership of cargo has very little relevance to principle of freedom of transit which Egyptians had tacitly accepted for Israel freight until early 1959. Merchant pointed out we had made several overtures to UAR both independent of and in support of Hammarskjold's efforts but would consider taking subject up again in Cairo if we convinced such action would have beneficial effect.

Foregoing based on uncleared memorandum of conversation.⁴

Dillon

⁴ A memorandum of the conversation and a briefing paper for it are *ibid.*, 784A.56/2-2660 and 784A.56/2-2560, respectively.

129. Telegram From the Embassy in Israel to the Department of State¹

Tel Aviv, March 5, 1960—1 p.m.

852. Indications from several talks, including one during my private courtesy call March four, lead me to believe Ben-Gurion may present to President and Secretary his views on three or four of subjects discussed below. Apparently, he wishes to talk to President on broad and general subjects—east-west relations—perhaps reserving for Secretary matters of more detailed concern to Israel, e.g. Israel's security.

1. East-West relations. (A) Soviet foreign policy and relationship of ChiComs thereto; particularly as power of latter grows: possibly causing Soviets turn more to west in five-ten years time. (B) Pitfalls to west of taking Soviet Aesopian language too literally on such questions as peace and peaceful co-existence. (Ben-Gurion told me after Khrushchev's article appeared in October 1959 issue of *Foreign Affairs* that it needed "an answer". Subsequently he read with care articles in January issue by Kennan and Stevenson). (C) Ben-Gurion said yesterday there possibility Khrushchev might suggest at summit need for maintenance of "status quo" in Middle East. This, he thought, could

¹ Source: Department of State, Central Files, 033.84A11/3-560. Secret; Limit Distribution.

have important effect on Nasser's thinking if he convinced both west (tripartite declaration) and east would uphold independence of existing countries; thereby further precluding UAR hegemony in area notably re Iraq. (D) Effectiveness of Soviet propaganda, *Soviet Times* based only on promises, and need for West, particularly US, to pay greater attention to this question in light of substantive assistance US actually supplying.

2. Middle East. Ben-Gurion believes chances for peace settlement dependent A) on ending of Nasser-Kassem rivalry and B) recognition of status quo and independence existing countries in area, particularly by UAR. Currently, Ben-Gurion thinks Nasser hates Kassem more than Israel and that if Nasser would give up his dreams other Arab states might be willing come to some accommodation with Israel. (Ben-Gurion also makes point of stressing Kassem not a Communist and his refusal to give permit regular CP to become party in Iraq hopeful sign.)

Although he has not mentioned this lately, Ben-Gurion may raise GOI's continued willingness, in interest of peace, to enter into non-aggression pacts with mutual inspection or to GOI willingness agree neutralization Middle East.

If PCC raised, Ben-Gurion may mention his preference for US taking initiative and alternative of US most discreetly pursuing refugee question through single intermediary. He also probably prepared to say he not unwilling meet Nasser secretly if any real prospect of fruitful discussion or results. (He has made such a statement to me.)

3. Israel security. Ben-Gurion principally concerned with maintenance of adequate defensive deterrent. While GOI might prevail in event of attack "nothing" can compensate for loss of life, nor can Israel—a small country—afford to lose its best youth.

Specifically, Ben-Gurion referred to approximate UAR superiority in equipment over Israel in order of 3 to 1. His note to USG and current thinking thereon based on: (A) Information that definite agreement in principle reached by USSR to supply UAR with MIG-19s and bombers capable of carrying 10 tons. Delivery date not certain but probably based, in part, on phasing out MIG-19s from Soviet Air Force. (B) The cumulative effect of training some 3,000 UAR officers and technicians in bloc countries; the work of 300-400 USSR officers and technicians in UAR.

Here, Ben-Gurion noted report that sometime ago Nasser had asked for more MIG squadrons. Khrushchev had said "no" and commented that what Nasser needed was not "more squadrons, but better squadrons". Ben-Gurion said this quite true and represented danger to Israel if Nasser really addressed himself to quality and questions of leadership instead of numbers.

IDF especially needs to be capable of protecting itself against surprise air attack. Ben-Gurion said here it important to have defensive missiles to deal with bombers flying at altitudes of 30,000–40,000 feet and over. The other equipment item he singled out was ASW gear.

In past conversations, Ben-Gurion has referred particularly to high cost of obtaining modern military equipment—almost unbearable for Israel's economy—and to fact Soviets supply arms to UAR on easy terms with purchase price considerably less than actual value.

4. Newly developing nations of Asia and Africa. Ben-Gurion feels keenly that Israelis making or can make important contributions to new African and Asian nations; notably Ghana, Guinea, Liberia, Nigeria, French Sudan, Chad, Ethiopia, Burma and in Middle East area to Turkey and Iran.

He stresses that helping newly emergent countries and their leaders to meet the rising aspirations of their peoples for a better life in freedom the central question of our time.

The way the West meets this problem in concert with these nations quite as important as what we do. West needs to recognize that approach (A) must be as "equals to equals" and (B) must take full cognizance of the sensitivities surrounding the yearning for "human dignity".

Last year, he once mentioned to me that if Israel could have some economic assistance on defensive armaments, he could take care of the financing of Israel's joint training and other endeavors with nations of Africa and Asia.

Comment: Ben-Gurion may also, of course, not only raise the question of Suez transit, but particularly the importance GOI attaches to Eilat and freedom of passage in the Gulf of Aqaba and the Strait of Tiran. In the past he has noted Nasser's comments re the closing of these waters by judicial means, the Arab League Council's recommendation or resolution (Cairo's 2713 to Department)² to the effect that the Gulf of Aqaba constitutes an internal Arab waterway appears to be a further case in point.

Reid

² Telegram 2713, March 2, reported that the 32d session of the Arab League had come to an end on February 29 and reviewed the resolutions passed by the meeting. (*Ibid.*, 786.00/3–260)

**130. Memorandum of a Conversation, Department of State,
Washington, March 7, 1960, Noon¹**

SUBJECT

Arab Ambassador's Démarche re Ben-Gurion Visit

PARTICIPANTS

The Secretary of State

G. Lewis Jones, Assistant Secretary of State, NEA

Herman F. Eilts, OIC, Arabian Peninsula Affairs, NEA/NE

Sheikh Abdullah Al-Khayyal, Ambassador of Saudia Arabia

Nadim Dimechkie, Ambassador of Lebanon

Dr. Mostafa Kamel, Ambassador of the United Arab Republic

Yusuf Haikal, Ambassador of Jordan

Ali Haider Sulaiman, Ambassador of Iraq

Dr. Osman El Hadari, Ambassador of the Sudan

Mongi Slim, Ambassador of Tunisia

Dr. El-Mehdi Ben Aboud, Ambassador of Morocco

Asseyed Ahmad Ali Zabarrah, Chargé d'Affaires of Yemen

Abdurrazak O. Missallati, Chargé d'Affaires of Libya

Ambassador Khayyal (Saudi Arabia) handed the Secretary an Aide-Mémoire (copy attached)² setting forth the Arab Ambassadors' view on the Ben-Gurion visit. He then invited the UAR Ambassador to speak for the group.

After thanking the Secretary for giving the Arab Ambassadors his time, Ambassador Kamel (UAR) explained that the policy of the Arab states is one of peace toward all nations. There are two reasons for this: (a) in the present tense international situation an incident occurring anywhere can endanger world peace, and (b) the Arab countries are deeply preoccupied with economic development plans to better the living standards of their peoples which could be disrupted by the spread of destructive ideas. The Arabs are pleased with the happy relations which currently obtain between the United States and the Arab countries. These relations are threatened by Israel, by international Zionism and by American Zionists. The Ambassador cited an alleged statement of January, 1958, by an Israeli Foreign Office spokesman expressing concern over improved United States-Arab relations and instructing Israeli representatives to "warn" Western governments of any such rapprochement. Israel is asking for more arms with which to kill Arabs. Not a week passes in which American papers, especially Zionist papers, fail to pillory Saudi Arabia, the UAR, Lebanon, etc. During recent UAR negotiations with the IBRD, strong

¹ Source: Department of State, Conference Files: Lot 64 D 359, CF 1614. Confidential. Drafted by Eilts and approved by S on March 11.

² Not printed; it summarized the Arab Ambassador's views.

efforts were made by Israeli supporters to obstruct any loan for the betterment of the Suez Canal. Then had come the Tawafiq incident and the subsequent press campaign suggesting the Arabs had committed aggression in the Demilitarized Zone. The Arab Ambassadors, after United Nations condemnation of Israel, had pleaded with American papers to publish the U.N. Truce Commission's report. Not a single paper had done so. The Arab Ambassadors had also invited CBS to film Tawafiq in an effort to enable the American public to learn the "truth" about the incident. CBS agreed to do so, but on the appointed day nothing was shown. CBS later explained this omission as a "technical mistake".

Mr. Ben Gurion is doubtless entitled to come to the United States, Ambassador Kamel continued. Unfortunately, the suspicion exists that his visit will not be limited to its declared purpose of receiving an honorary degree. His various statements suggest that its true purpose is to worsen relations between the United States and the Arab countries. The Arab Ambassadors want to protect United States-Arab relations. They are deeply concerned at Zionist activities in this country. In the interests of world peace, in the interest of continuing good relations with the Arab states and in the name of American principles of justice, the Arab Ambassadors hope that the Ben Gurion visit will not be allowed to harm these relations.

The Secretary thanked Ambassador Kamel for his frankness in presenting the Arab case. He assured the Arab Ambassadors that the United States does not anticipate any change in its relations with the Arab states as a result of the Ben Gurion visit. The visit will be unofficial. The Department learned of it only a short time ago at which time it was told Mr. Ben Gurion would like to pay his respects to the President. It could do nothing but recommend to the President that he see Mr. Ben Gurion. Prime Minister Karami of Lebanon had seen the President during his visit last year.³ There is no agenda for Mr. Ben Gurion's talks with the President. The Department does not know what he will wish to discuss. It does not expect any change in its relations with Israel to develop from these talks. It knows of no Israeli proposal for a treaty or new agreement. Further, the United States has never been a major supplier of arms to Israel.

Ambassador Dimechkie (Lebanon) felt it was "unfair" to compare the Ben Gurion visit with that of Lebanese Prime Minister Karami. The latter had headed his country's delegation to the United Nations and was thus already in this country. Nor had Mr. Karami headed a government which only two weeks earlier had been condemned by the United Nations. Conferring an honorary degree on Mr. Ben Gurion now, when such degrees are normally granted in June, is suspect. The

³ Karami visited Washington on September 9, 1959.

Ambassador expressed concern about the effect of the visit on public opinion in Israel, in the Arab world and in the United States. Some may infer from it that the United States is willing to overlook aggression. Mr. Ben Gurion will enjoy considerable press support while here. This could set back the progress made in improving United States-Arab relations. The Israeli anti-Arab campaign is intense and extends even to the field of literature. Thus, for example, it is regrettable that the book *The Exodus* is now to be filmed.

The Secretary recalled that a similar campaign had been attempted before the IBRD loan to the UAR. That campaign had in no way prevented the United States from supporting the loan.

The Tunisian, Moroccan and Iraqi Ambassadors added their expressions of concern. They stressed their solidarity with the Arab cause and their hope that nothing would take place during the Ben Gurion visit which might antagonize Arab public opinion and damage United States-Arab relations.

The Secretary thanked the group and said he would be pleased to see the Arab Ambassadors at any time, either individually or as a group.

Note: After the meeting with the Secretary, Ambassador Dimechkie read a prepared press statement to the assembled correspondents. A copy is attached.⁴ Later in the day, in reply to a newsman's question, a Department Press Officer issued a statement on the visit of the Arab Ambassadors. A copy of this is also attached.⁴

⁴ Not printed.

131. Memorandum of a Conversation, White House, Washington, March 10, 1960, 11 a.m.¹

THOSE PRESENT WERE:

The President
Prime Minister Ben-Gurion
Ambassador Avraham Harman
Douglas Dillon, Under Secretary of State

¹ Source: Eisenhower Library, Whitman File, Project Clean Up. Top Secret. Drafted by Hagerty. Ben Gurion visited Washington March 9-13 during a trip to the United States. A collection of briefing papers and schedules for the Washington part of the trip are in Department of State, Conference Files: Lot 64 D 559, CFs 1613-1615. Another memorandum of this conversation, drafted by Jones, is *ibid.*, CF 1615.

G. Lewis Jones, Assistant Secretary of State for Near Eastern and South Asian Affairs
James C. Hagerty

As the Prime Minister entered the room, the President met him at the door, shook hands with him and invited him to sit down at his desk. The President said that it had been many years since he had last seen the Prime Minister, and the Prime Minister said that that was right, and that it was fifteen years ago just after the end of World War II. The Prime Minister remarked that the President was looking well and said that he sincerely hoped that the President was succeeding in his quest to keep the world at peace.

The President thanked the Prime Minister for his remarks and said that everyone wanted peace but that no one seemed to want to sacrifice for it. The Prime Minister injected, "No one?", and the President said that he meant the Soviets.

The Prime Minister said that he had brought a small and modest present for the President, that it was an album of photographs of DP's in Germany, many of whom, after having been liberated by the Armies under General Eisenhower's command, came to Israel and are now good and useful citizens of that country. The President replied that he was very grateful for the present and reminisced briefly on his visits to the concentration camps in Germany. He said he was pleased to receive the album because he was always happy to get any indication of the rehabilitation of any displaced persons.

Prime Minister Ben-Gurion then drew a large sheaf of notes from his pocket and said that he wished to discuss several pertinent matters with the President. He said that he had made some notes that he would like to follow and hoped that the President would not mind if he referred to them from time to time.

The Prime Minister said that he would like first to present to the President an analysis as he saw it of worldwide Communism, its aims and the present thoughts of its leaders. He said that he would do this with some embarrassment because he knew that President Eisenhower certainly was in possession of more information than he had on this subject, but that he thought it might be helpful in opening up the conversation. He said that he happened to know the Russian people, that he was born in Russia, and that he would speak from that point of view.

Prime Minister Ben-Gurion said that as far as the principles of Communism are concerned, in his opinion they were unchangeable; that they had been laid down by Lenin; and that they were being kept as a matter of almost religious faith by devout Communists. He added that he could not imagine that any devoted Communists would deviate or change from these principles although he admitted that as world

conditions change, there might be some slight fluctuations in the approach that Communists might seemingly give toward their dedication of Communist principles.

The Prime Minister interrupted the start of his analysis to say that he thought the President was looking very well; he said that he had seen him Tuesday night on television when the President made his report to the American people on the South American trip,² and that he looked a little tired. This, the Prime Minister said, caused him some concern, but he was pleased to see the President looking so well in person. The President said that any appearance on television always brought different shades of opinion on how he looked, that some people in his own family would say he looked well while others would say he looked not so well. He said it was a matter of lighting, etc., but that all in all, he felt very well.

The Prime Minister, continuing his analysis of the Communist position, said that the world was divided into two incompatible camps—one, the Communist world, and second, the world the Communists call the Capitalist world. He said that devoted Communists were convinced that the only solution for humanity was Communism, that worldwide Communism was inevitable and that, in his belief, Communists were unshakeable in the ultimate triumph of their system. He added that despite the fact that at times Communists seemed to be friendly toward the free world, they are doing so only for their own ends since they cannot accept freedom and feel that they must dominate the world, either by force if use of such force does not entail great risks or a world war, or by subversion and the weakening of peoples within individual nations.

The Prime Minister said that as far as he was concerned, the Communist phrase, "co-existence" means to a Communist that the rest of the world must accept the existing Communist world as it is and not interfere with it, but that it does not mean that they have not the right to interfere as they wish with the free world. In other words, he added, co-existence is really, as far as the Communists are concerned, a one-sided co-existence.

He said that Communists may make temporary compromises and might even allow a certain amount of relaxation in some of their satellites. He pointed to Poland as an example of this and said that in Poland there is a great deal of internal freedom, but that it really doesn't mean anything because the Poles occupy a large part of the old German Empire which they cannot keep without Soviet assistance and therefore are dependent upon the Soviets to keep the land they now have.

² For text of this report, March 8, see *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1960-61*, pp. 282-287.

The Prime Minister also contended that the Russian people themselves have accepted Communism and that they are proud of what Communism is doing, not only in their own country but throughout the world. He said that there are certain changes occurring within Russia, that the Russian people do have and are getting an increased standard of living, that they want also to have a little more contact with people abroad, but that he was certain that during the next ten years there would be no change in the Soviet regime—in fact, he insisted that the Communist leaders can rely on internal support of the regime by the Russian people and that the Russian people would not rise against the regime. He also said that if the Communist leaders of Russia find that it is necessary to cut back on the standards of living, they could safely do so in a second, and that the Russian people would accept it.

He said that Premier Khrushchev is trying to improve the standards of living of his people, is trying to permit more freedom of expression with the attendant lessening of fear of such freedom of expression, but that basically the Soviet leaders could rely on support from their people.

He said that this was true in the satellites who he contended were absolutely dependent on Russia for their existence. Referring again to Poland, he said the Russians know the Poles hate them, but that the Poles needed the Russians to maintain the gains the Poles achieved at the end of World War II.

Referring to propaganda, the Prime Minister said that he must say "something unpleasant", but the fact was that the Communists are superior to the West in propaganda. He said the Russian propaganda was more progressive, more worldwide, and more steady day by day.

He also said that Premier Khrushchev's visit was more of a deliberate good will visit than anything else.³ He said that the real example of Communist policy was Mikoyan's visit to Cuba where the Russians showed their true colors.⁴

In dealing with propaganda, the Prime Minister said that the future of the free world necessitates more unity, more strength and more confidence between the nations and peoples of the free world. He added that there must be more understanding of the psychology of the newly-independent people and that the United States must take the lead in giving these newly-independent people a clearer vision of the future which stresses the dignity of man, the unity of the human race, and the fact that all peoples can achieve eventually the same standards of living. "This is particularly true," he said, "in Asia and Africa where people must be encouraged to develop their own re-

³ Khrushchev visited the United States in September 1959.

⁴ Mikoyan visited Cuba in February 1960.

sources and encouraged to think that we agree with them on the fact that there is but one human race." The United States and the West must not regard them as inferior peoples, must not present ourselves as superior human beings, but instead treat all alike. The Prime Minister said that this important emphasis was missing in our propaganda, that we must present a vision of the future, a unity of the human race and equality of individuals if we are to win the battle of the minds that is presently going on in this world.

Turning to a discussion of Africa, the Prime Minister said that he had personally met with representatives of most of the African countries. He said that Africa was really divided into three sections—first, North Africa, with its vestiges of French and Spanish colonialism; second, South Africa, which he said he would not speak about because he deplored the racial conflict in the British-occupied or dominated territories, and third, Black Africa. He said that it is Black Africa that he would like to speak about at present.

In discussing Black Africa, he insisted that all the countries of Black Africa were against Communism, but that it was not enough to be against Communism, that the free world would have to give these nations something to be for. In this connection, he stressed the fact that the West must not try to make over Black Africa in the West's image, but that it must partially help them to elevate themselves and to raise their own standards of living. He said that the Blacks themselves realized that it was impossible for them to gain overnight—even in the future—the economic development of a United States, a France or an England. He pointed out, however, that many Black African emissaries have come to Israel and have studied the methods of settlement which the Israelis are developing in their territories. These settlements are comparatively small, in comparison to Western ideals, but the Black Africans think they would be suitable for them. These settlements entail a great deal of mutual help and self-labor.

The Prime Minister said that he had had many African leaders tell him that they can't imagine the possibility of reaching American, British or French standards at the present time, but that they believe they can meet the standards of Israeli settlements. It is important, he said, to encourage them in this belief, to give them confidence at home.

The Prime Minister stressed the point that in dealing with Black Africa, material help is important—that man cannot live on bread alone. But what is most important is that Black Africans get the feeling that the Western world has confidence in them, wants to raise their standards of living, wants to give them dignity and most important of all, has no feeling of superiority over them. He repeated that they are in deadly fear of Communism and that they must be given a vision of the future.

In turning to a discussion of the Mid East, the Prime Minister opened the discussion by quoting from a letter of the President to him in which the President said that the "independence and integrity of the nations of the Middle East are vital to peace."⁵ He likewise referred to a letter from John Foster Dulles⁶ in which the former Secretary of State raised four points as follows:

1. That the United States favors legitimate Arab national goals;
2. That there was an urgent necessity to strengthen the bulwarks of international organizations to protect those nations that are determined to be free;
3. That the world community must preserve the independence of these nations; and
4. That Israel must be brought to a position where it is able to resist attack from indigenous local forces.

As to point #1, the Prime Minister said that while he could not be impartial on the Arabs because "our life is at stake", as far as he could he would agree with this point.

In discussing Iraq, he said that at first his government had doubts about Iraq and that at one time they feared that Iraq was moving into the Communist orbit. Today, however, he said he is assured that Iraq is a strong non-Communist nation and that they should be encouraged in their efforts to stay out of the orbit of Communist influence.

As far as Iran is concerned, the Prime Minister said that Israel had good relations with Iran, and that in a talk he had recently with the Shah, he was convinced that Iraq was not headed for Communism. This, he said, was a very important step in the Middle East. He said that the Shah had told him that he was doing his best through the establishment of modern farms to raise the standards of his peasants and to improve the lot of his people. He said that Israeli experts at the Shah's request were going to Iran to help the Shah with this work.

In turning to a discussion of what he labeled, "Israeli problems", the Prime Minister raised the following points.

1. *Summit Meeting.* In referring to the Summit Meeting, the Prime Minister said that he hoped something good would come out of it. He said that it is impossible to understand how Premier Khrushchev's mind functions, but that the Summit Meeting might be a test of whether Khrushchev is for peace or whether he wants to keep the world in a turmoil. If he is strong for peace, the Prime Minister said, he could do something.

He pointed out that several years ago after Khrushchev's visit to London, the Soviets and the British issued a joint statement on April

⁵ Regarding this letter, see footnote 2, Document 31.

⁶ Document 32.

26, 1956,⁷ supporting the United Nations in taking the initiative for a peaceful settlement on a mutually acceptable basis of Israeli-Arab differences. He said that if Khrushchev at the Summit Meeting would agree to saying that the status quo should be maintained in the Middle East and that the independence and integrity of all states in that section should be guaranteed, this would be an important contribution to peace.

Turning next to the discussion of the question of Israeli security, the Prime Minister said that at the present time Israel was faced with the problem which would ultimately result in whether they were to remain a free, independent nation or whether they were going to be exterminated. He said that while it was impossible for this to happen, he was sure that if Nasser were to send his Army into Israel tomorrow and defeated the Israeli Army, he would exterminate the Jews just as Hitler exterminated them in Germany.

He admitted with a wry smile that this couldn't happen, but said he was convinced that this is what Nasser would do if he were victorious in any war with the Israelis. The Prime Minister said that the Jews had been fighting for survival for four thousand years, that the Israeli Republic was "our last stand"—that the formation of the Israeli Republic represented the fulfillment of the prayers of Jews over thousands of years.

He said that at present Nasser was making six or seven speeches a day, saying that the time has come to destroy the Jewish nation. He added grimly the following sentence: "Mr. President, the Jews will fight to the last. I know this phrase is commonly used but I assure you, you may take it literally."

He said that he did not believe the Jewish nation should be destroyed, that it had much to offer, not only to the area but to world civilization. Throughout the rest of his remarks, he kept repeating the statement, "I believe we have the right to existence."

The Prime Minister said that right now the Israeli nation was in grave danger. He said Egyptian forces are moving in and near the borders of Israel as are the Syrians. He said that the UAR is superior in armaments, that their armed forces are numerically larger than those of the Israeli government. He pointed out that Egypt was a nation of 25 million, Syria a nation of 5 million—and Israeli a nation of 2 million.

⁷ For text of this joint statement, see *Documents on International Affairs, 1956* (London, 1959), pp. 638–641.

He also reported to the President that recently the Russians had sent 400 instructors to Egypt to train 4000 Egyptian aviators. These instructors have told the Egyptians that they are trying to improve, not the quality of the Egyptian equipment but the quality of the Egyptian equipment. [sic]

He also reported that at the present time Egyptian bombers can carry three tons of bombs, but that the new bombers they were getting from the Soviet bloc will be able to carry ten tons of bombs, that he expected they could send 50 bombers over Tel Aviv a day and destroy Tel Aviv without too much trouble.

The Prime Minister ran through a list of military equipment which went like this:

The UAR has a thousand more tanks than we have,
450 more armored vehicles than we have,
450 more heavy mortars,
2500 more anti-tank guns,
350 more anti-aircraft guns,
280 more jets,
80 more bombers,
30 more helicopters,
30 more torpedo boats.

He also said that the Egyptians have eight submarines at their disposal.

The Prime Minister said that if war should come, Israel's defeat would mean "our complete destruction." He repeated that the Israelis would fight to the last and said that it would be a grave responsibility for the world if the world let war come to this area.

In conclusion, the Prime Minister repeated his statements that Israel had a "right to exist". He said that the outcome of whether there would be war or peace in the area depends a great deal upon President Eisenhower's understanding and good will to their nation in the days that lie ahead.

President Eisenhower, in responding, said that he quite agreed with the Prime Minister on his analysis of Communism, its aims and its unchangeable goals. He also said that he agreed with his analysis on Asia, Africa and on the Middle East in principle.

The President likewise said that he would agree with the Prime Minister on his criticism of American propaganda. He said that the Americans are not very good propagandists, never had been, and that as a matter of fact, the word "propaganda" had been a wicked word for a long time. The President said that he thought our propaganda could be improved and that all free nations should band together to present a united front.

Turning specifically to the Middle East, the President said that the United States had tried to keep out of the arms race in the Middle East, that while we have given technical aid to that area, the United States believes we should be friends to both sides so that we would be able to act as a mediator in any disputes that arise. The President said that he could understand the Prime Minister's concern about the dangers that confronted his nation, but that he frankly believed the nations of Western Europe—France, Great Britain, and even West Germany—could better supply arms to Israel than could the United States. This would permit the United States freedom to carry out its goal of trying to bring peace to the region without in any way taking a side in the arms race with any nation in that region.

He said that American policy, however, would not stand for the destruction of any nation in the Middle East and that he could assure the Prime Minister that the United States and the Government of the United States had no lack of admiration for the accomplishments of the Israeli nation and for its sturdiness. The United States is not indifferent to the future of Israel and the United States certainly agrees that Israel has a right to exist.

In the long run, however, the President said he does not believe the security lies in arms. He promised the Prime Minister that the Administration people, particularly the State Department, would carefully study the suggestions and proposals of the Prime Minister of Israel, but that the Prime Minister must realize that the United States did not want to establish itself as a partisan supporter of any nation in the Middle East. This position must be maintained if American influence is to be used in bringing peace to the area and preventing the outbreak of open warfare.

J.C. Hagerty

132. Memorandum of a Conversation, Department of State,
Washington, March 10, 1960, 3:45 p.m.¹

SUBJECT

Israel's Security

PARTICIPANTS

United States

The Under Secretary
The Under Secretary for Political
Affairs
IO—Assistant Secretary Wilcox
NEA—Assistant Secretary G. Lewis
Jones
NE—Armin H. Meyer

Israel

Prime Minister Ben Gurion
Ambassador Avraham Harman
Minister Yaacov Herzog
Minister Aryeh Manor

While expressing confidence in general concerning Israel's military capabilities, Prime Minister Ben Gurion indicated that Israel's chief worry is a surprise air raid attack by the United Arab Republic. Individually Israel's pilots are far superior to UAR pilots, he said, but the UAR has several advantages and the threat will increase as UAR pilots become better trained in the use of their high-quality Soviet aircraft. The UAR is receiving bombers with larger capacity, able to carry up to ten tons of bombs. With 27 airfields in the UAR it will be impossible for Israeli aircraft to prevent a raid from reaching Tel Aviv. There are 600,000 people living in the Tel Aviv region. Tel Aviv could be destroyed by two or three successive days of bombing. A successful surprise attack would also make it impossible for Israel to mobilize her ground forces for defense. In the face of this situation, Israel's great need, the Prime Minister said, is for anti-aircraft missiles. Noting how the Israelis had surprised even U.S. intelligence agencies when launching the Sinai campaign, he stressed Israel could easily keep secret the fact that the U.S. was supplying missile weapons.

The Under Secretary replied that the arms list submitted by the Israelis is being given careful study by the Defense Department. In this connection the Prime Minister's listing of priorities in his conversation with the President² will be helpful. It had been noted that anti-aircraft missiles had been given highest priority.

The Prime Minister stressed the urgency of Israel's obtaining adequate anti-air raid protection. He asserted that he did not take Nasser's present speechmaking seriously, but one could never tell when a Nas-

¹ Source: Department of State, Central Files, 784A.56/3-1060. Secret. Drafted by Meyer and approved by U on March 11. See also *infra* and Documents 134 and 135. A copy of Meyer's preliminary draft of all four parts is in Department of State, NEA Files: Lot 62 D 435, Ben Gurion Visit.

² See *supra*.

ser whom inspired by troubles with Syria or Iraq might prompt a senseless Nasser military venture. Noting that Mr. Khrushchev's anti-religious attitudes are concentrated against the Jewish religion, the Prime Minister suggested that Khrushchev when the moment was propitious might give Nasser the signal to undertake a military adventure against Israel.

The Prime Minister expressed the opinion that war does not solve problems. Any exception to this rule was the fight against Hitler. He also suggested that many people had now changed their minds as to the value of Israel's expedition in Sinai. His point was that the Israelis are determined to fight to preserve their existence.

Prime Minister Ben-Gurion noted that Israel has been receiving major arms supplies from the French and the British. He was confident that the French would continue to be helpful. He was seeing Prime Minister Macmillan next week and hoped that the British would continue to provide arms but he was not sure. However, there were certain items which were only available in the United States. Among these were anti-aircraft missiles and certain aviation electronic equipment. Both of these items were defensive in nature and were essential to Israel's safety.

The Prime Minister also pointed out that Israel is carrying a most heavy financial burden. It must make unusual expenditures in the field of education because of the diversity of Israel's population. Furthermore, the settling of immigrants is exceedingly costly. He expressed his conviction that it is in United States interest to see this small friendly democracy continue to live. He reiterated that Israel's present primary need is assistance with its security problem and hoped that the U.S. would bear Israel's financial problem in mind in considering their request.

The Under Secretary repeated that Israel's arms request is under study by our military authorities. The Prime Minister emphasized that time was of the essence.

133. Memorandum of a Conversation, Department of State,
Washington, March 10, 1960, 3:45 p.m.¹

SUBJECT

Refugees

[Here follows the same list of participants as the memorandum of conversation, *supra*.]

The Under Secretary recalled the general proposals which the late Secretary Dulles had made for settling the Palestine problem. He expressed the hope that such a settlement might be forthcoming and felt that the Arab refugee issue was a key element. It was, of course, understood that Israel could not absorb a mass influx at one time. However, some sort of a phased repatriation program undertaken by Israel would in our view be a great step forward. We did not know whether the Arabs would agree to such a program, but the possibility was well worth exploring secretly. The Under Secretary emphasized that our interest in this matter was prompted by substantial public concern in this country at the lack of progress on the refugee question and by our conviction that progress on the refugee problem could lead the way to a general Arab-Israel settlement.

Prime Minister Ben-Gurion said this subject has two aspects: (a) a general settlement and (b) the refugee problem. If Egypt were not in existence, he said, it would be relatively easy for Israel to arrange a general settlement with the other Arab countries. Under present conditions, however, Qasim must compete with Nasser and, therefore, the key to any general settlement is Egypt. In this connection, it was necessary to recall the failure of U.S. efforts in 1955-56, when Egypt proved uncooperative. According to the Prime Minister, there might be some hope if Nasser could be made aware that all the great powers favored the status quo in the Near East. He would then behave. The question is whether Mr. Khrushchev would agree to such a proposal.

The Prime Minister felt there is a struggle going on in Nasser's heart whether to concentrate on military strength or economic development. As soon as he would give up his dreams for building an Arab empire and concentrate on doing something to improve the welfare of his people there would be hope for an Arab-Israel settlement.

¹ Source: Department of State, Central Files, 886.411/3-1060. Secret. Drafted by Meyer and approved by U on March 11. See also *supra*, *infra*, and Document 135.

The Under Secretary interjected that the Prime Minister's thoughts in this respect were identical with our own. We, too, felt that Nasser should emphasize economic development. Our modest aid program to the UAR had this as its primary purpose.

With respect to the refugee issue, the Prime Minister asserted that as far as Israel is concerned there is no possibility for repatriation. He reviewed the Israel version of history to the effect that the refugees had fled of their own volition and, therefore, are not Israel's responsibility. He recalled that Israel has been compelled to take in 300,000 German displaced persons, 100,000 Iraqi Jews, 50,000 Yemeni Jews and others. Therefore, it would be a physical impossibility for Israel to take back the Arab refugees. The Prime Minister said that some people asked why it is that Israel is ready to take one million Jews from Russia and cannot take back the Arab refugees. The answer, he said, is simply that the Arabs are not capable of doing what a Jew can do in Israel. He pointed out that all the states surrounding Israel are technically at a state of war with Israel. Accordingly, for Israel to accept refugees from those states would be like an injection of poison. It would be suicide for Israel to accept the refugees.

The Prime Minister asserted that the only answer to the refugee problem is resettlement in the under-populated neighboring areas. This could be done in the context of a general peace settlement at which time Israel would be happy to try to cooperate, particularly by way of aiding in compensation for the refugee losses.

When the Under Secretary suggested that the program could be a phased one and would not involve large numbers of Arabs at any one time, the Prime Minister reiterated that even a small number would be like poison. They would enter Israel with the mission of destroying Israel. It was indeed a tragedy, he said, that Arab leaders were using the refugees as a political weapon. The Prime Minister said the Arabs are very good at making deserts of prosperous areas; they are not capable of "unmaking deserts," which is an essential element in Israel's progress.

Assistant Secretary Wilcox asked the Prime Minister if we were to understand that no progress could be made on the refugee problem in the near future. The Prime Minister replied that some progress is being made in Jordan where the government is trying to facilitate the settlement of refugees. To Mr. Wilcox's inquiry concerning possible Israeli initiative, the Prime Minister suggested that Israel is collaborating on a most secret basis with high Jordan leaders toward progress in general Arab-Israel relations.

134. Memorandum of a Conversation, Department of State,
Washington, March 10, 1960, 3:45 p.m.¹

SUBJECT

Israeli Association with European Economic Groupings

[Here follows the same list of participants as Document 132.]

Prime Minister Ben-Gurion raised the possibility of Israel's being associated in some way with economic groupings currently being developed in Europe. He thought such groupings highly desirable and also favorable to the cause of peace. He noted that special arrangements are being worked out for Greece and Turkey.

The Under Secretary reviewed recent developments on this subject. He noted we had taken some initiatives toward bringing together two rival economic groups in Europe. They were now at least talking to each other.

The Under Secretary said we had felt that these economic moves in concentrating on intra-European areas had been tending to lose sight of larger objectives. The result tended toward discrimination against outsiders including us. Our efforts had been directed not only toward developing useful arrangements between the European states, such as between France and Germany, but also toward getting the European countries to take into consideration the economic interests of countries elsewhere in the world. He thought that a committee meeting in January of OEEC countries plus the U.S. and Canada had been a hopeful development. Also hopeful was the agreement at that meeting that the Secretary General of GATT would be a full member, representing the interests of all GATT countries.

The Under Secretary emphasized our hope for progress away from special areas within Europe. We hoped that our efforts would benefit not only us but all countries outside Europe including Israel. As for Israel becoming a member of a "bigger Europe" we doubted that was in sight. Greece and Turkey had been members of OEEC since the beginning and both were members of NATO. Neither the U.S. nor Canada were asking to be members of a European trading group. The countries directly concerned in these groupings would have responsibility for deciding upon memberships.

The Under Secretary expressed the belief that a peaceful settlement in the Middle East would have considerable bearing on Israel's hopes for increased trade in Europe. As long as the Arab-Israel prob-

¹ Source: Department of State, Central Files, 374.800/3-1060. Secret. Drafted by Meyer and approved by U on March 11. See also Document 132, *supra*, and *infra*.

lem exists, he said, European countries will tend to be fearful of developing special ties with Israel at the expense of trade ties with the other countries in the Middle East.

The Prime Minister concluded the discussion of this subject by stressing what he considered to be the great importance of close economic collaboration between Europe and Africa. The emphasis should be that of self-help from equals in which Israel could play a useful role. This was a matter of great political importance, he said.

**135. Memorandum of a Conversation, Department of State,
Washington, March 10, 1960, 3:45 p.m.¹**

SUBJECT

Aid to Israel

[Here follows the same list of participants as Document 132.]

At the conclusion of a conversation on other subjects, Prime Minister Ben-Gurion stated that his advisers were pressing him to express appreciation for the extensive aid which Israel had received from the U.S. He was pleased to do this. He should like to add that Americans who are working in Israel do not in any way resemble the characters in the book "The Ugly American."

¹ Source: Department of State, Central Files, 784A.5-MSP/3-1060. Secret. Drafted by Meyer and approved by U on March 11. See also Documents 132, 133, and *supra*.

136. Memorandum of a Conversation, Vice President Nixon's Residence, Washington, March 13, 1960¹

SUBJECT

Israeli Security; Arab Refugees; Immigration; Summit

PARTICIPANTS

The Vice President
The Under Secretary
Israeli Prime Minister Ben Gurion
Israeli Ambassador Harman
Israeli Minister Herzog

A number of items of interest were developed during two and a half hours of conversation at the Vice President's house, during and after luncheon.

The Prime Minister again emphasized his preoccupation with obtaining anti-aircraft missiles and electronic air warning equipment as rapidly as possible. When I told him that this was being studied urgently in the Pentagon, he said that if he had to get an opinion from his military it would not take him more than two hours. Ben Gurion made it clear in the course of this interview that while other military equipment might not be needed for a year or two, he felt that these items were needed immediately.

During a discussion of the refugee problem, the Prime Minister followed the same line he had taken in earlier discussions regarding the origins of the problem and the moral issues involved.² However, he made it clear that once a peace settlement was reached, Israel would be prepared to accept the repatriation of reasonable numbers of Arabs who might be prepared to resettle in Israel. Pointing out that such resettlement could not only take place in the desert areas which were now being rehabilitated by Israel, the Prime Minister expressed doubt as to whether many Arabs would be interested in the very hard work involved in making a success of this form of resettlement.

The Vice President pointed out that the Arabs were effectively using the refugee problem as a political weapon and stressed the importance to Israel of finding some means to offset this political use of the refugees, presumably by making clear Israel's willingness to accept Arab refugees once a peace settlement had been reached. The

¹ Source: Department of State, Conference Files: Lot 64 D 559, CF 1615. Confidential. Drafted by Dillon.

² In a March 11 memorandum, Jones urged Dillon to brief the Vice President on the refugee question. Nixon should emphasize, if he got the chance, that progress might be possible if Israel took some initiative. (*Ibid.*, NEA Files: Lot 63 D 52, Ben Gurion Visit) He sent a similar memorandum to Herter, stressing that Ben Gurion had been "quite evasive" on the subject. (*Ibid.*, Lot 62 D 435, 1960 Chron)

Vice President made it clear that we are not asking Israel to accept refugees prior to a peace settlement who might enter Israel for the purpose of stirring up more trouble there.

When asked by the Vice President what he foresaw in the way of population growth for Israel the Prime Minister said he foresaw the possibility of about 2 million more immigrants. He thought the time would eventually come when the Soviet Union would allow the Jews to emigrate and at that time at least a million would come from the Soviet Union. The other million would come from the satellite countries and Moslem states, particularly in North Africa. Prime Minister Ben Gurion said it would be possible to settle all these in the present boundaries of Israel in the newly developing desert areas. This would, of course, require water from the Jordan, but this should be available in about 4 years.

The Prime Minister further clarified his views regarding a joint statement on the Middle East with Khrushchev. He made clear he felt this could best be accomplished at the Summit rather than as a bilateral statement during the President's visit to the Soviet Union.

137. Memorandum of a Conversation, Secretary of State Herter's Residence, Washington, March 13, 1960¹

PARTICIPANTS

The Secretary
G. Lewis Jones—NEA

Prime Minister Ben Gurion
Avraham Harman, Israeli Ambassador
Yaacov Herzog, Minister, Embassy of
Israel

Prime Minister Ben Gurion (hereafter BG), Ambassador Harman and Minister Herzog called at the residence of the Secretary at 4:30 p.m. on March 13 having earlier lunched with Vice President Nixon and Mr. Dillon.²

The Secretary opened by saying that we were "gratified" by the low key in which BG had handled the press. He referred specifically to the story in the *New York Times* of March 13 in which BG was quoted as having said that he hoped that Israel would make no more headlines: that it would become one of the "world's dullest countries" making news only in economic developments.

¹ Source: Department of State, Central Files, 033.84A11/3-1360. Top Secret; Eyes Only. Drafted by Jones and approved by Herter on March 15.

² See *supra*.

The Secretary then said that Israel's note requesting arms assistance was under study at the Pentagon with regards to availability and costs: this was particularly true with regard to AA equipment and Electronic Early Warning Equipment.

BG said Israel's arms request was in two parts: one urgent—one NOT urgent. If the US study of the latter were to take weeks or months, Israel would not mind, even though Nasser has three times more weapons than Israel.

In the urgent category the big danger for Israel will be if and when Nasser gets the MIG 19s which he has been promised. Nasser has told his military that when he receives these he is going to "finish" Israel. BG did not discount the possibility that the non-delivery of MIG 19s might be "saving Nasser's face" but the fact remains that *with* MIG 19s the UAR believes it can *finish* Israel.

BG said that if Israel can get AA missiles and Early Warning Equipment it believes it can prevent its being "finished". It already has Mysteres which BG thought could handle MIG 17s and UAR bombers. However, UAR bombers by attacking Tel Aviv area could "paralyze" Israeli mobilization.

The Secretary said he would amend what he had just said. *The U.S. would consider the Israeli request "sympathetically and urgently"*.

BG then assured the Secretary of Israel's ability to keep secrets. He said, "We are a small country and can keep a secret absolutely".

The Secretary said that he thought shipment would best be made from some NATO country.

BG reverted to the question of secrecy and told the story of Israel's Sinai campaign to destroy Nasser's bases in Sinai and the Gaza Strip. He said this was the only action possible for Israel following the Egyptian-Syrian-Jordan Tripartite Treaty. He pointed out that not even the U.S. knew of Israel's plans to launch the Sinai campaign.

The Secretary said in regard to secrecy that he "wished we could profit from your example: we have many leaks around here".

At this point Minister Herzog intervened to say that the Israelis knew that the U.S. has supplies of "Hawks" in NATO countries under U.S. control: he thought these would be easy to transfer.

BG continued to emphasize Israel's ability to keep things secret and told a story of not even showing new tanks in Army Day parades.

BG then addressed the Secretary and said: "Am I right in believing that I can consider your reply a positive one?"

The Secretary replied: "That is a fair assumption". He then qualified this statement to the extent of saying that this was a fair assumption unless factors which he (the Secretary) did not now know about were brought to his attention.

BG went on to say that he understood from his talk with the President that the U.S. cannot be the principal supplier of arms to Israel. He said: "This is not necessary": he thought arms could be obtained sooner or later from France, the UK and West Germany. However, BG said: "Israel must supply its immigrants with everything". The Negev is the only place where new Jews can be settled: he expected more Jews both from Moslem countries and the USSR. BG said he did not want to raise living standards in Israel too high—for example he was against TV. He was sending the best of Israel's youth to the Negev and at this point said: "*We are grateful for your help in bringing water to the Negev from the Jordan River*".

Bringing the subject back to arms, BG said that the UAR gets its arms from Russia at one third of the original cost price on long payment terms. He said that in October 1958 the U.S. made it possible for Israel to acquire some arms. He hoped something of the same kind could be worked out in connection with the AA missiles since Israel must spend its money on settling people and needs any help it can get to lighten its financial burden.

At this point Minister Herzog intervened to say that in 1958 the U.S. gave hidden economic aid to help Israel to buy arms.

BG then said Israel has deep faith in the spiritual world and he hoped Israel would be able to "repay" the U.S. by doing something worthwhile in the world. He referred to the "very modest contribution" which Israel is now making, but thought that Israel's example would not be lost upon the peoples of Asia and Africa and might influence which way these peoples will go. He was grateful for all the support the United States has given.

Mr. Herzog brought the conversation back to missiles by saying that the Israeli Embassy has some ideas with regard to the financing of these missiles which it would like to present to the Department. He then spoke in Hebrew to BG apparently reminding the latter to bring up the question of a declaration at the Summit.

BG then referred to the difference existing in the Middle East between the Arabs and the non-Arabs (Turks and Iranians). He said he thought it would help if at the Summit the President could arrange for a Declaration by all the powers, or at least by the United States and the USSR, to the effect that they favor a direct settlement between Israel and the Arab States and that they favor the "status quo". BG said this might not bring peace: Nasser might make his usual protests but it would certainly make Jordan, Israel, Lebanon and possibly Iran "feel better". It might even bring peace closer.

The Secretary replied that we had taken full notes of what he had said on this point to the President and to Messrs. Dillon and Merchant and implied that we would consider his suggestion.

The Secretary then said that he had been interested in BG's presentation to the President regarding Khrushchev's philosophy. The Secretary thought that much will depend on how much Khrushchev wants to disarm from the economic point of view. The Secretary said he expected that Khrushchev would like his niche in history to be that of the man who brought about economic progress in the USSR: Stalin's niche would be that of the military buildup of the Soviet Union.

BG replied, speaking of the Summit, much will depend upon the extent of unity which the West displays.

The Secretary said that the U.S. is confronted by a difficult problem based upon the concept that the first Summit will be followed by future Summits. Everyone wants to be consulted. This was made evident in the recent tour of the President to Latin America. The problem of consultation which will satisfy everyone makes progress more and more difficult.

BG said that he thought the problem for the U.S. is how to treat foreign countries as "neighbors and brothers": how *not* to arouse resentments arising out of U.S. superiority.

The Secretary inquired whether BG had noted in his contacts with the African states any moves towards federation.

BG replied that he had noted very little. Nkrumah had spoken of an "African personality" but he doubted if this really existed. All the African states seemed determined to have independence. This did not mean, however, that there could not be cooperation between the African states as free peoples. BG said Nasser is counting on Islam as a cementing force in Africa. It is true that there are many Moslems there but they are black Moslems—not Arabs—and BG was inclined to doubt that they felt any kinship with Nasser.

The Secretary said that both Nkrumah and Sekou Touré had asserted that they spoke for the people of black Africa. He supposed they were building themselves up and could not so speak.

He agreed but added that there should be no enmity between the African states. These states lacked cohesion—even internally. For example, Ghana is not a country, but a conglomeration of tribes, some of which did not even speak the same language. Nonetheless he had met in Africa "real idealists" with whom he thought the West would have to deal.

BG took his departure at this point (5:25 pm). He invited the Secretary to visit him in Israel and the Secretary replied that he "wanted to come".

Following this conversation the Secretary told Lewis Jones that he had been in touch earlier in the day with Vice President Nixon, Secretary Anderson and Mr. Dillon and that he and they were agreed we should do something promptly in connection with Israel's needs for air defense equipment for use in the event of an attack by the UAR. The

Secretary said this means the supply of ground-to-air missiles and Early Warning radar. He said we should move ahead on this project promptly.

The Secretary emphasized that in helping Israel in this connection *strict secrecy* would have to be preserved. (This accounts for the Top Secret classification of this memorandum.)

138. Memorandum of a Conversation Between the United Nations Adviser in the Bureau of Near Eastern and South Asian Affairs (Ludlow) and the Counselor of the Israeli Embassy (Erell), Department of State, Washington, March 15, 1960¹

SUBJECT

Palestine Refugees; Ben-Gurion's Visit

In the course of an exchange of views and in commenting on Prime Minister Ben-Gurion's visit to Washington, I took the occasion to express to Erell our deep regret at the fact that Ben-Gurion's reactions to our suggestions on the Arab refugee question had been so negative. I stressed that our recommendation that Israel accept the principle of repatriation or compensation as a means of getting at the solution of the refugee problem represented the views, from top to bottom, of our Executive Branch of Government. Inasmuch as the US was Israel's closest friend, it had been put forward most sincerely by the Under Secretary in his initial meeting and again at the Vice President's luncheon. I casually indicated that it had been planned for the President to speak on similar lines had there been time. Therefore, there could be no question that we earnestly felt that what we proposed to Israel had received the most careful consideration, and we felt it should receive the most careful consideration by Israel.

In our view, what we were proposing could not in any way be deemed unfriendly or contrary to Israel's best interests. The Prime Minister's apparent refusal to consider our proposal left us with no hope of any progress for the future solution of the refugee question. It should be patently clear to Israel by now that any possible cross-the-board settlement involving not only the refugees, but other political

¹ Source: Department of State, Central Files, 033.84A11/3-1560. Confidential. Drafted by Ludlow.

problems as well, was out of the question. The refugee question was the key to getting at the ultimate solution of all the outstanding problems between Israel and the Arab States.

We sincerely felt that real progress toward the solution of the refugee question could redound to Israel's advantage in that very few, if any, Members of the UN would be likely to give really serious ear to any further demands of the Arabs once the refugee question was solved. We had always assumed that the present territorial limits of Israel were of such importance to it that the avoidance of substantial concessions in this matter was a *sine qua non* to the security of Israel. A solution of the refugee problem would lessen any interest or desire on the part of other states to hark back to partition plans and the like.

In reply, Erell made the usual defenses of Israel's position as set forth by Ben-Gurion, namely: that Israel would be prepared to consider repatriation of a restricted number of refugees in the context of an overall peace settlement. Perhaps inadvertently, he indicated that discussions had been held at the Embassy with the Prime Minister prior to the Prime Minister's conversations with the President and other US officials, at which time Ben-Gurion had made quite clear that there would be no concessions on the subject of refugees.

Erell also made the usual observations concerning the threats to the security of Israel and stressed the utter irresponsibility of Arab leadership which, he said, would be epitomized in the tremendous propaganda campaign which they would undertake if Israel were ever to accept the principle of repatriation. He also laid great emphasis on the fact that Ben-Gurion has a deep and abiding distrust of all Arabs. This, as well as the other reasons, is why he is not prepared to "give" on the refugee question when he cannot trust the Arabs to do their part, not deter them from continuing their increasing demands against Israel.

My reply to this last mentioned point was to say that I was sure that all Israelis knew that the distrust was mutual, and that this was not only the basis, but the necessity for negotiation, if there were a friend of both who could help. I then reiterated what I had said previously concerning the need for phasing the solution of outstanding difficulties starting with the refugees.

He asked regarding a specificness of our ideas of a program of repatriation or compensation. I said that with regard to the question of propaganda, there was, of course, a genuine risk. Frankly, however, we did not contemplate Israel's making any early public pronouncement concerning repatriation. What we were interested in was Israel's private agreement so that quiet talks could profitably be undertaken with the Arabs which might lead to the development of a phased program which would ensure Israel's interests and security while granting the option to the refugees. We felt that it was clear that

qualifying conditions could and should be laid down for repatriation of an individual Arab refugee and that he should be fully acquainted with them. This would require indoctrination along the Panmunjom lines. Of course, there was the possibility that a very substantial number of refugees would initially opt for repatriation, particularly if Arab Governmental pressures were brought to bear on them; but if it were clear to them that they had to await their turn for repatriation and that there were other conditions for returning, we were confident that those that would ultimately persist in repatriation would be of manageable proportions. We, obviously, had no desire or intention of seeing any situation develop which would lead to a stampede of refugees across Israeli boundaries since this would involve inevitable serious bloodshed.

I repeated that what we wanted was some confidential basis for quiet negotiation with responsible Arab leaders. I stressed that we felt that there was an increasing degree of realism among responsible Arab leaders, particularly in the host Governments having the largest number of refugees. I said that I myself was convinced of this since I had had talks with some of them at the last General Assembly and on other occasions. I said that one of the reasons we had been interested in encouraging the role of the Palestine Conciliation Commission was that it might conceivably be a sort of "umbrella" for some quiet negotiations. I did not expect that much could or should be done of a formal or official nature, at least not for some time to come. Ben-Gurion's very negative attitude, however, made more likely some sort of PCC action.

Finally, I said that if we, as Israel's friend, could not have the hope of some positive concession from Israel, we could not hope for any constructive conversations with the Arabs, and we would be confronted with the knowledge of the hopelessness of the refugee situation as we went up before Congress to request them for money to continue support for the refugees.

**139. Memorandum of a Conversation, Department of State,
Washington, March 24, 1960¹**

SUBJECT

U.S. Contribution to UNRWA

PARTICIPANTS

IO—Mr. Francis O. Wilcox, Assistant Secretary

Dr. John H. Davis, Director of UNRWA

NEA—Mr. Ludlow

U/MSC—Mr. Bruskin

OIA—Mr. Falk

UNP—Mr. Palmer

After an exchange of pleasantries, Mr. Wilcox pointed out that the administration was having a difficult time on the Hill with regard to the U.S. contributions to UNRWA for FY'61. The House Appropriations Sub-Committee on Foreign Operations has requested the Department to urgently provide specific recommendations as to how the U.S. cash contribution could be reduced, and surplus farm commodities substituted for the reduced cash. Mr. Wilcox noted that the Administration was requesting \$25 million unencumbered.

There followed a discussion about the possibilities of UNRWA's using certain surplus commodities. Dr. Davis pointed out that corn could not be used by the refugees, that butter becomes rancid, and that pulses, which form a major part of the refugees' diet, are not a surplus commodity in the U.S. Dr. Davis thought there might be a possibility that the Agency could use from the U.S. dry, edible beans, perhaps more flour than it is currently purchasing here and possibly some rice, which however is not in surplus now. Director Davis stated that in principal he would be willing to go as far as possible to meet the congressional request. However, he doubted that very much could actually be done. He would of course not wish to see any net loss to the Agency as a result of a change in the nature of the U.S. contribution.

Among the problems which Dr. Davis raised were the following:

1. Canada is keenly interested in increasing its present donation of \$1.5 million worth of flour, and the Agency already is buying 50% of its flour in the U.S. at higher than world market prices.

¹ Source: Department of State, Central Files, 325.84/3-2460. Limited Official Use. Drafted by Palmer on March 25 and initialed by Wilcox. A briefing paper for the conversation, March 24, is *ibid.*, NEA Files: Lot 79 D 215, Palestine Refugees, 1960.

2. Any arrangement whereby the Agency had to pay more for the food it needed than the world market rate or whereby the U.S. cash contributions were greatly reduced would result in the curtailment of other vital elements of UNRWA's program.

3. For political and public relations reasons, it would be a risk for the Agency to reduce its purchases of rice from the UAR, should rice become surplus in the U.S.

Mr. Bruskin observed that what would be involved would be Title II surplus commodities, i.e., donations, and that perhaps a way could be found so that any change in the U.S. contribution would not be disadvantageous to the Agency.

Mr. Wilcox said that there is still much concern in Congress about the problem of rectification of the rolls, and that Senator Gore had recently questioned Under Secretary Dillon about this matter.² There followed a discussion about the advisability of Dr. Davis making himself available informally to Senator Gore to explain what was being done about rectification. It was agreed that Senator Gore would be notified that Dr. Davis was in Washington and that should the Senator wish to see him, Dr. Davis would be willing. (At this point Mr. Wilcox was called out of the meeting.)

Dr. Davis said that the Agency could operate on a more economical basis with an all-cash U.S. contribution, following its present system of asking for bids on the items it needs. Mr. Falk said that it appeared very likely that the U.S. cash contribution will be cut, and Mr. Ludlow added that whatever amount is appropriated might have a percentage encumbrance proviso relating to resettlement. Mr. Davis repeated that he could only hope that the change would not result in a net loss to the Agency and that he wished to emphasize the Canadian problem with respect to wheat.

Dr. Davis then described how the Agency's operations are being tightened up and how it has established improved relations with the host governments. He then went into some detail about his plans for the use of the approximately three million dollars he thinks the Agency will receive from World Refugee Year contributions. Already decisions have been made to establish a new vocational school in Damascus, from UK/WRY contribution funds and a new vocational school in Beirut, from German/WRY contributions. The prospects look good for the establishment of a vocational school for girls in Jordan. The Agency is proceeding with the construction of such projects only when funds sufficient for operations over a three year period are in hand. Dr. Davis expressed hope that before long enough funds might be available for the establishment of industrial schools in Aleppo and Gaza. He observed that in the Gaza Strip things have been improving

² No record of this conversation has been found.

for the refugees recently. Many of the UNRWA-trained refugees are getting jobs, and it is increasingly easy for refugees with vocational skills to leave Gaza.

Mr. Bruskin pointed out that it was necessary to formulate promptly some specific proposals on the possibilities of UNRWA's using U.S. surplus foodstuffs. Mr. Ludlow suggested that Mr. Sherwood Moe of the UN Secretariat be asked to come to Washington for consultations on March 25 and 26. Mr. Palmer recommended that a detailed list of the information specifically requested by House Subcommittee be made up, so that Mr. Moe could gather all the data needed. Further, that assignments be made for the procurement and preparation of the data required, so that the Department could be fully responsive to the Sub-committee.

After the meeting Dr. Davis reached Miss Molly Flynn of the UN Secretariat by phone. He arranged for Mr. Moe to collect pertinent material and to come to Washington. Messrs. Bruskin and Palmer outlined some of the informational needs to Miss Flynn. Miss Flynn assured Mr. Palmer that following a request relayed to the Secretariat by USUN, the Agency Headquarters in Beirut had been asked to cable certain data by March 25.

140. Telegram From the Department of State to the Embassy in Israel¹

Washington, March 24, 1960—5:21 p.m.

708. Re Athens 2564 rpt Tel Aviv 48, Bucharest 15.² Department does not wish alter its existing policy noninvolvement Israel immigration problems. In our view, USG involvement likely produce undesirable repercussions in Near East area which would far outweigh usefulness, if any, of USG intervention. Israelis have long been familiar with USG views in this regard.

Accordingly it is suggested you take no initiative in re-opening subject of Greek attitude toward transit of Rumanian refugees. However if subject raised by Foreign Ministry you may indicate we doubt our intercession would be appropriate or helpful. You might add that,

¹ Source: Department of State, Central Files, 884A.1866/3-1860. Secret. Drafted by Hamilton and Thacher on March 22; cleared in substance with GTI, EE, and ORM; and approved and signed for Herter by Jones. Repeated to Athens and Bucharest.

² Telegram 2564, March 18, reported that the Romanians had chartered 16 flights to Athens for Jewish refugees. (*Ibid.*)

unlike case of Syrian Jews, Israelis themselves have direct access to Greek Government; thus satisfactory channel is available to GOI for further pursuit of matter.³

Herter

³ On April 1, the Israeli Counselor asked Hamilton for assistance on this question and was given a reply along the lines summarized in telegram 708. (Memorandum of conversation; *ibid.*, 884A.1866/4-160)

141. Memorandum of a Conversation, Department of State, Washington, April 11, 1960, 5 p.m.¹

SUBJECT

Department's Initial Reponse to Israel's Request for Arms Assistance

PARTICIPANTS

The Under Secretary
NEA—Mr. G. Lewis Jones
NE—Mr. William Hamilton

Ambassador Avraham Harman, Israel
Embassy
Minister Yaacov Herzog, Israel
Embassy
Minister Aryeh Manor, Israel Embassy

Under Secretary Dillon said he had invited Ambassador Harman to come in to inform him of our present thinking on Israel's arms request, as expressed in the Embassy's note of February 9 and subsequently modified by agreement to give selected items priority consideration. Noting that the priority list had been limited largely to missiles and air raid warning equipment, Mr. Dillon said that the Pentagon had produced a preliminary report.² Unfortunately, missiles appeared to be unavailable in terms of the immediacy with which Israel had asserted its requirements. The Hawk system is set aside for our own forces whose requirements will absorb the supply for several years to come. A more serious bottleneck is the availability of facilities

¹ Source: Department of State, Central Files, 784A.5-MSP/4-1169. Secret; Eyes Only. Drafted by Jones and approved in U on April 20. A briefing paper for the conversation, April 8, is *ibid.*, 784A.5-MSP/4-860. In addition to the request for arms assistance, Dillon and Harman discussed the effect the central Israel water conduit on U.S.-Israeli citrus competition. A memorandum of this part of the conversation is *ibid.*, 784A.5-MSP/4-1160.

² On March 19, Dillon wrote to the Secretary of Defense asking about the availability of Hawk missiles. (*Ibid.*, 784A.56/3-1960) In a response on March 29, the Department of Defense noted the drawbacks which Dillon outlined here. (*Ibid.*, 784A.56/3-2960)

for training missile operators. If Israel were to receive Hawks immediately after our own requirements for them had been met in 1963 or 1964, another year would pass before training slots could be made available to Israel personnel. Mr. Dillon also suggested certain technical limitations, e.g., within a small radius and to a height of 35,000 feet. Hawks are very effective, but they are useless for aircraft flying above that ceiling.

The Under Secretary went on to say that prospects are much more favorable regarding the electronic warning equipment, i.e. many of the items desired by Israel could be made available in the relatively near future—some immediately from existing stocks, the balance as rapidly as new production permitted, deliveries to be completed in perhaps 18 months or two years. These items were now being considered in a package by the Pentagon so that we would be in a position fairly soon to discuss specifics. The equipment selected would expand Israel's air defense capability very substantially, specifically by increasing the range of Israel's interception capability.

Ambassador Harman expressed appreciation. Referring to the question of missiles, he recalled that Prime Minister Ben-Gurion had given this weapon the first order of priority and would be very much disappointed if it could not be obtained. Was it not possible, Ambassador Harman wanted to know, for the Department to consider some partial satisfaction of the Israel request within a reasonable period of time?

Mr. Dillon said that he would not suggest that any possibility was permanently or totally out of the question. Nevertheless a more positive response was not possible for a considerable period and one wondered as to the utility of speculating about possibilities thereafter. Changes in this field are rapid and unpredictable. He cited the example of the Bomarc on which we had placed a very high evaluation and expended a great deal of money, none of which altered the fact that we had been obliged to relegate it to the category of obsolete weapons.

Ambassador Harman referred to a recent message from Jerusalem containing additional intelligence from very sound sources to the effect that MIG-19 deliveries to the UAR will begin perhaps as early as September and not later than the end of this year. Furthermore, he said, the UAR has now reached a state of competence permitting it to open jet conversion training schools in its own territory whereas heretofore it has had to rely on Soviet schools.

The Under Secretary recalled that Prime Minister Ben-Gurion had talked a great deal about the MIG-19 as a formidable advanced type. Noting that MIG-19's bomb-carrying capacity is limited, Mr. Dillon said he assumed that the Israelis were not concerned with MIG-19's ability to destroy Israel urban centers but rather clearing the skies of

the Israel fighters after which bombers would move in. Ambassador Herman agreed that this was the basis of Israel's worry about the MIG-19's.

Mr. Dillon said that knowing a little about the competence of the Israel Defense Forces, he was confident that Tel Aviv, for example, would not be destroyed in a day or two. He asked the Ambassador about the prospects for obtaining the French super-super Mystere, the Mirage. Ambassador Harman replied that it is his understanding the French are going ahead with production of this aircraft but that it would not be available for two or three years. He adverted to the missile question again, asking if Mr. Dillon would agree to study a more modest program on a longer delivery schedule.

Mr. Dillon replied that the Department is prepared to keep almost anything under review but he would not wish to stir up false Israel hopes for a different answer in the near future.

To Ambassador Harman's inquiry as to the possibility of United States military establishments accepting IDF personnel for missile training, Mr. Dillon reiterated his earlier statement that training facilities represented a more serious bottleneck than the availability of missiles.

Ambassador Harman asked as to a feasible alternative to the Hawk. Mr. Dillon mentioned the British Bloodhound, Ambassador Harman replying he did not know the results of approaches to the United Kingdom concerning this weapon.

Ambassador Harman suggested that our two governments establish joint consideration of possible alternatives to Israel's missiles request. He wondered whether Nikes might not be more readily available than Hawks. Mr. Dillon said he did not wish to give the impression that availability is our only problem with missiles. With the Nikes there is an additional consideration not present with the Hawk. This is the fact that the Nike is adaptable to ground-to-ground purposes. If the Arabs became aware of Israel's acquisition of the Nike they would assume Israel had in mind its use against Arab cities and other land targets. Furthermore, the weapons are expensive and in the case of Nikes not too efficient. They had little versatility. A Hawk would pursue one target after another as long as aircraft were anywhere within its range; the Nike is a one-target weapon.

Ambassador Harman said it wasn't exclusively a matter of firing missiles. Arab awareness of Israel possession of the weapon would have considerable deterrent effect. (This thought is somewhat at variance with Mr. Ben-Gurion's assurances that Israel possession of missiles could be held a secret indefinitely.)

Mr. Dillon concluded by saying he appreciated that the US decision regarding missiles would be a disappointment to the Israelis but, having reached it, we had at the same time made a sincere effort in a field that would materially improve Israel's defenses with the least possible delay.

In answer to Ambassador Harman's question, Mr. Dillon said that Assistant Secretary Jones would be in touch with the Embassy to discuss specifics as soon as the Pentagon had completed its study of the items in the electronics list which could be made available.³

Ambassador Harman asked what consideration we had given to the economic aspects of Israel's request. The Under Secretary replied that grant assistance appeared to be out of the question. We had in mind extending credit under the Reimbursable Aid Agreement as with the anti-tank recoilless rifles which were sold to the Israelis in 1959. If Israel's economic straits worsened, we could consider other assistance, perhaps under PL 480 or DLF.

Ambassador Harman recalled Israel's recent presentation to the Department of its development hopes for the next two or three years designed to cushion the impact of the end of German reparations and restitution payments. These projections might be adversely affected by the burden of arms payments. Mr. Dillon agreed that this was a possibility which required careful attention. He said this Government was most interested in the projections and we sincerely hope Israel will be able to realize them. If it appeared in the future that Israel's projections were threatened by defense expenditures, the US might reconsider its attitude with respect to economic assistance, but, as the Israelis knew, we did not feel it was necessary at the moment.

Mr. Manor raised the possibility of purchase with Israel currency. Mr. Dillon was noncommittal, pointing out, however, that we could not accept local currencies under the same provisions of the act that would be employed to extend credit.

³ On April 14, Herzog called on Jones to express Ben Gurion's appreciation for the offer of electronic equipment and to ask the United States to keep under review the request for Hawk missiles despite the difficulties that Dillon had raised. (Memorandum of conversation; *ibid.*, 784A.5-MSP/4-1460)

142. Circular Telegram From the Department of State to Certain Diplomatic Missions¹

Washington, April 22, 1960—6:53 p.m.

1318. Khedivial Mail Lines vessel *Cleopatra*, UAR flag, picketed by Seafarers International Union since arrival New York April 13. Union alleges UAR boycott of Israel reduces job opportunities US seamen and charges abusive treatment its members in Egyptian ports. International Longshoreman's Association refusing cross picket line with result ship unable discharge cargo. Vessel's agent seeking injunction Federal District Court which has not yet reached decision. Even if injunction granted, unclear whether ILA would unload ship.

View foregoing appears increasingly likely prolonged picketing may have serious repercussions US-Arab relations and lead to reprisals against US shipping in Arab and Afro-Asian ports. According news reports such retaliation has already begun at Latakia. Following line may be taken by addressees if appropriate in light circumstances your area: 1) picketing being carried on by private groups unconnected with USG as counteraction to Arab practices they consider discriminatory against American shipping and seamen; 2) *Cleopatra's* agents following proper course by seeking redress through courts; 3) we fully share UAR concern this question which we hope will be kept in perspective and not result hasty action which could only make matters worse; and 4) widespread counteraction by Arab or Asian maritime unions more likely injure livelihoods local workers than assist in resolution isolated case involving one UAR-flag vessel in New York.

Herter

¹ Source: Department of State, Central Files, 811.062/4-2260. Confidential. Drafted by Stookey (NE), cleared with NEA/NR and AF, and approved and signed for Herter by Hart. Sent to Taiz, Kuwait, Aden, Basra, Benghazi, Tripoli, Tunis, Rabat, Helsinki, Stockholm, and London and repeated to Cairo.

143. **Letter From the Director of the United Nations Relief and Works Agency for Palestine and the Near East (Davis) to the Assistant Secretary of State for International Organization Affairs (Wilcox)**¹

Beirut, April 25, 1960.

DEAR FRANCIS: I am writing to give you a confidential progress report regarding the rectification of ration rolls in Jordan. I am prompted to do this, in part, by an article which appeared in a recent issue of the *Beirut Daily Star* quoting Senator Gore's statement of 21 April. (See attached clipping.)²

It is our intention in UNRWA to do everything we can towards the rectification of the ration rolls; of course, avoiding at the same time the creation of offsetting negative reactions—particularly in the form of political instability. Among other things, we are stepping up our own investigations of the type which the Agency has carried on for a number of years. As you probably know, we have a small crew of capable investigators who work at this constantly in Jordan. It is our intention to push this type of effort as far as political tolerance will permit. Secondly, we are improving the physical facilities at distribution centers for the purpose of making it more difficult for irregularities to occur. In addition we are working aggressively to get cards away from merchants who have acquired them on a mortgage or purchase basis. While the gain from each of these procedures is limited, still it is significant over a year's period. The point is that these are items on which we can move ourselves without seeking any coordinated action by the Government.

It now appears that the proposed census in Jordan will be carried out, though it will not actually get underway until about the spring of 1961. UNRWA has been asked to finance one-third of the cost, but not to exceed \$150,000. I have taken the position that if the census were well planned and if our principal contributors strongly supported our participation, I would be willing for the Agency to do so. Last week the Government formally requested our participation in writing and Ambassador Mills wrote me a letter supporting the Government's request. The result is that I have now committed the Agency to participate in such a census. In justification of this action emphasis has been placed largely on the grounds of facilitating the economic development of the country, rather than on rectification of the ration rolls.

¹ Source: Department of State, Central Files, 325.84/4-2560. Personal and Confidential.

² Not printed.

Last week I was reassured in Jordan that we would now be given more adequate reports by the Government with respect to deaths. Even though past experience has shown that we should not get overly confident from such promises, still the Government is attempting to assist us.

I am sure you know that a full rectification to the ration rolls would add 30 to 40 thousand more names to the rolls and would increase our food costs by more than a half million dollars per year. Also, I think one should keep in mind that a *welfare system* of a sort exists within the family-clan structure of refugee camps and Palestine villages. This, of course, is nothing new since these people have had to wrestle with food shortages from time immemorial as a result of rather frequent lean years. I am convinced that is because of this informal *welfare system* that we do not see more undernourished children in the camps. The point is that this system serves to partially mitigate the grave injustice which appears to exist because of the large number of illegal claimants and the more than offsetting number of eligible children who are not granted rations.

Finally, one must take into account the political instability which might be engendered by an overly aggressive, or poorly planned, program to rectify ration rolls. While the Jordan Government doubtless is overly conscious of this factor, still this element does exist and I think any reasonable person is forced to admit that political stability in the Middle East is more basic to the future progress of the area than is the complete rectification of ration rolls. The point is that it is more important to concentrate on a solution to the problem which will ultimately make ration rolls unnecessary than to spend an excessive amount of time trying to perfect that which we seek to eliminate at the earliest possible date. In spite of the unsatisfactory ration rolls in Jordan, one is forced to concede that nutrition is relatively satisfactory among children. This, I believe is because of the *welfare system* within the Palestine culture, to which I referred earlier.

With respect to political stability, it is important to bear in mind that conditions change from time to time. My own feeling is that the recent border tensions plus the effect of Nasser's recent rousing speeches have increased political tensions among certain dissident groups in Jordan with the result that it is somewhat more difficult to make progress in ration roll rectification today than would have been the case last November or December. Of course, the pendulum likely will tend to swing back the other way again in the coming months.

To sum the matter up I think the UNRWA can, by moving ahead step by step and using devices within its own grasp, make considerable progress towards rectifying the ration rolls within the next 12 months. Also, the Jordan Government is currently showing a willingness to cooperate more fully. However, it would be unrealistic to

predict that this will accomplish anything like a full or acceptable rectification of the rolls in 1960 or even in 1961. Even so, we in UNRWA shall keep working diligently towards an improvement of ration rolls.³

Sincerely,

John

³ Also attached to the source text is Wilcox's reply, July 21, in which he stated that there was still considerable pressure in Congress to cut the UNRWA appropriation, but that he had used Davis' letter to good effect with key Congressional figures in an attempt to secure \$25 million for the U.S. contribution. This appropriation bill was still not passed when Wilcox wrote.

144. Memorandum of a Telephone Conversation Between the Deputy Under Secretary of State for Political Affairs (Hare) and the President of the AFL-CIO (Meany), Washington, April 28, 1960¹

SUBJECT

Arab Ship Situation

Mr. Meany called to tell me he had had a very long talk this morning with Paul Hall, head of the Seafarers' International Union. He said it had developed that Mr. Hall's chief grievance is against the State Department since he feels they have failed to protect American seamen who are the victims of Nasser's policy of boycotting ships which have called at Israeli ports. Mr. Meany said that Mr. Hall's antipathy for the Department also stemmed in part from bad feelings brought about a year ago as a result of a meeting in the Department on the question of foreign flag ships, which he attended and was subsequently "asked to leave" because he complained about American owners operating under foreign flags.

As examples of mistreatment of American sailors in the Middle East, Mr. Meany cited the following: At Arab ports American ships are boarded by authorities who examine the ship's articles and blackball the American seamen with Jewish names; he mentioned the case of a vessel held in port for 28 days with Americans on board; he said that ships which have stopped at Israeli ports are barred from going

¹ Source: Department of State, Central Files, 811.062/4-2860. Confidential. Drafted by Hare. A memorandum of a similar conversation between Meany and Hare on April 24 is *ibid.*

through the Canal. Mr. Meany told me he thought Mr. Hall had a good case, and is fighting to protect his own people. He will hold to his position until the Department adopts a new policy and issues some sort of statement indicating its concern for the welfare of American seamen so victimized and its desire to be helpful.

I told Mr. Meany I was sorry to hear that Mr. Hall was aggrieved with the State Department. Our policy toward protecting American seamen was clear and had been repeated time and again. It is our duty as well as our policy to protect the rights of American soldiers to the limit, and we are doing so. Since there has never been any doubt about our policy, there is no question of a change in policy. The cases involving American seamen have been few and exceptional. As regards the incident of Americans being held in port aboard ship for 28 days, I explained that the owners had abandoned the ship and in so doing had treated the crew unfairly. The boycott is not imposed by Nasser alone but by the Arab nations, some of which are enemies of Nasser, and it is directed against all nationalities, not Americans solely. It is part of the whole Arab-Israeli problem. Israeli ships are those under Israeli charter that are denied passage through the Canal, but blacklisted ships, although refused servicing, are permitted to go through.

I told Mr. Meany the trouble is being compounded by the *Cleopatra* affair and that soon the Arab retaliatory boycott will really hurt American seamen and ships in all the seaports of the Near East, and it may eventually be applied to U.S. airlines. The interests of the United States will be damaged. The important thing is to try to quiet things down and try to bring about normal relations with the Arab group. We have been trying very hard to do this. Following that an effort could be made eventually to improve Arab-Israeli relations.

I emphasized that there could not be a question of a change in U.S. policy. Our policy is to do everything possible to protect American seamen and we will continue to do so. Our policy regarding blacklisting is also well known. I believed that there was a good deal of misunderstanding on the part of Mr. Hall. It is possible that there may be individual cases where some remedial action is necessary. If so, I wanted to know about them and proper action would be taken if the facts justify. I said I thought the misunderstanding could be cleared up if Mr. Hall would come to the Department and talk things out.

I told Mr. Meany that I had refrained from requesting the Department of Justice to send a representative to appear in the circuit court in New York yesterday because I did not think it would be the proper thing to do in light of my talk with him, as a result of which he had been trying to effect a settlement of the matter. A public position had not been taken by the Government in court in the hope that things could be straightened out quietly. Mr. Meany interrupted to say that

Mr. Hall was confident the decision of the court would be in favor of the seamen, but if by chance the case were lost it would be taken to the Supreme Court.

I observed that much of the present difficulty would seem to center in the personal feelings of Mr. Hall. The question was how best to approach him; Mr. Meany himself was obviously in the best position to do so. Would he be willing to call Hall again? Mr. Meany quite readily agreed to do so and said he would once again talk the matter over with Hall and explain its implications. He would then call me again.²

² At a meeting on May 6, Meany and Dillon reached agreement on how to end the boycott effective that day. (Circular telegram 1501, May 6; *ibid.*, 811.062/5-660) The agreement was embodied in an exchange of letters which were released to the press. Copies of the letters are attached, along with a statement of policy by the Department of State on the American Merchant Marine, to CA-9674, May 19. (*Ibid.*, 911.73/5-1960) The unloading of the *Cleopatra* began on May 9 and the Arab counterboycott ended at the same time.

145. Letter From the Acting Secretary of State to the Chairman of the Senate Foreign Relations Committee (Fulbright)¹

Washington, May 2, 1960.

DEAR MR. CHAIRMAN: In response to your request for the views of the Department of State with respect to the implications of the Douglas Amendment² to the Mutual Security bill, I take this opportunity to set forth the following pertinent observations.

As we understand the intent of its 18 sponsors, the Douglas Amendment is designed to support efforts toward eliminating trade restrictions in the Middle East, particularly with respect to those practiced against the State of Israel. I am sure you are aware that this purpose is fully consistent with long-standing objectives of the United States Government. It is our conviction, however, that the inclusion of this Amendment in current Mutual Security legislation will in fact be

¹ Source: Department of State, Central Files, 700.5-MSP/5-260. No classification marking. Drafted by Meyer on April 30. Attached to a memorandum from the Director of the Executive Secretariat, Calhoun, to Goodpaster, May 2, stating that it was being transmitted for information and that copies of the letter had been released to the press.

² The Douglas amendment to the Mutual Security bill, which passed the Senate on April 28 despite the opposition of the Foreign Relations Committee, gave the President discretion to withhold aid from any State that obstructed free navigation of international waterways.

counter-productive and will not achieve its intended purpose. In addition, such inclusion will in our view have harmful repercussions on United States interests in a wide area of the Middle East.

As you know, a resolution similar to the Douglas Amendment was passed in the House of Representatives at an earlier date. Fully sympathetic with the objective intended, the Department made the text available to our Embassies and Consulates in countries which would be affected by the amendment. In a unanimous expression of opinion our field posts from Morocco to Iraq reported that the adoption of an amendment of this type would clearly not be in the interest of the United States, nor for that matter of Israel.

Our posts abroad emphasized their concurrence with the objective sought by this amendment. They also stressed, however, that regardless of the effect which the amendment might have on the actual level of our assistance to the Middle Eastern states, the amendment would be widely interpreted as: a) demonstrating favoritism for the State of Israel—to the extent that it would render more difficult our efforts to bring about a relaxation of tensions between Israel and the Arab states; and b) an attempt to “tie strings” to our economic aid, and, by implication, to threaten the use of aid as an instrument of political coercion. Our posts pointed out, and the Department of State fully concurs, that incorporation of this amendment would without doubt have the effect of making the task of eliminating the Arab boycott of Israel more difficult and would play into the hands of the Soviet bloc which seeks to exacerbate Middle East tensions to further its penetration of the area.

Our Government has repeatedly made clear, publicly and through diplomatic channels, its support for freedom of transit through the Suez Canal, as well as our opposition to the Arab boycott against Israel. These undesirable restrictions, as you are aware, are an outgrowth of the Palestine problem, which continues to cause tensions between Israel and the Arab states and to perpetuate unfortunate circumstances such as those whereby nearly one million Arab refugees are not able to return to their homes. It is our Government's firm conviction that an Arab-Israel settlement will one day come, not by coercion but by a spirit of accommodation on both sides. As progress is made in that direction, such problems as boycotts, restrictions and homeless refugees will disappear.

Incidentally, there appears to be considerable inaccurate information surrounding the Suez Canal transit question. For example, it is said that American ships are being “barred” from the Canal for having called at Israeli ports. As a matter of fact, not a single American ship has thus far been denied passage through the Canal. Out of a total United States maritime fleet of 498, only 23 ships have been placed on

the so-called Arab blacklist, because of prior calls at Israeli ports. These 23 are denied entry at Arab ports but there has been no instance of denial of their transit of the Canal.

In this connection you may have read in the press that American labor unions in New York have set up picketing against the United Arab Republic ship *Cleopatra*. The purpose of the picketing is to impel the United Arab Republic to abandon its restrictions against Israel shipping. Unfortunately, this objective is not being served. Asserting their determination to resist such pressures, the Arab countries are establishing counter-picketing against American shipping. This reaction against coercion, which is not unnatural in young emerging states, means in effect that at least 20 American ships with 1,000 seamen aboard will be affected within the next month. It also means that for every Arab ship Americans may boycott some 30 American ships may be subjected to Arab boycott.

As can be seen, outside attempts, no matter how well intentioned, to compel one or more of the Middle Eastern countries to follow a certain behavior have wide repercussions. I might add that while resentments against such pressure in Arab-Israel matters have direct repercussions on our interests in 10 Arab countries from Morocco to the Persian Gulf, the sympathy for these 10 nations is inevitably widespread throughout Africa and Asia. This is a critical juncture in the history of those two continents. Just when the young Afro-Asian nations and particularly the Arab nations appear for the first time to be becoming aware of the fact that the Communists have been falsely posing as patriotic nationalists, it ill behooves us, through an appearance of placing "strings" on our aid, to incur the deep resentment or hostility not only of the 10 Arab nations but of their natural friends, the states of Africa and Asia. In fact, we do not believe it is in Israel's long-range interest that such enmity be aroused and choosing of sides precipitated throughout the Afro-Asian region.

In our view, avoidance of coercive tactics against Israel's neighbors is in Israel's interest. In just over a decade, Israel has quadrupled its exports. Its unfavorable trade balance has steadily been reduced. Israel's Gross National Product per capita is now more than twice that of any of its neighbors and even exceeds that of Netherlands and Italy. While foreign funds from various sources at an average rate of nearly \$1,000,000 per day have been partly responsible, primary responsibility for this progress lies with the Israeli people themselves, their ingenuity, industriousness, and devotion to purpose. Parenthetically, I should note that our government has been consistent in its support to Israel. We have extended to Israel with its population of under 2,000,000 a sizeable total of various types of assistance, including PL-480. Such assistance, as you know, is continuing. Conditions have thus far been sufficiently favorable to allow Israel to make great

strides. In our view it would be a grave mistake to have that progress disturbed by actions which can only stir up area tensions to Israel's detriment.

As you know, it is the view of our Government that the tensions of the Middle East can more effectively be treated by concerted international action than by unilateral action on the part of the United States. That was the essence of President Eisenhower's address before the United Nations General Assembly during the fateful Middle East crisis in the Summer of 1958.³ Such progress as has been recorded since that time has been in large measure due to such international agencies as the United Nations Emergency Force and the United Nations Truce Supervisory Organization. With specific reference to the restrictions on Israel shipping in the Suez Canal, the United Nations Secretary General has actively sought a solution. Although his efforts have not succeeded and have in fact met with a number of setbacks, the Secretary General as recently as April 8 reported his continued interest in the problem and his unextinguished hope that a solution may yet be found. Our Government is giving these endeavors its fullest support.

Although this letter is somewhat lengthy, I hope it will prove helpful to you in facilitating understanding of these important questions. In particular I hope it will make clear the reasons why those of us who deal with these problems on a day-to-day basis feel strongly that no actions should be taken which will exacerbate tensions in the Middle East which are clearly harmful to the long-range interests of the United States, Israel and the entire Free World.

Sincerely yours,

Douglas Dillon⁴

³ For text of this address, August 13, 1958, see *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1958*, pp. 606–616.

⁴ Printed from a copy that bears this typed signature.

146. Telegram From the Embassy in Israel to the Department of State¹

Tele Aviv, May 19, 1960—9 p.m.

1118. On May 17 Mrs. Meir gave a small dinner for Senator Fulbright² with the Prime Minister and myself as the only guests. During a conversation which lasted some four hours the following general subjects were raised:

1. Israel's assistance to newly developing countries on basis of equals to equals and importance of the West doing more in Asia and Africa—along general lines Ben-Gurion's presentation to the President.³

2. The Summit and the question of why Khrushchev had sabotaged the conference. Whether it was due to Stalinist elements in the presidium, the influence of the Red Chinese, or other internal matters. I took occasion to mention that whatever the outcome the unity of the West had never been closer. (Senator Fulbright indicated to me earlier in the day that the President's statement⁴ seemed to him to be "a very good" one.)

3. Refugees:

Ben-Gurion talked without interruption for about an hour raising many of the points he mentioned to Senators Gore and McGee (Embtel 514).⁵ Specifically he covered:

(a) The developments leading to the foundation of the state including Israel's original willingness to accept the UN partition plan (November 29, 1947) in spite of strong objection to the status of Jerusalem.

(b) The attack of the Arab armies on May 15, 1948, why the Arabs left and the moral issue involved in light early actions of Mufti re Arabs in Palestine and subsequent ones of Nuri Said in Iraq and Yemen authorities in effect ordering the Jews to leave these countries. (He added these Jews came with little and lost most of their personal effects and property.)

(c) Ben-Gurion's ideas re settlement of refugees in fertile lands of Iraq and Syria.

(d) General assessment of relations among several states in the area. Unlikelihood of progress towards peace given Nasser's present course (notably his recent speech indicating Jews would meet same

¹ Source: Department of State, Central Files, 033.1100-FU/5-1960. Secret. Repeated to Amman, Beirut, Cairo, London, and Jerusalem.

² Senator Fulbright visited Israel, May 16-18, as part of a trip to the Middle East.

³ See Documents 132-135.

⁴ For text of this statement, May 16, see *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1960-61*, pp. 154-155.

⁵ Document 104.

fate as crusaders) and lack real attention of Nasser to needs of people. Here Ben-Gurion handed to Senator Fulbright extracts from Cairo radio and from some of Nasser's statements.

Ben-Gurion stressed refugees being used inhumanely as political key of which might ultimately be used to destroy Israel and that minds of refugees were being indoctrinated by negative Cairo propaganda. (He also noted number of refugees who left not the same as number of refugees now.)

Ben-Gurion concluded by saying why—if Nasser really wanted a measure of tranquility and ultimately peace—was he spending so much on armaments. Probably he had not mentioned this to the Senator. But he, Ben-Gurion, knew the figure because as Defense Minister he had to.

Senator Fulbright replied carefully and at length. Specifically he indicated:

- (a) That he was in Israel only to learn.
- (b) That the Senate Foreign Relations Committee and increasingly Congress were becoming impatient relative to continued outlays for UNWRA ("over \$200 million") which did not produce some progress or solution.
- (c) That he had talked with an Arab in Cairo⁶ "not Nasser" and asked him what he thought of an impartial and objective commission such as the PCC or some other body trying to solve the problem of the refugee question on basis repatriation and compensation.

He presumed Israel obviously would not agree to anything endangering the security of the state but that the principle of the right of repatriation was important. On compensation it seemed only fair that Israel's counter claims against Iraq, Yemen, Jordan and UAR be taken into account.

Senator Fulbright added that he had no particular idea on this or the formula that might be involved, but that it would of course require that any voting by the refugees on whether they wished to return be guaranteed by the UN or some impartial authority.

Mrs. Meir interjected that even supposing Israel "just for the sake of discussion" might be willing to take back 150,000 to 200,000 refugees how could they be sure that Nasser's propaganda would not compel most of the refugees to come back and would not the refugees coming back, in effect, be a "Fifth Column".

The Senator replied he had no means of evaluating the latter but obviously "all bets would be off" if improper pressures were brought to bear on the refugees when they were making a choice.

⁶ See Document 257.

Senator Fulbright continued that it seemed to him that the day of white man's supremacy was over and that many nations whom we had thought could not develop were in fact doing so. Specifically he thought that the UAR with Soviet aid was progressing, that domestic matters were of concern and that it was important to try and tackle the refugee question now—and not wait on fundamental changes in the UAR—in the interest of area tranquility.

4. The picketing of the *Cleopatra* and the Hays-Douglas amendment.

The Senator reviewed his thinking and indicated that he had received the strong backing of the Department (to which I nodded emphatically). He stressed that both the picketing and the amendment were in his view, and in that of the Department's as he understood it, counter productive; not the way to handle delicate foreign relations. He added that he had spent the better part of a day following a call from Secretary Anderson voting out a bill from his committee without a similar rider (Hays-Douglas) that would have destroyed the effectiveness of legislation on the IDA. He pointed out that some of "your people" like Senators Douglas and Javits are not really acting in Israel's best interest. Mrs. Meir jumped in to say that they were not their people but US citizens. Senator Fulbright smiled and said he meant to say your "partisans". He effectively made the point with Ben-Gurion paying close attention that other instances such as the debate in the Senate could one day adversely affect American opinion relative to Israel and that Javits in the end cautioned about adding the rider to the IDA bill.

At the airport the following morning the Senator said he still thought some formula might be found re the refugees consistent with a free election which would also respect Israel's concern over security. He added if Ben-Gurion's view on danger of refugees as potential Fifth Column an accurate assessment—it of course very difficult problem and he was not overly optimistic. Nonetheless he thought some of Ben-Gurion's points re Israel's skill in settling refugees (from Arab countries) is good argument that Israel could in fact settle some of the refugees.

(Department may wish repeat this telegram Amman, Beirut, Cairo and London.)

Reid

147. Memorandum From the Director of the Office of United Nations Political and Security Affairs (Cargo) to the Assistant Secretary of State for International Organization Affairs (Wilcox)¹

Washington, May 25, 1960.

SUBJECT

New Approach to the Palestine Refugee Problem; Report on May 24 Meeting in Assistant Secretary Jones' Office

Mr. Jones would appreciate your looking over the attached NEA proposal at your earliest convenience. We consider that in general the NEA initiative deserves our support. We should appreciate an indication of your agreement to the consensus of the meeting, as reported herein below, or any reservations you may have concerning this project.

Report on May 24 Meeting

Mr. Jones expressed regret that due to the situation at the UN you were unable to attend, especially as he hoped we were about to embark on a major new initiative with regard to the refugee problem. He then called upon Ambassador Reid, who is here on consultation, to present his views on this matter. The Ambassador said that he was in general agreement with the NEA outline plan, particularly as it took into consideration most of the points he had wished to raise.

Ambassador Reid said that in his opinion there were four major considerations pertinent to the gaining of Israel's acceptance of any proposed solution. The first was whether Israel will agree to negotiation on the refugees as a separate issue, apart from an overall peace settlement. The Ambassador was encouraged in this regard by remarks which Ben Gurion made to Senators Gore and McGee, and subsequent indications that the Israelis are willing at least to consider negotiating a separate refugee settlement.

The second factor related to the Arabs' compensation plans and the Israeli counterclaims for property left by Jews who were forced to leave Arab countries, particularly Iraq & Yemen. The Ambassador was certain that the Israelis would insist on a definite tie-up between these two sets of claims.

The third factor related to the "moral guilt" for the refugee problem. The Israelis would insist that in accepting any proposed solution they not be singled out for blame.

¹ Source: Department of State, NEA Files: Lot 72 D 294, PCC May-June 1960. Secret; Limit Distribution. Drafted by Palmer.

The fourth major consideration related to the phasing of repatriation and resettlement. The Israelis would not be inclined to agree to accept an even modest number of refugees on a phased basis unless the Arabs, *concurrently with the implementation of this repatriation*, took steps actually to resettle on a permanent basis at least an equal number of those refugees who were not going to be repatriated. The Israelis fear that without such a condition they would be put in the position of having to accept X thousands of refugees, with the remaining refugees continuing to constitute a huge pool of potential repatriates who would continue to be stirred up and used as a political weapon by Nasser. Ambassador Reid said that apparently the Government of Israel is now thinking in terms of the possible repatriation of about 200 thousand refugees. (Mrs. Meir mentioned the figures of 150 or 200 thousand to Senator Fulbright recently.)

The Ambassador then listed a number of other factors which he thought to be of particular concern to the GOI. They are: 1) the security aspects of any repatriation program; 2) Israel's desire always to be in a position to receive up to one million additional Jews, mainly from the USSR; 3) the question of Israel's bargaining vis-à-vis the Arab and the theory held by many in the GOI that to appease the Arabs is folly and that the only workable policy is that of a tough line and 4) the genuine desire of the GOI for real peace in the area.

Commenting on Phase One of the attached plan, Ambassador Reid said that use of an American to conduct the preliminary sounding operation in Israel would be much more effective than the use of another national. He said that Ben Gurion would greatly prefer, for instance, a "Bob Anderson type Mission",² on a direct USG-GOI basis, to a mission under cover of the PCC, particularly if the latter mission were to be undertaken by a non-American.

There followed a lengthy discussion of the NEA draft plan and of some of the points raised by Ambassador Reid. With regard to the question of Israeli counter claims on compensation, it was generally agreed that these should not be allowed to be brought into the negotiations on the settlement of the refugee problem per se. These claims are essentially extraneous to this problem and should be dealt with in the subsequent negotiations on an overall peace which we hope would follow a settlement of the refugee issue.

It was further agreed that offering the refugees a third alternative, i.e., the right to opt for resettlement in a non-Arab country (point 2.C.3 in the attached plan) would be vital to the success of the operation. Even assuming Israel agreed to take back as many as 24 thousand refugees a year for an undetermined number of years, the Arab host

² For documentation on the Anderson Mission to the Middle East, January-March 1956, see *Foreign Relations, 1955-1957*, vol. xv, pp. 1 ff.

countries simply could not absorb on a permanent basis all of the remaining refugees. This is particularly true in the case of the quarter million refugees now in the Gaza strip. It was suggested that for those refugees who elect to resettle elsewhere than in Israel or one of the present host countries, Nansen-type passports be issued to enable them to resettle as expeditiously as possible in areas where labor is needed.

We, noting that our views represented only IO's initial reaction to the NEA draft plan, said that we were heartened by the evidence of this new initiative and wished to cooperate in every way. We remarked that depending on circumstances it might not be very wise to have anything like a "Lausanne-type Conclave" with the Arabs and Israelis take place during the heat of a US Presidential campaign, as the proposed timetable calls for. It was agreed that the suggested timetable might be stretched out somewhat but that there should be no undue delay in commencing with the first phase.

We also mentioned the possible difficulties that might be raised by the French should we and the Turks agree on a major PCC initiative. We said there is no such thing as a secret PCC meeting and that the Israelis would find out about any sounding sortie immediately such a plan were [*was*] discussed at a PCC meeting. Mr. Jones proposed that the Turkish representative on PCC could, acting in his capacity as Chairman, simply announce at a regular meeting that he had been instructed by his government to undertake some explorations of the current attitudes of the parties. Whereupon the US representative would commend the Turks for their splendid display of initiative. "What could the French possibly do", Mr. Jones remarked.

We inquired of Mr. Jones the extent of support for a major new initiative that he believed would be forthcoming from the highest levels of the USG. If we were assured that such an initiative would have solid backing, even in an election year, then it might be well to discuss further Ambassador Reid's suggestion that the sounding operation be undertaken by an American official, thus presumably increasing our chances of success insofar as the Israelis are concerned. This would also have the advantage that we could undertake the first phase entirely on our own, avoiding probable difficulties with the French and informing the PCC at an appropriate time later in the process. Mr. Jones observed that the Secretary would probably approve of the initiative proposed by NEA, i.e., an initiative *within the UN framework* and in which the US could not be easily and publicly identified as the motivating force.

Note: It is our understanding that while in Athens recently Mr. Jones secured the agreement of Turkish Ambassador Kural to undertake a PCC-sponsored mission, and that later Foreign Minister Zorlu gave his informal approval to this proposition.

It was agreed tentatively, subject to your concurrence, that we should move ahead with the first phase of the NEA plan. Should that for any reason fail we would consider a "Bob Anderson type Mission", probably after the new administration is installed. It was agreed that the very least we could obtain from this undertaking would be a clear demonstration that one or another, or both, of the parties directly involved had willfully obstructed constructive efforts towards a solution. Thus in any event we would be in a stronger position vis-à-vis Congress on the Palestine issue.

Mr. Jones asked us privately after the meeting whether we thought USUN, particularly Mr. Barco, would agree to an attempt to implement this plan. We reminded Mr. Jones of the Mission's reservations about our engagement in any major initiative in the absence of a firm commitment on the part of the highest authorities to follow through regardless of the possible domestic political consequences. We suggested that in the course of refining this plan Mr. Barco be called here for further consultation.

Mr. Jones requested that this entire matter be treated with the utmost discretion and that knowledge about the new initiative be disseminated on a need-to-know basis only.

Attachment³

AN APPROACH TO THE ARAB REFUGEE PROBLEM

1. Sounding Sortie—June 1960

a. Ascertain in Ankara availability of Ambassador Kural or other qualified Turk emissary.

b. Hold secret session of PCC providing emissary with whatever credentials and instructions are needed.

c. Emissary to visit Tel Aviv to discuss on most secret basis with Ben Gurion and Mrs. Meir optional repatriation plan, emphasizing PCC assurances that no mass influx of refugees or serious security threat need be feared.

d. Visit Arab host country capitals to discuss with leaders on most secret basis proposed optional repatriation plan, emphasizing that principle of repatriation will be upheld but that realistically implementation would have to be on a phased and optional basis.

³ Confidential. Drafted by Meyer on May 24.

e. In both Israel and Arab capitals recall UNGA resolution of last November and note that PCC will be required to report what it has done. Such report would, of course, include a discussion of the attitudes of the governments directly concerned.

2. *Lausanne-type Conclave—September 1960*

a. PCC to invite Arabs and Israel to send representatives to a meeting to consider the refugee problem.

b. Outline to the conferees basic elements of the problem, including particularly pertinent UN directives. Obtain conferees views.

c. Set forth PCC thesis that refugees should be allowed to choose:

- 1) repatriation as law-abiding citizens of Israel,
- 2) settlement in an Arab country, or
- 3) settlement in a non-Arab country.

Restitution or compensation will be considered in each case as appropriate.

d. Announce that PCC intends to conduct a refugee referendum. Describe how it works and accept suggestions for improvement.

3. *Refugee Referendum—October 1960–May 1961*

a. Invite refugees to come to PCC-sponsored rehabilitation stations.

b. In private let refugees express their preferences re 2c above.

c. At same time, obtain important information concerning each refugee, both as to his pre-1948 and his post-1948 status.

d. Let the impression be given that without this voluntary application at rehabilitation stations refugees can expect no claim in the future as to repatriation or compensation.

4. *Report to XVth UNGA—November 1960*

a. Review PCC initiatives since the preceding UNGA.

b. Obtain UNGA support for approach being taken by PCC.

c. Urge member governments to open their doors to refugees who might wish to settle in non-Arab countries.

d. Incorporate above in a resolution.

5. *Phased Repatriation*

a. Establish priorities for those wishing to become law-abiding citizens of Israel.

b. Arrange with Israel Government the machinery for permitting refugees at a rate of about 24,000 per year to return to Israel and become useful citizens.

c. Arrange appropriate PCC supervision to assure refugees obtain a fair break.

6. Resettlement

a. Arrange with Arab host countries and subsidize projects for making refugees productive citizens in the Arab countries.

b. Make appropriate arrangements with non-Arab countries willing to take refugees.

7. Squatters

a. Assist Jordan in taking care of those refugees who have neither submitted to repatriation or resettlement.

148. Memorandum From the Assistant Secretary of State for Near Eastern and South Asian Affairs (Jones) to the Under Secretary of State (Dillon)¹

Washington, May 26, 1960.

SUBJECT

Israeli Disappointment over Our Response to Ben-Gurion's Requests

As you may note in the attached memorandum of conversation (Tab B)² Israel Minister Herzog is disappointed by our note of May 23, 1960 (Tab C) responding to Israel's request for assistance in arms procurement. He professed to understand the wisdom of our policy of not becoming a major arms supplier to the Near East. At the same time, he felt that Mr. Ben-Gurion left Washington believing he would receive: a) Hawk missiles and b) financial assistance to ease Israel's arms procurement burden.

Actually, we have done quite well by the Israelis. In offering the \$10.2 million electronics package, we are: a) making an arms offer of a magnitude of 10 times that of any previous arms supply to Israel, b) providing Israel with electronics equipment of an advanced type not available to many of our allies, c) affording Israel an opportunity to

¹ Source: Department of State, NEA Files: Lot 70 D 304, Ben Gurion Visit. Secret; Eyes Only. Drafted by Meyer, initialed by Jones, and sent through S/S.

² Only Tab A, not printed, is attached to the source text. A copy of Tab B, a memorandum of Jones' conversation with Herzog on May 25, is *ibid.*, Central Files, 784A.56/5-2560. On May 24, Jones gave Harman the U.S. reply, dated May 23, to the Israeli arms request of February 9. The note offered \$10 million in electronic equipment under a reimbursable military agreement, but did not discuss Hawk missiles. A copy of the note is attached to a memorandum from Jones to Dillon, May 21, summarizing its contents. (*Ibid.*, 784A.56/5-2160) A memorandum of Jones' conversation with Harman on May 24 is *ibid.*, NEA Files: Lot 70 D 304, Ben Gurion Visit.

develop scientific know-how many years in advance of its neighbors, and d) responding affirmatively to what was a significant portion of Israel's \$200 million February 9 request.

On the financial side, we are offering this \$10.2 million electronics package on three-year credit terms from the date of delivery, which is not likely to be for another 12-18 months. Meanwhile, other forms of aid to Israel this year are now totaling over \$62 million (Tab A). In other words, we are already assisting financially at a rate above the average for the last few years and in fact over the ten years since Israel's birth. Before the present fiscal year closes, to this \$62 million total there may yet be added an \$8 million DLF telecommunications loan, and a \$10 million Eximbank loan for jet civilian aircraft. Finally, despite our illustrative figure of \$5 million, we shall probably in FY 61 restore special assistance to \$7.5 million as Congress recommends in its MSA Committee report.

Herzog argued that a token gift of \$1 million in special assistance funds would reassure Ben-Gurion of the success of his Washington visit and of our continuing interest in Israel's security problem. Incidentally, this could be a last-minute play by Herzog to demonstrate his influence in Washington prior to his leaving to become Israeli Ambassador to Canada. If we react favorably to his proposal, we would wish to do so in a manner which would give Ambassador Harman at least as much kudos as Herzog. As we see it, there are two practical alternatives:

1. We sit tight, emphasizing to Herzog, Harman and others that we have done exceedingly well in responding to Mr. Ben-Gurion's desires. This would be in keeping with the firm position which you and others of us have taken in our conversations with the Israelis when our response to their arms request was being formulated. The risk quite frankly is that in deep disappointment Mr. Ben-Gurion might initiate the unleashing of heavy domestic pressure which might result in directives from outside the Department to yield to Israel's request to a greater extent than we should.

2. We make some token gesture to Ben-Gurion. This could be as Herzog suggests a special \$1 million special assistance gift, on a project other than one of a military character. Alternatively, this gesture could be relaxing the credit terms envisaged for the electronics package so as to allow the Israelis to pay at least a portion of the bill in Israeli currency. This would not be a happy precedent but it would be a very meaningful gesture as far as Ben-Gurion is concerned. It would particularly help him in his struggle with Finance Minister Eshkol, who steadfastly opposes increasing Israeli defense expenditures.

Whichever of the above two alternatives is preferable, it occurs to us that sometime in the near future you might wish to have a friendly talk with Ambassador Harman. Such a discussion in itself would do much to assure the Israelis of our continuing sympathetic concern for their security problems.

I would like very much to discuss this matter with you at your earliest convenience.

149. Notes on a Conversation Between the Assistant Secretary of State for Near Eastern and South Asian Affairs (Jones) and the Under Secretary of State (Dillon), Department of State, Washington, May 31, 1960¹

On May 31 I saw Mr. Dillon who had read my memorandum of May 26² regarding the U.S. response to Ben Gurion's requests. I told Mr. Dillon that were it any other country except Israel I would not bother him. However, this was an election year and Mr. Ben Gurion had seen the President, the Vice President, the Secretary and Mr. Dillon to whom he had made strong appeals not only for military equipment but assistance in connection with the financing of Israel's arms burden.

Mr. Dillon said that he agreed that everything touching this question should be handled with the greatest delicacy. He had read my memorandum and (I gathered) was not adverse in principle to something of the kind being done. However, he said the Contingency Fund was at such a low ebb that there "simply is not any money". He mentioned the needs of Chile. He said it was hard for him to believe that \$1,000,000 as suggested by Herzog would make a great deal of difference either to Ben Gurion as an individual or to Israel as a country having in mind the fact that U.S. aid to Israel in one form or another is in the neighborhood of \$300,000,000 annually.

Mr. Dillon reiterated that we were prepared to take into account the requirements of Israel's budget and could do so in various ways. But he felt it would be wrong to "link" any help to Israel with Israel's purchases of military equipment. He said I was at liberty to pass this

¹ Source: Department of State, NEA Files: Lot 70 D 304, Ben Gurion Visit. Secret; Eyes Only. Drafted by Jones.

² *Supra.*

on to Ambassador Harman which I propose to do when I see him at luncheon on June 8.³

³ Following a discussion of refugees at the luncheon on June 8, Jones told Harman that the United States "had done well by Israel in the past" and "there was no reason why this situation should change." But he told the Ambassador that Dillon was unwilling to link any special portion of assistance to pay for arms. (Memorandum of conversation; Department of State, Central Files, 784A.00/6-860)

**150. Memorandum of a Conversation, Department of State,
Washington, June 7, 1960¹**

SUBJECT

Senator Fulbright's Observations of the Middle East

PARTICIPANTS

Senator Fulbright—Chairman, Senate Foreign Relations Committee
Carl Marcy—Chief of Staff, Senate Foreign Relations Committee
John Newhouse—Member of Staff, Senate Foreign Relations Committee

G. Lewis Jones—Assistant Secretary—NEA
Francis O. Wilcox—Assistant Secretary—IO
Parker T. Hart—Deputy Assistant Secretary—NEA
Woodruff Wallner—Deputy Assistant Secretary—IO
John O. Bell—Deputy Coordinator—U/MSC
Armin H. Meyer—Director—NE
Nicholas G. Thacher—Deputy Director—NE
James M. Ludlow—UN Advisor—NEA
William D. Brewer—Officer in Charge (UAR)—NE
Theodore A. Wahl—Lebanon—Israel—NE
Stephen E. Palmer—U.N. Political & Security Affairs
Robert L. Funseth—U.N. Political & Security Affairs

Senator Fulbright met with Department officers at their request to discuss informally with them his observations of his recent visit to the United Arab Republic, Jordan and Israel. Aside from the Senator's general impressions of the area and his brief remarks on the exchange program, the greater part of the informal discussion was devoted to the problem of the Palestine refugees.

¹ Source: Department of State, Central Files, 033.1100-FU/6-760. Confidential. Drafted by Funseth on June 9. Initialed by Jones and Wilcox.

Senator Fulbright said that the positions of the United Arab Republic and Israel on the refugee question as expressed to him by President Nasser and Premier Ben-Gurion did not deviate from their previously stated and well-known views on this particular problem.

President Nasser regarded the UN resolution 194 (III) of December, 1948, providing for the repatriation or compensation of the Palestine refugees, and the resolution providing for freedom of transit of the Suez Canal, as inseparable. In his view, without implementation of the former, there could be no implementation of the latter. President Nasser did not mention the resolution on the partition of Palestine.

Premier Ben-Gurion said there could not be repatriation of any of the refugees because their presence in Israel would constitute a "fifth column" jeopardizing the security and very existence of the state of Israel. He said they should be resettled in the neighboring Arab states. However, Foreign Minister Golda Meir at least mentioned, if only in hypothetical terms, the figure of one hundred to two hundred thousand when discussing how many refugees could theoretically be returned to Israel. In this connection, Mr. Gershon Avner, Director, United States Division of the Israeli Foreign Ministry, hinted to Mr. Marcy that the time may have come when Israel could seriously consider accepting the repatriation of a specific limited number of refugees. Senator Fulbright said that he should not be misunderstood as radiating optimism but he felt that even these guarded comments might be significant.

An unnamed but prominent Palestinian in old Jerusalem told Senator Fulbright that if a fair and reasonable offer of compensation were made only a limited number of refugees would choose to return to their former lands in Israel. He recommended that a group of non-political personalities, social scientists for example, from countries not identified with the Palestine question, be asked to conduct private discussions with all of the parties directly concerned with an aim of arriving at an acceptable plan providing for repatriation or compensation.

In his own personal view, Senator Fulbright said that the specific problem of the Palestine refugees was one of those seemingly insoluble problems with which we are often confronted and for which we must continually be striving to find a solution. He drew a parallel between it and our own problem of civil rights which was viewed by many as being equally insoluble, but he said the consistent efforts to find a solution to the civil rights problem were finally meeting with some success and perhaps in fifty years it would be solved. However, he said that, like the civil rights problem, the Palestine refugee question was a very delicate and difficult problem in which we must be very sensitive to the emotional reaction of those directly involved.

Therefore, he wished to stress that in his view the approach, that is to say *how* it was done, was as important if not more important than *what* was done.

Senator Fulbright emphasized that, because of our own close identification with the Palestine question, it was best for the United States to remain in the background. It would be much better if we could have a friendly third party or power actually take the initiative or perform the negotiation of an agreement which we could then support.

Asked if he thought such an initiative might be complicated at this time by the United States presidential election, Senator Fulbright said that of course we had to recognize the realities of American domestic politics but he thought the refugee problem was so complex that we probably would not have made much headway by the time the national election campaign was over.

Senator Fulbright said he had met Dr. Davis, Director of UNRWA, in Jerusalem and was favorably impressed by UNRWA's limited vocational training program. He said it was obvious that, regardless of where the Palestine refugees ultimately settled, they would have to have some training and help if they were to be useful citizens. At present the overwhelming majority are unskilled agricultural workers of whom there is a surplus in the Middle East. With training they could become the kind of citizens who would be more easily absorbed by any state, whether it be Arab or Israeli. However, as presently constituted, UNRWA's vocational program is little more than a pilot project and would have to be greatly expanded if it were to make any significant contribution to the solution of the problem. He felt UNRWA's approach was sound but stressed that it was severely limited due to a lack of resources.

In the discussion of the possibility of taking an initiative now, the Senator was asked if he thought the Palestine Conciliation Commission (PCC), which had been mentioned in last year's General Assembly resolution, might not be an appropriate body to undertake a renewed effort. The Senator said he had no strong views about the PCC but he had left the Middle East with the feeling that a new forum, one not previously identified with the problem, might have a better chance of success. However, he was not sure about this. When asked if he thought a Turk might be an appropriate disinterested third party, he observed that at the present time Turkey seems to have enough problems of its own. As an example of the kind of disinterested third party he had in mind, the Senator suggested perhaps a Danish or Austrian private citizen, but he emphasized that he had no firm thoughts on this question. He also mentioned that President Eugene Black of the International Bank for Reconstruction and Development seemed to enjoy the full confidence of at least the Egyptians.

Senator Fulbright stressed the importance that the Department not give up in its efforts to find a solution. He said that all present were aware of how increasingly difficult it was to get Congress annually to appropriate funds for UNRWA without ever being given any glimmer of hope of an ultimate solution. He said there is always the great danger that one of these years Congress will not come through and then we will be confronted with a dangerous situation of unknown dimensions.

In closing, the Senator repeated again his view of how important it was to consider the manner in which any solution was presented as this was as important as the substance of the solution itself.

151. Letter From the Israeli Ambassador (Harman) to the Secretary of State¹

Tel Aviv, June 9, 1960.

DEAR MR. SECRETARY: I have the honor to transmit to you the following message from Prime Minister Ben-Gurion concerning Israel's defense problem:

"I have studied with great care your Note of May 23, 1960 to Ambassador Harman. I well recall our conversation in your home on March 13. As I wrote you a few days later I came away from the meeting greatly encouraged by what I had heard from you.

"From your Note I can see that the matters which I raised have been given study and consideration and I am most grateful for this and for your offer to supply us with electronic equipment.

"I am glad to hear that our Military Attaché in Washington is to receive further data relating to the various items which you have kindly offered to supply us. In the light of this information we shall complete our appraisal of the effect this equipment will have on our ability to deter and if necessary meet an air attack.

"I cannot, however, conceal from you my feeling of disappointment that your Note makes no mention of my request for anti-aircraft missiles.

¹ Source: Department of State, Central Files, 784A.56/6-960. Confidential. Attached to the source text is a memorandum from Merchant to Herter, July 1, which states that a reply should be delayed until Merchant had time to talk with senior Defense Department officials and had more time to give Ben Gurion's letter further thought. In transmitting the letter to Hart during a conversation on June 10, Harman stressed the Israeli need for the Hawk missiles. (Memorandum of conversation; *ibid.*)

"The plain fact is that our air defense today depends exclusively on fighter aircraft operating from three or four airfields. The United Arab Republic has twenty-six airfields. Without the protection of anti-aircraft missiles, an air attack against us could put our air bases out of action and thus paralyze our entire defense capacity. In the absence of geographic depth, one cannot rely on fighter aircraft alone to meet an air attack. The Hawk missile, which is designed to provide local air defense against low-flying aircraft, is the only effective defensive shield against air attack on which we can rely in our situation.

"It was for this reason that in my presentation to you I invariably linked our electronics needs to the need for missiles, giving the latter priority. The electronics would give us an improved alert system but by themselves are no protection against attack.

"You can well understand, therefore, how encouraged I was to get your positive reply about the missiles. I realize that there may be technical problems of immediate availability. However, it is my confident hope that a way will be found, with due regard to existing commitments and availabilities, to make possible the initiation of a program by which the Israel Defense Forces could acquire, over a period of time, a Hawk missile system and the necessary training for its operation.

"I have noted the last paragraph of your Note of May 23 with reference to our economic problems. You will recall my discussion of this matter with you. It is a very heavy burden and it is growing. I was glad therefore to read the assurance of your readiness to extend careful consideration to the problems we face in this area. They are of an immediate and pressing character. The list of matériel attached to our Ambassador's Note to you of February 9, 1960 represents our defense gap. I am engaged in plugging this gap. This involves heavy expenditures now and even greater commitments for the years ahead. The damaging impact of this on our economy is all too clear.

"We face a possible attack of Soviet origin and manufacture. I am sure that we will not be left to face it alone. It is my earnest hope that the proposals we will present to you in this regard will receive your ready and sympathetic attention.

"It is my hope that in the course of your discussions with our Foreign Minister, Mrs. Meir, the matters which I have mentioned, and which are of such central importance, will be clarified. I am encouraged in that hope by your assurances to me and by the spirit of understanding reflected in your Note of May 23 for our concern at our present security position."

I avail myself of this opportunity, Mr. Secretary, to renew to you the assurance of my highest esteem.

Avraham Harman

152. Memorandum From the Secretary of State to the President¹

Washington, June 10, 1960.

SUBJECT

Palestine Refugee Problem

Mindful of the sharp criticisms recently heard in Congress over the lack of progress in the Palestine refugee situation, we hope shortly to initiate a new approach to this problem. The first step would be the sending of a single emissary to consult secretly with Near Eastern leaders with a view to paving the way for subsequent stages. Because of Turkish membership (with us and the French) on the Palestine Conciliation Commission and Turkey's unique capability for dealing with knotty Near Eastern problems, we hope to persuade the Turks to provide a qualified emissary.

The key element in the proposed approach is acceptance by all parties of a program offering the options of repatriation, resettlement or compensation to the refugees. The assumption is that only a small portion of the refugees will elect to live permanently in Israel. In Tel Aviv the emissary would emphasize that repatriation would be phased over a period of years and no mass influx of refugees posing a security threat to Israel need be feared. In the Arab capitals he would stress that the principle of repatriation is being upheld. In all capitals he would warn that the PCC would be compelled to report uncooperativeness to the United Nations General Assembly.

The possibility exists that through PCC channels or otherwise news of this new approach could leak. Israel's friends in this country might misconstrue the effort and as a result domestic political pressures might be generated against the approach. In an election year this could be a serious problem. Our failure to do anything about the refugees could make us almost equally vulnerable to domestic political criticism.

The new approach would: a) be in accord with last December's UNGA resolution which urged renewed PCC efforts; b) provide an effective answer to Congressional restiveness over the refugee problem; c) afford Israel an opportunity to gain favorable world opinion; and d) offer the best prospects for realistic progress on this long-standing problem.

¹ Source: Department of State, Central Files, 884.411/6-1060. Secret. Drafted by Meyer and cleared with Wilcox. The source text bears the typewritten notation: "Approved by the President 6/10/60 (Initialed original)".

If you approve, we will move forward promptly along the lines suggested above.

Christian A. Herter²

² Printed from a copy that bears this stamped signature.

153. Letter From the Deputy Assistant Secretary of Defense for International Security Affairs (Dabney) to the Deputy Under Secretary of State for Political Affairs (Hare)¹

Washington, June 14, 1960.

DEAR MR. HARE: The Israeli request for military assistance on which you requested Department of Defense views in your letter of February 20, 1960² has received careful consideration by the Joint Chiefs of Staff and by this office.

The Defense Department has concluded that the Israeli assertion concerning the magnitude of the gap in armaments between Israel and the Arab states is generally accurate. The military matériel in the hands of the combined Arab states was judged in September 1958 to be quantitatively superior to that available to the Israeli Defense Forces in most categories of weapons. Since that time the equipment of the Arab military forces has further increased relative to the comparable Israeli matériel. Arab weapons, particularly those of the United Arab Republic, are also generally more modern and effective than those currently held by the Israelis. However, available matériel is only one factor in determining the comparative effectiveness of military forces. Israeli forces are qualitatively superior in such factors as mobilization capability, leadership, training, organization, morale, and determination. Consequently, their present overall capability is judged to be sufficient to enable them to defeat the military forces of any combination of Israel's Arab neighbors.

The Israeli assertion that without the military assistance requested, their "sole deterrent against Arab aggression will within two or three years be completely annulled", is open to question, even without considering deterrents to Arab aggression other than the military effectiveness of the Israeli Defense Forces. Aside from Israel's overwhelming military superiority in the non-matériel areas, other

¹ Source: Department of State, Central Files, 784A.56/6-1060. Secret.

² Not printed. (*Ibid.*, 784A.56/2-960)

factors will influence the effectiveness of the Israeli Defense Forces relative to the total forces of the several neighboring Arab states. These include: the rate and degree of improvement of Arab technical and operational efficiency; the rate at which the Arab states augment and expand their current arms inventories; the rate and degree of deterioration of current Israeli equipment; and Israeli ability to acquire modern arms and equipment. Since insufficient information is currently available to measure these several factors accurately, a definitive judgment cannot be rendered on the specific Israeli assertion. However, if the recent rate of Arab arms acquisition continues, and unless the Israeli forces receive military assistance from some source, the Israeli military position vis-à-vis the neighboring Arab states will be jeopardized eventually.

In view of the foregoing, and taking into account the fact that Israel is also seeking military matériel from its usual sources, France and the United Kingdom, there appears no valid military reason to accede at this time to Israel's request for military assistance from the United States or for economic aid in lieu thereof. If there are compelling political reasons for meeting this request in some respect, the Defense Department recommends that assistance be limited to the sale of defensive type equipment. Matériel of this defensive nature which could contribute most effectively to the Israeli military capability is in the early warning and detection area; and Secretary Douglas' letter to Under Secretary Dillon of May 18, 1960³ set forth the Defense recommendation on equipment of this type.

The information which you requested on the cost, availability and military security classification of the listed items is attached in tabular form.⁴

Sincerely yours,

John A. Dabney
Lieutenant General, USA

³ Not printed. (*Ibid.*, 784A.56/5-1860)

⁴ Not printed.

154. Circular Telegram From the Department of State to Certain Diplomatic Missions¹

Washington, June 22, 1960—8:25 p.m.

1602. Depcirtel 1288² Department has received highest level USG approval for moving forward with serious conscientious approach to Arab refugee problem along lines suggested reftel. Specifically, Department favors unpublicized reconnaissance mission to Near East capitals by reliable Turk representative, preferably Ambassador Kural. In informal discussion with Lewis Jones during latter's Istanbul visit Kural indicated he would not be adverse undertaking exploratory mission for Palestine Conciliation Commission and later told Jones he had taken initiative and tried out idea on FonMin Zorlu who had reacted favorably. Department also been encouraged by responses from Cairo (Embtel 3161), Amman (Embtel 1828) and Tel Aviv (Embtel 976)³ which suggest that discreet sounding by reliable Turk official could prove fruitful.

Department currently thinking along following lines:

1. Embassy Ankara would approach most appropriate top-level GOT official, stress importance making valid effort toward solution Arab refugee problem, recall numerous previous occasions when Turkey's unique status afforded effective means for dealing with one or another of Mideast's knotty problems, and seek Turk cooperation along lines suggested this telegram; i.e. making available Ambassador Kural or equally qualified Turk for unpublicized sounding sortie on behalf PCC.

2. Should Turks be willing cooperate, next step would be secret high-level talks with French who with Turkey and US form PCC. Because of special relationships between US and France as well as France and Israel we believe it would be highly desirable for us to explain urgency we attach to new efforts to resolve refugee impasse and bespeak GOF support and discretion.

3. Next step would be to inform SYG on confidential basis of our general plan and then hold secret session of PCC at behest of Turk PCC chairman (or US member if Turks consider that preferable). Turk

¹ Source: Department of State, Central Files, 325.84/6-2260. Secret; Limit Distribution. Drafted by Meyer on June 17; cleared in draft with Jones, Wilcox, Ludlow, GTI, H, and WE; and approved by Herter. Sent to Ankara and repeated to Cairo, Athens, Beirut, Amman, Tel Aviv, Baghdad, London, Paris, USUN, Jidda, and Damascus. Two earlier drafts of this cable, June 10 and 14, are *ibid.*, NEA Files: Lot 62 D 435, Palestine Refugees, and Lot 72 D 294, PCC May-June 1960.

² Circular telegram 1288, April 14, asked for reactions to the PCC making an approach on the refugee question. (*Ibid.*, Central Files, 325.84/4-1460)

³ Telegrams 3161, 1828, and 976, April 19, 18, and 16, respectively. (*Ibid.*, 325.84/4-1660 through 325.84/4-1960)

chairman would recall UNGA resolution 1456⁴ of last December which urged that PCC renew its efforts to solve refugee problem. He would note that valid effort to make progress on refugee problem is incumbent on PCC. He would then propose reconnaissance mission to Near East capitals by single emissary with simple terms of reference such as "to visit the parties concerned in behalf of PCC to ascertain in what way PCC might be more useful to them in resolving the problems with which PCC created to deal." In supporting Turk proposal, USRep would point out that a qualified Turk would be most logical emissary, since France has no relations with certain of the countries concerned and a USG emissary might tend automatically be suspected by Arabs as partial to Israel's interests. Although French might be reluctant to embark on this new PCC venture, Turk and US Reps should insist that some PCC action essential. USG Rep could note in this connection that significant PCC action is essential if continuing Congressional support for UNRWA is to be expected. Presumably PCC meeting would adjourn temporarily while Reps sought instructions from home governments.

4. Assuming French raised no major obstacles, Turk Rep would at subsequent PCC meeting propose Kural or equally qualified Turk for emissary role. Plans would be approved to have Kural come quietly to New York for consultations concerning PCC activities to date as well as details of approach emissary might most effectively make in various Near East capitals.

5. Department has in mind several suggestions for enhancing effectiveness of reconnaissance mission. Department has also considered detailed steps which might be taken should mission be successful. These thoughts would be shared with Turk emissary and also with French Rep to extent this may in each case be deemed desirable.

6. After thorough briefing and preparation in New York, Turk emissary would first visit Tel Aviv to discuss on most secret basis with Ben-Gurion general plan for optional repatriation, compensation or resettlement of Arab refugees. Chief selling point to Israelis would be PCC (and US) assurances that no mass influx of refugees or serious security threat need be feared.

7. Turk emissary would subsequently visit Cairo, Beirut, Amman and perhaps Baghdad. In secret discussions re proposed plan in those capitals, he would emphasize PCC determination to uphold principle of choice between repatriation and compensation. At same time he would note that realistically repatriation would have to be on a carefully phased basis.

⁴ See footnote 4, Document 107.

8. In both Israel and Arab capitals emissary would remind leaders of UNGA Resolution 1456 of last December and note that PCC will be required to report what it has done. He would express his hope that PCC report would not be required to include indications of a lack of willingness on the part of any of the parties concerned to make serious and conscientious effort toward solving tragic refugee problem.

9. Hopefully emissary could accomplish mission without publicity. He would return to New York to report results of his soundings and to assist in charting next steps to be taken. While Department has thoughts as to what such steps might be, much would depend on results of reconnaissance mission.

Department cannot stress too strongly importance USG attaches to making most effective effort possible toward seeking solution Arab refugee problem. Peaceful resolution as early as possible of Arab-Israel dispute—of which refugee problem is a key element—is one of prime objectives US policy Middle East. Moreover, as addressee posts know there is growing sentiment in Congress demanding specific USG measures to press for solution Arab refugee problem. Leaders of Senate Foreign Relations Committee which over the years has staunchly supported UNRWA program and appropriations have expressed doubts that Committee will be able to continue such support.

Accordingly, unless Embassy Ankara sees over-riding objections it should in manner it deems most effective approach Turks with view to obtaining Turk agreement to proceed along lines suggested above. It is recognized that initial Turk reaction may be less than enthusiastic, particularly in view of recent Turkish internal developments. Nevertheless, Department earnestly hopes Embassy Ankara will be able persuade Turks (who hold Chairmanship) of urgency of PCC action and of demonstrable logic and feasibility characterizing approach suggested above. In outlining proposed approach to Turks importance of maintaining secrecy should be emphasized. Department would not wish specify timetable but hopes strongly that proposed mission could get under way with minimum delay and that initial PCC meeting could be convened within next month.

Except for Ankara as instructed above, this message should be treated by all recipients on Noforn basis.

Herter

155. Memorandum of a Conversation, Department of State,
Washington, June 27, 1960, 11:30 a.m.¹

SUBJECT

Israel's Request for Military Assistance

PARTICIPANTS

United States

The Secretary

The Under Secretary

NEA—Assistant Secretary G. Lewis

Jones

NE—Armin H. Meyer

NE—William L. Hamilton

Israel

Foreign Minister Golda Meir

Ambassador Avraham Harman

Minister Aryeh Manor

Mrs. Meir renewed Israel's request for military assistance after an exchange of amenities in which the Secretary congratulated her on receiving honorary degrees at the University of Wisconsin and Smith College and she expressed Israel's deep appreciation for the position taken by Ambassador Lodge in the Eichmann debate at the Security Council.

Mrs. Meir reported that Prime Minister Ben-Gurion was very pleased by his meetings with the President and the Secretary. She added he was grateful for the time and thought the United States Government had given to Israel's problems, as well as for the generous offer of early warning equipment. However, Israel remained seriously troubled by two questions still outstanding: 1) Prime Minister Ben-Gurion's request for Hawk missiles and 2) the question of financing the large additional expenditures which the acquisition of arms would entail.

Mrs. Meir said there was little she could add to the presentations made by the Prime Minister and Ambassador Harman except to say that recent international developments have not been such as to permit any diminution of Israel's concern. She enumerated that UAR's continued acquisitions of military supplies; intelligence reports that military headquarters in Cairo had a unit consisting of a Soviet general and his staff; reports of Syrian units being trained at the brigade and divisional level in the use of chemical warfare; Nasser's unrelenting bellicosity; and the failure of the Summit which might send the Soviets in pursuit, not of war, but trouble in the Near East with Nasser as a willing agent.

¹ Source: Department of State, Central Files, 784A.5-MSP/6-2760. Secret; Eyes Only. Drafted by Hamilton on June 28, initialed by Jones and Herter, and approved by S on June 28. A briefing memorandum for Herter, June 24, is *ibid.*, 611/84A/6-2460. A brief summary of the conversation was transmitted to Tel Aviv in telegram 1000, June 28. (*Ibid.*, 784A.56/6-2860)

She described the Hawk as the only weapon currently available which could meet Israel's particular circumstances of having only four airfields and no defense in depth. Only the Hawk could assure Israel of getting its aircraft into the air and having fields for them to return to after combat. She expressed appreciation of production difficulties but urged that Israel be assured now that Hawks would be supplied when they became available. In the meantime Israel wanted some of its personnel given training so that they would have the necessary technical competence when the missiles themselves became available.

The Secretary remarked that training facilities are at least as difficult a problem as the availability of the weapon. Personnel qualified to instruct in its use are committed for a long time to come. He added, however, that Israel's problem was under study continuously.

Mrs. Meir said that the Prime Minister had been most happy with the assurances he had received that sympathetic consideration would be given to his request. The Secretary replied he had not been in a position to talk about specific weapons. His assurances were with regard to the sincerity of this government's desire to help.

Mrs. Meir turned to the financial aspects of Israel's arms modernization program and indicated the importance of Israel's continuing its present economic development and progress towards economic independence. The Government had revised its investment law and done as much as it could to provide a climate attractive to private investment which, she said, is beginning to respond in an encouraging manner. Each new investment in the private sector attracts the interest of others. If it were necessary to interrupt this process in order to divert resources to armaments not only would progress be slowed in the Government sector's capital investment but private investors from abroad would be seized with new misgivings.

The Secretary pointed out that Mr. Dillon and Ambassador Harman had discussed economic aid prospects but the United States was seriously encumbered at the moment by the perennial question of what Congress would give the Department to work with. The end of the Congressional period is always difficult, he said, and this year is no exception. The Administration cannot predict what final form the Appropriations Act will assume.

Ambassador Harman and Mrs. Meir underscored the desirability of assistance of a sort which would provide immediate budgetary support. United States assistance on projects which are eminently desirable from Israel's standpoint but which can be delayed two or three years is not the answer. What is required is assistance that will enable Israel to continue projects of a high priority which would have to be suspended this year if Israel were obliged to finance arms purchases with its own resources.

Under Secretary Dillon said the United States will have considerable difficulty this year extending aid of the nature Israel has in mind. To an extent even greater than heretofore, the law ties the United States closely to specific projects. There is a real need for greater flexibility, and legislation is being prepared for consideration by the next Administration recommending criteria more similar to those of the Export-Import Bank for development loans. In a year's time, he added, this might make it easier to consider the type of assistance Israel desires.

Reverting to missiles, Mrs. Meir inquired whether there is any prospect for training of Israel personnel in manning the Hawk. Both the Secretary and Mr. Dillon held out little or no encouragement, the latter commenting that training capacity is committed until 1962 or 1963.

Ambassador Harman said that what is indicated, perhaps, is a "gradualist" approach, a scheduling of dates on which various phases of training might be undertaken. The Secretary stated that prospects are not bright, developments in the weapons field being so rapid and unpredictable that a commitment today, according to the scientists, would be meaningless tomorrow.

The Under Secretary remarked on the impracticability of placing reliance on any one weapon. Even if Hawk missiles were available to Israel by 1963-64 her potential enemies might by then have acquired surface to surface missiles thus rendering the Hawk worthless inasmuch as it is purely an anti-aircraft weapon.

Mrs. Meir emphasized the importance of Israel maintaining a certain parity with the Arabs, qualitatively, rather than numerically. Israel had no fears of the MIG 17 but the UAR now has or soon will have the MIG 19, and beyond that is the MIG 21. Mr. Dillon observed that United States technicians were more optimistic concerning Israel's position vis-à-vis the MIG 19, considering it as only fractionally superior, if at all, to the Super Mystere, the balance being redressed by the superior training of Israel personnel. He added that if Israel were to receive the French Mirage it would have something United States technicians consider far ahead of the MIG 19.

The Secretary said that the Department had a full appreciation of Israel's very difficult defense problems and does not like to appear to be dragging its heels. It will keep Israel's request under review, he said.

Mrs. Meir concluded by asking the Secretary if she could inform Prime Minister Ben-Gurion that what was said to him, during his visit here, still stood as a commitment. The Secretary repeated that his

commitment was in terms of sympathetic consideration of Israel's problem.²

² On June 28, Secretary of the Treasury Anderson telephoned Herter to say that he had discussed the financing of the arms request with Meir on June 27. A memorandum of their conversation is in the Eisenhower Library, Herter Papers, Telephone Conversations. On June 29, Harman discussed Hawk missiles and the electronics package with Assistant Secretary of Defense Irwin along similar lines. A memorandum of that conversation is in Department of State, Central Files, 784A.56/6-2960.

156. Memorandum From the Assistant Secretary of State for Near Eastern and South Asian Affairs (Jones) to the Under Secretary of State for Political Affairs (Merchant)¹

Washington, July 7, 1960.

SUBJECT

Israel's Request for Missiles

With reference to our recent conversation² concerning the Israeli request for Hawk missiles, I am summarizing below the various considerations which have had a bearing on NEA's thinking on this subject:

1. *Traditional Policy.* Our traditional policy has been to avoid becoming a major supplier of arms to the Near East countries. Our supplying Hawk missiles to Israel would represent a measure three times the scope of the electronic equipment offer we recently made to the Israelis, and the electronics equipment offer is ten times as large as any previous military transaction, i.e., our sale of \$1,000,000 worth of recoilless rifles at Israeli urging in 1958. Having set a precedent of this magnitude we would have difficulty in refusing future Israeli requests by referring to our "traditional policy". Similarly, as far as the rest of the Near East is concerned the citing of "our traditional policy" would tend no longer to be useful.

2. *Arms Race.* Were we to introduce spectacular missile weaponry into the Near East, the United Arab Republic would undoubtedly importune the Soviets for similar weaponry. When the Israelis succeeded in obtaining Super Mystere aircraft from the French, the UAR, whose MIG 17's are outclassed by Super Mysteres, have found it

¹ Source: Department of State, Central Files, 784A.5612/7-760. Secret; Eyes Only. Initialed by Jones.

² Not further identified.

necessary to give top priority to obtaining MIG 19's which are comparable to the Super Mystere. The UAR's preoccupation with this problem is even now evident in Cairo's apparent swing back toward more friendly relations with the Soviets at our expense. Were we to introduce missiles, there would be no assurance that missiles provided by the Soviets to Israel's neighbors might not have a surface-to-surface capability. In this latter event, the Hawk system would in effect be obsolete since it can defend against aircraft but not against missiles. In brief, by giving the Israelis missiles we would be setting in motion a new spiral in the Middle East arms race with the likely result that no one would gain except the Soviets who wish to exacerbate tensions in that area.

3. *Israel's Defense.* In making their case for Hawks, the Israelis point up their vulnerability to an air attack. Whether one air raid by the United Arab Republic would prostrate Israel is a matter for speculation. Israel has a splendid air force which can for the foreseeable future cope with the UAR air force. The early warning electronics equipment we have proffered will increase the Israel air force's effectiveness. According to Prime Minister Ben-Gurion, the French have agreed to supply Israel with 40 Mirages (Tab A).³ When these planes become available to the Israelis in late 1961, the Israel air force will have an aircraft which according to our Defense Department is "far and away" superior to the MIG-19. The shortage of airfields is a problem which should not be insurmountable for the Israelis; there are large areas in the Negev which could be utilized for emergency landing strips. On the ground, Israel appears to have the ability to handle the UAR forces quite successfully. Cf. the Sinai campaign in 1956. Were Israel subjected to a flagrant attack of the type pictured by the Israelis in requesting the Hawks, there is little doubt Israel's friends would be quickly at Israel's side. Just this past week President de Gaulle is reported to have pledged France to come to Israel's assistance (Tab B). No doubt our own country would quickly swing the Sixth Fleet and other of our forces into action were Israel to be subjected to an unprovoked attack. I am convinced that President Nasser is aware of this, which awareness is in itself an important factor in dissuading him from undertaking an aggressive adventure against Israel.

4. *High Costs.* Israel's request for only six batteries of Hawks is relatively modest. Yet this installation would cost approximately \$25,000,000. The 300 "birds" which the Israelis have requested would cost an additional \$12,000,000. Annual maintenance costs, as estimated by the Defense Department, are in the neighborhood of

³ No tabs were attached to the source text. Tab A, telegram 9 from Tel Aviv, July 2, is in Department of State, Central Files, 611.84A/7-260; Tab B, telegram 1299 from Tel Aviv, June 30, is *ibid.*, 651.84A/6-3060; regarding Tab C, see footnote 2, *supra*.

\$5,000,000. In our view, Israel can ill afford initiating an arms race in the Near East with weaponry involving costs on this scale. No doubt the Israelis would look to us for the needed financing.

5. *Partiality.* One of our major objectives in the Near East has been to the extent possible to give the appearance of impartiality in the Arab-Israel dispute. It is our conviction that this is important if an eventual Arab-Israel settlement is to be achieved and peace preserved in the Middle East. Supporting Israel with missile weaponry would not be compatible with this objective. It would, moreover, foster a trend which aligns Israel with us while driving the Arab countries into closer dependence on the Soviets. A suggestion has been made that since the Hawks are defensive, we might offer them also to the United Arab Republic. This is not feasible since the Hawk system is in the "Secret" classification and even were the Defense Department to yield by allowing Israel to gain a status of sharing "Secret" information with us, there quite rightly would be no disposition to elevate the United Arab Republic to such a status. Incidentally, until now Israel has been considered by the Defense Department only cleared for "Unclassified" information, but in response to our representations to offer the advanced early warning electronics equipment, the Defense Department has agreed that Israel might share in "Confidential" information in regard to this one category of items only.

6. *Procurement Elsewhere.* Israel has hitherto been able to obtain most of its needed military equipment from other than American sources. The French continue to exhibit scarcely any restraint in meeting Israel's military needs as the recent transaction for the supply of 40 Mirages confirms. The Israel request to the U.S. for Hawks originally was paralleled by an approach to the British for Bloodhounds, a missile considerably less capable and sophisticated than the Hawk. According to the British Embassy here, the Israelis have not followed up their initial expression of interest; they apparently have decided to concentrate on the attempt to obtain Hawks from the U.S. Hawks are being produced in Europe under U.S. aegis for certain selected NATO countries, i.e. Belgium, Netherlands, France, Germany and Italy. Greece and Turkey are not included among these recipients. It is not possible to predict whether Hawks could be provided to Israel from this production but in any case it would not be possible before 1964.

7. *Privileged Sanctuary.* Although Israel's vulnerability to surprise air attack is present even now, the Israelis have indicated that they are really not concerned about the situation until 1963 or 1964. While there is validity to the contention that by that time the UAR capability may be improved, it is possible that the Israelis themselves may have something in mind for those years. The most obvious possibility is the Jordan Waters issue for it will be in those years that Israel's construction of facilities for diverting the Jordan River will be completed. It is

worth noting that the maximum capacity of the works being constructed will permit the diversion of twice the amount of water allotted to Israel under the Johnston Plan. Protected by Hawks, and assuming the Arabs have not obtained missiles, the Israelis could with relative impunity launch aggressive measures with respect to Jordan Water diversion or for that matter other issues still in contention with the Arabs.

8. *Arab Uproar.* It is axiomatic that if we provide Israel with missiles, there will when this becomes known occur an emotional uproar against the United States in the Arab world. It is doubtful if Israel's acquisition of missiles could remain secret. The Israelis themselves have told the British that such weapons can only have the desired deterrent effect if Nasser knows that Israel possesses them. Recently, a number of developments have caused an upswing in Arab sentiment against us: the Ben-Gurion visit, the Hays-Douglas amendment, the *Cleopatra* picketing, the public display by Israel of American-supplied recoilless rifles, public statements favorable to Israel by our political candidates, etc. Despite these developments, the Near East as of the moment remains relatively quiescent. This is in considerable contrast to the Aswan Dam-Suez crisis in 1956 or to the Lebanese in 1958. We believe it is very much in our country's interest that the relative quiescence be maintained. With many other problems besetting us elsewhere in the world, we would not wish to enlarge our burdens by stirring up further outcry against us in the Near East. In this connection, it is worth noting that we are currently undertaking a new approach to the Arab refugee problem. The prospects for success are dim at best; we would not wish to extinguish them by violent outbursts against us in the Arab world which would certainly occur if it became known that we are providing the Israelis with missiles.

9. *Israel's Progress.* Israel continues to make tremendous strides in its economic growth. During the first four months of this year, its foreign exchange reserves increased in an amount greater than all of 1959, and in 1959 they increased some \$40,000,000. Israel's industry and agriculture continue to flourish and her exports have quadrupled in the past ten years. Her markets are expanding in Europe, Asia and Africa. Meanwhile, our country, both through government and private channels, continues its large-scale financial assistance. We believe Israel's real hope for survival lies in positive constructive growth rather than in introducing a spectacular weapon which will stir up troubles in the Near East and thus produce conditions unfavorable to Israel's continued progress.

10. *Israeli Reactions.* There is little doubt the Israelis will be keenly disappointed if we flatly reject their request. Conceivably there might even emerge some Israeli sentiment in support of an adventure of the 1956 Sinai type under the assumptions: a) that Israel had better have a

show-down with the United Arab Republic while it still has qualitative superiority; b) that after the example of 1956, in return for its withdrawing from Arab areas over-run in the initial phases of such an adventure, Israel could extract concessions concerning transit of Israeli shipments through the Suez and perhaps a relaxation of the Arab boycott; c) that by stirring up trouble in the Near East, Israel could underscore its need for military equipment and arouse widespread American sympathies for greater security support for Israel, particularly during an election year in our country. In this connection, it is worth noting Ambassador Harman's concluding observation in his discussion with Assistant Secretary of Defense Irwin (Tab C).

Recommendations;

Having on the basis of the considerations set forth above reached the conclusion that it is not in our national interest to introduce missiles into the Near East at this time, and yet mindful of our country's continuing desire to assure Israel's welfare, NEA believes that our response to Israel's request for Hawk missiles should be along the following lines:

a. While offering no hope for the immediate future, we should avoid rejecting Israel's missile request categorically and permanently. We can, as the Secretary did with Mrs. Meir, continue to note that we shall in the future keep Israel's missile request "under review".

b. We should be responsive to Israel's economic problems. The Secretary and Mr. Dillon have already indicated that we shall consider sympathetically Israeli applications for assistance which meet DLF criteria. Meanwhile, we can remind the Israelis how forthcoming we have been to date—our aid in FY60 has exceeded the level of our aid to Israel over the years since Israel's birth. We can in this connection note our \$15,000,000 DLF loan to assist with the construction of the Central Israel Water Conduit, a key element in Israel's total water development program.

c. We should continue to take a sympathetic attitude toward Israeli requests for modest amounts of defensive and unspectacular military equipment. We can remind them of the forthcoming attitude reflected in our offer under credit terms of \$6 to \$10 million worth of early warning electronics equipment. We should also continue consultation with the British, and perhaps the French, to facilitate Israel's procurement of important military needs from such non-American sources.

d. Reflecting as it does, the observations set forth above, we should proceed with the despatch of the proposed letter from the Secretary to Prime Minister Ben-Gurion and be prepared to continue friendly high-level exchanges of this type as occasion requires. The theme of these exchanges should be that Israel should rely for its survival not on sabre (or missile) rattling and arms races but on the pursuit of peace through healthy internal economic growth and a determination to achieve a *modus vivendi* with her neighbors. We

should assure Israeli leaders that by following this course, Israel can be confident of the support of the United States and other friends, whatever the crisis which may arise.

157. **Memorandum From the Under Secretary of State for Political Affairs (Merchant) to the Secretary of State¹**

Washington, July 15, 1960.

SUBJECT

Hawks for Israel

As you know, I have been brooding over the problem of the Israeli request for Hawks. I have also checked again with Jim Douglas.

The relevant facts at this end appear to be that the Hawk is a defensive weapon incapable of offensive use; it could be produced starting at the end of 1961 against Israeli contracts with at least individual training spaces concurrently available for Israeli personnel; and the total cost for six batteries with the missiles would run close to \$40 millions. It should be mentioned also that provision of the Hawk and training for Israelis would present a declassification problem. It could also produce some problems with our NATO allies whose full needs would not be met from the NATO production line until after the Israelis had equipped themselves by purchases from the United States.

I have come to the conclusion that it would not be in our interest to agree at this time to make the Hawk available to the Israelis. The controlling arguments against doing so are, in my mind, the following:

1. The very size of the order and the sophistication of the weapon would, I think, be construed by the Israelis, our allies, and the Arab countries as an abandonment of our policy of avoiding the role of a major supplier of military equipment to Israel. It would almost certainly be interpreted by Nasser as a significant change in U.S. policy.

2. My judgment is that as a result of this interpretation Nasser would turn to the Soviet Union for increased shipments of weapons of the latest type and design. This would result not only in his moving politically closer to the USSR, but also in an increased economic dependence on the USSR since payment would presumably be in Egyptian exports. We could expect a corresponding deterioration in our own relations with the UAR.

¹ Source: Department of State, Central Files, 784A.5612/7-1560. Secret. Drafted and initialed by Merchant. The source text bears the handwritten notation: "Secretary saw 7/27 and approved."

3. I cannot help but feel that Ben-Gurion's request, while openly based on a persuasive military rationale, has nevertheless concealed in it a desire to change our policy on supplying weapons and to worsen our relations with the UAR to Israel's benefit.

Accordingly, I recommend that you reply to Ben-Gurion along the lines of Mr. Jones' draft letter attached.² I would suggest, however, that it be somewhat shortened and that in turning down at this time the Hawk request on grounds of policy, it should nevertheless leave a little hope alive by saying something to the effect that this policy would be kept under constant review in light of changing circumstances.

² Not attached to the source text. A copy of the 4-page draft is attached to an undated memorandum from Jones to Herter (drafted June 29), which is in turn an attachment to a memorandum from Merchant to Herter, July 1, stating that a reply should be delayed until Merchant had an opportunity to discuss the Hawk problem further with the Department of Defense. (*Ibid.*, NEA Files: Lot 70 D 304, Ben Gurion Visit)

158. Telegram From the Embassy in Israel to the Department of State¹

Tel Aviv, July 18, 1960—11 a.m.

58. Eyes only Secretary. At his request I called on Ben-Gurion July 15. For seventy minutes he analyzed security situation and said Israel now entering period "very serious danger". Specifically, he reviewed in greater detail his discussions with De Gaulle, commented on his Washington talks, and evaluated Nasser's possible intentions in light his need stay in power and retain his personal position with respect UAR army.²

1. Ben-Gurion-De Gaulle talks.

After informing De Gaulle in some detail about his Washington and London talks, Ben-Gurion told De Gaulle Nasser might attack Israel when MIG-19s acquired. De Gaulle thought that not likely, remarking that it would mean world war, to which Ben-Gurion rejoined he believed Nasser increasingly in position politically where he

¹ Source: Department of State, Central Files, 684A.86B/7-1860. Top Secret.

² On July 2, Reid reported that he had an 80-minute talk with Ben Gurion while the latter was on vacation, including a discussion of Japan and President De Gaulle. (Telegrams 8 and 9 from Tel Aviv, July 2; Eisenhower Library, Project "Clean Up", Israel)

would be compelled attack and psychologically in frame of mind where he believed he would be successful. Reportedly De Gaulle listened attentively this analysis and finally replied that following summit break up he, President Eisenhower, and Prime Minister Macmillan had agreed meet some future time to consider "strategic" implications Khrushchev's summit actions. In consequence, Ben-Gurion comments, De Gaulle assertedly stated one of principal points he would raise at meeting would be question "Israel's security". De Gaulle reportedly prepared advance following formula: France should continue supply most modern aircraft (e.g., Mirages), Britain should provide Centurions, and US should provide defensive missiles.

2. *Israel's security.*

Ben-Gurion "wholly certain" UAR, in accordance "written agreement", would acquire MIG-19s by October this year. Here, Ben-Gurion noted Khrushchev's July 8 Vienna remarks³ might mean delivery would be even earlier than October. Israel's danger period would begin October 1960 and run through 1962. French delivery 40 Mirages scheduled begin about December 1961, with initial delivery being four aircraft followed by two each month.

In above circumstances Nasser would be in position, after reasonable training period, bomb Israel's three airfields in surprise low level attack, and thus immobilize Israel's fighter aircraft.

UAR's some 100 II-28 bombers, each capable of carrying ten-ton loads, would be able to make at least two sorties apiece in bombing runs Tel Aviv and other cities. Not much would be left of these cities, and many people would be killed. This would also effect Israel's ability to mobilize which essential due to small standing army.

In any attack Jews "would fight to death" and "might win" but such victory would be too costly. Israel could not afford lose its best youth, particularly since flower European Jewry already destroyed by Nazis. Israel's prime concern, therefore, is to prevent war; only answer was deterrent Nasser would respect.

3. *Ben-Gurion talks in Washington.*

Ben-Gurion turned to his discussions in Washington particularly his talks with the Secretary. He said he definitely had come away with the belief that Secretary had given him a positive reply re Israel's acquisition of the Hawk. While the Secretary had used the phrase "fair assumption", he (Ben-Gurion) had taken this virtually as a promise".⁴

³ The transcript of Khrushchev's press conference at Vienna, July 8, during a State visit to Austria, is printed in *Pravda*, July 9, 1960, pp. 1-2.

⁴ Next to this paragraph on the source text is the handwritten notation: "BG will not find people very anxious to talk with him if he uses the screws like this."

I remarked that when I called on Ben-Gurion on his return from the US and he (Ben-Gurion) had referred to the Secretary's response—that I had taken the occasion then to remark that the Secretary had used the phrase "fair assumption" with a caveat and dependent on factors that the Secretary did not then know about being brought to his attention. I added that while I could understand his having reasonably assumed the probability of a positive decision; nonetheless the Secretary had clearly indicated a qualification in his answer, and in light of this, his reply could not have constituted a promise. Ben-Gurion smiled and said he could understand this; that there might be other interpretations of what the Secretary had meant—but he had taken it as a positive reply.

In any event Ben-Gurion said—pointedly counting the months on his fingers—it now four months since discussion and he had called [me?] in as October and period of danger for Israel fast approaching.

Israel could acquire most arms requirements from traditional suppliers but some equipment could come only from US.

I remarked that our offer re electronic equipment should not only be of value but he might be interested to know this equipment most modern and that even some of our NATO allies did not have it.

(I also said, speaking personally, I was sure we would do all possible to expedite six or ten million dollar electronic package which ever Israel preferred. Ben-Gurion said he thought plans called for larger package.)

Ben-Gurion said he most appreciative—as this equipment would alert IDF shortly after takeoff of UAR aircraft—but Hawk only weapon that could meet surprise low level air attack.

Also, it important an Israeli technician receive training now on operation and use of Hawk as only in this way could IDF know how to plan ahead; how much training required, et cetera.

I commented—that as I understood his thinking—he primarily concerned about prevention of war and the need for a deterrent in this connection. He nodded. I asked how a deterrent could be kept secret—remarking that Secretary particularly concerned re security and importance we attached to a minimum number of people being apprised of or involved in these discussions. Ben-Gurion said deterrent would be Mirages—which would be known to Nasser—not Hawk, which would be kept secret.

I queried him as to why he thought Nasser might attack with MIG-19s—which not markedly superior to super-Mysteres—when he wouldn't with MIG-17s and why did he seriously think Nasser would attack in first place. Ben-Gurion said Nasser presently afraid Israeli fighters but would not be when UAR acquired MIG-19s—which defi-

nately very superior aircraft—and as Nasser's political support depended on army. As he had repeatedly called for destruction of Israel he might have to attack to stay in power.

Ben-Gurion then referred to report from secret Iraqi and Jordanian sources that 24 UAR officers (including general officers) had just been arrested. Report not confirmed and might be spread by Iraqis for own reasons. It not clear whether these Communists or "rivals", but report indicative of Nasser's problems.

In addition Ben-Gurion stressed confirmed intelligence reports—during recent UAR build-up in Sinai to effect front line officers believed this was it and long awaited attack on Israel imminent.

I then asked how he believed Nasser would attack and Ben-Gurion said UAR might (also) block Straits of Tiran and fire on Israeli ships. I said this would immediately engage UNEF in Sharm el Sheik. Ben-Gurion said—citing Amer's statement July 11 (Embtel 50)⁵—that Nasser might, prior to this, call for the departure of UNEF. I said we would query this most seriously and I was sure UN would also.

Further I said in the event of an attack the UN and the US would take action. Ben-Gurion first said action would be too late and then that it could be stopped by a Soviet veto.

Here I said I was sure prompt UN action could be taken under the uniting for peace resolution.⁶

Ben-Gurion didn't disagree re possible General Assembly action but he clearly felt this would take too much time and the UN would ultimately find much of Israel destroyed and would only be able to pass a pious resolution after the fact. This would not save Israel's best youth.

Other means were required and he again urged first that training be made available re Hawk and later the Hawk itself.

I then reiterated points Secretary and Under Secretary made to Mrs. Meir.⁷

Comment: Ben-Gurion clearly hopes we will provide at least one training opportunity re Hawk. On this I gave him no encouragement; twice pointing out training facilities as difficult a problem as availability Hawk itself.

Reid

⁵ Telegram 50, July 18, reported a statement by Amer on the future of UNEF. (Department of State, Central Files, 684A.86B/7-1860)

⁶ Reference is to U.N. General Assembly Resolution 377(V), November 3, 1950; see *American Foreign Policy: Basic Documents, 1950-1955*, vol. I, pp. 187-192.

⁷ See Document 155.

159. Telegram From the Embassy in Turkey to the Department of State¹

Ankara, July 20, 1960—10 a.m.

124. Embassy telegram 77.² Re proposed PCC mission to Mid-East capitals, Foreign Minister Sarper told me during dinner at residence July 18:

GOT does not wish to make any move along lines proposed mission at this time, but is not opposed to project in principle. Sarper explained GOT is trying improve relations with UAR, Arab states. Later in conversation, Sarper expressed personal desire exchange Ambassadors with Israel, but added this did not seem propitious time such move.

Just last week, however, Turks learned UAR National Union General Congress [met] in Cairo and passed resolution to "work for the return of Hatay and other Arab lands" to Syria. For Turks to make any move at this point in direction PCC proposed mission would, Sarper opined, have very bad effect. "We would rather not do anything at this time." (Re Union Congress resolution, Sarper added that GOT had vigorously protested in Cairo and to UAR Ambassador Ankara.)

Comment: Above seems constitute definitive Foreign Office position on PCC mission project at this time. Embassy firmly believes nothing to be gained by further pressure now but will keep matter in mind to raise at best opportunity. In present circumstances, Department suggestions and views would be appreciated.³

Warren

¹ Source: Department of State, NEA Files: Lot 62 D 435, Palestine Refugees. Confidential. Repeated to Cairo, Tel Aviv, Amman, and Beirut.

² Telegram 77, July 13, reported that Foreign Minister Sarper had been handed an aide-mémoire based on circular telegram 1602 (Document 154) but speculated that Turkish desire for closer relations with the Arab States might preclude the Turks taking any initiative. (Department of State, Central Files, 325.84/7-1360)

³ Attached to the source text are two notes: the first from Jones to Meyer reads: "We must do something even if it should only be a low-level UN'er made available by Secgen." The second, typed by Meyer on July 27, states that the Turkish response was "keenly disappointing" and suggests the United States might try someone from the UN Secretariat, an Indian or Scandinavian, or someone like Labouisse who had good standing on both sides.

160. Telegram From the Department of State to the Mission at the United Nations¹

Washington, July 22, 1960—5:51 p.m.

113. At present Arab-Israel border situation appears relatively tranquil. However, there been number of recent developments which are disturbing. These include:

1. Anti-Israel pronouncements by UAR leaders and press have become more inflammatory. Danger is leaders might find themselves captive to Arab emotionalism which they are arousing. Some contentious statements have also been made by Israel spokesmen.

2. Both UAR and Israel governments have stepped up efforts to obtain important armaments.

3. Military maneuvers are being conducted in both Israel and UAR which might be misconstrued as mobilization. Tel Aviv's telegram 59 to Department, repeated USUN 8,² reports Israelis now engaged in large-scale defensive maneuvers against simulated "Soviet-type blitzkrieg attack". We have unconfirmed report that UAR has recently been moving some troops back into Sinai.

4. Incidents and resulting tensions have increased in Demilitarized Zones, particularly in explosive Tawafiq area.

5. Israel Deputy Defense Minister Peres' public remarks re alleged UAR military build-up have ominous overtones. (Tel Aviv's 60 to Department, repeated USUN 9.)³

While recognizing SYG is preoccupied at present with other more urgent matters, USUN may wish when suitable opportunity arises bring foregoing to SYG's attention. Hope might be expressed that despite necessity for transfer some UNTSO and UNEF personnel to temporary duty in Congo, every effort will be made by UN to maintain adequate vigilance Arab-Israel situation.⁴

Herter

¹ Source: Department of State, Central Files, 684A.86B/7-2260. Confidential. Drafted by Hamilton, Meyer, and Palmer and approved and signed for Herter by Sisco. Repeated to Jerusalem, Damascus, Tel Aviv, and Cairo.

² Dated July 18. (*Ibid.*, 784A.54/7-1860)

³ Dated July 18. (*Ibid.*, 784A.5/7-1860)

⁴ On July 29, Barco discussed the problem with Cordier who indicated that Hammarskjöld had instructed him to keep a close watch on the situation. (Telegram 256 from USUN, July 29; *ibid.*, 684A.86B/7-2960)

161. **Memorandum for the Files of a Meeting, Department of State, Washington, July 27, 1960**¹

SUBJECT

Israeli Request for Hawk Missiles

PARTICIPANTS

The Secretary
Under Secretary Dillon
Under Secretary Merchant
Acting Assistant Secretary Hart
Mr. Armin Meyer—Director, NE

The Secretary said he found it difficult to understand why we are refusing to allow the Israelis to buy Hawk missiles. He emphasized their purely defensive character. He had recently asked CNO Arlie Burke as to the importance of security considerations and the Admiral had said he did not consider the security factor a major problem. Noting that we had told the Israelis that Hawks were unavailable, he was concerned by what appeared to be dishonesty, since a more recent report indicates that our own production will be completed by the end of 1961 and presumably Hawks could then be produced for the Israelis. In sum, he said that unless better arguments could be presented than he had thus far heard he felt the Israelis should have the missiles.

Acting Assistant Secretary Hart noted that the Israelis were well ahead of the UAR in supersonic aircraft. He cited Ambassador Reinhardt's July 17 letter² which reports that Israel's superiority in this respect is responsible for Nasser's eagerness to obtain MIG 19's from the Soviets to redress the balance. Mr. Hart also noted the effectiveness of the present Israeli air force, citing several aspects of its alertness as reported by our Air Attaché in Tel Aviv. He also pointed up the Defense Department's concern that because so many Israelis have relatives behind the Iron Curtain the Defense Department has grave reservations about entrusting classified material to the Israelis.

After a general discussion of the question, the conclusion emerged that we would not provide the missiles to the Israelis. Under Secretary Dillon felt that introducing such spectacular weaponry in the area would have serious consequences in the form of an increased arms race, with the Russians backing Nasser. Under Secretary Merchant emphasized the political consequences, i.e., that Israel will have succeeded in efforts to link us closely to Israel's security at the expense of our relations with the rest of the Arab world and to the benefit of the

¹ Source: Department of State, NEA Files: Lot 70 D 304, Israel. Secret; Eyes Only. Drafted by Meyer.

² A copy of this letter, July 16, is *ibid.*

Soviets. The Secretary agreed that these were important considerations and also felt the argument concerning the high cost of missiles (\$37 million to install and equip six batteries) was a persuasive argument.

The Secretary expressed concern as to what we might tell the Israelis as undoubtedly they realize that the argument of unavailability is only of temporary validity. Under Secretaries Dillon and Merchant felt it might be well to be frank and state our reasoning along the lines that it simply was not in our interest nor Israel's to invite the consequences which would result from our introduction of missiles into the Near East area. Under Secretary Dillon did not believe our answer to the Israelis should leave the door open, but the Secretary felt other considerations might suggest a delay of several months before closing the door completely.

162. Telegram From the Department of State to the Embassy in Israel¹

Washington, July 28, 1960—9:01 a.m.

75. Eyes only for Ambassador. Embtel 58.²

1. Skillful manner in which you handled missile discussion with Ben-Gurion greatly appreciated. Same line should be followed if Ben-Gurion raises subject again. Additional background materials enroute via pouch.

2. There has been no change in USG position re missiles since your visit here. Reply to Ben-Gurion's June 8 letter³ still under preparation. When completed will be transmitted to you for delivery.

3. Anxious that present relative tranquility in Near East be preserved, we hope Ben-Gurion can be dissuaded from focusing all his hopes on acquisition of missiles or in his disappointment from listening to those who might advocate some sort of "preventive" military action.

4. You should continue to stress to Ben-Gurion as appropriate: a) that Israel is not without friends, i.e., US, France, UK and UN; b) that fully aware of strong US and UN as well as Israeli reaction, Nasser

¹ Source: Department of State, Central Files, 684A.86B/7-1860. Secret; Priority. Drafted by Meyer on July 23; cleared by Jones, Hart, Merchant, and Dillon; and initialed by Herter.

² Document 158.

³ See Document 151.

must realize that aggression would be very unprofitable to the UAR; c) that with its Super Mysteres and future Mirages Israel possesses classic air defense of highest quality; and d) that Israel's air defense will be of even greater effectiveness by virtue of advanced electronics equipment USG is providing.

5. You may inform Ben-Gurion our information re UAR discloses: a) no significant evidence that UAR is planning attack on Israel; b) UAR-USSR MIG-19 deal not yet been consummated presumably over difficulties over financing; c) that Nasser, already disturbed by fact that Israel's Super Mysteres out-perform his MIG-17's has become immeasurably more eager to obtain MIG-19's following press reports that Israel obtaining Mirages; and d) Nasser's desire for MIG-19's ably exploited by Soviets, is primarily responsible for his recent public statements favorable to USSR and hostile to US and Israel. This UAR-Israel competition in supersonic aircraft could easily be repeated and equally futilely in costly missile race.

6. You may assure Ben-Gurion we deplore bellicose statements recently made by UAR spokesmen but do not regard them as significant departure from customary UAR practice against Israel. While we not sanguine anything can be accomplished until Nasser has succeeded in redressing what he considers an imbalance in supersonic aircraft, we are making efforts through appropriate channels to effect restraint on bellicosity of UAR propaganda.

Herter

163. Letter From Secretary of State Herter to Prime Minister Ben Gurion¹

Washington, August 4, 1960.

DEAR MR. PRIME MINISTER: Responsive to your message of June 9,² as well as Mrs. Meir's visit to Washington, I have reviewed most carefully the problem of Israel's security. I know how deeply you are concerned with this subject. So also does the President to whose attention I have brought this matter. As you must have gathered

¹ Source: Department of State, Central Files, 684A.86B/8-460. Secret; Personal and Confidential. Transmitted to Tel Aviv in telegram 89, August 4, which is the source text. According to another copy of telegram 89, which was approved in the White House on August 4, it was drafted by Meyer. (*Ibid.*, 784A.5/8-460)

² See Document 151.

during your visit, all of us here have a most sympathetic interest in Israel's welfare and an unflagging desire to be as helpful as we can, consonant with the mutual interests of both our countries. I can assure you that this spirit has governed our consideration of this response to your June 9 message.

Your concern is to assure the survival of Israel. In today's world the task of maintaining an appropriate defensive posture is assuming Herculean proportions. In addition to the enormous financial outlays required, military weaponry is making such phenomenal advances that new weapons frequently become outdated before they can attain normal production. Each new advance seems to exceed its predecessor in death-dealing capability. The conclusion is clear. In modern warfare there can be no victor; there may even be no survival. It behooves all of us, therefore, to dedicate ourselves as never before to the settlement of mankind's differences through peaceful means.

Some speak of a nuclear stalemate among the Great Powers. It is my impression and my hope that in the Near East a similar, albeit non-nuclear, stalemate has developed. If this be true, no one Near Eastern country can find it profitable to attack its neighbor. I should like to stress that in addition to the defensive competence of the countries themselves, there are other deterrents such as the force of world opinion focused through the United Nations. I would hope also that each small nation in that area, including Israel, could find assurance in the historic role our country has played in opposing aggression and championing the cause of freedom. Our earnestness in this regard was dramatically demonstrated in the Near Eastern area only two years ago.

While our country has not shirked its responsibilities in assisting small nations including those in the Near East to preserve their territorial integrity and independence, we have at the same time sought in the Near East to reduce the danger of hostilities. In accordance with this aim we have, as you know, steadfastly followed a policy of not becoming a major supplier of arms to that area. To depart from that policy would in our view be to contribute to an intensification of an arms race to the detriment of the states concerned. Israel's request for Hawk missiles would in our view be a case in point. A question to be pondered by us both is whether it would be wise for any country to introduce such spectacular weaponry into the Near Eastern area. While the Hawk system is purely defensive, it is easy to imagine that some other outside power, anxious to exacerbate tensions in the Near East, would yield to the importunities of Israel's apprehensive neighbors and equip them with missile weaponry, including perhaps missiles with surface-to-surface capability. In this event, since the Hawk system cannot defend them against a missile attack, Israel's acquisition of Hawk missiles would be largely wasted time and a heavy expense.

A new spiral in the Near East arms race would have taken place—without benefit to anyone except an outside power which has long coveted that area and which stands to benefit by Israel and Israel's neighbors dissipating their limited resources on unproductive and fabulously expensive weaponry.

You may be sure, Mr. Prime Minister, that the President and I recognize the vital importance of adequate levels of self-defense, for Israel as well as ourselves. We have been gratified that Israel has been able to obtain elsewhere its essential requirements in such heavy items as tanks and aircraft. We have noted also Israel's own achievements in military production. Meanwhile, we have been pleased that in a modest way our country has from time to time been able to make available small quantities of defensive arms. In this connection I should like to emphasize the significance of the electronics equipment which our Government in its note of May 23³ offered to make available to Israel. These aircraft detection facilities, which represent a substantial portion of the items requested in Israel's February 9 note,⁴ are of extremely advanced design and of a quality possessed by only a few nations. I might note also that the magnitude of this offer in financial terms is some six to ten times larger than any previous United States military transaction with Israel.

This brings us to the problem of the large financial burden which defense expenditures pose for the Government of Israel. As you know, our Government quite understandably has over the years refrained from extending direct or indirect contributions to Israel's defense budget. Our view has been that legitimate defense needs are only one facet of an economy which our Government studies in assessing a country's eligibility, under our criteria, for economic assistance. Nevertheless, there can be little doubt that the substantial assistance which our Government has extended to Israel since its birth—in the neighborhood of \$700,000,000—has contributed greatly to Israel's ability to shoulder its defense burden, including the purchase of its principal military requirements elsewhere. This year again our Government has sought to treat Israel generously in the assistance field. I am told that the total magnitude of aid during the fiscal year just concluded exceeded the annual average over the years since 1948.

During our discussion with Mrs. Meir, Under Secretary Dillon and I noted that the Congress has not yet completed its deliberations concerning foreign aid appropriations for the fiscal year beginning July 1, 1960. Many uncertainties exist, both as to the magnitude of the funds which we shall have at our disposal and as to administrative strictures which may be included in the Congressional legislation.

³ See footnote 2, Document 148.

⁴ For a summary of this note, see Document 122.

Nevertheless, both Mr. Dillon and I reiterated our determination to consider most sympathetically your Government's requests, particularly such applications which Israel may submit in accordance with our Development Loan Fund criteria.

Again, Mr. Prime Minister, let me assure you that the spirit of helpfulness which our country has displayed toward Israel since the latter's birth continues undimmed. We hope that you, Mrs. Meir, Ambassador Harman and other dedicated representatives of your vigorous young state will continue to confer freely with us as frequently as occasion requires. Meanwhile, I would hope that this frank expression of views will prove helpful to you in understanding the importance our Government attaches to peace and stability in the Middle East and to the role which Israel can play in the attainment of that worthy objective.⁵

With warm personal regards,
Most sincerely,

Christian A. Herter⁶

⁵ On August 6, Reid reported that he had delivered the letter to Ben Gurion the previous day. The Prime Minister read the letter and remarked to Reid that he wanted to study it carefully. The Ambassador minimized his own comments and noted that Ben Gurion was not surprised by the contents of the letter or his spirits dampened. (Telegram 119; Department of State, Central Files, 684A.86B/8-660)

⁶ Telegram 89 bears this typed signature.

164. Circular Airgram From the Department of State to the Embassy in Turkey¹

CG-136

Washington, August 13, 1960—6:23 p.m.

Following receipt Ankara Embtel 124 of July 20² reporting that Turks declined participate approach to Palestine refugee problem suggested in Depcirtel 1602,³ Dept has once again carefully considered alternative candidates who might undertake reconnaissance mission instead of Turk. This review concluded that any non-PCC representative such as UN Secretariat official or neutral (e.g. Scandinavian, In-

¹ Source: Department of State, Central Files, 325.84/8-1360. Secret; Limit Distribution. Drafted by Meyer; cleared with Jones, Ludlow, Wallner, H, U/MS, GTI, and WE; and initialed by Herter. Repeated to Baghdad, Cairo, Tel Aviv, Amman, Beirut, Jidda, Damascus, Athens, London, Paris, and USUN.

² Document 159.

³ Document 154.

dian or Yugoslav) only likely to propose some unsatisfactory and impractical course of action such as a gigantic Near East development program or simply endless continuation of UNRWA.

Review reaffirmed conclusion new approach should be made and should be carried out within framework of PCC, thus permitting US Government which has largest financial stake to maintain some measure of control. Of PCC membership, French are automatically disqualified since they do not have diplomatic relations with a number of the Arab states directly concerned. They are regarded by Arabs as Israel sympathizers and GOF has indicated they not anxious have PCC activity in area. With respect to US, we convinced Arabs would place "Made in Israel" label on any US initiative. Furthermore, it is our view that UN PCC facade which is clearly advantageous if any success is to be achieved, would be obscured if US Government were to undertake reconnaissance mission.

Thus our deliberations point again to wisdom of having Turks undertake the proposed sounding mission. We doubt that quiet reconnaissance mission by Turk, such as Kural, acting as representative of PCC (not GOT) would produce "very bad effect" predicted by Sarper in Ankara's Embtel 124. Moreover, we believe it is incorrect to assume that reaction of Arabs or Israelis or both is bound to be sharply adverse. In our view there exists reasonably good chance that both sides if given opportunity make their views known to PCC may see merit in so doing and in restudying problem.

Accordingly, Dept believes we should not accept first "no" as Turk answer. Unless you see strong reason to contrary, Dept suggests you speak to Sarper and perhaps even to Gursel along following lines:

1. Within next year or two Palestine refugee problem due to reach critical stage. Despite great US sympathy and Dept's best efforts to persuade Congress to continue to provide funds for UNRWA, prospects quite clearly are that Congress will not provide the \$20 to \$25 million necessary to continue Arab refugee program (USG contribution is 70% of UNRWA's total budget). We foresee serious consequences not only in terms of curtailment of UNRWA's operations but inevitably in terms of stability in Near East area. We believe GOT will share our view that such instability in Near East should be avoided.

2. It is our view that Turk as PCC rather than GOT representative would not impair the attainment of the desirable GOT objective of improving its position in Arab countries as well as Israel. In our view the raising of Alexandretta issue by Nasser's National Union was UAR domestic political maneuver designed by authors to cheer up unhappy Syrians but quite obviously without serious intent. We think firm Turk response has again committed this subject to its proper pages of past history.

3. We believe Turks are in unique position to make vital contribution toward solving Palestine refugee problem. As one of three members of PCC, Turks can parry any unfavorable reaction by describing

this approach as of PCC not Turk origin. As stalwart and mature member of Middle East family of nations, holding respect of Arabs as well as Israel, Turks in this instance have enviable opportunity to demonstrate their capability and effectiveness in exercising wholesome constructive influence in cause of Middle East and world peace.

4. USG not seeking to pass the buck. We would readily have an American undertake reconnaissance mission. However, as Turks must know, Arabs would undoubtedly suspect we acting in Israel's behalf particularly during an American election year. Thus mission would be doomed before it started. Third PCC member, the French, would be similarly suspected. We would be willing to entrust this important mission to some other neutral official except for likelihood based on past experience that such emissary would return with unacceptable recommendation that UNRWA be continued interminably or that some vast Mideast economic development program be launched. Latter concept unrealistic, particularly if USG to maintain its extensive support to its Free World allies.

5. While we have impression Kural would be suitable choice for such mission, GOT may have other qualified person or persons who, for reasons of its own, it might prefer use.

6. We would like to urge GOT reconsider this matter. If time is not propitious at moment we agreeable deferring initiation of mission for few weeks. We convinced this excellent opportunity for new GOT to display to world its ability to assume constructive responsibility in best tradition of Turkish statesmanship in Free World family of nations.⁴

Herter

⁴ On September 9, the Embassy in Ankara reported that the Turks had again decided not to become involved in the PCC investigation. (Telegram 461; Department of State, Central Files, 325.84/9-960)

**165. Memorandum of a Conversation, Washington,
August 18, 1960¹**

PARTICIPANTS

His Excellency Avraham Harman, Ambassador of Israel
Mr. Mordechai Gazit, Minister of Israel
G. Lewis Jones, Assistant Secretary, NEA

The Israeli Ambassador had me to lunch today. Surprisingly, he was accompanied by Mordechai Gazit, the new Minister. At a quiet table at the La Salle du Bois we talked for nearly an hour and a half.

¹ Source: Department of State, Central Files, 784A.5-MSP/8-1860. Secret; Limit Distribution. Drafted by Jones.

By and large the conversation was urbane and general (the more I see of Av Harman the better I like him). They did not raise the telecommunications loan request to the DLF or ask anything in particular.

The following points emerged:

1. The Israeli Embassy had received only this morning a telegram from Cyprus indicating that Israel and Cyprus would exchange Ambassadors. This was a great source of satisfaction. I expressed pleasure at this development.

2. I pointed out that the needs of Africa south of the Sahara for assistance are so great that since our resources have limits, some of our regular clients "such as Iran and Pakistan" (by implication Israel) should realize that the limelight was shifting and that unless appropriations were increased they might have to do with less American assistance.

3. Ambassador Harman said that there was some internal agitation in Israel with regard to taxes. I asked: "Are your taxes being increased or being reduced?" They laughed and said that they were being increased and proceeded to tell me about the very high purchase taxes which operated in Israel which made the price of a Lark automobile approximately \$10,000.

4. It was towards the end of the lunch that Harman told me on a "personal basis" that Mr. Ben Gurion had been "deeply disappointed" by the Secretary's letter. The defense problem of Israel persisted and along with the defense problem the problem of paying for Israel's defense. Harman implied that Ben Gurion had been "hurt" by the Department's attitude. He said that he (Harman) tried to be as objective as possible and tried to see our point of view but Israel was in a very exposed position and had to bear the responsibility of preparing for an attack from Egypt. He said that no one could assert that Egypt would not attack Israel even though the USG believed such an attack would not occur.

I replied that what was really happening was an "arms race" between Israel and the UAR. I said that whoever had released to the newspapers in Paris that Israel would receive Mirage aircraft had done Israel a considerable disservice since this had accentuated Nasser's desires to obtain MIG 19s. I said it was not true that Egypt already had MIG 19s as had been mentioned during the visit of Ben Gurion but in Nasser's mind, since Israel was to get Mirages, MIG 19s must be obtained for the UAR. Even if the UAR got MIG 19s they would still be inferior to Mirages. I said that if Israel obtained more sophisticated weapons (meaning rockets) this would be only another rung on the ladder of the arms race. I said that "Nasser would sell his soul" to match Israel's newly acquired power. This would mean Israel would have to top anything that Nasser got.

I told Harman that it was a fact in the situation that the success of the Israelis in the campaign in Sinai had been so crushing that this had left in the minds of the Arabs an inferiority complex "which you can

stand on". I said that the UAR, as I knew the thinking there, gave Israel now a tremendous capability far in excess of their own and this in part accounted for the various wild statements emanating from Egypt and indicative of an inferiority complex.

I said that if there were any logic in the world it seemed to me that it might be possible to "freeze the situation": to have both the UAR and Israel volunteer to forego the acquiring of new weapons provided there was adequate international inspection. I was not so naive as to believe this would happen but it would have many advantages from the point of view of both parties being able to release funds for economic development which were otherwise wasted on arms.

Harman said that the concept of "freezing the situation" was a good one in broad terms. However, Nasser did not freeze the situation. His periodic speeches definitely thawed the situation and kept matters stirred up in a way which could not be ignored by the Israelis. I said that there was a considerable element of internal politics, I thought, in some of Nasser's pronouncements and that they should not be taken too seriously.

The lunch broke up with my restating to my hosts the image used recently by an Arab diplomat. He said: "You ask us to be friends with Israel—to in fact receive them in our house. This is like asking a man to receive another man who had raped his daughter. The rape may have occurred some time ago. All the father wants to do is to forget the affair: to think that it never happened. Being forced to have contact with the raper reminds him of the old wrong". I said that I thought there was something to this speaking in psychological terms. It showed dramatically at least part of the problem with which we had to deal.

166. Letter From the Acting Secretary of State to the British Ambassador (Caccia)¹

Washington, August 26, 1960.

DEAR HAROLD: I should like to give you our thoughts on the suggestions for slowing the arms race between Israel and the United Arab Republic set out in the oral message from the Foreign Secretary

¹ Source: Department of State, Central Files, 784A.5612/8-2660. Secret; Personal. Drafted by Jones on August 22. Attached to the source text is a memorandum from Jones, August 24, which reviews the contents of the letter.

which you gave the Secretary of State in a written memorandum on August 12.² You mentioned in your covering letter a related question now before you, i.e. Mr. Ben-Gurion's request that Israel be permitted to purchase the British ground-to-air missile, "Bloodhound."

The Foreign Secretary is, of course, quite right with regard to the Israel-UAR arms race and right in saying that if we are to embark upon efforts to mitigate this we should start with the French. How successful we would be in so doing is problematical. Eight or nine years ago a sincere attempt was made on tripartite US-UK-French basis to limit the flow of armaments into the Middle East but little success was achieved and the project is now moribund.

The obstacles which occur to us as arguing against such a UK-US initiative at this time are formidable:

1. Could the French be brought to cooperate? Experience over the years has shown that close and long-standing ties exist between French arms manufacturers and Israel.

2. Could the UAR be persuaded to cooperate? Feelings in the UAR are so intense against Israel that we believe that any assurances by us that Israel would not receive Mirage III aircraft simply (a) not be believed and (b) considered a ruse by the imperialist powers to keep the UAR from overcoming its present military inferiority to Israel.

3. Could Israel be persuaded to cooperate? We doubt this without an ironclad assurance from the three powers that the USSR would not supply MIG-19s to the UAR. We could not give such an assurance, nor even if it were given could we carry out the inspections and safeguards with regard to Soviet arms deliveries which Israel would be likely to demand. Israel-UAR relations will have to improve a great deal before Nasser could be expected to refuse a Soviet offer of MIG-19s.

4. Would the purity of our motives be accepted by the two parties? We doubt this. We believe we would only be creating new turmoil and suspicion from both sides. To the UAR such an initiative would be a Western imperialist trick designed to foster the interests of Israel. To Israel our initiative would appear as an effort to weaken the defense posture of little Israel which does not accept the idea that it now possesses a superior military capability to that of the UAR. From the US point of view this impression would be particularly undesirable since we have recently responded negatively to a large part of Israel's arms request to us and we are particularly anxious to avoid giving Israel the impression we are attempting to interfere with her efforts to purchase arms elsewhere.

5. Even if it were possible to deal with the various complications involved, would the parties really welcome the diversion of scarce resources from areas to internal development? We think in both cases they might give lip service to this reasonable idea but in practice we doubt that Nasser could really accept a reversal of the arms acquisition

² A copy of the message and a brief memorandum of Caccia's conversation with Herter on the occasion of its presentation are *ibid.*, Presidential Correspondence: Lot 66 D 204, and Central Files, 780.56/8-1260, respectively.

policies he has pursued for years and which have been one of the sources of his popularity, above all with the Egyptian army which is still in a traumatic state as the result of its crushing defeat at the hands of the Israelis in Sinai. Israel with its high level of intelligence and profound sense of national claustrophobia resulting from the enmity of its neighbors is unlikely to forego guns for butter particularly since the latest equipment is such an important morale factor in Israel's well-trained army. Based upon our conversations with Mr. Ben-Gurion not long ago Israel is determined to have both guns and butter.

With regard to the question of ground-to-air missiles Israel as you know pressed us recently to let them acquire Hawks. Without saying "no" bluntly we have discouraged the Israelis from thinking that we might supply these in the foreseeable future for a number of reasons. Primarily, we are unwilling to abandon our traditional policy of avoiding the role of a major supplier of arms to the Middle Eastern countries. The supplying of an advanced and expensive weapon, such as the Hawk, might very well have been construed as favoritism in Arab-Israeli affairs since the arms we make available to Arab nations are much simpler and much less costly.

In addition, we feared that supplying the Hawk to Israel might stimulate the UAR to the acquisition of a missile capability from the USSR. The Hawk, although purely a defensive weapon, is highly effective against aircraft. Substantially increasing the defense of the Israeli airfields would, of course, make the Israeli air force more effective both in defenses and offenses. Therefore, the UAR, to counter this, might seek to obtain a long range missile capability from the USSR against which the Hawk would have no effect. If this indeed were the result the Middle East would have moved into a new cycle of the arms race, the missile age.

We recognize, of course, Israel's desire to keep her defenses as modern as possible and to this end we have recently made something of an exception to our usual policy by agreeing to sell the Israelis certain modern electronic equipment for an early warning radar system.

I am sure Secretary Herter would be happy to explore these matters further with the Foreign Secretary if he so desires.

With best wishes,

Sincerely,

Douglas Dillon³

³ Printed from a copy that bears this stamped signature.

167. **Circular Airgram From the Department of State to the Mission at the United Nations**¹

CG-196

Washington, September 9, 1960—3:29 p.m.

Re UNRWA item, CA-1178.²

1. Mission requested discuss with SYG at earliest appropriate opportunity desirability avoidance "usual" debate Palestine refugee problem 15th GA. You should, inter alia, urge SYG consider having presentation UNRWA Director's report handled in such a way as to allow item to be treated in lowest possible key, e.g., circulation of report rather than oral presentation and assignment of item to plenary rather than committee. (Department pleased to note that nature of Davis' draft report such that neither Arabs nor Israelis could take serious exception.)

2. We believe acrimonious exchange between Arabs and Israelis could benefit neither side and could complicate SYG's efforts secure reasonable modus vivendi Suez transit and Davis' quiet efforts rectify UNRWA relief rolls. Also, debate this year might postpone and frustrate possibility of behind scenes efforts by PCC to make progress toward solution of refugee problem. Key to avoidance extensive debate would seem to be persuasion of Arab dels that contentious debate in 15th GA not in their interest. (We understand UK also prefers minimum UNRWA debate.)

3. We believe SYG in best position sound out key Arabs, probably in first instance Jordan, UAR and Saudi Arabia re informal preagreement to approve Davis report without partisan comment. SYG will recall that res. 1456 (XIV) contains admirably suitable peg on which to hang avoidance UNRWA debate; it provides for review in two years, i.e., at 16th GA.

4. Report SYG response foregoing suggestions. Assume SYG would wish advise Davis of any effort avoid acrimonious debate, and direct Davis accordingly.

Herter

¹ Source: Department of State, Central Files, 320/9-960. Confidential. Drafted by Buffum and Palmer, cleared by Thacher, and approved and signed for Herter by Wallner. Repeated to Amman, Beirut, Baghdad, Cairo, Jidda, London, Ankara, Paris, and Tel Aviv. The original number of this document, G-13, was changed before transmission.

² Circular airgram 1178, August 4, transmitted preliminary views on how UNRWA might be treated in the forthcoming General Assembly session. (*Ibid.*, 320/8-460)

168. Memorandum of a Conversation Between the President and Members of the Conference of Major National Jewish Organizations, White House, Washington, September 20, 1960, 9:15 a.m.¹

[Here follows a list of participants.]

The President opened the discussion by saying that he was presently working on his speech that he would deliver to the United Nations on Thursday morning,² and that the major problem was determining the tone—how to be firm yet at the same time conciliatory. He said it would be very easy, of course, to just assail the “so and so’s”, but that that would not follow his major purpose which was to continue the work for peace in the world.

Mr. Katz opened the discussions for the Jewish representatives by extending to the President, on behalf of all, the best wishes of the Jewish people of the country to the President for the New Year. He said that the group deeply appreciated the opportunity to discuss with the President the upcoming session of the General Assembly of the United Nations. He then outlined the following points that they would like to discuss:

1. The concern in the Jewish Community in the United States that Nasser is visiting the United States at this time. He said that they appeared today in a constructive role and in support of the President’s peaceful objective. He said that his organizations were doing everything they could to persuade more zealous members of their groups against anti-Nasser demonstrations in the City of New York, and that they were telling their people that the only intelligent way to proceed was through peaceful means by continuing peaceful negotiations.

2. The Jewish Community feels that Nasser’s conduct has been impossible to date and has great concern over his continual blocking of Jewish shipping through the Suez Canal.

3. The Jewish Community realizes that traditionally the President has played a constructive and continuing role for peace in the world.

4. The Jewish Community would like to suggest to the President that in any personal contact he might have with Nasser, the President would urge the importance to Nasser of the reduction of tensions in the Mid East area.

5. The Jewish Community is concerned about a seat on the Security Council for the UAR.

¹ Source: Eisenhower Library, Whitman File, DDE Diaries. No classification marking. Drafted by James C. Hagerty. In addition to the President and Hagerty, Label Katz and Maurice Bisgyer, President and Executive Secretary, respectively, of B’nai B’rith; Rabbi Irving Miller, President of the American Zionist Council; Rabbi Joachim Prinz, President of the American-Jewish Congress; and Moses Feuerstein, President of the Union of Orthodox Congregations of America, attended the meeting.

² For text of the President’s September 22 speech, see *American Foreign Policy: Current Documents, 1960*, pp. 60–70.

The President responded that from time to time Nasser had expressed a hope that he could visit the United States, and particularly Washington. The President has never encouraged this, but he added that he did not think that Nasser seemed to be showing a more mature outlook on the international situation, and the situation in his area, and also seemed to be showing an indication that he did not think it was profitable for himself and his country to continue to play closely with the Soviets. The President said that if Nasser suggests that he would like to see him, the President thought it would be useful to see Nasser. One of the reasons it would be useful would be that the President would take the occasion to point out many things that the people of the United States did not like. These, according to the President, included the following:

(a) Nasser's continued use of Soviet aid, particularly on the military side.

(b) His constant attack on Israel in speeches in the Arab world. These speeches are certainly inflammatory and are made largely to sway crowd reaction.

The President said that in talking with Ben-Gurion they both agreed that in the long run Israel's future lies in becoming a completely industrial nation which would produce the goods that the Mid East actually needs. He and Ben-Gurion had agreed at the time of the meeting that ways must be found to expand Jewish commerce in the area and defeat the Arab antagonism toward the Jews. It was also agreed by both, the President said, that Arab progress in the area can really be helped if some rapprochement can be found between the Jews and Arabs. The President said that if he did see Nasser, he was sure he would not get any definite promises at this time but that he would want to give him some "plain language" talk. The President said that the questions he would like to put to Nasser were:

Does Nasser want to be a big man only in the Arab world and keep attacking the Jews to maintain his position, or does he actually want to work to advance the welfare of his people to ease tensions in the area and to bring economic development and improvements to the whole area?

The President said he understood that Nasser talks English well and that, therefore, if he saw him, he would have a chance to find out what Nasser has on his mind.

The President warned that the outbreak of war anyplace in the world, particularly in the Mid East, would be most disastrous to the world and would ultimately, in his opinion, lead to world conflict. He said there is no doubt that the Israeli Army could "take care" of the Arab Armed Forces and that consequently should warfare break out, the Arabs would soon yell for help and would probably receive Soviet

assistance. If this happens, the United States and the free world would be brought into the conflict and the seeds of worldwide conflict would be immediately planted.

The President said that he did not intend to have Nasser down to Washington to the White House but that if he did see him, he might do so in New York on the 26th. He said he would not see Nasser on the 22nd—that he was well aware that the observance of the Jewish New Year would be on, and that this would be a wrong time to see Nasser.

As far as Khrushchev's visit to the United Nations is concerned, the President said that he believes that the Russian, merely wanted to stage a propaganda show and that, actually, he was puzzled as to his basic intent. He also added that the United States, which has the obligation for the security of the visitors, must make sure that delegations can go back and forth to the United Nations with security. He said that we must not demean ourselves as a nation and allow hot-heads to put on demonstrations in the City of New York during the General Session.

The President also told the group that there was a good possibility that Prime Minister Macmillan would appear at the General Assembly during the end of the meeting and that he hoped also that Menzies of Australia could also be present.

Rabbi Miller said that the group applauded the President for what he was trying to do. He raised the question of the UAR seat on the Security Council, and I outlined the fact that this was an Afro-Asian bloc seat, that there was no contest for this seat, and that as early as last year when Tunisia was seated, the Afro-Asian bloc had said it was their intention to have the UAR as the next member from the bloc to the Security Council.

Rabbi Miller and Rabbi Prinz expressed the hope that there would be opposition to the UAR for this seat, and Rabbi Miller added that as a suggestion, the President, if he so desired, could point out to Nasser that Nasser always has insisted that a state of belligerency has always existed between the UAR and Israel and that it would be inconsistent to appoint to the Security Council (whose primary purpose is to maintain peace) a nation that has a state of belligerency against another.

The President told the group that he thought this was a good point, and that he did see an inconsistency in such a situation. He said that he intended to talk to Mr. Herter in New York later in the day on the points made by the group and that the "stage of belligerency" suggestion would be one of them.

The meeting concluded with all members of the group thanking the President again for his thoughtfulness in inviting them down to his office and talking with them in confidence.

At the conclusion of the meeting the President suggested that the group might say that they had expressed their deep concern to the President and their great interest in the promotion of peace in the world. He said that they could also say that they had suggested there should be improvements between Israel and the Arab world.

Photographs were then taken, and the meeting concluded. It lasted for an hour.

James C. Hagerty

**169. Memorandum of a Conversation, Department of State,
Washington, September 20, 1960, 11:30 a.m.¹**

SUBJECT

Aid to Israel

PARTICIPANTS

His Excellency Levi Eshkol, Israel Minister of Finance
Mr. Zvi Dinstein, Comptroller of Foreign Exchange, Israel Ministry of Finance
His Excellency Avraham Harman, Ambassador of Israel
Mr. Aryeh Manor, Economic Minister, Embassy of Israel
The Acting Secretary
NEA—Donald D. Kennedy
L—Robert L. Krones
NE/E—Enoch S. Duncan

Mr. Eshkol opened the meeting by thanking the Acting Secretary for his response on subjects raised in Mr. Eshkol's visit a year ago, particularly with respect to DLF financing for water development.² Now, Mr. Eshkol said, he had a very serious problem and he saw no way out except to ask for increased United States assistance. The Israel Ministry of Defense was pressing for more than double previous expenditure levels. While as Minister of Finance he resisted increases that might be wasteful, he must admit that the security requirements were considerable; also he was in a difficult position because the Prime Minister was Minister of Defense. Israel's economic position had been improving, including accumulation of substantial foreign exchange reserves. The Prime Minister has urged release of some of

¹ Source: Department of State, Central Files, 784A.5-MSP/9-2060. Secret. Drafted by Duncan and approved in U on September 23. A briefing paper for the conversation is *ibid.*, 033.84A11/9-1960.

² See Document 93.

these funds to meet Israel's urgent security needs, but Mr. Eshkol observed that Israel had more than \$500 million of foreign exchange debt, against which reserves were needed.

Mr. Eshkol said that upon his return to Israel he must prepare the budgets for the next year and would need to know what were the prospects. He wanted particularly to find a way to increase SA funds for Israel. Additional outlays of as much as \$300 million in two years had been envisaged in Israel Cabinet discussions. Mr. Eshkol hoped that at least half the sums taken from economic development might be made up by United States aid. He proposed \$35 million additional in SA in the coming year. Although Israel representatives were always trying to think in United States terms and had done their best to learn to utilize DLF, Mr. Eshkol felt DLF would not be an adequate source for Israel's purposes.

Mr. Eshkol also suggested financing of private housing might be a useful channel for making substantial aid available to Israel. Israel has tens of thousands housed in slums and sub-standard housing. Savings and loan groups are in existence; and if funds could be made available to them, the Israel Government could free corresponding amounts of its own resources for other requirements.

Mr. Dillon recalled that, as he had mentioned to Mrs. Meir, the Prime Minister, and the Ambassador, the United States was always extremely interested in Israel's growth and had contributed substantially to assist that growth. Aid in USFY 1960 was about \$60 million. In considering assistance, the United States must, of course, take into account the overall economic situation in Israel. Provision for security requirements must necessarily be a decision for the Israelis themselves and the United States has confidence in Israel's ability to make appropriate decisions in this regard. In view of Israel's estimate of the effects of its economy, we might consider additional assistance in order and would in that case be willing to consider how this could be done. There did not appear to be much leeway in PL 480. SA was most difficult from the United States viewpoint. The appropriation for FY 1961 was \$15 million less than last year and requirements are increasing. It would not appear feasible to consider an increase in SA. DLF, therefore, appears to be the best place for Israel to seek assistance. In FY 1960 DLF assistance was \$15 million. This year, Mr. Dillon felt, Israel might do considerably better. He understood two applications totalling \$23 million had been filed with DLF the previous day. Mr. Dillon understood from Mr. Kennedy that these reflected a considerable degree of competence in casting them in terms relatively suitable for DLF consideration. DLF had not, of course, had time to examine the applications as yet. In general, Mr. Dillon said, an effort would be made to move these as rapidly as possible and cut down the normal period of time for consideration. He also hoped that DLF could con-

sider financing Israel's projects on a sufficiently long enough term basis to avoid prejudice to Israel's foreign exchange position. Mr. Dillon observed that Israel was also obtaining Eximbank financing, notably for jet airliners. Exim financing such as this might be regarded as outside the problem area of additional aid. DLF could be looked to as the major source of assistance. The Department would try to help follow applications and expedite them when indicated. Mr. Dillon said he appreciated that speed in decision on Israel's DLF proposals was related mainly to requirements for planning rather than to execution of projects.

Mr. Eshkol said he had reservations regarding DLF and did not see how Israel could present plans for more than \$30 million during the current fiscal year.

Mr. Dillon said he understood that projects totalling about \$50 million had been mentioned and Mr. Manor agreed that this had been the case. Mr. Dillon felt that if the DLF loan approvals reached about \$40 million during the year, this would perhaps meet Israel's requirements, being \$25 million more than in FY 1960.

With respect to housing, Mr. Dillon said there had been some change in aid legislation to permit more activity in this field but there was still the implication that United States aid should not be devoted to basic financing of housing. It was more a question of stimulating and facilitating institutional development to encourage housing. In the case of Israel there have also been political objections to aid for housing because of the immigration issue. The extent to which this still applied in view of reduced immigration would have to be examined. He could give no indication of what the outcome would be; however, suggestions relative to housing were certainly worth exploring and possibly the GOI would provide us with a paper on this. Mr. Manor said that he would do so.

Mr. Eshkol reverted to the question of grant aid, asking if some allocation might not be made from the contingency fund. Mr. Dillon responded that he did not at this time know exactly how much money was available. He would not want to make draw-downs on contingency funds until December. Allocation of some funds from the contingency would then be considered for special requirements in different parts of the world. Some funds would have to be retained, of course, for emergency requirements that might arise in the last half of the year. In response to further question from Mr. Eshkol, Mr. Dillon said the situation could be examined at mid-year in the light of the status of the contingency fund.

Mr. Eshkol commented that he was endeavoring to propose a variety of means whereby United States aid could be channeled to Israel. He noted the condition of the United States steel industry with large inventories and wondered if perhaps 100,000 tons of steel might

be provided for Israel for fabrication in Israel plants. He agreed this appeared appropriate for Exim consideration but said Exim terms would be too short. As another possibility, Mr. Eshkol wondered if arrangements might be made for Israel to buy for local currency 2,000 milk cows as agricultural surplus. Mr. Dillon remarked that he did not believe there was any provision for such a transaction.

Mr. Eshkol recalled the extensive relations Israel has developed with the African countries and asked if there might not be some way Israel could receive United States aid in this connection.

Mr. Dillon commented that Israel had indeed done good work in Africa for the whole free world and for itself. He said that it was amusing that while he was in Ecuador a few days ago Israel had signed an agreement for aid to that country. An Ecuadorian representative had asked him if it was appropriate to accept assistance from Israel. Mr. Dillon said he assured the gentleman that it was. Ambassador Harman observed that the agreement was for economic cooperation not aid. Mr. Dillon commented that the Department spoke of "Mutual Security" but Congress called it "foreign aid".

170. Circular Telegram From the Department of State to Certain Diplomatic Missions¹

Washington, October 1, 1960—9:58 p.m.

477. (Following based on uncleared memcon.)² Secretary had cordial meeting with FonMin Meir New York September 28.

Conversation at outset dealt at some length with roles and personalities of Castro, Nkrumah, Nehru, Koirala, Hussein and Nasser. Re latter Mrs. Meir was predictably bitter, decrying particularly possibility that country (UAR) led by one who had called so repeatedly for elimination by force of fellow UN member (Israel) might obtain Security Council seat this session.

On refugee problem, which emerged as principal substantive topic, Secretary stressed difficulty US encountering obtaining funds from Congress for care of refugees in absence progress towards solu-

¹ Source: Department of State, Central Files, 784A.13/10-160. Confidential; Limit Distribution. Drafted by Crawford on September 30, cleared with Hamilton and Eilts, and approved and signed for Herter by Jones. Sent to Tel Aviv, Beirut, Amman, Cairo, and Jerusalem and pouched to London and USUN.

² A copy of this memorandum of conversation, SecDel MC/69, is *ibid.*, Conference Files: Lot 54 D 559, CF 1766.

tion. In reply, Mrs. Meir spoke in strong terms of (1) dangers inherent for Israel in readmission even token number refugees, (2) Israel's firm opposition to any enlargement PCC, (3) Arab refusal proceed with resettlement which constituted only feasible solution refugee problem, and (4) desirability avoiding, if possible, any discussion these issues at current UNGA. Mrs. Meir reiterated, however, Israel's willingness play part in any reasonable effort resolve refugee problem even before final peace established.

Herter

**171. Memorandum of a Conversation, Department of State,
Washington, October 5, 1960, Noon¹**

SUBJECT

Palestine Refugees

PARTICIPANTS

The Acting Secretary (Mr. Dillon)
Dr. John H. Davis, Director, UNRWA
IO—Acting Assistant Secretary Wallner
NE—Armin H. Meyer
UMSC—Robert T. Bruskin
UNP—Stephen E. Palmer, Jr.

Acting Secretary Dillon said he had read memoranda of the conversations Assistant Secretaries Wilcox and Jones had recently with Dr. Davis,² and commended the latter's interest in expanding UNRWA's vocational training program. He expressed the hope that implementation of the Director's program would contribute to a solution to the refugee problem, or at least would prevent the situation from worsening. Dr. Davis said that his proposed program was a relatively inexpensive way to obtain some progress. The Acting Secretary said that he was not as pessimistic as some others about probable Congressional reaction to requests for adequate contributions to UNRWA, provided it were made clear to Congress that the program contained

¹ Source: Department of State, Central Files, 325.84/10-560. Confidential. Drafted by Palmer and approved in U on October 13. A briefing paper for the meeting, October 4, is *ibid.*, 325.84/10-460.

² Memoranda of the conversations with Wilcox on September 13 and Jones on September 14 are *ibid.*, 325.84/9-1360 and 325.84/9-1460, respectively.

elements which would in effect lead to the resettlement of the refugees involved. Of course, this aim could not be so described in the Arab host countries.

Dr. Davis summarized the discussions at the last two meetings of the Agency's Advisory Commission in Beirut. He noted that the Arab representatives on ADCOM had specifically endorsed his proposals for an expanded vocational training program.

The Acting Secretary expressed satisfaction that some progress had been made on the rectification of the relief rolls, and that according to his information progress was continuing. He described the serious difficulties the Administration had with the Congress on the matter of rectification. Dr. Davis outlined the three-step program for rectification that had been agreed to by Jordan's Prime Minister Majali shortly before the latter's assassination³—a) checking UNRWA rolls against official Jordanian death rolls, b) seizing illegally held ration cards and c) conducting a pilot project involving the issuance of ration cards to children and the revalidation of other cards in one camp. He stressed that the GOJ was not in principle opposed to rectification. Rather, the problem lay in the refugees' lack of confidence in UNRWA motives. The refugees suspect that and giving up of rations, and particularly of ration cards, would somehow affect their rights to eventual repatriation or compensation under Paragraph 11 of GA Resolution 194(III).⁴ Dr. Davis said that he was in favor of moving as rapidly as possible to rectify the rolls, but not so fast that the rectification process would generate serious instability, for such a development could only impede efforts to reach agreement on the basic refugee problem itself. The Acting Secretary said that if real progress could be shown on rectification, the Senate Foreign Relations Committee probably would go along with future contributions to UNRWA.

The Acting Secretary asked, in connection with what Dr. Davis said, about the possibility of the issuance of separate identification cards to the refugees. Would not this aid in the rectification progress? Dr. Davis replied that he was very much in favor of the issuance of separate ID cards, and that he thought that this could be undertaken by the Palestine Conciliation Commission. Mr. Meyer said that we were presently considering what agency or agencies might best undertake this task and that in carrying out the task substantial cooperation from the host governments and UNRWA would be desirable. The Acting Secretary suggested that the PCC might at least initiate the project.

³ Majali was assassinated on August 29.

⁴ For text, see U.N. Doc. A/810, pp. 21-25.

The Acting Secretary said that the USG was fully aware of the grave alternatives which might result were outside aid to the Palestine refugees suddenly stopped. However, UNRWA must be operated so as to stimulate the resettlement of the refugees in every way possible. He hoped that Dr. Davis would keep in mind the necessity for UNRWA to help to develop the preconditions for resettlement. He was gratified that the vocational training program fitted into this concept.

After describing some personnel reforms he had made in UNRWA's Jordan staff, Dr. Davis developed his views on the problem of the "unemployability" of some of the refugees. He said that at least one half of the refugees over 25 years of age are likely to be charity cases for life. Each year about 15,000 male refugee youths mature. About 20% of these boys would be afforded some technical skill under the proposed vocational training expansion. In outlining his budgetary plans for the next three years, Dr. Davis said that expenditures for housing would not increase, and that the Agency's school expansion program was almost complete. It was only in vocational training that significant expansion was needed. This was the minimum that could be done to provide stability and to promote economic progress in the area.

In the course of a discussion on the general economic development of the Near East, Dr. Davis said that UNRWA should not become involved in any specific development project, for the Agency's participation renders such projects objectionable to the Arabs. When the Acting Secretary asked for the Director's views on the possibilities for creating jobs in Iraq for the refugees, Dr. Davis said that at their present rate of development Iraq and the other countries in the area could probably employ all of the vocationally trained refugees the Agency could provide in the foreseeable future. However, neither Iraq nor Syria needed any more unskilled agricultural laborers, and that is what most of the refugees are. He said that if a large scale development project were undertaken on a crash basis in Iraq, presumably some refugees could be absorbed along with numbers of Iraqi citizens who would have first claim to the benefits of such development. The Acting Secretary observed that the prospects for Jordan to absorb permanently a large block of refugees did not appear to be good. Dr. Davis agreed, and said that at least one half of all of the Palestine refugees would have to move across an international frontier in order to find employment.

Dr. Davis said that on October 4 he had a talk with Ambassador Comay, the Permanent Representative of Israel to the UN. Comay told him that the GOI favored UNRWA's plans to expand its vocational training program. Comay wondered how Israel perhaps could some way contribute financially to these programs. The Acting Secretary indicated his appreciation of the extreme delicacy of this matter. Mr.

Meyer noted that we held considerable amounts of Israeli currency under the PL 480 program, but that we were considering the possibility of having some of these funds put into a reserve for eventual use in a compensation scheme. Dr. Davis said he had told Comay that the question of a possible Israeli contribution might best be deferred for awhile.

There followed another discussion of the Agency's budgetary requirements, particularly regarding some \$2.5 million which Dr. Davis has been able to obtain from other countries under the World Refugee Year program for his \$4 million vocational training expansion plan. Dr. Davis said that he would need about \$1,000,000 additional from U.S. sources to insure that the expansion of the vocational training program get off to a good start. Mr. Meyer asked if UNRWA could effectively utilize local currencies in expanding its training facilities. Dr. Davis answered affirmatively. Dr. Davis said that, in order to budget effectively, he would have to know fairly soon whether or not additional support from the USG might be forthcoming. The Acting Secretary replied that he saw no reason why we should not ask Congress for additional funds to be utilized in vocational training expansion. He suggested that while in New York Dr. Davis might do well to contact Senators Aiken and Morse, who are on the U.S. delegation, so that these members of the Foreign Relations Committee would properly appreciate the complexities of the Palestine refugee situation. Upon taking leave, Dr. Davis left a memorandum outlining his conception of the role on UNRWA. This memorandum is attached.⁵

⁵ Not printed.

172. Telegram From the Department of State to the Mission at the United Nations¹

Washington, October 19, 1960—5:13 p.m.

707. Re: PCC: Urtel 1002.²

¹ Source: Department of State, Central Files, 325.84/10-1460. Confidential. Drafted by Eilts; cleared by Hart, Meyer, and Cargo; and approved and signed for Herter by Wallner.

² Telegram 1002, October 14, reported that Menemencioglu had approached the U.S. Mission to find out if the United States had something in mind for UNRWA. (*Ibid.*)

1) You should tell Menemencioglu that Dept also regrets PCC inability take greater initiative these past six months re carrying out 14th GA's charge to it to explore repatriation and compensation prospects. As you indicated, part of reason for this was failure reach agreement with GOT re using Turk for PCC reconnaissance mission. USG has explored GOT counterproposal use Spaniard for such mission, but consensus is this not practical.³ For the record, in future conversations with Menemencioglu and other interested parties, you should correct mistaken impression that Res. 1496 "enlarged" PCC mandate. Rather, it merely reaffirmed PCC responsibilities, and requested it make further efforts to resolve key issue.

2) Dept concurs that early PCC meetings may be desirable to chart acceptable course action in discharge 14th GA's request and to deflect insofar as possible enlargement impetus.

3) Dept fears that if PCC merely asks states concerned what it should do, positions both sides would tend become even more rigid. Highly improbable either Arabs or Israelis would be at all forthcoming in such exercise.

4) Dept still reviewing repatriation study which it believes requires considerable editing before it can be made available to governments concerned for their comment. Believe revision could be most expeditiously accomplished by informal meeting pertinent Dept and Mission officers with Chai (Secretariat).

5) While aware of certain tactical advantage that might be gained by circulation repatriation and compensation studies prior UNRWA debate, we believe early release would not be consonant our desire have item initiated in as low key as possible this GA. In this connection, USDel should if it has not done so already approach SYG (or Bunche or Cordier) along lines requested G-13 of September 9.⁴ Our tactics should be aimed at most advantageous use entire period prior 16th GA UNRWA review provided for by Res 1496.

6) In any case, if and when circulation two PCC studies agreed upon, it should be simultaneous, so as not to give impression PCC regards compensation arrangements more possible than repatriation, or vice versa. Dept considering utilization these studies in fairly direct relation possible PCC initiatives which we hope will be made early next year.

7) While US would wish consider any proposal re PCC enlargement, our position would be determined, at time specific proposal made, by whether such enlargement likely make PCC more effective body. We would oppose inclusion Sovbloc or most ASAF states as not

³ On September 9, the Embassy in Ankara reported a further conversation for a Turkish initiative in the PCC. While the Turks were unwilling to go ahead, they strongly suggested the utility of a Spanish national. (Airgram G-153; *ibid.*, 325.84/9-960)

⁴ See footnote 1, Document 167.

likely further PCC activities. In past we have inclined to view enlargement PCC or new, larger UN group to handle Palestine problem would be more cumbersome and probably be less effective in working toward solution of problem. Crux of matter is not so much composition of PCC as terms of reference that would currently be more effective.

8) This leaves PCC progress report for use at present. Report should stress acceleration valuation program and refer to draft repatriation—compensation studies that are nearing completion. Dept recognizes this not as extensive as might be wished; therefore, all the more important attempt deflect probable enlargement pressure and charges “inactivity” in corridor talks.

9) PCC might also ask Davis (UNRWA) meet with it while he is in NY and explore with him arrangements for issuance new identity cards along lines Dept’s CG-296.⁵ With Dept officers Davis took line that PCC should take initial responsibility such issuance, but that UNRWA would be willing lend personnel to operation.

10) In light need further clarification above and related questions, Mission requested on urgent basis make arrangements for visit pertinent Dept officers (per Pederson-Palmer telecons)⁶ for consultation Mission officers and Chai. Desirable that consultation take place when Davis also available.

Herter

⁵ Dated October 5, it suggested that separate identity cards for Palestine refugees would afford UNRWA greater maneuverability in rectifying the relief roles. (Department of State, Central Files, 325.84/10-560)

⁶ No records of these conversations have been found.

173. Telegram From the Mission at the United Nations to the Department of State¹

New York, October 20, 1960—9 p.m.

1070. Subject: PCC. Following are highlights of October 20 conversation FonMin Meir (accompanied by UN Ambassador Comay and Emb Counselor Gazit) and Wadsworth (Hope present).

¹ Source: Department of State, Central Files, 325.84/10-2060. Secret. Repeated to Tel Aviv.

Mrs. Meir said had requested meeting because returning to Israel soon. She wished to talk about Palestine refugee question as related to rumored move to enlarge Palestine Conciliation Commission. (Comay disclosed two Arab papers had carried stories about such move.) If move not actively discouraged by US, FonMin declared, it could lead only to designation some unacceptable bloc-sponsored neutralists and consequent exacerbation "old, unsolvable issue". While Israel would permit any persons to visit country GOI would have nothing to negotiate with such group. GOI position remained firm; Israel not yielding on acceptance refugees, would discuss compensation but only after plan submitted to solve basic problem, i.e., resettlement of refugees. Israel had some ideas about ways refugees could be resettled in Arab territory, would discuss them in detail with Department at later date.

Wadsworth noted USSR pressing in various UN forums for enlargement of bodies to include "three sides" and stated belief this tactic aimed at reconstructing UN for Soviet ends. US GADel not intending take initiative on PCC and refugee issues now beyond effort epitomized by US statement October 20² at refugee pledging session designed to get other nations carry larger share of UNRWA support.

In response Mrs. Meir's insistence on more active US role in discouraging further agitation of Palestine refugee/PCC question, Wadsworth said would report démarche to Department and further steps would depend on Department's instructions, but pointed out US Government attitude conditioned in part on desire greater progress be registered on refugee question in order continued heavy US expenditures for UNRWA could be reduced or eliminated.

On disarmament discussions, Mrs. Meir inquired whether Wadsworth thought Soviets would walk out on talks. He responded they were obviously setting stage for some such action; in event of walkout, he thought great majority of members would remain and should if necessary carry on with UN work without Soviets.

Wadsworth

² For text of this statement, see Department of State *Bulletin*, November 21, 1960, pp. 803-804.

174. Memorandum of a Conversation, Department of State,
Washington, October 27, 1960, 3 p.m.¹

SUBJECT

Aid to Israel

PARTICIPANTS

H. E. Avraham Harman, Ambassador of Israel
Mr. Aryeh Manor, Economic Minister, Embassy of Israel
Mr. Avraham Salmon, Economic Counselor, Embassy of Israel
The Under Secretary
NEA—Donald D. Kennedy
NE/E—Randall S. Williams
L—Robert Kroner

The Ambassador brought felicitations from Israel Finance Minister Eshkol who had been greatly encouraged by his recent conversation with Mr. Dillon.² Mr. Eshkol had been glad to hear before he left the United States that \$7.5 million in Special Assistance funds (the same as last year) would be made available to Israel this year and he asked that his appreciation be conveyed to Mr. Dillon.

The Ambassador stated that in Mr. Eshkol's discussion with Mr. Dillon the question of DLF loan proposals had been touched upon. It might, therefore, be appropriate to summarize the present position. The Israel Government has now presented DLF with three proposals: \$10 million for the Industrial Bank; \$13 million for agricultural settlements; and \$15 million for housing.

With regard to housing, the Ambassador stated there was one point he wished to stress: Mr. Dillon had referred to the "political aspects" in his last conversation and the Ambassador wished to express confidence that Israel's present proposal would meet that point fully. The proposal has two major objectives. First, to provide housing for newly established families. He noted that there are now 16,000 marriages in Israel per year and present housing is not keeping pace. The second major objective is to provide housing in new industrial areas. He emphasized that the loan is for private housing to be financed by private banks. Thus, the Israel housing proposal poses no political problem for the United States and the Ambassador expressed hope for sympathetic consideration.

The Ambassador went on to say that when Mr. Eshkol saw Mr. Dillon, the latter had mentioned that, although Eximbank has facilities for granting commodity import loans, the DLF does not have these

¹ Source: Department of State, Central Files, 784A.5-MSP/10-2760. Confidential. Drafted by Williams, initialed by Kennedy, and approved in U on November 3. A briefing paper for the meeting, October 27, is *ibid*.

² See Document 169.

facilities. Following his conversation with Mr. Dillon, Mr. Eshkol took this matter up with particular reference to a \$30 million loan for the purpose of agricultural consolidation. The Ambassador said his Government estimates that an investment of 300 million Israel pounds (about \$160 million) is needed to effect the final economic consolidation of villages established since the war. He explained that economic consolidation means providing means to permit maximum production. This is necessary to ensure a decent income and also for social reasons to make farming an attractive field of activity. Because the American purchases directly tied to this plan are limited to \$13 million, Mr. Eshkol raised with Mr. Waugh of Eximbank the possibility of getting a kind of line of credit from that bank to be used for purchases in the United States which would in turn generate an Israel pound equivalent to be directed to the massive job of consolidating the settlements. It is the Embassy's intention to present a formal application in this sense to the Bank. He said that there had been informal discussions which had provided encouragement and observed he was sure he need not stress the economic and social importance of this project.

The Under Secretary said this appeared to him to be a fine project. He had always favored Eximbank doing the maximum amount it can for Israel. He referred to the fact that the bank is an independent agency. He was agreeable, however, to the extent feasible, to indicating that the agricultural consolidation project appears to be a good one. He stated that once the application has been made he will be glad to help in that manner.

The Under Secretary said the Embassy had raised with him some time ago the problem with DLF regarding the telecommunications loan and gave him new information on the basis of which it was possible to ask DLF reconsideration. There had been some misunderstanding and he was glad the new information made it possible to go forward with the loan. Mr. Dillon said he did not know the status of the particular DLF applications which the Ambassador had mentioned except that he understood the \$10 million Industrial Bank loan is proceeding in the usual way. He understood the housing application had just been submitted and added, as he had mentioned before, that this presented some difficult problems for DLF. So far, DLF has only undertaken such projects in South America. There are no prohibitions against such projects elsewhere but the emphasis is on that area. Eventually, when the new South American program is in operation, DLF may find it possible to withdraw from this field. In any event, we will undoubtedly have problems concerning this Israeli proposal and will have to look into it further.

The Ambassador said the Israel request for a PL 480 Title I program was going ahead in a normal manner and there was just one aspect that he would like to mention—the question of Israeli pound

counterpart. He mentioned that last year the Department had agreed to make available about 15% as a grant for community development and observed the application this year asked for an increase to 50% of country use or 30% of the total program. The Under Secretary stated that in countries where we have a substantial excess of local currency he favored maximizing the use of grants provided we can find good projects and can feel we are really helping. However, the responsibility in this matter is sub-delegated to the Bureau of the Budget, which for reasons of its own is not always favorably disposed. Mr. Dillon said his own efforts had been directed toward avoiding building up excess quantities of local currencies. He had been able to get up to 15% for grant purposes for a number of countries of which Israel is one. We have been able to go higher than this in a limited list of countries where the local currencies are unlikely to be worth much. Mr. Dillon stated he did not know whether BOB would consider Israel qualified. In any event, there must be a clear idea of what the grant would be used for in terms of specific projects and not just something which would otherwise be done in the normal budget. Mr. Dillon concluded that if the Embassy submitted good projects he would do his best with the Bureau of the Budget.

175. Telegram From the Department of State to the Embassy in Israel¹

Washington, November 18, 1960—7:47 p.m.

380. 1. Under Secretary Dillon this date determined that continuing broad TC program for Israel should be terminated by June 30, 1962. Possibility is recognized of further occasional ad hoc technical advice on consultative basis as outlined para 3 below. Similar determinations made for TC programs in Lebanon and Greece and Embassies being notified accordingly.

2. Basis this decision is: (a) progress Israel relative less developed regions in acquiring indigenous technical skills in areas for which ICA assistance normally available (b) recognition that alternative sources foreign advice available (c) requirement U.S. reallocate available TC resources to more urgent needs of less developed countries and (d)

¹ Source: Department of State, Central Files, 784A.5-MSP/11-1860. Confidential. Drafted in U/MSC; cleared by ICA, H, Jones, and Meyer; and approved and signed for Herter by Dillon.

conclusion that continuing programs in Israel involve unwarranted administrative overhead and perhaps irritating intervention in host country affairs given their declining contribution to overall technical developments in Israel.

3. Termination of regular continuing TC program will not affect continuing expressions of U.S. interest and support through other forms of U.S. grant and development assistance. Further, while we cannot continue to support a broad technical assistance program in Israel, on basis of annual programming and Congressional appropriation process, we recognize possibility that there may be occasional need to assist with technicians for special short term assignments funded by GOI or by U.S. Bilateral aid agreement will not be terminated and could be used for this purpose if and when desired.

4. Ambassador is instructed to inform host government of this decision at time he considers appropriate but no later than January 1, since by that date we will be proceeding with aid proposals for Congressional presentation. Believe most important GOI understand that decision on technical aid in no way affects U.S. sympathy with GOI development problems and our willingness to respond to its needs within limits of our capabilities and overall responsibilities. GOI officials should be disabused any view that present U.S. technical mission is essential for dealing with development assistance since U.S. Embassy will provide continuing point for consultation these questions.

5. In course presentation you may at your discretion propose that there might be advantages to a joint public announcement of phasing out of TC aid. Such announcement could give full recognition to real progress made by Israel in this area and its willingness to forego such help in favor of newly emergent states where need is greater. However if GOI prefers to implement decisions without public statement we would interpose no objections. In any case, as agreement for termination is implemented by phase-out of projects, departure of U.S. technicians, and is reflected in U.S. Congressional appropriation requests we assume fact of closing out technical mission will become public knowledge.

6. After agreement in principle with GOI, request Country Team view as to most desirable method phasing termination individual TC projects and scheduling personnel actions involved.

Herter

**176. Memorandum of a Conversation, Department of State,
Washington, December 5, 1960¹**

SUBJECT

Israel Economic Assistance Request

PARTICIPANTS

Avraham Harman, Ambassador, Embassy of Israel
Avraham Salmon, Economic Counselor, Embassy of Israel
Aryeh Manor, Economic Minister, Embassy of Israel
E—Edwin M. Martin
NEA—Howard R. Cottam
NE/E—Randall S. Williams
NE—William L. Hamilton

Ambassador Harman recalled the several discussions held this year with United States officials in which Israel had asked U.S. assistance in financing extraordinary security expenditures. He said the U.S. response constituted very welcome assurances of willingness to consider assistance, outside the military field, but in a manner which would lighten Israel's economic burden. The Israelis had been given to understand that the best approach was through the Development Loan Fund which might consider submissions up to a figure of \$40 million. Submissions of this magnitude had been prepared but had now encountered two serious snags.

The first of these is related to the Export-Import Bank's interest in three projects totalling \$18.2 million which the Bank is prepared to finance on a dollar-repayment basis, whereas the Israelis had hoped to obtain DLF financing with the advantage of repayment in local currency.

The other difficulty is that the Bank is reluctant to consider a \$30 million line of credit unless tied to specific projects. A \$15 million housing loan application is still under consideration but the Israel Government understands that the DLF is obliged to regard it from a standpoint of world-wide housing policy which may mean its rejection. Thus, Israel's hopes of loans totalling \$40 million have shrunk to prospects of a \$10 million loan to the Industrial Development Bank of Israel.

In sum, according to the Ambassador, Israel's prospects of receiving the balance-of-payments type assistance so urgently required to offset its extraordinary defense expenditures are far from promising.

Ambassador Harman said he wished to draw Mr. Martin's attention to three specific points:

¹ Source: Department of State, Central Files, 784A.5-MSP/12-560. Confidential. Drafted by Hamilton on December 5.

First: In discussions with Mr. Dillon, the Ambassador several months ago and Mr. Eshkol in September, had inquired into the possibility of assistance from the contingency fund which of all types of indirect aid would provide the most immediate relief of a balance-of-payments type. Mr. Dillon had replied that this was a request which could not be considered before the second half of the fiscal year. Ambassador Harman said he hopes this possibility can now be reviewed, the U.S. to bear in mind that such assistance would finance expenditures in this country.

Second: The loan for \$13.2 million which was first submitted to DLF, but in which the Export-Import Bank has expressed an interest, would meet the dollar component of a £ 100,000,000 agricultural consolidation program. The \$30 million line of credit requested of the Export-Import Bank would have been expended for general dollar import requirements and the counterpart thus generated would have been lent to farmers. The Government of Israel now would like to suggest that if the Bank wishes to finance the \$13.2 million loan, the positions of the two applications might be reversed, the Bank to retain the \$13.2 million, DLF to consider the \$30 million line of credit.

Third: In recent discussions with the DLF on the \$10 million loan to the Industrial Development Bank of Israel, U.S. officials seem to be hinting that this loan might be made in two installments of \$5 million each. Israel would prefer to receive it in one installment.

Ambassador Harman stressed the difficulties Israel is encountering in tying its applications to specific projects and still obtain the desired balance-of-payments impact. As is apparent from the Export-Import Bank's willingness to consider projects the Israelis had hoped could be financed by DLF, the possibility of manipulative variations in Israel's requests for investment program loans is about exhausted.

Mr. Martin assured the Israelis that the sympathetic interest Mr. Dillon expressed to Mr. Eshkol continues unchanged in this Government, but to translate that sympathy into favorable decisions on loan applications remains a difficulty which has not been eased by recent developments. U.S. agencies are under very heavy pressure to relate assistance directly to projects, not only by the terms of the legislation but by prevailing opinion among legislators. The Administration is not entirely satisfied with this obligation because it does limit the flexibility with which problems can be considered. Mr. Martin commented that he would have thought a country as advanced as Israel in the techniques of government administration and economics would not find it as difficult to formulate eligible projects as less advanced countries.

As for the contingency fund, Mr. Martin pointed out that much less had been appropriated than requested, and critical problems in Latin America and Africa are imposing very serious drains on the fund. While he would not entirely rule out the possibility of assistance from the contingency fund, he certainly could not be hopeful.

With reference to the agricultural application, Mr. Martin reminded the Israelis of the legislative history and U.S. aversion to making loans for local currency uses. The prevailing sentiment is that this should be a responsibility of the government concerned. Congressional disinclination to favor such loans is reinforced at present by the Presidential Directive addressed to the outflow of gold.² The DLF will make some loans for local currency when special circumstances demand but only in cases of real emergency. The United States already has substantial holdings of Israel currency. Making these available is not the assistance Israel has in mind, of course, but the fact of their existence is another obstacle to consideration of loans for local currency purposes.

Ambassador Harman remarked that it had been Israel's intention to expend all loan proceeds for U.S. imports.

Mr. Martin said that while it is general policy to require expenditure of loans for United States exports it is also intended that such loans will result in a net increase in a borrower's U.S. purchases and not be used to finance normal requirements from the U.S.

Mr. Martin said he does not believe the Israelis need worry that the \$10 million IDBI loan would be handled in two installments.

At Mr. Martin's invitation Mr. Manor explained that the pound equivalent of the \$15 million housing loan would be lent as "seed" capital to the Central Mortgage Bank of Israel and two or three other non-governmental home financing institutions. It was hoped that the loan would generate perhaps \$40 million in home construction.

Mr. Martin said the U.S. is moving very gingerly into the field of housing, having long regarded it as related to relocation rather than production. We considered it better to devote our limited resources to economic development activity which has a multiplier effect on a nation's economy. These requirements were of proportions to which we could address our aid with some hope of accomplishment, whereas anything we did in housing would merely scratch the surface of a problem of immense dimensions. The "seed" capital approach is regarded with favor by the United States because of its encouragement to private saving. Thus far, it has been U.S. policy to require the recipient government to establish government institutions similar to

² For text of this Directive, November 16, 1960, see *American Foreign Policy: Current Documents, 1960*, pp. 786-792.

our Federal Housing Agency rather than make loans to individual banks. No such assistance is now contemplated outside Latin America, but the possibility of it being extended should not be excluded.

Finally, said Mr. Martin, the Development Loan Fund has not received an appropriation at the level desired and lending capital will soon be exhausted. A supplemental appropriation will be requested and we have some hope that the request will be regarded sympathetically. Mr. Martin commented that Export-Import Bank's interest could be explained in part by the fact that it has a \$2 billion lending authority, while the DLF has practically nothing at the moment.

In explanation of Israel's preference for DLF over Export-Import loans, Mr. Manor mentioned the 5¾% interest rate of the Bank and its 12-year repayment requirement as compared to DLF terms of 3½% to government and 5¾% to private borrowers on much longer terms. More important is Israel's desire to avoid an increase in its dollar obligation. Export-Import Bank's 12-year repayment is not long enough in view of dollar liabilities Israel is already obliged to service. Another factor is that the farmers who would receive the local currency counterpart of the loan would not be able to repay in less than 30 years the money Israel would be repaying in 12 years.

Mr. Manor referred to Mr. Martin's suggestion that the U.S. not only wanted the expenditures made in dollars but to represent additional purchases. He observed that Israel knows what its imports from the United States have been and that they are now on a downward trend owing to the fact that European prices are 15 to 25% lower. If DLF were to make a loan of the type requested it might be difficult to prove in every individual case that the purchase would not otherwise have been made, but there is no doubt that such financing would add to the amount of goods purchased in the U.S. However, Israel is in a position to oblige importers to buy from the United States if the differential is no greater than 15% as compared to European items.

Ambassador Harman commented that Israel would control the direction of its imports by its licensing system. As an example, while the agricultural consolidation loan is under consideration the Government has stopped all imports of Massey-Ferguson tractors from England. Tractors are badly needed; the British price is favorable, but import licenses will not be issued until a decision is reached by the DLF.

Mr. Martin agreed to give the problems raised by the Israel representatives earliest possible consideration in view of the fact that the Embassy here may have to send representatives to Paris to meet Israel budget officials to discuss parliamentary presentation later this month.

177. **Memorandum of Discussion at the 470th Meeting of the National Security Council, December 8, 1960¹**

[Here follow a paragraph listing the participants at the meeting and items 1-3.]

4. *Significant World Developments Affecting U.S. Security*

[Here follows discussion of unrelated subjects.]

Mr. Dulles reported that Israel was constructing, with French assistance, a nuclear complex in the Negev. This complex probably included a reactor capable of producing weapons-grade plutonium. [3 lines of source text not declassified] The French were apparently supplying equipment and training to the Israelis and were flying in the necessary fuel elements. Apparently the Israelis intend to announce shortly that a new university is being established with a small reactor, exclusively of Israeli design, and intended solely for scientific research. CIA and AEC experts believe, however, that the Israeli nuclear complex cannot be solely for peaceful purposes. The USSR and the Arab countries will undoubtedly interpret the Israeli nuclear facility as intended for the production of weapons. The Arab reaction to the Israeli facility will be particularly severe. Secretary Herter said [4½ lines of source text not declassified]. He intended to talk to the Israeli Ambassador soon and point out the serious implications of this development. The fact that the facility cost between \$40 and \$80 million at a time when we were providing aid to Israel raises serious questions.

The Vice President asked what other countries had similar nuclear facilities. Mr. Dulles said the Communist Chinese were attempting to develop a nuclear capability. France, of course, was also making efforts in the weapons field. Germany was talking about the centrifuge process but he did not know of any plant in Germany. Secretary Herter said India was contemplating a large-scale reactor, the contract for construction of which would be open to competitive bidding. The U.S. has insisted on inspection whenever we have helped build a nuclear reactor. If India throws the construction of its reactor to competitive bidding with no strings attached, France or the USSR may be able to obtain the construction contract because they do not insist on safeguards. Secretary Herter wondered whether Israel would be willing to apply safeguards to its nuclear facilities. He then inquired whether the photographs which Mr. Dulles had passed around the table could be used publicly. Mr. Dulles said he would like to check with the Army,

¹ Source: Eisenhower Library, Whitman File, NSC Records. Top Secret. Drafted by Boggs.

which had obtained the photographs. Secretary Douglas believed there was no risk in using the photographs since they could have been taken from a road which runs near the facility.

Mr. Scribner pointed out that Israel might have been able to build this expensive nuclear facility because of funds which reach that country from Jewish charitable organizations in the U.S. These contributions are deductible from U.S. income taxes and the Treasury has experienced difficulties in the past because some of the charitable funds are diverted to government operations in Israel. Mr. Scribner felt the implications of this problem were rather far-reaching. Mr. Dulles said he believed the U.S. might have provided Israel with some kind of reactor. He had been told the Israeli facility could produce nuclear power. He also noted that President-Elect Kennedy had been briefed on this matter and that the Joint Committee on Atomic Energy would be briefed the next day.

The Vice President wondered whether a by-product of this problem would not be increased pressure for an agreement on nuclear testing. If Israel acquired a nuclear capability of some kind, the "fourth country problem" would certainly be brought home to everyone. People will ask if Israel can do it, why not Cuba? In response to a question from the Vice President, Mr. Dulles said the U.S. had known about the construction of a facility in Israel for some time but had only recently identified it as a nuclear facility. The Vice President believed that the construction of nuclear facilities by "fourth countries" should be a major intelligence target since such facilities posed a danger even in friendly countries. Mr. Dulles assured the Vice President that CIA operatives were constantly on the watch for nuclear facilities. He added that Israel had the technical competence to build and operate a nuclear facility but had to get the necessary material from abroad.

[Here follow discussion of unrelated subjects and the remaining agenda items.]

Marion W. Boggs

178. Telegram From the Department of State to the Embassy in Israel¹

Washington, December 9, 1960—10 p.m.

441. Eyes only for Ambassadors. Secretary called in Harman Dec 9, stated matter has come up about which we are very disturbed and wish to speak frankly in the manner in which Israeli and we accustomed deal with each other. Secretary read Embtel 486.² This was first US heard of such large research reactor. Description this research reactor not consistent with information concerning large nuclear installation which Israeli have never mentioned to us but concerning which increasing amount of information including photographs has recently been received. Secretary showed Harman photographs of installation south of Beersheba. Pointed out over-all scope of installation, diameter containment building and capacity power lines far in excess research reactor requirements and could serve reactor of 10 times size that mentioned urtel 486. [1½ lines of source text not declassified]

Obvious inconsistency between above information and projected Israeli announcement gives us great concern. Installation this apparent size would cost on order \$80 million and has not been mentioned in recent discussions Israeli economic development plans and possible US financial assistance. Knowledge of potential nuclear weapons capacity would have very disturbing impact on Middle East and affect US interests as well as those Israeli themselves. We would be much relieved learn account in Embtel 486 is accurate and reflects extent Israeli atomic program. If program announcement inaccurate or only partial account we fear will stimulate interest and comment. Pointed out US scientists and industrial representatives have recently noted scale and high secrecy of Israeli atomic program as well as French involvement in large scale reactor construction. Thus speculations real objectives and scope of Israeli program are increasingly widespread and may bring question into open.

Secretary reiterated US hopes information communicated can be explained in open and satisfactory way which will remove bases for concern and that our desire is to explore matter directly and frankly in order avoid misunderstanding.

¹ Source: Department of State, Central Files, 784A.5611/12-960. Secret; Priority. Drafted by Farley, cleared by Jones, and initialed by Herter. Also sent to London and Paris.

² Telegram 486 from Tel Aviv, December 3, reported that Ben Gurion was planning to announce a new university located near Beersheba and would also mention a new 10 to 20 megawatt nuclear reactor designed by Israel with some French equipment. (*Ibid.*, 884A.1901/12-360)

Harman disclaimed knowledge of facts and stated he would report US concern and questions to his Government and request urgent advice.

Secretary subsequently informed UK and French Embassies of general tenor his conversation with Harman.³ French said would relay Secretary's concern and seek information from Paris.

Herter

³ Memoranda of Herter's telephone conversations with the British and French at 5:40 and 5:50 p.m. on December 9 are in the Eisenhower Library, Herter Papers, Telephone Conversations.

179. Telegram From the Department of State to the Embassy in Jordan¹

Washington, December 10, 1960—3:57 p.m.

608. You should immediately approach highest effective level government to which accredited and, in context mutual concern with refugee problem, state we wish share with it our anxiety re SPC discussion of UNRWA Director's report.² You should speak along following lines:

1. Arab UN representatives (led by Shukairi, Dimechkie and Iraqis) are pressing for inclusion in UNRWA resolution of paras enlarging PCC and designating a Custodian of Refugee Property in Israel charged with turning over revenues of these properties to refugees.

2. While appreciating Arab desire assist refugees, USG has carefully considered pros and cons of these two amendments and must state in all frankness it does not believe introduction of these proposals at this time will further constructive progress toward mutually satisfactory resolution of refugee problem. Hence USG has indicated to Arab UN representatives that it will oppose proposals.

3. UN Resolution 1456 (XIV), which requested PCC make further efforts to secure implementation of para 11 of UN Resolution 194 (III), called for review of UNRWA mandate (which will inevitably entail review refugee problem) at 16th UNGA. Until that time USG believes PCC should have reasonable opportunity to carry out its difficult

¹ Source: Department of State, Central Files, 325.84/12-1060. Secret; Priority. Drafted by Eilts and Meyer; cleared by Cargo and Palmer; and approved and signed for Herter by Jones. Also sent to Beirut and repeated to Baghdad, Jidda, Cairo, and USUN.

² For text of this report, September 1, 1960, see U.N. Doc. A/4478.

mandate without new complications. Depending on results PCC has achieved in interim, USG might not object discussing possibility PCC recomposition at 16th UNGA.

4. Re Custodian proposal, it obvious Israel would no more accept custodial official than would Arab states where Jewish property is held (e.g., Iraq). In any case this proposal represents highly detrimental intrusion upon fundamental responsibility of PCC with respect to refugee property. PCC has already succeeded in unblocking Arab bank accounts. It has actively been engaged in identifying and evaluating refugee property and has undertaken intensive and detailed study of compensation problem (as well as repatriation problem) with view to finding just solution.

5. USG hopes government to which you accredited shares our view acrimonious debate of refugee problem now will only exacerbate problem. USG wishes caution that such debate could adversely affect USG's ability to continue to support UNRWA program. We doubt addressee countries wish assume heavy responsibility which would be entailed if rash action in New York made unfavorable impact on major contributing countries including US where administration change will shortly take place.

6. If question arises what USG has in mind, you may state that it had been USG hope that in view of review of refugee question expected next year, this year's resolution could be along lines of previous years' resolutions, specifically that of last year (1456). If this not satisfactory to Arabs, USG perfectly willing have no resolution at all this year since procedurally no resolution is needed.³

Herter

³ Following further discussions at the United Nations, the Special Political Committee agreed on December 19 to continue discussion of the refugee question at the resumed session of the 15th General Assembly in the spring of 1961. Documentation on the discussions in December are in Department of State, Central File 325.84.

**180. Memorandum of a Conversation, Department of State,
Washington, December 20, 1960¹**

SUBJECT

Israeli Atomic Energy Program

PARTICIPANTS

Ambassador Avraham Harman of Israel
Mr. Mordechai Gazit, Minister, Embassy of Israel
The Secretary of State
Mr. Jones, NEA
Mr. Farley, S/AE

(At midday Ambassador Harman telephoned Assistant Secretary Jones to say that he was receiving his instructions and hoped that he would be able to call on the Secretary later in the day without publicity.)

Ambassador Harman recalled his meeting with the Secretary on December 9 and said that he had reported fully the information and questions presented by the Secretary. He had been awaiting the Secretary's return from Europe² to convey the requested information and had asked for an appointment promptly on hearing of the Secretary's return.

He continued that he was instructed to state that Israel is building an additional research reactor of 24 megawatts capacity in the Negev. A reactor of this size is not of industrial importance. The purposes are the development of scientific knowledge for eventual industrial, agricultural, medical and other scientific purposes. The project is part of the general program of development of the Negev. Like similar research reactors in other countries, this is a step toward enabling Israel in the future to build its own power reactors. This reactor was begun one year ago and will take three to four years to complete. Wherever possible local materials are being used but much of the material comes from other countries including France. Israel has taken commitments to supplier countries not to detail the specific sources of supply because of their fears of Arab boycott. This problem of boycott is unfortunately a very real factor for Israel and associated countries. The reactor is being built under the direction of Israeli scientists as part of the effort to build up a scientific competence. Many technicians and scientists have been trained in other countries, particularly France. On December 19 the French Foreign Office made an announcement re-

¹ Source: Department of State, Central Files, 884A.1901/12-2060. Secret. Drafted by Farley, initialed by Jones, and approved in S on December 27. A summary of the conversation was transmitted to Tel Aviv in telegram 464, December 20. (*Ibid.*, 784A.5611/12-2060)

² Herter had been in Paris December 16-18 for the North Atlantic Council meeting.

garding the scope of French and Israeli cooperation on this project and giving assurances concerning peaceful utilization of the reactor. The Ambassador was instructed to confirm the substance of this French statement.

Secretary Herter said that this principle of peaceful utilization was very important. He asked what specifically was being done with the plutonium produced in the reactor. The Ambassador said he could not answer and would have to obtain information. He continued that the reactor upon completion would be open to students from friendly countries. The small reactor constructed with U.S. assistance is useful only for studies. Israel foresees a need for an adequate body of trained people for industrial use of atomic energy which is a recognized ultimate requirement of Israel. The reactor is estimated to cost 5 million dollars a year in addition to local currency costs for the conventional structures. The Government will, as the Secretary suggested, underline that the facility is only for peaceful purposes.

The Ambassador continued that the appraisal of United States experts regarding the facility was wrong. The size was not 100 to 300 megawatts but rather 24 megawatts. The structure observed in the photographs was only a water tower; this was a water-cooled and not an air-cooled reactor.

The Ambassador said that there would be a statement on this subject by the Prime Minister in the Knesset on the following day. The earlier announcement referred to by the Secretary on December 9³ had been held up as a result of the U.S. inquiry because the Israeli Government saw no urgency. In view of recent press excitement a statement could no longer be deferred. The Secretary remarked that the Department had certainly not stimulated the press stories. He thought it would be useful if the forthcoming public statement could emphasize (a) the peaceful and open character of the facility, and (b) the use to be made of the plutonium and the safeguards thereon. The Ambassador said that he doubted that there would be time for any changes. The Secretary recalled that Israel like the United States had voted for a system of safeguards in the International Atomic Energy Agency and emphasized the concern that might be aroused if plutonium were known to be floating around loose.

The Ambassador expressed appreciation for the arrangements for a quiet meeting. In the present situation and after the statement by the Department on the previous day⁴ he felt that he had to inform the press that he had called and conveyed information. He provided a draft statement which he expected to make to the press stating that the information requested had been furnished. The Secretary pointed out

³ See Document 178.

⁴ For text of this statement, see Department of State *Bulletin*, January 9, 1961, p. 45.

that this would focus press attention on him and suggested that it might be stated that the information furnished would be the basis of Ben Gurion's statement on the following day. Mr. Gazit pointed out that it would not be possible to guarantee precisely what the Prime Minister would say and that he might not go into as much detail.

The Secretary requested that to insure accuracy the information communicated be incorporated in an aide-mémoire. Mr. Farley pointed out that some points were not quite clear. He asked whether the rating of the reactor was 24 megawatts thermal or 24 megawatts electrical, pointing out that in the latter case the size would be in the range of the U.S. estimate. He asked also whether the reactor would include any power generating facilities to draw off useful electric power on an experimental basis. The Ambassador said that he would have to inquire. The Secretary suggested that when these questions and the ones he had raised could be answered the aide-mémoire might be provided.

The Ambassador returned again to his need to say something to the press. The Secretary reiterated that the Department's statement had been occasioned by TV interview statements and charges by Radio Moscow. He suggested that the Ambassador's call might be characterized as a preliminary report. The Ambassador expressed the hope that the United States would now make a reassuring statement bringing the doubts which had been raised to an end. His instructions were to reassure the Secretary regarding the peaceful purposes of the reactor. Any implication that his reply was not complete would stimulate further speculation and doubt. The Secretary asked again for more details on safeguards. The Ambassador said that the facility would take some 3 years to complete and that it would have no relationship to a weapons capacity. He referred again to the French statement. He said that the Prime Minister would state that the facility when completed would be open to students. The Secretary expressed the hope that the public statement would clearly distinguish between the small U.S. assisted reactor and the new reactor.

Mr. Farley expressed the hope that the statement by the Prime Minister would be comprehensive and would be explicitly clear that it included all Israeli atomic facilities. He recalled that at the December 9 discussion we had mentioned the numerous reports of a power reactor. He suggested also that, even though the Israeli Government might not wish to open the facility to students of all friendly countries during the construction period, it might find it advantageous to invite some selected foreign scientists to visit the installation who could then speak authoritatively regarding its scope and peaceful nature.

The Ambassador said that he would revise his brief statement in the light of the discussion and not say anything to the press until later in the evening.⁵

⁵ On December 24, Ambassador Reid held a similar conversation with Ben Gurion. (Telegram 577 from Tel Aviv, December 24; Department of State, Central Files, 884A.1901/12-2460)

181. Telegram From the Department of State to the Embassy in Israel¹

Washington, December 31, 1960—8:34 p.m.

502. Eyes only for Ambassador. Dept believes further approach to GOI leaders re Israel's atomic energy activities should be made and in view current GOI Cabinet crisis leaves to your judgment whether discussion with Ben Gurion or Golda Meir or both likely be most effective (EmbTel 590).² Neither Dept nor other interested Washington agencies consider Ben Gurion's statements thus far satisfactory. His replies to your questions [*less than 1 line of source text not declassified*] e.g. re plutonium safeguards, [*less than 1 line of source text not declassified*] reactor's power production capability, and inspection by visiting scientist. [*less than 1 line of source text not declassified*] difficult to reconcile with confidence which has traditionally characterized US-Israel relations.

In speaking to Ben Gurion and/or Mrs. Meir you should emphasize:

1. USG gratified by assurances given thus far re peaceful purposes Israel's atomic activities.

2. In order to assist in "stilling atmosphere", as Ambassador Harman requested, Dept issued its statement of December 21.³ We believe it has had some calming effect in Mid East area, although quite obviously Israel's neighbors continue to be deeply alarmed. We would not welcome new round of alarmist publicity.

¹ Source: Department of State, Central Files, 784A.5611/12-3160. Secret; Priority. Drafted by Meyer, cleared with Jones and Farley, and initialed by Merchant. Repeated to London and Paris.

² Telegram 590, December 28, suggested that Reid see Meir about the nuclear reactor. (*Ibid.*, 784A.1901/12-2860)

³ The text of this statement was transmitted in circular telegram 890, December 22. (*Ibid.*, 884A.1901/12-2260)

3. Dept's statement has, however, not signified cessation legitimate USG interest in this matter.

4. USG policy is unequivocally opposed to proliferation of nuclear weapons capabilities. This policy based on US conviction that threats to peace will be intensified as nuclear weapons capabilities are proliferated. As Israelis must know, Mid East is particularly explosive tinder box.

5. In all honesty we must point out that Israel [*less than 1 line of source text not declassified*] has aroused in many quarters suspicions and has occasioned disappointment. We hope Israel will act at earliest possible date to restore the confidence which should be cornerstone for our relations.

6. GOI can do this by providing clear and complete answers to such cogent and crucial questions as the following:

a) What are present GOI plans for disposing of plutonium which will be bred in new reactor?

b) Will GOI agree to adequate safeguards with respect to plutonium produced?

c) Will GOI permit qualified scientists from IAEA or other friendly quarters visit new reactor? If so, what would be earliest date?

d) Is a third reactor in either the construction or planning stage?

e) Can Israel state categorically that it has no plans for producing nuclear weapons?

Since Ambassador Harman is currently in Israel, you may wish to inform him that Dept and other Washington agencies continue to have an urgent interest in this matter and that we hope he will be able to bring back to Washington with him a complete set of answers to questions such as those raised above. You should add that the Secretary will welcome a personal report from him at earliest possible opportunity following his return.

Merchant

UNITED ARAB REPUBLIC

U.S. RECOGNITION OF THE UNITED ARAB REPUBLIC

182. Telegram From the Department of State to the Embassy in the United Kingdom¹

Washington, January 10, 1958—3:52 p.m.

4849. Embtel 3960.²

1. Our assessment of Nasser's short-term or immediate objective in financial talks with UK and France is that they are coincident with Egypt's short-term economic requirements. Nasser desires alleviate acute foreign exchange shortage through release blocked sterling. Additionally he desires through negotiations with UK and France resume fruitful trade relationships with those countries as outlet for Egyptian cotton and as, in case of France, supplier of flour and wheat. Resumption of traditional trade patterns with UK and France would serve to ease Egyptian economic situation and would relieve anxiety and pressures growing up in Egyptian political and business circles over increasing economic dependence on Soviet bloc.

2. Department's views on pros and cons of agreement with Nasser remain generally as stated in Department's comments on FonOff assessment on "Present Position of Col. Nasser's Government" (Deptel 3873 to London, 1428 to Cairo).³ We do not believe Soviet economic aid offer to Egypt has materially altered our assessment since there is evidence that Egypt's concern over Western apparent indifference toward Soviet offer has had moderating effect on Egyptian enthusiasm. We still believe that Nasser would like to restore balance to his "positive neutrality" policy but that he has not yet reached point where he is prepared to make necessary political decisions, including substantial

¹ Source: Department of State, Central Files, 874.10/1-1058. Top Secret. Drafted by Stabler on January 9; cleared with BNA, E, and FN; and approved and signed for Dulles by Rountree. Repeated to Cairo, Paris, and Rome.

² Telegram 3960, January 6, reported on a conversation with Adam Watson, British representative at the Rome financial talks with Egypt, who speculated that Nasser wanted to improve his relations with the West in order to improve his bargaining position with the Soviet Union and to obtain monetary assistance from the West. (*Ibid.*, 974.7301/1-658)

³ *Foreign Relations, 1955-1957*, vol. XVII, p. 826.

concessions, required to resume positive and fruitful relationship with West. Thus, we still hold view that unless UK agreement with Egypt can be made on basis substantial concessions from Nasser, it might be better that no agreement be concluded at this time. As stated in Department's comments, we believe "that fruitful and advantageous relationship with Egypt is not possible for us as long as Nasser maintains his current attitude toward relations with USSR and his policy of undermining sovereignty of Middle Eastern states which do not choose to follow his lead. We would be prepared to entertain more normal relations with Egyptian Government should it move to truly neutral position. Meanwhile we believe concessions to Egypt in specific issues should only be made when Egypt makes concessions in return. Effect of moves toward Egypt upon friendly Arab states must be kept very much in mind."

3. With regard to unblocking of GOE assets now held in US, position which Secretary took with Lloyd in October to effect that we would unblock dollars when agreement or substantial progress toward agreement reached between Egypt and Canal Company and which was subsequently confirmed to British Embassy (Deprefel) still remains US policy. At same time Embassy will recall that we have stressed to UK on several occasions problem which US would face regarding Egyptian blocked dollars if UK released most of Egyptian blocked sterling as result Anglo-Egyptian agreement. Pressures would certainly build up for our immediate unblocking of dollars since it could be argued that with Anglo-Egyptian agreement involving release of sterling, no particular reason served by continued US blocking. Our understanding has been that it was UK intention not to release any sterling as result of Rome negotiations until "satisfactory progress" toward settlement problem of compensation to Suez Canal Company had been made. We should be interested to know whether this understanding of UK position is still correct.

4. Releases which have been made from blocked dollars since July 1956 have been solely from those funds earmarked before blocking for maintenance of Egyptian diplomatic establishments, and for settlement various Egyptian obligations to USG and private interests contracted prior to August 1956. Such releases believed similar sterling releases approved by UK.

5. In principle Department would have no objection to loan for improvement of Canal. However, we do not believe question is of immediate nature since our understanding is that present short range Egyptian plans for canal improvements do not call for foreign financing and that in any event Western financing either through individual countries or through IBRD would not be considered until such time as satisfactory progress had been made on compensation to former Canal Company. Once such progress toward compensation had been made,

we believe it of importance that West should be source for financing of canal improvement. We do not think that Western loan to improve canal would necessarily have serious adverse effects on development alternatives which in any event are now in state suspended animation.⁴

Dulles

⁴ On January 14, the Embassy in London reported that Watson had been provided with these views and had stated that the United Kingdom agreed with the U.S. position. (Department of State, Central Files, 874.10/1-1458)

183. Telegram From the Embassy in Syria to the Department of State¹

Damascus, January 15, 1958—7 p.m.

1934. Department will have observed from recent welter public statements by politicians of various political hues that Syrian Government has revived and greatly invigorated campaign for early Syro-Egyptian union. We presume current offensive initiated by ASRP and their army allies primarily as best, perhaps only effective, means checking growth Communist influence and perhaps decisive Communist gains in next summer's general election. However, this platform is so politically irresistible that most leaders, including Azm, have felt obliged to jump on band wagon and whip up horses. Even Syrian Communist Party has been impelled to issue statement favoring union, though with obvious mental reservations. Such momentum for prompt and far-reaching action is being created that, on Syrian side at least, it might be difficult to draw back even if and when inevitable complications fully appreciated.

We are, of course, not in position accurately estimate whether GOE for same motive as ASRP or for reasons of its own, shares this enthusiasm for early union and will be willing take concrete steps carry it forward. We should appreciate having Embassy Cairo's latest appraisal. We must emphasize however that, while Syrians propose commence with economic negotiations later this month, they are al-

¹ Source: Department of State, Central Files, 674.83/1-1558. Secret; Limit Distribution. Repeated to Cairo.

ready far out on limb with their proclamations of intention to go promptly all the way to "one people, one president and one parliament."

Even if both parties eager to move ahead rapidly, complications will presumably arise which will slow pace somewhat. Ambitious on both sides may be disillusioned as negotiations proceed. Nevertheless we have impression that if Syrians have their way complications might be ruthlessly swept away and startling progress toward creation new Arab state made this year.

In evaluating effect on US interests, first observation of this Embassy would be that, insofar as situation inside Syria concerned, United States not at present in favorable position to check movement toward Syro-Egyptian union and would be wasting its prestige ruthlessly in openly opposing so popular a cause.

As to merits of question, domination of Syria by Nasser is obviously far from attractive solution. Over and above additional difficulties this domination might create for west inside Syria, we are acutely aware of increased pressure enlarged Arab state would exercise on west-oriented neighbors of Syria.

At present however alternatives in Syria are meager. Conservative parties seem thoroughly cowed and fragmented, and substantially powerless inside army which remains decisive element in Syrian politics. Influence in Syria of western-minded Arab states also at very low ebb. Syrian politics are notoriously unstable and this unfavorable as it might perhaps in time be corrected. Unfortunately, however, Communist influence has been growing steadily and could well have immovably entrenched itself before any substantial conservative revival could occur. In this context only two real short-run alternatives in Syria may be either (1) substantial increase in Egyptian influence verging on if not wholly realizing union, or (2) so substantial Communist entrenchment that it could be dealt with only by force from outside.

Under these circumstances we would hesitate, despite our grave doubts concerning long-term effects Egyptian control or absorption of Syria, to oppose substantial increase in Egyptian influence at this time, even if we thought our opposition might be effective. If for these or other reasons US does not intend to oppose, it would seem prudent, while not encouraging at least to appear relaxed and mildly sympathetic.

Since it is likely subject of Arab, i.e. Syro-Egyptian, unity may come up in early conversations with Bitar, I should appreciate receiving any comment Department may wish to make on above evaluation. My present inclination would be to reply to any query re US views on this subject by (1) paraphrasing sympathetic remarks Arab unity made

by Ambassador Lodge in his October 25 UNGA speech,² and (2) adding that on other hand we remain strongly opposed to efforts, direct or indirect, to force Arab or any other states to join groupings which they do not wish to join and which they might consider incompatible with their sovereignty and independence.³

Yost

² For text of this statement, see Department of State *Bulletin*, November 18, 1957, pp. 777-782.

³ On January 17, the Department of State replied that its initial thinking closely paralleled the analysis presented here. (Telegram 1590 to Damascus; Department of State, Central Files, 674.83/1-558)

184. **Telegram From the Embassy in Syria to the Department of State**¹

Damascus, January 16, 1958—4 p.m.

1942. During private conversation with President and Foreign Minister after presentation credentials this morning, Quwwatli, in response my expressed desire assist in removing misunderstandings between two countries, heartily concurred and offered me his cordial support and that of Syrian Government. He urged me to cultivate Syrian contacts and "learn truth about Syria."

Speaking earnestly but somewhat defensively, he said Syrians "only fault" is fervent nationalism, their sole aim is to achieve and maintain complete sovereignty and independence within framework of Arab unity, they are in no sense Communist, they have absolutely nothing to hide. He spoke warmly of United States-Syrian friendship since World War I and repeated hope and belief recent misunderstandings could be dissipated.

He referred to difficult times we are experiencing and emphasized imperative necessity avoiding war with annihilating new weapons. He inquired after health President Eisenhower and spoke cordially of President's contribution to world peace and freedom. Foreign Minister did not participate in conversation except to agree politely to early meeting between us to review Syro-American relations.

¹ Source: Department of State, Central Files, 611.83/1-1658. Confidential.

Comment: It seemed to me that President was making special effort to calm United States apprehension and to convince us that he at least will do his best to improve relations.

Yost

185. **Telegram From the Embassy in Syria to the Department of State**¹

Damascus, January 24, 1958—2 p.m.

2029. Ankara for USDel. In addition points mentioned Embtels 2019 and 2026² following matter covered in my initial substantive conversation with Foreign Minister yesterday:

I said that as he knew my government hoped designation Ambassador here would assist in removing misunderstandings and improve relations between two countries, that his cooperation and that his government would be needed if this to be achieved, and that would appreciate having his view as to subjects most needing attention and clarification.

Bitar replied basic question is that of understanding and sympathy for Arab aspirations. Soviets, whatever their motives and objectives may be, have successfully created impression they are attentive to Arab wishes and sympathetic to their aspirations. On other hand Bitar had impression USG not "open" and receptive to Arab appeals and aspirations but constantly prejudiced against them. I expressed conviction his impression re US attitude mistaken and this one of misunderstandings that can and should be cleared up. When he mentioned Arab unity as example, I responded as indicated Embtel 2019.

¹ Source: Department of State, Central Files, 674.83/1-2458. Secret. Repeated to Ankara, Cairo, Baghdad, Amman, Jidda, Tel Aviv, Paris, London, and Moscow.

² Both dated January 23. Telegram 2019 reported that both the Prime Minister and Foreign Minister had raised the question of Arab unity and Yost had responded that it was to be determined by the Arab peoples. Telegram 2026 reported that Yost had delivered a copy of President Eisenhower's most recent letter to Bulganin. (*Ibid.*, 674.83/1-2358 and 661.00/1-2358, respectively)

I cited Baghdad Pact and Eisenhower Doctrine³ as subjects which seem widely misunderstood in Syria and gave brief recapitulation our attitude toward former and objectives in latter, emphasizing latter involved no pressure but simply offer of aid to those who desire it.

Bitar replied Syrians look on both as instruments designed to divide Arab world. Iran had been "forced against its will" to join Baghdad Pact and thence had been artificially split off from Arab world. Eisenhower Doctrine, whatever its object, had helped prolong artificial division among Arab States and introduce cold war atmosphere.

After some debate on these subjects, I asked Foreign Minister whether he was satisfied with results his Cairo visit.⁴ He said he was very satisfied. Since there are no obstacles to union, it can be brought about easily and quickly. It is true there is geographical separation but that exists in case Pakistan also and there is closer identity between Syrians and Egyptians than between East and West Pakistanis. Moreover Cairo closer to Damascus than to Amman or Luxor. (Bitar showed no disposition expatiate further on unification plans and Indian Ambassador informs me that, contrary Bitar's usual practice, Foreign Minister was also not forthcoming to him on this subject.)

In closing interview I requested we pursue these subjects further before my return Washington on consultation. Foreign Minister agreed meet again January 30 and thereafter as necessary.

Comment: While Bitar did not pull his punches, his manner was entirely friendly and he seemed clearly desirous explore possibility move US-Syrian relations off dead center. Knowledgeable pro-Western diplomats here agree this is his desire. We shall see whether he is prepared and able make any concessions to this end.

Yost

³ For text of the Eisenhower Doctrine, approved by the President on March 7, 1957, see *American Foreign Policy: Current Documents, 1957*, pp. 829-831. For documentation on the background to and implementation of the Eisenhower Doctrine, see *Foreign Relations, 1955-1957*, vol. XII, pp. 1 ff.

⁴ Bitar returned from Cairo on January 21 and the Egyptian Chargé reported to a U.S. Embassy official that the Foreign Minister had been successful in persuading Nasser to accept the union of Syria and Egypt. (Telegram 2010 from Damascus, January 22; Department of State, Central Files, 674.83/1-2258)

186. **Telegram From the Department of State to the Delegation at the Baghdad Pact Council Meeting, at Ankara**¹

Washington, January 25, 1958—2:41 p.m.

Tosec 23. Re Egyptian-Syrian union, in order forestall hostile propaganda that US automatically opposed to unity Arab peoples we have authorized our representatives in Arab capitals state privately that US attitude toward Egyptian-Syrian union will be determined within framework traditional US policy that 1) question Arab unity is matter to be determined by Arabs themselves and 2) US would support unity or any form thereof which results from freely expressed wishes of Arab peoples concerned. We also planning have Departmental spokesman make statement along these lines January 27 response press queries re our attitude this matter.

In analyzing implications this project we have concluded there are number long-term disadvantages such as facilitation Egyptian domination Arab world, freezing Syrian orientation in unnatural direction, adverse effect on pro-West Arab regimes, spreading of positive neutralism, complication of Palestine problem and uncertainty that union will produce any greater stability in Syria. Only advantage we see which would outweigh these long-term disadvantages would be complete elimination Communist influence from Syria, if this should occur as result union which by no means certain.

View above, and with regard recommendations Damascus 2041,² repeated Ankara 210, we do not think we should go any further in expression public attitude than position described above, which we believe in any event may be interpreted in ME as favorable to union. If you concur, we will go ahead with public statement on January 27.³

You may wish discuss with Lloyd. If you concur this position, Berding might brief correspondents accordingly.

Herter

¹ Source: Department of State, Central Files, 674.83/1-2558. Secret; Niact. Drafted by Rockwell, cleared with NEA/P, and approved and signed for Herter by Murphy. Also sent to Tehran and repeated priority to Damascus and Cairo.

² Telegram 2041, January 24, suggested that the Department of State should consider making a public statement sympathetic to a Syro-Egyptian union. (*Ibid.*, 674.83/1-2458)

³ On January 27, Dulles approved the line taken in the first paragraph of this telegram, but proposed that no public statement be made. (*Ibid.*, Conference Files: Lot 63 D 123, CF 975)

187. **Memorandum From the Acting Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Berry) to the Acting Secretary of State¹**

Washington, January 25, 1958.

SUBJECT

Egyptian-Syrian Union

In accordance with your request, NEA has prepared the following brief study of the proposed Egyptian-Syrian union. It has been coordinated with R.

Background

Egyptian-Syrian union became an active issue shortly after conclusion of a Syro-Egyptian military pact in October 1955. Enthusiasm for union was then confined essentially to Syria, and it still is. Since 1955 the campaign for union has been periodically revived in the Syrian parliament and press. Nasser has consolidated his influence in Syria during the past two years, but until recently delayed serious consideration of union. Although on November 17, 1957 Syrian initiative led to the adoption of a joint resolution by the Egyptian and Syrian parliaments declaring support of the principle of federal union, observers then had little idea that practical steps toward union would soon follow. Meanwhile, however, a struggle for power within the Syrian ruling coalition made an immediate union useful to the Socialist, anti-Communist Party faction in the coalition.

In mid-January the pro-communist Chief of Staff of the Syrian Army, Bizri (accompanied by other high ranking Syrian officers), and the Socialist Foreign Minister, Bitar, traveled separately to Cairo to present to Nasser their separate views on the internal situation in Syria and on Egyptian-Syrian union. Our information from Cairo indicates that although he dealt rudely with Bizri, Nasser reached an agreement in principle with Bitar and the officer group for union in the near future on Egyptian terms.

Syrian Points of View

The unanimity with which Syrian political and military leaders proclaim their approval of Syrian-Egyptian union conceals a number of divergent views and interest. The Arab Socialist Resurrectionist Party (ASRP), of which Bitar is a leader, has had Nasser's backing in the past and now favors a union which would strengthen the position

¹ Source: Department of State, Central Files, 674.83/1-2558. Secret. Drafted by Eagleton and cleared by Starr.

of the ASRP vis-à-vis the Communist Party and its allies. Many conservative and independent politicians who have previously had private doubts about union are now in desperation prepared to accept union as a possible means of checking further communist advances. The Communist Party, on the other hand, must support union publicly, but is aware that Nasser's terms for union might involve anti-communist measures. Pro-Soviet opportunists who realize that union is being pressed by the ASRP to check their power have no alternative but to try to ride with the current and stay on top. The badly factionalized Syrian Army is jealous of its own prerogatives, but now appears willing to accept a union which might open new positions in government to favored officers.

Egyptian Position

Nasser's reluctance to limit his freedom of action in the area by embracing a union with an unstable ally has placed him in a strong tactical position in dealing with Syrian impatience. It now appears that Nasser has been convinced that his dominant position in Syria can only be maintained by acceding to the insistence of his supporters in Syria that union must not be further delayed. Bitar and the others have in effect put Nasser on the spot.

Prospects

According to our information, Nasser has agreed with Syrian leaders that the political provisions of union will be implemented within the next six months and on Nasser's terms, which include: one President (Nasser) residing in Cairo; one Parliament; one Party (thus eliminating overt Communist Party activity); one Army; and one diplomatic service. The integration of the Syrian and Egyptian economies involves more difficult discussions which will probably be delayed for some time.

Nasser will be assured of obtaining his terms in substance as well as in form only if he can bring the Syrian Army securely under his control and curb the power of the Communist Party and extreme pro-Soviet politicians. Although he now appears capable of achieving these objectives, there remains a critical period for delicate political maneuvering before even the short-run durability of a union on his terms is assured. The long-run durability of a union of two non-contiguous countries with different traditions and cultures is even less certain, although the termination of such a union once fully implemented might be more difficult than leaders in both countries now realize.

Effects of Union on U.S. Interests

So far as U.S. interests are concerned, the short and long term implications of Egyptian-Syrian union are not identical. Although it may be in our immediate interest that Nasser's position in Syria be strengthened in the hope that the influence of the Communist Party will thereby be curbed, in the long term Egyptian-Syrian union would tend to freeze Syrian orientation in an unnatural direction, reducing the possibility that Syria would strengthen its ties with Iraq. It would facilitate Nasser's domination of the Arab world. Union might complicate and exacerbate the relations of Egypt-Syria with Israel and with other Arab states, particularly Jordan which would be under increased pressure to provide the lacking geographical link. The Government of Saudi Arabia, which has traditionally sought to influence Syria, would fear the extension of Nasser's hegemony. The Government of Iraq would not welcome the extension of Nasser's dominion to the frontier of Iraq or the setback of its ambition to bring Syria within its own sphere. Turkey would likewise look with disfavor upon union. Furthermore, we could not assume that union with Egypt would in the long run solve the problem of Syrian instability; nor is it likely that Egyptian-Syrian union would contribute to the peaceful solution of basic problems in the area in a manner consistent with U.S. interests. Only if Egyptian-Syrian union were accompanied by effective measures to eliminate entirely the influence of the Syrian Communist Party and its allies would the short term advantages of union possibly outweigh what we foresee as its long term disadvantages.

This matter is a delicate one in view of the widespread public desire in the Arab states for greater Arab unity and of the apprehensions of the pro-West Arab states over this move. We must proceed cautiously in determining our position, especially our public position. We are of course not in a position effectively to prevent some kind of union from taking place if both countries desire it. Our position on union between one or more Arab states has been to favor any such step which meets the freely expressed wishes of the people involved.

188. Telegram From the Delegation at the Baghdad Pact Council Meeting to the Department of State¹

Ankara, January 29, 1958—midnight.

Secto 41. In restricted session today, Delegations again discussed Egyptian-Syrian union.² Reports which had just been received that Quwatly had transferred power to Nasser placed discussions in context of what should be done about apparent fait accompli rather than more possibility. After general and inconclusive discussions, Secretary said it essential Arab nations take initiative if anything to be done. He pointed out various efforts non-Arab countries to take initiative in past had been counterproductive, as for example when Arab states unwilling to support US contention in General Assembly that situation in Syria posed threat to Syria's neighbors. Secretary agreed with observations which had been made by Iraqi Foreign Minister that before deciding upon public position, enough time should be taken to find out whether Arab countries other than Iraq would oppose union. If Iraq alone opposed, it would be accused of acting on influence of non-Arab BP powers and while that would be better than doing nothing it would not be as helpful as a common position by Iraq, Saudi Arabia, Jordan and Lebanon. He therefore felt Iraq should not be pressed until it had had time to work out such a common position.

Secretary felt BP should not at this time take concerted public action such as statement condemning union, since that would commit us before we had an idea of what Arab states would do. Moreover that would not be advantageous from standpoint possible future action. If such action in fact materialized, our hands would have been tipped in advance; if no action materialized statement would be harmful in that it would indicate futility of our opposition. He felt therefore that we should reserve our public position pending developments, with the hope that Iraqi Government would immediately be in touch with other Arab states. We should all be considering other possible courses of action. Secretary was not pessimistic regarding possibility of developing opposition in Syria among those who object to being denied their national existence without adequate opportunity to be heard. If action was to be taken, it was necessary to move quickly since in a few weeks time it might be too late. Summarizing, Secretary suggested (a) BP not make pronouncement condemning union, (b) as individual countries we reserve position pending developments and (c) that Iraq, with

¹ Source: Department of State, Conference Files: Lot 63 D 123, CF 976. Secret; Priority. Drafted by Rountree.

² The U.S. Delegation reported on the previous discussion, January 28, in Secto 30, January 29. (*Ibid.*, Central Files, 674.83/1-2958) For further documentation on the Baghdad Pact Council meeting, see volume XII.

appropriate help from other governments, try to work out a united position with other Arab countries. He hoped consultation among Arab states would disclose best manner of bringing into vitality elements in Syria opposed to union, so that they might be given effective support by all of us.

Secretary stated it important that impression not be given that BP alarmed over union which clearly timed to coincide with conclusion Council's sessions. Meetings had been highly successful and there every reason assume optimistic attitude over progress being made by and prospects for future of BP. He emphasized that attitude of optimism of delegations might spell difference between success or failure of conference from public viewpoint.

In discussing support which delegations would give to Iraq in latter's effort bring about concerted position on part Saudi Arabia, Jordan, Lebanon and Iraq, Secretary said US prepared send message to King Saud, President Chamoun and King Hussein urging that they concert among themselves and with Iraq with respect to situation arising out of union which we considered dangerous. He said messages would indicate that US wished give support to its friends among Arab states and stress importance knowing their position before deciding how best to help. All other delegations agreed send similar messages.

Request Department formulate suitable communications and despatch them soonest to Saudi Arabia, Jordan and Lebanon.

Dulles

189. **Memorandum of a Telephone Conversation Between the Secretary of State in Washington and the President in Augusta, Georgia, February 1, 1958, 2:45 p.m.¹**

TELEPHONE CALL TO THE PRESIDENT (AUGUSTA)

The Sec. said he thought it a good thing he had gone to Ankara. The Syrian-Egyptian union was having a disturbing impact.

The Sec. reported he had gone over the President's proposed cable to King Saud and read to the Pres. the corrected version. The Sec. said this cut out any reference to the Communists. The Pres. said

¹ Source: Eisenhower Library, Dulles Papers, White House Telephone Conversations. No classification marking. Transcribed by Asbjornson.

he thought it was now a much better telegram and he thought this would do it.²

The Sec. said we would probably authorize a statement of a general character through Link White commenting on the proposed Syrian-Egyptian union to the effect that if the two peoples want it and if it is consistent with the peace and welfare of the area as a whole, we look upon it with favor.³ The Pres. asked if this would be said as a public statement and wondered about putting it out before getting Saud's views. The Sec. said perhaps we had better hold back if we could. The Pres. mentioned the union having to be on a plebiscite. The Sec. said we had the ticker that it was officially announced and there was great celebration in Cairo.⁴ The Sec. suggested being more reserved and saying we were awaiting further details—something like that. Pres. said it should be something to the effect that the people principally concerned were the friendly Arab states and would probably first make some statement to the public. The Sec. thought this sound. The Pres. said the cable to Saud should go right off.

² Tedul 34, January 31, transmitted to Secretary Dulles the proposed text of President Eisenhower's message to King Saud. (Department of State, Conference Files: Lot 63 D 123, CF 970)

³ A copy of this statement, which reserved the U.S. position until more complete information was available, was transmitted in circular telegram 701, February 1, 5:20 p.m. (*Ibid.*, Central Files, 674.83/2-158) Two drafts of the statement and a memorandum of a telephone conversation with Berry about them at 2:43 p.m. are in the Eisenhower Library, Dulles Papers, General Telephone Conversations.

⁴ Presidents Nasser and Kuwatly signed a proclamation in Cairo, February 1, merging Egypt and Syria subject to a plebiscite to be held on February 20.

190. Telegram From the Embassy in Egypt to the Department of State¹

Cairo, February 4, 1958—7 p.m.

1951. Mustapha Amin came in this morning, ostensibly in personal capacity but actually at behest Nasser, to sound us out on US reaction to union with Syria. Amin said Nasser particularly worried by report that Department now taking different position than that which I

¹ Source: Department of State, Central Files, 786.00/2-458. Secret. Repeated to Damascus.

had outlined to him on January 23 (Embassy telegram 1830)² particularly with reference to possible repercussions in area. I told Amin Department had in fact made public statement February 2³ but that, although format different, basic content same as I had given Nasser. Given copy of statement, Amin seemed relieved and then asked if we had reached any conclusions in light this announced position. I replied we endeavoring keep Department as well informed as possible but we had not yet received any indication of its reaction, which was hardly surprising since situation so confused. Amin agreed, saying everyone confused including himself and, he had good reason believe, Nasser too.

Foreseeing that new state would come officially into being on February 22 or 23 when results of plebiscite announced and that question of recognition and presentation new letters credence would then arise, Amin asked what this would involve in our case. I replied not yet clear how new government will present matter but that, generally speaking, recognition is executive decision and time element only comes in to extent time required for clarification and consideration; might be short or not depending on circumstances. Re accreditation, usual procedure would presumably be followed involving Presidential designation, committee consideration and Senate confirmation, which can be somewhat time-consuming process (if this statement stands correction, please advise since Amin said intended passing on word to Nasser and indicated latter would be open to suggestion for simplification of change-over).

Asked if he had any suggestions re line we might follow, Amin said would strongly recommend immediate recognition without either endorsement or criticism and he believed Nasser would feel same way, since, on one hand endorsement by US would be suspect in Arab minds and give Communists ammunition for attacking union whereas, on other hand, criticism would permit Communists rush to Nasser's defense, neither of which desirable alternatives. Preferable just recognize and let go at that.

More on other aspects of matter in following telegram.⁴

Hare

² Telegram 1830, January 24, summarized a 1-hour conversation with Nasser primarily about Yemen. When asked about U.S. policy on a Syro-Egyptian union, Hare reiterated the points made in Document 187. (Department of State, Central Files, 661.00/1-2458)

³ See footnote 3, *supra*.

⁴ In telegram 1953, February 4, Hare reported more details on the administrative arrangements for the new union and on the Syro-Egyptian discussions leading up to them. (Department of State, Central Files, 786.00/2-458)

191. Memorandum From the Secretary of State's Special Assistant (Greene) to the Deputy Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Berry)¹

Washington, February 5, 1958.

The Secretary would like thought given to the possibility that the present stage in Egyptian affairs ensuant on the "union" with Syria, might be a good and profitable occasion for us to reassess our own policies with a view to moving in on the new union, such as by extending the hand of friendship. If the Soviets are hesitant about their attitude toward the Union, it might be a favorable opportunity for us.

The Secretary suggested that among the other factors which you will want to take into account in considering this matter is whether we might better wait a while to see whether the other Arab States can agree on a common course of action, which course we might then back; the Secretary notes that our backing might be of critical importance to the success of any action the other Arab States agree on.

He also suggested a close appraisal of the vulnerabilities of the new Union; this might lead to the conclusion that it is more open to disruption than to blandishment.

JG

¹ Source: Department of State, Central Files, 611.86B/2-558. Secret. Drafted by Greene and sent through S/S.

192. Telegram From the Embassy in Syria to the Department of State¹

Damascus, February 8, 1958—3 p.m.

2207. Replies to Depcirtel 702² have in several cases raised important question of durability Syro-Egyptian union. Our views Syrian aspects this problem follow:

¹ Source: Department of State, Central Files, 786.00/2-858. Secret. Repeated to Amman, Ankara, Baghdad, Beirut, Cairo, Jidda, London, Paris, Moscow, Karachi, and Tehran.

² Dated February 1, circular telegram 702 summarized Secretary Dulles' views on the Syro-Egyptian Union expressed at the Baghdad Pact meeting (see Document 188). (Department of State, Central Files, 674.83/2-158)

1. Union indubitably faces ethnic, cultural, historic and technical obstacles to integration two peoples. On other hand union in military and foreign affairs which represents initial UAR effort and which well underway prior current spectaculars has clear justification for Syrian Moslems and demonstrably solid foundation, i.e. existence Zionist state Israel and its military threat. Underlying UAR concept is strong emotional appeal of Arab unity. There is little distinctive "Syrian patriotism"; Syrians during forty years their "national" existence have never thought of themselves as other than artificially separated from rest of "Arab nation". Other things being equal, they would have preferred commence "reunification" with immediate neighbors whose claim to Arabism less dubious than Egypt's, but this proved impracticable and during past five years Nasser has succeeded imposing himself as Garibaldi on popular imagination.

2. As time goes on and full impact of union is felt, dissatisfaction in some quarters in Syria is certain to grow and, unless checked, become more vocal. Whether it will reach serious proportions will depend primarily on manner in which union is implemented. It seems probable Nasser and Syrian advisers are alive to danger and will endeavor (a) see to it that influential Syrian political and military leaders are granted positions and privileges which will bind them to new state, (b) move cautiously against certain passive vested interests such as Syrian business community which could in combination create trouble for others to exploit and (c) move swiftly to seal off active elements which might be prepared to oppose union by force such as army dissenters, Communists, or less likely, Moslem Brethren. Failure either to conciliate and reward major power elements, or promptly to suppress aggressive irreconcilables, could lead to serious trouble after several months.

3. Army cliques have represented greatest perennial threat to stability any Syrian Government. However (a) 14 officers "RCC" representing all army groups placed themselves as spearhead of demand for union under Nasser (Cairo's 1819 to Department)³ (b) revolt against "Arab union" would constitute major problem for any ambitious military leader any time (c) priority for immediate unification defense ministries and existence Egyptian troops in Syria appears designed minimize this threat as does (d) Nasser's original conditions re political sterilization of Syrian officers which Egyptians and Syrian civilian leaders will certainly attempt enforce promptly. It may be presumed Sarraj-Hamdun group, guided and observed Egyptians, will be made responsible for keeping Syrian military in line.

³ Telegram 1819, January 23, summarized a conversation with Azm on January 21 concerning the Syrian Delegation's conversation with Nasser. (*Ibid.*, 674.83/1-2358)

4. On civilian side, prestige of ASRP and associated leaders is at stake; they cannot afford fail. Other major parties are at present impotent and presumably, through device single authorized party, will be kept so. Potential civilian trouble makers include Communists, Moslem Brethren, SSNP, Christians, businessmen, students and politicians representing them. Communists however face restrictions greater than any existing Syria since Shishakli period; moreover party orders may eventually call for ostensible cooperation with and exploitation of union. Moslem Brethren and SSNP will find union difficult platform attack and Syro-Egyptian union no easier target than Syria alone where their power unimpressive. Small divided Christian minority represents negligible political factor by itself and might consider cooperation with Commies or Moslem Brethren somewhat dubious risk for Christian interests. Business groups here rarely take political risks in adversity but export capital (and themselves) instead; impact in any case delayed by probable moratorium on unification of economies. Students can be expected constitute for Nasser and union pillar of important and enduring political strength. Nasser's dictatorship likely to create discontent among Syrian individualists and few Western-oriented leaders but western democracy has very frail roots and few loyal followers in Syria. In any case dictatorship likely to be rationalized as essential restriction of freedom because of Israeli threat and pressure from two great power blocs. Political platform involving secession from union which represents historic Arab "shibboleth" would have little popular appeal unless Egyptian rule turns out to be seriously oppressive.

5. Israeli threat or use thereof by UAR also should continue counteract such influences which neighboring Arab states might wish bring bear upon Syria, unless their leadership against Israel unexpectedly becomes more meaningful than Nasser's. Association of Iraq, Saudi Arabia, Lebanon, Jordan with western powers upon which Israel considered dependent also limits their influence here.

6. Wedding of two perennially needy treasuries and undeveloped economies will create increased political, economic and social problems. Leaders have already stated they will be prudent and slow in merging two economies. They may also be expected capitalize on, and to some extent implement, social justice slogans, which of course constitute second major plank in ASRP platform. In order consolidate and develop economy UAR will presumably turn to both Soviet bloc and west for help. Experience would seem to indicate political-economic boycott against UAR by west would be unlikely bring about its dissolution or overthrow its leaders, but more likely push it wholly into Soviet camp. In Syria private business, which is element most friendly to west, would be first hurt by economic sanctions.

7. Military force particularly Israeli occupation part of Jordan, Syria and Sinai could conceivably disrupt union but presumably also be destruction to western position throughout Arab world. Death of Nasser might break up union; if death unnatural, results in Syria might parallel events which followed 1955 assassination Adnan Malki.

8. Thus Embassy (A) concurs with Husayn that "resentment (exists) towards UAR within Syria" but (B) cautions against basing policy, so long as Israel and USSR involved in ME, on "considerable likelihood effective public demand for Syrian withdrawal can be built up over period of time."

It seems to us probable that, if Nasser behaves with reasonable circumspection toward Syrians and does not make mistakes Stalin made with Tito, union will be gradually, despite serious stresses and strains, consolidated through combination intoxicating emotional appeals and firm police control.

Yost

193. Telegram From the Department of State to the Embassy in Iraq¹

Washington, February 8, 1958—7:50 p.m.

2050. Embtels 1283, 1284.² You should communicate orally with Crown Prince along following lines re proposals and comments set forth in referenced telegrams.

"As Crown Prince knows, US believes it cannot assume responsibility for urging action or inaction on a state at a time when the state is faced with a decision as to whether its security and national existence are at stake. We have following comments and information which bear upon situation which we desire put forward for Crown Prince's consideration.

In Ankara, Secretary stressed that US support of Arab states in opposing union would be predicted on common Arab action including

¹ Source: Department of State, Central Files, 674.83/2-658. Top Secret; Limit Distribution. Drafted by Rockwell and Newsom, cleared in draft with Dulles, and approved and signed for Dulles by Berry. Repeated to London.

² Both dated February 6. Telegram 1283 reported that Crown Prince Abdullah viewed the threat of the Syro-Egyptian union very seriously and wanted U.S. and British support. Telegram 1284 reported another conversation on the union in which the Iraqis repeated their concern. (*Ibid.*)

of course Saudi Arabia. US has on February 7 been told by Saud³ that it is better not to take any opposing measures re Egypt-Syrian union so long as latter has approval Egypt and Syria, does not harm any other Arab state, and aim of union is to march toward the objective of Arab unity. We must therefore assume Saudi Arabia would not support action of type envisaged by Crown Prince. Position of Lebanon is still unclear. US and Iraq, we believe, would find themselves in an extremely difficult position if they should move overtly to break up union without dependable assurance of public and official support of non-union Arab states, especially Saudi Arabia.

US has no reports of any widespread opposition in Syria to the union. Our information re possible effectiveness Syrian tribes extremely discouraging and indicates they have recently been largely isolated and subjected strict surveillance and control by Syrian military.

Our observations in no way alter the position which we communicated to Crown Prince in past with regard to Syrian problem; namely, that if neighbors of Syria should feel compelled, in face of provocations from Syria, to take action justifiable as self-defensive under Article 51 of UN Charter, we would provide political support and aid in the form of matériel. Eisenhower Doctrine would be invoked in event Soviet bloc intervened with troops or volunteers. Furthermore, Secretary told Bashayan in Ankara if out of confusion and dissensions which might accompany effort to force Syria to amalgamate with Egypt there comes an attack on Iraq mounted with Soviet weapons and perhaps volunteers. US on request would be prepared to intervene under Eisenhower Doctrine. This was in context possibility parts of Syria might join Iraq and attack by Syria result."

FYI. Above coordinated with UK which will adopt similar line with Crown Prince. End FYI.

Dulles

³ Not further identified.

194. Memorandum From the Secretary of State to the President¹

Washington, February 8, 1958.

SUBJECT

Recognition of United Arab Republic

It is expected that a plebiscite will be held in Egypt and Syria on February 21 to vote on the union of those two countries into the "United Arab Republic" and on the election of Gamal Abdel Nasser as President. Nasser will apparently assume the Presidency on or about February 22 or 23. At that time the United Arab Republic will officially come into existence and Egypt and Syria will cease to exist as international entities. Chiefs of diplomatic missions in Damascus will have no status as of that date and all political questions with foreign governments will be dealt with by the Foreign Office of the new republic in Cairo. The United States will then be faced with the question of recognition of the new republic and the accreditation of an Ambassador.

We have been in close consultation with Iraq, Jordan, Lebanon and Saudi Arabia which are deeply concerned by the implications of the creation of the new republic. We have advised those governments that we should be glad to give active consideration to supporting any feasible common plan they might be able to devise to thwart or otherwise oppose the union of Egypt and Syria. So far we have received little or no evidence that our Arab friends are able or willing to formulate common action. On the contrary, there is increasing evidence that one or more of these governments may recognize the United Arab Republic.

We believe that if our Arab friends cannot formulate common action which we could feasibly and appropriately support and particularly if one or more of them recognize, we could not justifiably withhold our recognition of the United Arab Republic without renouncing our traditional policy on Arab unity and without giving offense to the popular appeal of Arab nationalism.

Thus, in the likely event that our Arab friends do not devise a common plan of action which we can appropriately support and especially if one or more of them recognize the United Arab Republic, your authority is sought for the United States to extend recognition to the new republic as soon as such a step is appropriate following the proclamation of the republic.

¹ Source: Eisenhower Library, Whitman File, Dulles-Herter Series. Secret. The source text bears the handwritten note: "OK DE".

Your approval is also sought for the designation of Raymond Arthur Hare, now Ambassador to Egypt, to be Ambassador to the United Arab Republic.

JFD

195. **Telegram From the Embassy in Egypt to the Department of State**¹

Cairo, February 10, 1958—10 p.m.

2028. Events re Syrian-Egyptian union have been crowding upon us so fast that it has been difficult keep up with them reportorially and put into perspective at same time. However, following product of week-end's rumination is offered as summary of our current thinking. In so doing, I wish pay tribute to outstanding reporting job done by Embassy Damascus and to say that, although approaching matter from different angles, we have found that our understanding and interpretation of what has happened have been so fast that it has been difficult keep up with them reportorially and put into perspective at same time. However, following product of week-end's rumination is offered as summary of our current thinking. In so doing, I wish pay tribute to outstanding reporting job done by Embassy Damascus and to say that, although approaching matter from different angles, we have found that our understanding and interpretation of what has happened have been so close as to amount to virtual identity. We have also found much in common with interpretive comment of Embassies Beirut, Amman and Baghdad despite obviously great difference of impact of union in those capitals.

At outset I would make three general observations. First is that situation created by pell-mell rush into union is so complex and confused that it does not lend itself to simplified conclusions. To attempt such could hardly fail result in error. Second observation is that, for purposes of analysis and determination of action, it would seem advisable to consider matter both short-term and long-term rather than telescope into one decision-making process. Third observation is that in situation as fast-moving and unpredictable as this it would be advisable to maintain full maneuverability, such as we have indeed done so far.

¹ Source: Department of State, Central Files, 786.00/2-1058. Top Secret; Noforn. Repeated to Amman, Baghdad, Damascus, Beirut, and Jidda.

As regards short-term aspects, and with special reference to question of recognition, there are both pluses and minuses including following:

Minuses

- (1) Unresolved doubt as to motivation of union.
- (2) Apprehension and/or opposition by certain Arab States with whom we are closely related.
- (3) Misgivings re future of coalition which, including prospectively Yemen, has common denominator of having become seriously committed both economically and militarily to USSR.
- (4) Possible repercussions in Israel, which so far however seems to be taking in stride.
- (5) General anti-Western bias of any Arab nationalist movement.
- (6) Prospect of inordinate aggrandizement of Nasser.

Pluses:

- (1) Union as planned meets general requirements for recognition as set forth in Depcirtel 719² since no opposition apparent except possibly by Syrian Communists and adherence to international commitments by both countries has been publicly assured (Embtel 1964).³
- (2) Union also meets conditions of our traditional policy re Arab union except for possible effect in area but would be difficult make publicly adverse finding to that effect in face statements of Prime Ministers of Lebanon and Iraq, whatever may be their real feelings and ultimate intent. Furthermore, declarations of intent of Syrian and Egyptian leaders have thus far been moderate.
- (3) Consensus of Diplomatic Corps here is that recognition will be accorded automatically by their governments. Germans have already so advised Foreign Office here and others, such as Italian and Greek, have indicated intention move rapidly.
- (4) Prevalent belief that union constitutes at least temporary setback to Communists merits consideration.
- (5) Desirable avoid giving impression of animosity to cause Arab nationalism and unity.
- (6) To extent that Soviets may be in somewhat of quandary, we should not make their problem easier by setting ourselves up as target for them. Possibility even exists we might be able steal publicity call from them although probability is they will see danger of this and recognize promptly.
- (7) Opposition to union by non-recognition or delay would foreseeably have effect not of checking momentum of union movement but rather of stimulating it and also contributing to its orientation against west and our Arab friends.

² Circular telegram 719, February 6, stated that recognition customarily depended on whether the new government was in control of the situation with the assent of the people and whether it was willing to meet its international obligations. (*Ibid.*, 786.02/2-658)

³ Telegram 1964, February 5, transmitted a summary of the Cairo press for that day. (*Ibid.*, 786.00/2-558)

(8) Unity is fact. Regardless of misgivings, we should stay in business both in Egypt and Syria. Drawing balance of foregoing pluses and minuses would indicate advisability, for purely tactical purposes and without prejudice to formulation longer range strategy, of prompt recognition and not opposing UN entrance. Delay could place us in very awkward position since would be difficult identify reasons for so doing which would not require protracted period for clarification. Decision recognize could of course be complicated by failure of one more friendly Arab Governments to follow suit but we would respectfully suggest that this is matter where we must be guided by our own basic interest and not be unduly influenced by special interests of others, particularly in absence Arab unanimity.

As to form recognition should take, we inclined recommend simplest possible procedure without commentary although thought might be given to using occasion for re-enunciation our traditional policy on Arab unity, especially if so doing might facilitate favorable reaction to possible subsequent union moves of other Arab states such as Iraq and Jordan and/or possibly enable us steal march on Soviets. We are doubtful however that any comment re Egyptian-Syrian union per se would be useful.

As regards long-term implications of union many of items listed above re short-term angles would also be pertinent but we would wish study further before attempting basic analysis. However, following tentative thoughts come to mind:

1. Although Syrian-Egyptian union has disquieting implications, it is still too soon foresee outcome and conclude that combined Syria and Egypt will be as potent or aggressive as some understandably fear. In any event, there will probably be digestive period during which hardly likely UAR will be in position indulge in outside political adventuring unless under compulsion of active opposition either internal or external. However, suggestion that immediate impact may be exaggerated is not meant to minimize eventual importance if and when unity really made effective. Neither does it exclude possibility that pro-union sentiment may materialize outside Syria and Egypt without necessity of direct stimulation by UAR.

2. As presently outlined, new set-up is not entirely radical departure from that previously existing since foreign and military affairs are apparently only powers to be initially reserved to central UAR government and there was already close coordination between Syria and Egypt in both these fields as result essentially identical foreign policies and institution of joint command. Most important development is dictatorial powers given Nasser but this again is not entirely new phenomenon in view of past immixture of Nasser in Syrian affairs operating through such persons as Sarraj and Kuwatly.

3. Aside from foreseeable disadvantages, new regime may offer us opportunities, hitherto greatly limited, for both positive and negative action. In positive sense, fact is that Nasser has scored his greatest successes outside Egypt as irresponsible champion of Arab nationalism, whereas his popularity in Egypt, where he had to assume respon-

sibility, has been much less. Now for first time he must assume responsibility outside Egypt and it remains to be seen whether result will be increased prestige or disenchantment. If latter should be case it is possible foresee deflation of Nasser's ego to point where he would be more amenable to reason and impelled deal more constructively with us. This is by no means meant to suggest that Nasser may suddenly change his spots but merely to foresee the possibility of his coming down a bit from his high horse under compulsion of events and consequently being more tractable. But this is only possibility and opposite could well be case. In that event, it would seem that there might be opportunities to undercut him in his newly extended and more vulnerable position which have not been existent as long as we have had to deal with him as dominant figure in supine Egypt.

4. In this situation, we would suggest carefully distinguishing in post-recognition phase between what we do and what we say [*less than 1 line of source text not declassified*]. During shakedown stage and on assumption UAR does not rashly embark on hostile campaign against us or our friends, it would, we believe, be advisable to assume "dead-pan" public attitude while privately and vigorously examining and weighing all elements in situation in order determine most effective line of action. If in due course and contrary to real expectation we should find constructive exploitation possible, we could emerge into open to degree thought desirable. If on other hand we should find necessary oppose, we should endeavor avoid showing our hand [*1½ lines of source text not declassified*]. Finally we also see possibility, even probability, that situation may be so characterized by complex and conflicting currents that we may find it desirable to combine both positive and negative policies by helping in certain fields and undercutting in others. This is not exactly inviting prospect but may turn out be most realistic. After all, any policy designed deal effectively with what in many ways is unnatural situation hardly lends itself to ideal blueprinting.

Hare

196. Circular Telegram From the Department of State to Certain Diplomatic Missions¹

Washington, February 15, 1958—6:32 p.m.

755. For Arab capitals having action this message:

¹ Source: Department of State, Central Files, 786.02/2-1558. Secret; Priority; Limit Distribution. Drafted by Rockwell; cleared by Berry, Murphy, Raymond, and O; and approved and signed by Herter. Sent priority to Amman, Baghdad, Beirut, niact to Jidda, priority to Khartoum, Ankara, Karachi, London, and Tehran and repeated to Cairo, Damascus, Paris, and Tel Aviv.

You should immediately speak to government to which accredited along following lines:

Probable that shortly following February 21 plebiscite United Arab Republic will request recognition by foreign governments and accreditation Ambassadors in Cairo to Nasser as President UAR. In line with our belief that implications of UAR are matter of primary concern to other Arab states in first instance, we have encouraged our Arab friends to formulate common action and have indicated our desire consult with and support them. We would like discuss with them problem of recognition UAR prior to determining our own position. We offer following views.

Important factor which obviously must be taken into consideration is strong political attractiveness in area of principle of Arab unity. We do not believe it would be in interest our Arab friends, or in our own interest for us to appear to be opposing Arab unity, regardless of what our appraisal of UAR may be, through withholding recognition, especially when little political advantage would be obtained from such policy and when political disadvantage accruing therefrom in terms repercussions on position in area of states withholding recognition would be considerable.

In light of above we believe our Arab friends would lose more than they would gain if we were to withhold recognition from UAR. For us not to recognize would be in reality a sterile gesture, while through the establishment of correct relations with the UAR it might be possible [for] us to assert a certain amount of constructive influence upon UAR. In absence unforeseen circumstances, therefore, we believe we should extend recognition.

We have considered Soviet attitude and have come to conclusion that USSR may be expected extend recognition without delay.

We would deeply appreciate receiving our friends' views on this matter. Amman and Baghdad should add following:

We have been encouraged by establishment Iraq-Jordan Federation² and believe this is constructive step. We will support independence and integrity Federation as vigorously as we have supported Iraq and Jordan separately. We believe establishment Federation enables Iraq and Jordan adopt position of greater strength vis-à-vis UAR than two nations could separately.

It is our impression that Lebanon and Saudi Arabia will recognize UAR.

All action posts should convey sense of above in strict confidence to appropriate officials.

Herter

² The Arab Federation of Iraq and Jordan was proclaimed on February 14.

197. Telegram From the Embassy in Egypt to the Department of State¹

Cairo, February 18, 1958—8 p.m.

2120. Embtels 2104, 2105, 2110 and 2114² reported series items covered in talk with Nasser yesterday. However, real purpose of meeting was discuss Syria as result visit from Al Ahram editor Haikal on February 12. Haikal said that in talk with Nasser latter had recalled his approach to us through Haikal (Embtel 1426³ et seq.) and felt that he owed us explanation supplemental to what he had previously told us. However, for fear that his motives would be misunderstood, he preferred I make approach (a typical but inexplicable bit of Nasserism). I obliged and yesterday's talk was result.

Nasser said wanted make clear that at time he approached us through Haikal he had no thought of Egyptian-Syrian union except as something which might be worked out in five years or so. Situation then was that there was army-backed plant [*plot?*] to set up a sort of super-council composed of Azm, Bagdash, Bizri, Hawrani, Aesali and Kuwatly and ultimatum to that effect given government. Foreseeing that such a set-up would be dominated by Azm, Bagdash and Bizri, Nasser became very worried and decided intervene with army, which thereupon withdrew its demands. Nasser however was not reassured because he felt trouble was still brewing and it was at this point that he asked Haikal to approach us since he felt our attacks on Azm were merely serving to strengthen his (Azm's), and possibly Soviet, position. At first he had hesitated do so for he might be seeming lead from weakness but he had felt necessary put his misgivings aside because Syria seemed critically threatened.

As matters turned out he had been right in expecting officers could come up with some other idea; it was unity. Nasser was dubious because of role of army and parties in chaotic Syrian political situation but union idea gained momentum as both army and government vied in advocating it.

First named Bizri with group of officers representing all segments in army to promote unity scheme. Nasser insisted that sine qua non would be elimination of army from politics and abolition of parties. Officers accepted under oath. Then came Bitar with same purpose. By

¹ Source: Department of State, Central Files, 786.00/2-1858. Secret; Limit Distribution. Repeated to Damascus.

² Telegram 2104, February 17, reported on accusations of U.S. involvement in a conspiracy in Syria. Telegram 2105, February 17, summarized Nasser's attitude concerning international obligations of successor states. (*Ibid.*, 786.02/2-1758) Telegram 2110 and 2114, both February 18, summarized the discussion on Africa and Yemen. (*Ibid.*, 786.00/2-1858)

³ Not printed.

this time there was no real government in Syria. Kuwatly resigned five times. Azm had made alliance with Communists and was planning organized new party which would probably have been sort of Communist front. Collapse was imminent. Syrian conservatives and businessmen also came to say union necessary to save from Communists. "Only the name of Nasser could save the situation" (this stated factually rather than arrogantly).

So he had taken plunge because there was no alternative and without much thought about outside reaction although he had expected both USSR and US might oppose. Re Azm, Nasser said really "bad man" and noted that whereas Egyptian commercial agreement with Soviets provides that Soviet technicians will be furnished only on request, deal which Azm made binds GOS receive 300 Soviet technicians. Nasser said he had recently been discussing this with Syrians who had, at his suggestion, just decided two days before to demand some same terms in this respect as in Egyptian agreement. Nasser felt Soviets would have no choice but to agree.

Finally, Nasser discoursed at some length, as he had done on several previous occasions, danger of military immixture in politics. He said had studied French revolution, South American history and story of Ataturk and had concluded that, whereas revolutions may be fought for principles, counter-revolutions are usually motivated by sheer opportunism. For that reason he had firmly resolved keep Egyptian Army out of politics and had even taken punitive action against some of his best officer friends who had violated rule. Now he is facing same problem in Syria and realizes it is going to be very difficult because of degree to which Syrian Army has become enmeshed in political developments. He believes he can handle but it will be rough going.

An interesting aspect of talk was obvious difficulty Nasser had in keeping chronology of events straight. In fact, at one stage he remarked that he wished he had kept diary, particularly since he had handled these matters personally without advising Egyptian Foreign Office with result no record kept. This habit of Nasser's do business in top of head without record when coupled with obviously defective time sense may indicate that his disconcerting habit of rewriting history which usually interpreted as deliberated distortion, may in fact be due in part and at times at least to confused memory. Consequence is that getting story from horse's mouth in his case may well represent his firm recollection but still be historically defective.

Final comment is that in this conversation as in previous one January 23, Nasser refrained entirely from raking over old coals and talked with objectivity and to point. I would not suggest attaching

undue importance to this but, to extent it has any significance, it would indicate that, for time being at least, increased responsibility is having sobering rather than inflating effect.

Hare

198. **Telegram From the Embassy in Syria to the Department of State**¹

Damascus, February 20, 1958—6 p.m.

2377. Paid farewell call on President Quwatli this morning and transmitted reassurances re USG's attitude toward UAR (Department telegram 1809).²

President reiterated at some length his previous remarks (Embassy telegram 2210)³ that creation UAR offered US excellent opportunity re-establish with combined Syrian and Egypt good relations which had existed several years ago. He urged US not confuse Nationalism with Communism. He claimed we had been misled by sensational and false reports of vast quantities Soviet arms and number Soviet technicians entering Syria, which had created mistaken impression Communists had taken over country. Actually Syria had purchased from Soviets without strings, and later it had been refused permission purchase them in West, only sufficient arms for defense against Israel. In this connection he referred recent French offer to Israel to supply latter with unlimited arms (presumably Ambassador Gilbert's Rotary Club speech February 18).

Quwatli insisted, while Syria had had good relations with Soviets for reason above cited, Communists had never acquired dominant position in Syria and now that UAR established, would not be able to

¹ Source: Department of State, Central Files, 786.00/2-2058. Secret. Repeated to Cairo, Amman, Ankara, Baghdad, Beirut, Tel Aviv, Paris, London, Jidda, Tehran, and Karachi.

² Telegram 1809, February 15, stressed that Yost should try to correct any misunderstandings that Kuwatly and Bitar might have as a result of Dulles' February 11 press conference. (*Ibid.*, 786.00/2-1358) For the transcript of the press conference, see Department of State *Bulletin*, March 3, 1958, pp. 330-337.

³ Telegram 2210, February 9, reported that Kuwatly, at a farewell reception for the diplomatic corps, had stated to Yost that the creation of the UAR offered the United States a unique opportunity to show its good will toward the Arab world. (Department of State, Central Files, 786.00/2-958)

do so. UAR would follow policy "positive neutrality" but would firmly suppress internal activities of Communists. However, good relations between UAR and West are essential for this purpose.

President said he knows Nasser well and Nasser is not ill-disposed (Mechant). It is up to US not to act as to make him ill-disposed. If we "build fires under his chair," we can hardly expect him to sit in it quietly. If we make effort, it will be possible work with him.

President also received Noble of Tapline this morning and urged him to proceed with and promptly conclude current negotiations, since some Syrian Ministers claim Tapline is dragging its feet. Quwatli told Noble Communists have now been squeezed out of Syria and it is up to US to see to it they do not come back. He claimed he had sent personal appeal to President Eisenhower for more favorable US bid on Syrian oil refinery but had received no response. He urged US show comprehension and understanding in future lest UAR forced again to turn to East for essential aid.

Comment: Eagerness of President for US support is indicated not only by what he said but by fact he received two Americans during next to last day in office at time when endless stream of delegations is inundating Palace to bid him farewell.

Yost

199. Telegram From the Department of State to the Embassy in Iraq¹

Washington, February 21, 1958—4:22 p.m.

2233. Re recognition UAR. You should inform Government to which you accredited along following lines:

In deference views of Governments of Iraq and Jordan and positions taken by ME members of Baghdad Pact, US has so far deferred recognition of UAR. We remain convinced, however, for reasons set forth circular 755² and Deptel 2111 to Karachi repeated Ankara 2669 Tehran 1647 London 5903 Cairo 2269 Damascus 1855 Amman 1984

¹ Source: Department of State, Central Files, 786.02/2-2458. Secret; Niact. Drafted by Rockwell and Berry, cleared with Becker, and signed in draft by Dulles. Also sent to Karachi, Ankara, Tehran, and Amman; and repeated to Cairo, Damascus, London, and Paris.

² Document 196.

Paris Topol 2982³ that withholding recognition would be politically disadvantageous and that we should establish correct relations with UAR from outset. We have following additional comments.

We have noted request of GOI that BP Governments and US confine themselves to de facto recognition, postponing de jure recognition. We believe that this position, half-way between recognition and non-recognition, would not achieve whatever benefits might reside in either of these attitudes, but, by indicating doubt that UAR possessed legal qualifications for recognition, which is not the case in our view, would merely cause irritation and resentment and make it more difficult for states extending de facto recognition to transact business with UAR and exert influence upon it. US, for its part, foresees that there may be occasions when it will wish seek persuade UAR adopt a particular course of action, such as in matter settlement problems resulting from nationalization Suez Canal Company, possible continuing dispute between Egypt and Sudan, etc. US would not wish be hampered in such approaches by self-imposed political disadvantage which in US view would achieve no significant gain for US.

Another point to which we wish invite our friends' attention is fact that substantial number of nations (including Saudi Arabia, Tunisia and Morocco in the Arab world as well as many of our other friends elsewhere) have extended full recognition to UAR. Will be recalled that at Ankara BP meeting we said that US support of Arab states in opposing UAR would be predicated on common Arab action including of course Saudi Arabia. Common Arab action has not been established on matter of recognition and in fact Saudi Arabia has recognized and both Lebanon and Saudi Arabia have sent messages of congratulation to UAR.

With regard to concern of GOI and GOT over reports of menacing attitude of Egypt toward Sudan in border dispute, concern which was shared by US, outcome of Security Council proceedings February 21 confirmed our impression of improved prospects for peaceful and orderly approach to this problem.

US has appreciated courtesy of BP Governments in ME in frankly setting forth their views on this matter, and has been glad in return to submit its own opinions and evaluations. This valuable consultation has given US clear picture and understanding of attitude of its friends. US regrets that positions of US and its friends do not coincide on this matter, as US highly values establishment common attitude with its BP associates whenever this possible. US intends proceed with full recognition UAR February 25.

³ Dated February 21, this telegram reiterated the reasons for recognition laid out in circular telegram 755. (Department of State, Central Files, 786.02/2-2458)

Request that addressee governments treat our intention recognize confidential until announced.

Dulles

**200. Memorandum of a Conversation, Department of State,
Washington, March 3, 1958¹**

SUBJECT

Return of Ambassador Hussein from Cairo

PARTICIPANTS

Dr. Ahmed Hussein, Egyptian Ambassador

The Secretary

NEA—William M. Rountree

NE—John Dorman

The Secretary said he had noted a lessening of Egyptian press attacks against the United States Government during Ambassador Hussein's absence and believed the Ambassador may have been partially responsible for this. The Secretary wished to thank the Ambassador for his efforts in this respect.

The Ambassador said that, prior to his recent departure from Cairo, President Nasser had asked him to convey the President's greetings to the Secretary and to assure the Secretary that Nasser wished to have good relations with the United States. Egypt did not wish to be hostile or aggressive against any country. Nasser wished the Secretary to know that he would never attack any country and would act only in self-defense. The Secretary replied the United States would never attack Egypt; on the contrary, we had recently come to Nasser's assistance when he was attacked.

The events which had recently taken place in the Near East, the Secretary said, were of historical significance whose outcome was hard to foresee.

The Ambassador outlined the origin of the United Arab Republic as recounted to him by Nasser. Things were going badly in Syria, and there was danger of a Communist take-over. The Syrians believed that union with Egypt was the only way to prevent such a take-over.

¹ Source: Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199. Confidential. Drafted by Dorman.

The Secretary remarked that although this may have been the cause for the Union, he hoped that the creation of the United Arab Republic did not merely transfer the danger of a Communist take-over to a larger arena.

The Ambassador said that Nasser was not prepared for the timing of the Union. In a meeting between a group of Syrian officials and the Egyptian junta in Cairo, Nasser set forth certain conditions under which he would agree to union with Syria: officers in the Syrian Army engaged in political activities must resign from the Army; all political parties in Syria, including the Communist Party, must be dissolved; Communist activities must be carefully watched and a policy of neutrality must be maintained. The Syrian officials agreed to these provisions, the Ambassador said, and one could now only hope for the best.

The Secretary noted that we had recognized the United Arab Republic and had extended our good wishes. There were many basic problems in respect to the Union which had to be resolved. In the meantime, the Secretary hoped that the United Arab Republic would not undertake any activities aimed at the overthrow of other federations which were being established in the Near East. The Secretary was concerned over Nasser's violent speech in Damascus a few days ago which could lead only to difficulties. These difficulties were of concern to us, he said, since we had extended recognition and good wishes to both federations.

The Ambassador noted there had been some differences between the two federations. The Iraqis and the Jordanians had apparently made remarks hostile to the United Arab Republic. However, the Ambassador hoped things would soon cool down since a calm atmosphere would be in the best interests of all parties. The Secretary pointed out that the United States was no opponent to Arab unity, but we hoped that unity would develop peacefully rather than through coercion.

The Ambassador said he had been told by Nasser that the Imam of Yemen had taken the initiative in asking to federate with the United Arab Republic. The Imam had sent his son, Crown Prince Badr, to negotiate the terms of the federation.

In reply to a question by the Secretary, the Ambassador said that the Suez Canal talks had broken off because the demands of the Suez Canal Company were excessive. Mr. Rountree said that according to our information the two parties at the last meeting had come up with demands which differed substantially. It had been agreed that the meeting should be adjourned until the end of March which would give both parties an opportunity to consult with their principals.

The Ambassador said he had talked with Mr. Eugene Black, President of the IBRD, in Cairo and had asked Mr. Black to urge the Secretary to ask the British and the French to be more conciliatory in

their negotiations. A satisfactory conclusion to the Suez Canal negotiations would have important political significance which might set off a chain reaction favoring an improvement in relations between Egypt and the West. Of the three members representing the Suez Canal Company, Mr. Georges-Picot, the Frenchman, was the most difficult. However, Nasser was anxious to reach an early solution. A satisfactory termination of these negotiations would facilitate an early settlement to Egyptian negotiations with the United Kingdom and France.

The Ambassador said he had urged Nasser to effect a truce with the United States. The Ambassador had no far-reaching solution to suggest to the Secretary but merely urged that the political atmosphere be allowed to clear and eventually progress could be made toward an improvement in Egyptian-United States relations. The Secretary commented that he would take the Ambassador's recommendations into consideration.

The Ambassador said he would like to close with one personal observation. The Israel problem was behind the current difficulties in the Near East. Both the Communists and the Zionists were working against a solution to the Israel problem. The United States should take a firm stand to ensure that Israel would not be given a privileged position as far as the United States was concerned. It was true that the position of the United States against Israel at the time of the Suez invasion had had a deep effect throughout the Near East, and it was too bad that the United States had not followed through. The Secretary commented that any effect which the United States position may have had in the Near East at that time was short-lived. However, he realized that the Arab-Israel problem was a very serious one and all-pervading, and he hoped that an early solution could be found.

The Secretary referred to the greetings which the Ambassador had conveyed from President Nasser and asked that his personal greetings in turn be transmitted to Cairo.

201. Telegram From the Embassy in the United Arab Republic
to the Department of State¹

Cairo, March 20, 1958—3 p.m.

2444. Rome for McSweeney. Re Embtel 2434.² Talk with Nasser covered wide range but in general centered around four themes: plots, relations with area states, situation in UAR and effect of recent developments on relations with US. Following deal specific points covered after Nasser's introductory comment that he had slept all day and felt he could sleep through several more. This was not said to be amusing and was borne out by his haggard appearance and obvious difficulty in organizing his thoughts. No exuberance here this [time?]; just a very tired man. Conversation was consequently on heavy side although lugubriously friendly.

1. I opened by strong statement (Deptel 2421)³ pointing out inevitable consequences of absurd reports implicating us in alleged Saudi and other plots. I also noted that tendency of Nasser to seem to include us loosely in general charges of imperialism, and of press and radio to present US in unbecoming light were not helping any. I would not in due fairness go so far as to assert that this bore ear-marks of outright anti-American campaign but net cumulative effect was noxious.

Nasser characteristically counter-punched by saying would have preferred dismiss all charges of US covert action against regime as groundless in principle but fact that there had been clear evidence that secretly circulated pamphlets during elections last year were of American origin had put him on guard. However, he would also be frank to say that, although our name had been used by participants in both the Maraghi and Saudi plots, he was convinced that such allegations did *not* have foundation in fact.

He did not believe it and didn't think people did either. He acknowledged however that publication of our official denial of involvement in Saudi plot had been banned because of "sarcastic" tone of Department spokesman.⁴ Regarding his speeches, Nasser said had deliberately tried keep US out although he recalled having slipped on one occasion by reference to "dollar". He has also kept Turkey entirely out of his speeches.

¹ Source: Department of State, Central Files, 786.00/3-2058. Secret; NoFORN. Repeated to Amman, Baghdad, Beirut, Damascus, Jidda, London, Moscow, and Rome.

² Telegram 2434, March 19, reported that Hare had seen Nasser the night before and would submit a detailed report. (*Ibid.*, 786.11/3-1958)

³ Telegram 2421, March 6, instructed Hare to see Ali Sabri or Nasser to deny any U.S. involvement in the alleged Saudi plot against Nasser. (*Ibid.*, 786.00/3-658)

⁴ A copy of this statement, March 6, is *ibid.*, NEA Files: Lot 59 D 582, United Arab Republic.

[Here follow paragraphs 2-8 in which Hare reported on the discussion of specific plots, and relations with Saudi Arabia, Jordan, Iraq, Lebanon, and Syria.]

9. Toward end conversation, I recalled previous discussions re improvement Egyptian and American relations and certain modest progress made. Also recalled benign policy we had followed re Arab Union as represented in both UAR and AU. Now we are faced with a new situation in developing relationship with UAR as distinct from separate policies for Egypt and Syria. New situations present both new opportunities and new problems. Question is how maximize opportunities and minimize problems. But in order develop policies achieve these purposes, it is necessary have sufficient degree visibility for political navigation. I had been glad hear certain reassuring statements just made by Nasser but I could not help but feel that very real danger continues to exist that emotional impetus generated in past few weeks could lead to action which would go beyond scope of mere reciprocation of either friendly or unfriendly acts of others with possibility that UAR could take on destructive rather than constructive aspect. I could appreciate that Nasser had endeavored exert restraint in his many public statements in Syria but he had been operating in highly charged atmosphere and, to be quite frank, situation had been created where viewed from outside, development of trouble in countries outside UAR, such for example as Jordan, could ipso facto be laid at his door. This was not good for him personally or for area and need now exists for him to break away from both political embraces and fisticuffs and take higher level and statesmanlike position.

Nasser took foregoing in good part but complained that other countries in area all acting in light domestic problems and trying use him for own purposes. I said we faced by same problem and necessary act wisely since otherwise we might find ourselves unwittingly at logger-heads. I suggested Nasser might use speech he scheduled deliver this afternoon to develop more constructive approach. He said would think over but that as matters stand he has no policy for action, just for reaction.

In taking leave, Nasser volunteered that he felt such exchanges useful. Yesterday morning he sent Mustapha Amin to say so again and also to confirm his intention to concentrate on domestic affairs in UAR and his desire for better relations with USG. He also asked Amin further explore matter of public position he might appropriately take with view to possible inclusion in speech today which Amin assisting draft. We discussed at considerable length but remains to be seen if to any avail since Nasser is natural counter-puncher and usually seems ill at ease in any other role.

202. Telegram From the Department of State to the Embassy in the United Arab Republic¹

Washington, March 25, 1958—6:17 p.m.

2602. We would appreciate your comments on following proposed plan for relaxing restrictions in economic and cultural fields in our relations with UAR.

We are thinking in terms of progressive change by stages which would permit flexibility and give us opportunity evaluate UAR reactions to steps as taken. Since we have agreed that UAR funds blocked in this country will be released when an agreement, or substantial progress toward an agreement, has been reached between UAR and Suez stockholders, and since decision has been reached in Department that CARE program will be resumed in any event no later than release of blocked funds, unblocking and resumption of CARE could occur apart from proposed timetable.

Stage I

A) We would proceed at once to approve licensing of quasi-military items on positive list on basis of demand.

B) We would proceed at once to approve pending and future license applications for certain munitions control list items, notably spare parts for radio equipment and civilian aircraft.

C) We would immediately approve delivery of about \$400,000 of road building and communications items currently held in storage in US and intended for delivery under existing ICA agreements with Egypt.

Stage II

Depending upon UAR reaction to steps taken in Stage I, upon developments in UAR attitude toward US and friends of US in NE, and upon indications of UAR desire for further US steps in direction of more normal relations with UAR, following moves could be made:

A) Reinstate exchange of persons program, including Fulbright program, on scale similar to that obtained previously.

B) Authorize resumption of limited voluntary agency programs by CARE and other interested bodies.

¹ Source: Department of State, Central Files, 611.86/3-2558. Confidential. Drafted by Rockwell; cleared with OSD, Commerce, E, P, MC, ICA, and NEA; and approved and signed for Dulles by Rountree. Repeated to Damascus.

On March 17, Rockwell sent Rountree a memorandum outlining four stages for relaxing restrictions on economic and cultural relations with the UAR, and asking for approval to implement the measures in Stage I immediately. (*Ibid.*, 811.0086B/3-1758)

C) Resume full-scale US participation in EARIS in accordance with 1953 agreement.

Manner in which UAR media handled these steps would have bearing on our readiness proceed with Stage III.

Stage III

Since actions under Stage II would be a closer indication of a new US attitude toward UAR, it would be necessary to determine effects of such action on attitude and policies of UAR. If it becomes clear that UAR wished actively to pursue more friendly and fruitful relationship with US, and if apparent present trend toward realization dangers penetration NE by international Communism should continue, might be desirable to undertake steps of more forthcoming nature:

A) Offer sell PL 480² wheat to UAR.

B) Offer discuss interrupted aid programs with view to fulfillment outstanding contracts, completion of mutually agreed projects and recovery or reprogramming of unused sums.

Stage IV

We would not contemplate adoption of policies proposed in this stage in absence of basis for significant improvement in our relations with UAR. While we would not expect Nasser to turn pro-West, we would wish convincing signs that he had become alive to danger international Communism and evidence that he had abandoned efforts to undermine pro-Western Arab regimes. With regard to latter point we realize that progress would be facilitated if inter-Arab tension could be reduced and that continuation of attacks on Nasser by pro-West Arab states would pose serious impediment to implementation of Stages III and IV.

A) We might offer negotiate new aid agreements with view giving sympathetic consideration to UAR capital requirements for development projects.

B) We might offer resume training UAR military personnel in US.

Except for Stage I, exact timing of above steps difficult to foresee since so much depends upon developments in NE and reactions in UAR.³

Dulles

² The Agricultural Trade Development and Assistance Act, enacted July 10, 1954, P.L. 480, provided for the donation of U.S. agricultural surpluses to friendly governments. (68 Stat. 454)

³ On April 1, Hare reported that he welcomed these proposals, suggested some arrangement in the stages, and noted that it might be wise to discuss the broad outlines of the program before Nasser left for his visit to the Soviet Union. (Telegram 2571; Department of State, Central Files, 611.86/4-158)

203. Telegram From the Department of State to the Embassy in the United Arab Republic¹

Washington, April 16, 1958—9:35 p.m.

2856. Embtel 2571. Department appreciates your full comments on Deptel 2602 which have been most helpful in final preparation four-stage program. Although Item A, Stage I, remains as previously drafted, new Item D, Stage I, now included reading as follows: "We would immediately prepare plans looking toward the early resumption of the Exchange of Persons Program, including the Fulbright Program, on a scale similar to that which existed previously." Your suggestion re Item D, Stage II, has been included in plan. Having obtained British agreement we are now proceeding with immediate implementation Items A and B, Stage I, and preparation for early implementation Stage II. British believe equipment under Item C, Stage I, should not be turned over. We shall discuss matter further with them, but in meanwhile Item C will not be implemented.

Department believes that you should approach Nasser informally as soon as possible and speak to him along following lines:

1. You should say that over period of time, and more specifically since events leading up to Egyptian-Syrian union which culminated in US recognition UAR, you had been urging USG to contribute to amelioration atmosphere between US and UAR by taking certain steps. In advocating such action you had referred to Nasser's statements that he sincerely desired improved relations with West and expressed belief that if this so and if USG should take steps you had suggested toward improvement relations, Nasser would for his part take actions to respond positively to US gestures. You are now in position inform him that USG has decided accept your recommendations.

2. At this point you should recall your previous comment to Nasser to effect new situations present both opportunities and new problems. As our contribution to seeking maximize opportunities and minimize problems and in interest development of atmosphere which might facilitate enlargement of area of understanding between us we

¹ Source: Department of State, Central Files, 611.86/4-158. Confidential. Drafted by Stabler, cleared with Rountree, and approved and signed by Dulles. Repeated to London and Damascus.

On April 5, Rountree sent a memorandum to Dulles outlining the plan described in telegram 2602 (*supra*) and summarizing Hare's reaction to it in telegram 2571 (see footnote 3, *supra*). Rountree proposed that the British be consulted, that Stage I be implemented immediately, and that Hare be instructed to approach Nasser as he had suggested. Dulles approved all these recommendations. (Department of State, Central Files, 611.86/4-158) On April 9, the British Embassy in Washington was informed about the implementation of Stage I and told that the United States would keep it informed about further steps. (Telegram 7197 to London, April 9; *ibid.*, 611.86/4-958)

are immediately implementing Items A and B under Stage I. You should also tell him we are prepared to move forward with resumption of Exchange Persons Program, including Fulbright Program, and will be disposed to give sympathetic consideration to possible UAR request for modest CARE program and to revival US participation EARIS (Para 4, Embtel 2571). With regard blocked funds Nasser should be reminded we have already indicated our willingness to unblock these funds as soon as agreement or substantial progress toward agreement has been reached by UAR and Suez Canal Company shareholders. In this connection we hope that progress will be made during present round of talks on this question.

3. You should say that you feel certain that USG would be prepared to take additional measures to steps outlined above (Stages I and II) if UAR policies and attitudes gave substance and meaning, as you are confident they will, to expressed UAR desire for improvement in relations.

4. You also authorized indicate that our judgment whether additional measures might be undertaken would frankly depend on manner in which above steps (Stage I and II) are received and treated by UAR, and upon our continuing observation of attitude of UAR toward international Communism and security of other ME states. If you believe would be helpful, you could cite as example of what we have in mind continuing portrayal of US by UAR media as arch-imperialist seeking to dominate Middle East and to frustrate world peace, while in apparent execution of UAR "positive neutrality" Soviet bloc is portrayed in completely favorable light. You could say that if West and specifically US are to make progress towards constructive relationship with UAR, and if Nasser really wants such relationship, Nasser should be prepared within framework of steps we are prepared to take to re-examine ground rules under which "positive neutrality" is now played and to recognize that relationship between UAR and US can hardly be fruitful while West and particularly US is constantly object of UAR hostility. You might find it also useful to reiterate view previously expressed that now is the time for Nasser to rise above petty propaganda and in-fighting and assume higher and more tempered role in ME.

5. Finally you should express view that within certain limits it should be possible for US and UAR to reach mutually acceptable accommodation which, if it cannot lead to close relationship, would at least be improvement over present state our relations.

204. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, April 17, 1958—7:18 a.m.

2746.

[Here follow sections A and B in which Hare presented general observations on the situation in the Middle East and the situation in the UAR.]

C. Policy recommendations. As regards policy which we should follow in this situation, I am in essential agreement with thoughtful analysis of Ambassador Yost in his valedictory despatch No. 379 of March 20, 1958,² substance of which, in fact, we discussed together when Ambassador visited Cairo a short time before. In short, Ambassador Yost suggested that four alternatives of trying to bring Nasser down, keeping him in deep-freeze, giving him all-out support or following policy of live and let live, the last, although far from ideal, would seem to be best bet at present time. Also, it would seem to be in general agreement with proposals set forth in Deptel 2602, March 25,³ for progressive steps toward normalizing our relations with UAR, and to harmonize with suggestions which I endeavored set forth in first part of this telegram. It is also, I believe, best policy position from which to be able maneuver regardless of such turns as events may take.

Assuming, therefore, that there seems to be a basic concensus regarding policy line which we are prepared to take in respect of UAR, following are certain observations concerning factors which might be considered in its implementation:

1. We should realize from start that, by virtue of Arab revolution being what it is, we may be able to reduce distance between US and its leaders but we will never really get together except on specific points for limited periods. We just are not tuned to same wave-lengths and should not be surprised if our efforts at rapprochement result in continuing misunderstanding, perhaps at very times we are doing our best be helpful.

2. We should avoid over-formalizing what is essentially a pragmatic approach. In first place, to attempt do so would be to ignore unstable fabric of material with which we have to work and also instinctive Arab aversion to legalistic engagements as contrasted with informal and unpublicized agreements which are quite congruous with

¹ Source: Department of State, Central Files, 786.00/4-1658. Secret. Repeated to London, Moscow, Amman, Ankara, Baghdad, Beirut, Damascus, Jidda, Khartoum, Paris, Rome, and Tripoli.

² Not printed.

³ Document 202.

their mental processes. In second place, it would be contrary to mentality of Arabs who are essentially bazaar traders, not big businessmen. If you are going to try to sell a big idea to an Arab, you have to do so bit by bit; he has little concept of large-scale forward planning.

3. It follows from foregoing that we should not be squeamish about making deals, or to use a naughty phrase "to attach strings." It isn't strings per se that worry Arabs but merely pressures which would put them in vulnerable position in respect of nationalist movement, world power struggle and Israel. It's vulnerability, not strings, that bother them.

Corollary of this is that gratitude is not an Arab characteristic. There is no point whatsoever in acts of generosity for generosity's sake in anticipation of grateful recognition.

4. If gratitude is not an Arab quality, this does not mean that they do not have psychological susceptibilities to be exploited and first among these is receptivity to deference to their ego. Nasser himself is a good example. He frankly admits that he has complexes and frequent recurrence of word "dignity", in his speeches is an indication that he feels this is also a mass phenomenon. When he tells his people that "we now have dignity", he is playing what he believes, and rightly, to be his trump card.

The problem here, of course, is how to massage his ego and not over-inflate it. One way is to do what we already have in mind by removing restrictions on normal intercourse. Next step would, hopefully, be to find means to unfreeze Egypt's frozen balances which are unquestionably greatest generators of bad blood in our current relations, not because of economic importance but precisely because freezing regarded as denigration of Egypt's dignity.

As regards positive measures along this line, expedient of confidential consultation could be very effective and also it is to be hoped that relations might be brought to a point where senior officials of USG might again include Cairo on trips to area since it is, of course, no secret that obvious (and intentional) way in which Cairo has been bypassed during past several years has rankled here. Equally indicative has been cordial reception accorded such persons as Eugene Black, General Wheeler and Congressmen who have come this way. Ideally, of course, ultimate objective would be visit by Nasser to US and this is idea which should be kept constantly in mind despite obvious factors militating against so doing at present.

5. Although policy of return to normalcy in relations with UAR would foreseeably involve certain expenditures or funds, it need not follow that actual price tag in terms of dollars and cents would necessarily be very high. What Egyptians would really prefer is not be given direct assistance but rather to sell their cotton and meet their needs

with proceeds. This is formula which Russians have used successfully. Naturally there are limitations on what we can do by way of cotton purchase but I believe we could, if we would, make a great contribution if we would make difficult decision of fixing our cotton export and import policy more in accord with our over-all national interest than is now the case. If we could do something along that line, our relations with Egypt could be transformed over night. Similarly, I imagine that Egyptians would be interested in any action which we might sponsor or support to regularize world cotton market by some form of international agreement such as has been done in past for other commodities.

However, there is no gainsaying fact that cotton will probably remain a headache and that we shall have to seek elsewhere for more effective expedients. These do exist in form of low interest loans from such sources as IBRD, Export-Import Bank and Development Loan fund (where we should be competitors with Russians but have more latitude than in cotton); private investment (an open field that only needs reestablished confidence to stimulate); encouragement of tourism (we could make real killing if we could make public gesture in this field); maintenance of present assets such as American educational institutions, TWA, Ford, Hilton Hotels, American Export, Namru, et cetera. (That Egyptians want very much see these maintained was recently evidenced in providing foreign exchange to both TWA and Hilton despite their exchange stringency.)

I wish repeat that it is important bear in mind that "dignity" in Egyptian eyes has economic as well as political implications and that best form of economic "aid" would be one in which we could deal with them as equals in mutually profitable enterprises rather than putting emphasis on grant aid and technical assistance. There are, however, several notable exceptions to this generalization, i.e. PL 480 wheat (which has especial appeal because of shortage of foreign exchange but which, if given, should best be treated, as in case of Poland, as sale rather than aid) CARE (which, although act of charity, seems be acceptable because of being regarded as a means of assisting Government in its up-hill task of alleviating lot of people); EARIS (because of its bearing on all-important overpopulation problem). Also despite unhappy memories of Aswan Dam, we should continue bear in mind that some form of Nile Valley development remains essential and that there may still be some way in which we may be able associate ourselves appropriately with it, as was in fact adumbrated by Secretary in his July 19, 1956 statement.⁴

⁴ Presumably a reference to Press Release No. 401. For text, see Department of State *Bulletin*, July 30, 1956, p. 188.

Incidentally, one of greatest feathers that could be put on the American hat here would be if the Sahara Petroleum Company could have good fortune to hit oil on western desert. It would be better than millions in grant aid.

6. Another field in which we can and should develop our relations is the cultural. For some reason, Egyptians seem feel that there is some sort of dividing line between political and related informational activity and cultural activity, such as exhibits, libraries (our USIS library did land office business during darkest days here), exchange of persons, athletic competitions, entertainment, etc.

7. Statements by responsible persons, especially highly placed officials, which are calculated to fall on receptive ears in given circumstances are very useful if properly timed and phrased. In particular, it should be emphasized that it is not enough to make a statement on a given subject and then just stand on it. Repetition is necessary and it should be remembered that it isn't often so important exactly what is said as it is to say something at a particular moment.

8. As regards economic aid itself, I would be inclined, except for CARE, EARIS and PL 480 wheat as previously mentioned and road building machinery as mentioned in Deptel 2602, to keep it more or less in background as sort of reserve force rather than using as principal element in first phases of the campaign because, strange as it may seem to us, Nasser and those thinking like him (including Fawzi; probably one of few subjects on which they are in agreement) tend to be repelled by idea of grant economic aid in principle and one of things about which they are especially proud in their Sovier relationship is that they are paying their own way. What we should always remember is that the most effective coin here is one which meets the requirements of "dignity". That is why loans, private investment (particularly of joint venture or management type), removal of trade barriers and similar action is recommended in preference to overt aid. However, in certain circumstances aid can play role and, aside from items mentioned above, it is capability to be maintained and used as found appropriate. Unfortunate example of the Aswan Dam is nevertheless good example of aid of type which need was felt, although I am not at all sure that in that case very low or non-interest bearing loan of long term would not have been preferable to outright grant. In fact, if I may digress for moment, I have never understood why we have not been able satisfactorily to bridge gap between fairly high interest loans and outright giving. Why not give interest and keep principal? Of course, it may cost us just about as much in end, but psychologically I believe that it is still better to lend than give, with due allowance, of course, for exceptions in given circumstances.

9. Soviet bloc now has such monopoly on supply of military equipment to both Egyptian and Syrian elements of UAR that it is difficult see much opportunity for our getting into that field even if there were possibility of favorable political determination to that effect. However, to extent that it has importance, I see no reason for continuing to withhold spare parts for such things as American Jeeps and transport aircraft or to furnishing non-lethal military items, especially for transport purposes. I should also suggest that we would be well advised to consider receiving certain number of UAR officers in US in event that there is UAR interest. It seems doubtful that demand would be great because, as was to be expected supplying of Soviet bloc arms has led to large-scale training in their use and also in Soviet military organization. However, it is conceivable that UAR might wish to have few officers trained in US if for no other reason than for comparative training intelligence and, if they do, we might well be receptive. In fact, we have received nibbles to that effect as late as April 3 from acting Chief of Staff of UAR Army following previous approaches from Navy.

10. As regards counteracting Soviet bloc penetration, my suggestion is that we should "compete without competing." By this I mean that we should primarily direct our attention to fields where we have capabilities which Soviets and their satellites would find it difficult to match and steer clear of fields where they have advantage, and in this connection I would especially invite attention to fact that, despite strides which state economic socialism has made in Egypt, private enterprise still remains deeply rooted and is even viewed with sort of schizophrenic favor by government. However, in suggesting that emphasis should be placed on these non-competitive types of endeavor, I would not in any sense wish to imply that we should abandon more competitive fields entirely to Soviet bloc. In cases where we are able to meet them on more or less equal terms, we should not hesitate to move in energetically. What we should avoid is appearing to compete in areas where we would cut comparatively sorry figure.

11. In same way that we seek assistance of allies in basic East-West conflict, we should do same in Middle East but perhaps with somewhat modified approach. British are, of course, old stalwarts in this connection. West Germans are more or less newcomers but carry quite a punch. French are best forgotten. Italians can help some; Greeks less. Of Baghdad Pact countries, Turks would be potentially most helpful with Pakistanis rather poor second. Some of independent African countries could assist to limited degree and in certain areas Yugoslavs could lend hand despite their addiction to neutralism. Indians are real force here and, aside from neutralism and anti-pactomania, have many interests in common with US in both UAR and Middle East which could and should be more purposefully coordi-

nated. Japanese are active but it is still difficult assess their ultimate objectives aside from fostering trade. Given different political complexities of countries mentioned, it is obvious that any over-all plan for collaboration would be impractical but consciously pursued ad hoc approach could have very measurable constructive results.

[Numbered paragraph 12 (15 lines of source text) not declassified]

[7 lines of source text not declassified] I would have no thought of protecting Nasser and UAR from valid criticism nor of refraining from resort to legitimate defense when Cairo press or voice of Arabs on rampage. In such circumstances there should be prompt and vigorous counteraction, but what I do feel to be ill-advised is resort to snide attacks or ineffectual half-measures which only stimulate already rabid nationalism to greater excesses.

[Here follows section D in which Hare summarized his views.]⁵

Hare

⁵ On April 19, the Department of State replied that Hare's views fit in "well" with its own views and the analysis set forth in Section C would be kept clearly in mind. (Telegram 2888 to Cairo; Department of State, Central Files, 786.00/6-1658)

205. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, April 26, 1958—3 p.m.

2818. Re Deptel 2856.² Two-hour conversation with Nasser last night devoted almost exclusively to presentation substance reference telegram and very basic discussion US-UAR relationship. Much was repetitive as both he and I endeavored make sure that respective views fully understood and conversation too tortuous to attempt reproduce point by point. Following however is substance which I believe clear to both of us in end.

Following my original presentation, to which Nasser listened attentively and with obvious interest, he said he welcomed our approach and wished again give assurance that he desired good relations with USG. However, there was basic point which he felt should bring up frankly since in his opinion it was all-important in determining true

¹ Source: Department of State, Central Files, 611.86/4-2658. Secret; Priority. Repeated to Damascus and London.

² Document 203.

nature of our relations. He would put question simply, stripped of all diplomatic niceties, since that is way that he and his colleagues think and work as result their military background. Question was, to use military term, "what is your objective?" In past Nasser had been convinced that our objective was to find some way of affecting removal of himself and his regime and, since problem in their eyes was therefore one of survival, they had reacted by such means as were available to them as small power facing hostile great power. This was also one of reasons why friendly advances of Soviets had been welcome. But, suppose difficulty should develop with Soviets in future, would USG use that or some other adversity of UAR to attempt to dispose of regime? Foreign Minister Malik had confidently passed around work on his return from Washington last year to effect that "Americans have written Nasser off." If this was true then, what are our real intentions now? Question is important because "I want to feel that my back is safe." That, incidentally, was reason why Egypt remained aloof in Hungarian crisis; at that time Suez crisis was still on and Egypt felt too vulnerable to risk offending Soviets whose oil, wheat, et cetera, Egypt urgently needed; it became question of survival, not principle. (Nasser brought this up twice in conversation in such way indicate well aware of facts of Hungarian tragedy and that had been preying on his mind.)

Nasser added that in posing question of our basic intent, he was aware that our relationship had improved very materially in recent months and that there are now no especial outstanding problems between us unless it might be indirect problem of hostility between UAR and Hashemites. Nasser said he realized this problem might be differently evaluated, depending on varying points of view, but UAR was convinced that basic factor was hostility of Hashemites. If, therefore, the UAR pursued policy based on that conviction, would USG, which friendly to Hashemites, regarding such policy as being directed against it? Nasser hoped we would not so conclude because that not UAR intent but he could foresee possible complications. Aside from this, however, he perceived no specific current difficulties and would even go further and say that UAR is not opposed in principle to American objectives in ME area, although there is sometimes problem of understanding exactly what we want.

I told Nasser appreciated his frankness in stating so clearly what he had in mind and, although this not point specifically covered in my instructions, it would seem obvious that answer was implicit in nature of approach I authorized make. Would hardly be reasonable to so clearly express our desire for improved relationship while harboring at same time intent sabotage regime.

Nasser said appreciated and wanted believe but that matter had recently come up in deliberations preparatory to Moscow conference in which some of his advisors, taking note of more favorable indices of American attitude, had expressed apprehension might be merely tactical move while basic hostility remained unchanged. As consequence, it would be helpful to him if he could be given clear and authoritative reply to his question. It was true he had been suspicious, not he believed without reason, but, if he could be given authoritative assurance of our non-hostile basic intent, he would accept it without question and "it would have great effect on our whole relationship, greater, far greater, than anything else." In so saying, he did not wish to seem to be questioning or suspecting our approach but it was important to make sure that friends of now would remain friends in time of trouble. In so saying, he also wished give assurance that UAR has no secrets and always prepared answer our question frankly.

I replied that although, as previously stated, I felt no doubt re reply his question, I would report my government in form presented.

Regarding his offer reply and questions, I said would take at word and ask two. First was what foreseen as result Moscow visit. Second was that we too have our mental reservations and basic one is whether and when UAR foresees something approaching more "neutral" position between USG and USSR.

After several moments initial hesitation, Nasser said his desk piled with documents re Moscow visit but he could assure only specific item of importance which UAR representative intend raising is scaling down cost of arms deliveries to Syria. No more aid or weapons will be requested and no specific political commitments will be sought for simple reason that Soviets would doubtless try exact counter-commitments which UAR desires avoid. UAR will however ask for assurance of respect of neutrality and expects clause that effect will be included in communiqué which will be in terms generalities of Bandung and Brioni precedents. In fact, Nasser gave impression that work well advanced on communiqué although not clear whether merely UAR draft or result advance consultation with Soviets. In any event, he said did not anticipate any difficulty with latter who always receptive UAR suggestions.

Regarding "neutrality" that really misnomer; more correct term would be "non-alignment" and meaning of term is that UAR should be able to take frank and independent attitude with both sides as various matters arise. In this connection, one could look back for past two years and would be difficult find any action by Soviets detrimental to Egypt, except for improper activity of Soviet Embassy in Damascus following proclamation of UAR but preceding plebiscite. In that case, Nasser had addressed strong protest to Khrushchev through EG Embassy in Moscow and had received prompt assurances. However,

during first part of same period USG had taken certain actions obviously inimical to Egypt against which latter had to act in self-defense. (In this connection Nasser returned to his famous "choke in their fury" statement and said that, if Soviets should withdraw aid in similar circumstances, he would give it just as hard to them as he had to US.) Now situation much improved and regretted could not have been sooner. At one time he had tried to take initiative by personally inviting Lodge visit Cairo while on trip in area, either officially or unofficially as he might desire and he had been disappointed when finally refused. (Was obvious he was still sensitive on this point and that mere mention was somewhat embarrassing to him. Fact he got it off his chest, however, was interesting indication of his apparent desire really open up.)

Concluding, Nasser said wished repeat appreciation our proposals and would like have written itemization of specific moves we had in mind; that affirmative reply to his question regarding our basic intent far outshadowed anything else we could do and could basically change whole relationship; that, finally, he could give assurance he had no "back in the head", a rather quaint rendition of "ulterior motive." In this connection Nasser ridiculed malevolent designs sometimes attributed to him re pipelines, Suez Canal and oil of Saudi Arabia and Persian Gulf; also said aggressive attempt extent UAR would be politically calamitous. Substantive conversation closed on this note.

On taking leave, Nasser said supposed his Moscow trip would be subject much speculation in American press. I said that inevitable. All I could say in wishing him good trip was that he would keep his eyes open. He said he would but I wish he had not seemed so confident.

Although it might be desirable for Nasser to have reply his question regarding our basic intent before he leaves Moscow, I am rather doubtful whether we could do so in short time remaining before his departure Tuesday morning without seeming to be acting with undue and perhaps undignified haste and also to be relating this matter to Moscow visit, which is what we have wished avoid and which I made clear to Nasser yesterday. Do believe however that reply should be reasonably prompt for possible communication to him in Moscow but in any event to have ready for conveying to him on return assuming no seriously untoward developments meantime.

Please note distribution this telegram same distribution reference telegram.

Hare

206. Telegram From the Department of State to the Embassy in the United Arab Republic¹

Washington, May 17, 1958—1:13 p.m.

3134. Embtel 2985.² When you see Nasser you authorized reply orally along following lines to his question re basic US intent. This information should be appropriately combined with that conveyed Deptel 3117.³

US is not interfering in internal affairs UAR nor is US seeking remove Nasser or his regime. US attitude in this regard was convincingly demonstrated during 1956 attack on Suez, when US gave strong support to Nasser Government at time when Nasser's position was extremely vulnerable and despite severe damage done by US action to US relations with two traditional allies. From this Nasser may draw conclusions re our attitude toward him should difficulty develop in his relations with Soviet Union. We would not seize upon any such trouble as opportunity seek to "get rid of him". He should not however draw conclusion that he can safely involve himself more and more with USSR because US will bail him out if he gets into trouble with Soviets. We have consistently warned him of dangers closer association with USSR.

Above in no way alters our views, conveyed to Nasser and his Government on number of occasions, concerning the essentials of a fruitful relationship between US and UAR. As Nasser knows, UAR attitude toward international Communism is important factor. Another is UAR attitude toward security and national integrity other states in area, particularly those maintaining close relations with US. Continuous UAR attack on friends of US and efforts undermine authority their legally-constituted Governments cannot help but be serious obstacle to improvement of relations between US and UAR. We observe Nasser said he convinced of Hashemite hostility toward UAR, but we venture suggest Hashemites and certainly Government of Lebanon may feel UAR has given them good grounds be convinced of UAR hostility toward them. We wonder whether UAR, instead of carrying out policies toward other Arab states based on conviction of hostility of latter, might instead re-examine its policies toward these states with a view to ceasing actions which contribute to worsening

¹ Source: Department of State, Central Files, 783A.00/5-1658. Top Secret; Niact; Limit Distribution. Drafted by Rockwell, cleared by Rountree, and approved and signed by Dulles. Repeated to London and Damascus.

² Telegram 2985, May 16, reported that Hare had delivered a message on Lebanon to Hussein Aziz, Permanent Under Secretary in the Foreign Office, who gave assurances that he would arrange a meeting for the Ambassador with Nasser.

³ Telegram 3117, May 15, is printed in vol. xi, p. 54.

rather than bettering of relations with Arab world. In such event would not appear unreasonable expect improvement in attitude other Arabs toward UAR.

Dulles

207. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, May 17, 1958—6 p.m.

3009. Re Embtel 3008.² Reference in Nasser's speech last night to his mention in March 20 speech of inquiry by "foreign personage" regarding what country would next be incorporated in UAR (Embdes 939, March 25)³ and his identification of me as person in question is obviously greatly simplified version of what I actually said and reported in paragraph numbered 9, Embtel 2444,⁴ as is also my supposed question whether UAR intended annex Lebanon (paragraph 7, same telegram).

Despite somewhat inaccurate rendition of what I actually said, I am inclined feel that net result is no good for following reasons:

1. Even though words were not my own, idea was essentially correct and I do not feel any embarrassment by being represented as having posed searching questions regarding intentions of UAR as related other friendly Arab countries. Trust Department agrees.

2. According to those who monitored speech it appeared that bringing me into picture was primarily for purpose of giving emphasis to a point, not to be contentious.

3. It would seem useful that other ME governments should be given this tangible indication that we have been keeping our eyes open and have their interests at heart. Viewed in this light, Nasser would seem unwittingly to have given us a good public relations assist.

4. Nature of reference was such that it could serve counteract any impression that our "new policy" mentioned in another part of speech constituted capitulation.

¹ Source: Department of State, Central Files, 786.00/5-1758. Secret. Repeated to Amman, Baghdad, Rome, Beirut, Damascus, Jidda, London, Moscow, Ankara, Khar-toun, Rabat, Tel Aviv, Tripoli, and Tunis.

² Telegram 3008, May 17, summarized Nasser's May 16 speech to the nation after his return from Moscow. (*Ibid.*)

³ Not printed. (*Ibid.*)

⁴ Document 201.

With this aid and bearing in mind apparently favorable public reaction to totality of reference to US in speech, believe preferable let record stand as it is and not become involved in debate over shadings of meaning.

Hare

208. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, June 16, 1958—1 p.m.

3339. Haikal asked come see me Saturday. He was in black mood, which I gathered he desired me understand Nasser shared.

Haikal thesis was that Nasser and those around him had been genuinely serious about improving relations with United States Government and had been hopeful as result modest progress made. Then had come Lebanon crisis and Nasser had held out hand to us in attempt to find joint approach for settlement.² Terms which he had suggested had been reasonable and were in fact those favored by most pro-Western segment of opposition, although none of opposition really anti-Western. However, we had been negative and dilatory and conviction now prevails in Cairo governing circles that we have merely been playing Nasser for sucker in order neutralize him while we went ahead with covert plan intention intervene with British militarily, as now being overtly substantiated by movements of sixth fleet, bringing of British paratroopers to Cyprus, revealing articles regarding United States-United Kingdom intentions in *News Chronicle* and other press items, sending American military personnel to Lebanon in civilian attire (Haikal said had list such personnel), etc. Furthermore, now apparent United States Government had been master-minding whole matter, including encouraging GOL have recourse to SC, Jamali attack, etc. etc. Concluding, Haikal said situation now entirely out of hand and he utterly discouraged and disillusioned as would be indicated in

¹ Source: Department of State, Central Files, 611.86/6-1658. Confidential; Priority. Repeated to Beirut, Damascus, London, and Paris.

² Documentation on Nasser's proposal for a solution to the Lebanese crisis is scheduled for publication in volume xi.

editorial he had written for publication in *Al-Ahram* yesterday (reported separately)³ which he expected I would disapprove.

After reviewing facts of case, I told Haikal his error, as I saw it, lay in reaching a subjective conclusion and then attempting to explain facts and motives in such way as conform with his irrational preconceptions. As long as he continued in this way, he would not only misjudge us but misguide his reasons, and this was essentially true of line he and rest of press and radio was taking regarding our alleged perfidy. Fact of matter was that our suggestions for improved relations had been entirely sincere but we had foreseen and made clear problems created by closer relations of UAR with USSR and intolerant attitude UAR toward Arab neighbors. Now example of second problem had arisen in acute form in Lebanon and we had made our attitude clear. What UAR should understand was that we were acting entirely to preserve Lebanon's integrity just as we did to preserve Egypt's in 1956. Similarly, just as our action in 1956 had not been motivated by ill intent toward British, our action in Lebanon not motivated by desire "get UAR" in contradiction our stated desire improve relations but merely to preserve Lebanon. In so doing, we find ourselves at cross-purposes with UAR, that is to be regretted, as Lodge emphasized in SC speech,⁴ but it doesn't mean we have gone back on our word.

Hare

³ In telegrams 3337 and 3372, June 16 and 17, respectively, Hare transmitted summaries of two articles by Haikal in *Al-Ahram*, June 16, which reviewed unfavorably relations between the United States and the United Arab Republic. (Department of State, Central Files, 783A.00/6-1658 and 783A.00/6-1758)

⁴ For text of Lodge's statement before the Security Council on June 10, see Department of State *Bulletin*, July 14, 1958, pp. 88-90.

209. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, June 23, 1958—8 p.m.

3440. Haikal came in this morning to say had been disturbed by indirect reports that I was personally annoyed by his articles on my

¹ Source: Department of State, Central Files, 611.86/6-2358. Confidential. Repeated to Beirut, Damascus, London, and USUN.

conversations with Nasser (Embtels 3337 and 3372)² and he wished make clear that, although publication had been deemed necessary for policy reasons, no personal offense was intended. He also indicated this represented feeling of Nasser. Haikal added he had taken care only quote Nasser and not me since he was not informed of what I had actually said and, in any event, would have been breach of confidence quote me without advance agreement. If this had not been clear, he wished express sincere regret.

I told Haikal I was perfectly willing accept his explanation that no personal offense was intended but this was really beside point. Articles in question were extraordinary departure from normal usage which not only prejudicial in our case but which I had reason know had raised question in minds of other chiefs of mission here as to degree they could speak in confidence without danger of public revelation. Consequence was that by this infraction of code, I was placed in embarrassing position both officially and personally, regardless of what might have been intended.

Haikal said very sorry hear this, especially since he had tried avoid in his articles by differentiating between official and personal. He hoped I would not bear grudge. I replied he could put mind at ease on that score and that, despite incident, I was as determined as ever for improved relations but this did not mean damage had not been done; it had.

Haikal then launched into long explanation of why decision made publish articles, which, in summary, was that Nasser felt we had tied his hands by conversations on Lebanon and then used occasion attack UAR directly and through others. He had to free hands in order defend himself. Haikal also mentioned erroneous reports by American correspondents, including UP's Landrey, re alleged refusal Nasser respond our requests to assist in resolving Lebanese crisis.

This gave me occasion repeat observation that Haikal and those who thought like him were 180 degrees off course if they assumed that we merely using Lebanese difficulty as means attack UAR. Our purpose now is preserve Lebanese integrity just as it was support Egypt in Suez crisis but, by same token that our action then was not anti-British or anti-French, it is not anti-UAR now. I suggested re-reading Lodge's speech in SC in which he had made clear we obliged face facts as we saw them but at same time emphasize our desire for good relations with all Arab countries, including UAR, and expressed regret our positions on Lebanon in conflict. This was sincere statement and UAR making great mistake in not accepting it as such.

² See footnote 3, *supra*.

At end conversation, Haikal, contrary to what Amin had told us (Embtel 3420),³ said Nasser would probably want to see me before he leaves for Yugoslavia (shades of off-again, on-again Finnigan). He said date now advanced to June 27 and that meeting will be at Dubrovnik rather than Brioni. Added he would be member of small party accompanying Nasser and his family.

Hare

³ Dated June 21. (Department of State, Central Files, 783A.00/6-2158)

210. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, June 26, 1958—8 p.m.

3483. Re Embassy telegram 3390.² Haikal called last night to say appointment with Nasser fixed for 1:00 p.m. today. Presumably he was used as channel in order rehabilitate as Embassy contact (Embassy telegrams 3390 and 3400).³

Found Nasser in sport shirt working at desk lined with documents which he said trying clear up before departure for Yugoslavia day after tomorrow. Would leave Alexandria on ex-Royal yacht *Mahroussa* and would take about four days to Dubrovnik. No specific time for stay fixed but he supposed whole trip would take two weeks or so.

I opened substantive part conversation by saying we had discussed two subjects at some length during past few months, i.e., our basic relationship and situation in Lebanon.

Re first, we had seemed to be making hopeful, if unspectacular progress when Lebanese crisis broke, which was type of situation we had foreseen when, in discussing improved relations, we had warned that, aside from Soviet ties, danger lay in UAR action inimical to other states in area maintaining friendly relations with USG. Nasser himself had mentioned Hashemites and we had referred inter alia to Lebanon

¹ Source: Department of State, Central Files, 611.86/6-2658. Secret. Repeated to Beirut, Belgrade, Damascus, London, and USUN.

² Telegram 3390, June 19, which began with the sentence "This is indeed a weird place," reported that Nasser "had been hopping mad" about the U.S. attitude toward Lebanon in the Security Council, had put off seeing Hare for fear "of creating a scene," but now wished to see the Ambassador in a personal capacity. (*Ibid.*, 783A.00/6-1958)

³ Telegram 3400, June 20, reported a UAR protest of U.S. interference in Lebanon. (*Ibid.*, 611.83A/6-2058)

in this connection. Result was that we now found ourselves not only at odds with UAR re Lebanon but in situation where this difficulty was being interpreted in local press and radio as evidence that we were exploiting it primarily for purpose of undermining UAR in violation assurances we had given re desire improved relations. This was completely erroneous interpretation of our motivation which was directed entirely to safeguarding integrity of Lebanese. Fact that as consequence we were at loggerheads with UAR was source regret, as Ambassador Lodge had said, not of satisfaction at being able use to detriment of UAR. In discussing improvement of relations prior his Moscow trip Nasser had asked direct question re our motivation. We realized significance his question and gave him direct and assuring reply. Now question of motivation raised again and I must ask Nasser have confidence in what I had just told him.

Re Lebanon, I felt that both USG and Nasser had made serious efforts contribute to peaceful solution and our discussion had revealed considerable degree of common ground. In fact, failure to agree had been more procedural than substantive in sense that we had preferred working on basis of each doing what it could rather than operate on basis joint agreements as suggested by Nasser. However, failure agree on this point, although of certain importance, was not of relations shattering significance. In this connection, I had been given understand that Nasser felt that we had merely dallied with him re approach to Lebanese problem while we prepared ground for public attack on UAR. Here again was question where motivation was paramount and I could give assurance that, not only had our discussions been in good faith, but they had received highest level consideration in Washington.

With this said by way of setting record straight, I would be interested in hearing any of Nasser's current thinking which he might desire share with me but, in so suggesting, I wished make clear merely seeking his views for background purposes since I did not wish again be placed in situation where normal discussion would be interpreted as being designed for some ulterior motive.

Nasser seemed interested listener but his responding remarks indicated he was heavily impregnated with suspicions re our motives and still felt he had been made object of conspiracy. He saw this in public statements by Departmental officials; in American "press campaign" against UAR; in American, British and Iraqi indictments of UAR in SC; in VOA re-broadcast of Solh speeches which was clever form of indirect attack. He had really taken talks seriously and, frankly contrary to his habit (laughter), had kept discreet silence from May 20 through June 7 (date of our last conversation and of news reaching here of first SC meeting) but then he had concluded we were only trying neutralize him in order stab in back. Why had we attacked UAR? He had asked for proofs but had never received them. I recalled

to Nasser that I had told him at our first talk after his return from Moscow⁴ that we had circumstantial evidence regarding support being given Lebanese opposition from Syrian region. Now, to be quite frank, there was no need term as "circumstantial". Evidence came pouring in from all sides regarding compensation of volunteers, their equipment, staging areas, transportation, etc., etc. Operations of this magnitude couldn't be conducted without people talking, and they were talking plenty. Nasser looked at ceiling and dropped subject.

However, he still had other bones to pick. He had, he said, been 100 percent sincere. Why hadn't we taken his approaches seriously? (I reiterated that we had.) What had been effect of our failure to respond to his suggestions? Was situation in Lebanon better? He still felt his original suggestion for joint approach was best solution for simple reason that compromise solution is only one which can last but neither side in Lebanon will be willing seek compromise as long as one feels supported by USG and other by UAR. Regarding nature of compromise he still felt 3-point plan of third force was reasonable but wished make clear that amnesty was important as means to end rather than end in itself. Regarding Chehab there was no reason why some other similarly qualified person would not fill bill; important thing was that there should be prior agreement on candidate between two parties.

Concluding, Nasser speculated what our policy, together with that of British, in present situation might be. As far as he could see British, as evidence by Cyprus build-up; were seeking new prestige in area whereas we merely seemed trying humiliate UAR.

Although foregoing was largely repetition of previous statements of Nasser and accounts of his reaction received from Haikal and Amin, tone of conversation was friendly, and unpleasant developments were discussed in tone more of regret than recrimination; in fact at end Nasser said thought review had been useful. He also, and with certain obvious embarrassment, admitted he had been personally responsible for two Haikal articles revealing our conversation and said he had been impelled by fact that erroneous stories were getting out that he was insisting on resignation of Chamoun, that he had refused our suggestions for assisting in Lebanese settlement, etc. At first he had intended holding press conference but had decided it might get out of hand. Next he had thought of special interview but had finally decided use Haikal. He wished assure nothing personal was intended.

Leave taking was very cordial and I had just gotten in car when DCM suddenly appeared bearing Deptel 3492⁵ which had arrived

⁴ Hare reported on this talk in telegrams 3030 and 3090, May 20 and 25, respectively. (*Ibid.*, 786.11/5-2058 and 786.11/5-2558)

⁵ Telegram 3492, June 25, authorized Hare, in the name of the Secretary of State, to take the line he had taken with Haikal (see *supra*) if he should see Nasser before the latter's departure from Yugoslavia. (Department of State, Central Files, 611.86/6-2458)

after I left chancery. Nasser's secretary still being at door, I asked if I could see President again for few minutes, which was done and substance message imparted. Was obvious that message itself and somewhat theatrical manner of presentation made marked impression. In taking leave again, I said trusted secretary's message would carry conviction where my own words had seemed leave doubts. "Let's hope", Nasser replied, "Let's hope".

Hare

211. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, June 27, 1958—4 p.m.

3493. Following are comments re Embtel 3483² (talk with Nasser):

1. Primary reasons for seeking interview were (a) maintain continuity contact and lay ground for future meetings despite current differences, i.e., to be able keep talking at local level, (b) to attenuate to extent possible Nasser's erroneous apprehensions re our actions and motives, (c) to obtain reading Nasser's current thinking.

2. Re (a) believe conversation served useful purpose. Despite thorniness of matters discussed, Nasser was quiet and composed throughout and, by agreeing at end that conversation had been helpful, he gave impression that way open for subsequent talks. What amounted to apology for Haikal articles was also of interest in this connection.

3. Re (b) it was obvious that Nasser was strongly convinced of our basic hostility to him and, although he listened attentively to my comments, I did not get impression of having made more than dent in his fixed ideas. However, rather spectacular delivery Deptel 3492³ authorizing me make certain basic observations in name Secretary obviously had effect. To suggest that he was really convinced would certainly be going too far but no question but that he was given pause to reflect.

¹ Source: Department of State, Central Files, 611.86/6-2758. Secret. Repeated to Beirut, Belgrade, Damascus, London, and USUN.

² *Supra*.

³ See footnote 5, *supra*.

4. Re (c) it was difficult gain clear impression Nasser's state of mind re Lebanon other than to note that he showed more signs of frustration than of confidence. Only specific comment was to reiterate he deplored our decision not agree to his suggestion for joint approach and to say still felt this best and only solution holding promise of success, but there was nothing to indicate whether idea was revived in faint hope we might still provide him with face-saving alternative to anticipated less graceful exit or whether he foresaw that, without such agreement, he would have to become even more deeply involved in commitments which were already of magnitude, and involved complications unwelcome to him. However, fact that he was willing drop Chehab and merely maintain principle of prior agreement by government and opposition on unspecified candidate for President could be construed as indication that he prepared accept real compromise rather than attempt bull through opposition victory.

Nasser made no reference whatsoever to his talks with Hammarskjold but I have noted with interest [*2 lines of source text not declassified*] who, while refusing be drawn out on talks with Hammarskjold, proceeded discuss Lebanese situation in such way as give impression he had probably taken same line with SYG. In so doing he made following points: (a) Nasser aware Lebanon traditionally oriented West and will so continue regardless political changes now or in future; (b) UAR accepts this and regrets USG rejects idea neutral Lebanon which would be pro-West but at same time would not be hostile to UAR; (c) accession of Lebanon to UAR not desired because religious minorities would make liability; (d) Nasser admitted probably infiltration and arms supply from Syria but denied UAR direction; (e) Nasser regretted breakdown of his talks with USG but could see another possibility for solution if stalemate were to be allowed develop until election of new President (who would be pro-West but also acceptable UAR) on July 24.

5. Nasser's remark re contrasting British and American policies in Middle East (UK seeks restore prestige; US to "humiliate" UAR) was in form cryptic remark at door as I was making first exit, although made in half-jocular vein, gave impression that he felt British were making very serious bid re-establish their position in area ("British have now made up", he said "for two-year loss") whereas our policy seemed directed only to putting spoke in UAR wheel, i.e., that British playing smarter game. Manner in which remark blurted out indicated it was something which figured prominently in Nasser's mind but difficult determine exactly what it was.

In summary, believe talk went as well as could have been expected and timely arrival of Deptel 3492 provided effective clincher.

Hare

212. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, July 3, 1958—2 p.m.

25. Ambassador-designate Kamel came in pay farewell call yesterday prior departure July 7 by plane and ship to US. Said postponement caused by necessity seeing President Nasser before departure which delayed because visit Nkrumah, etc. However, had seen Nasser June 26 for several hours following my interview with him same day (Embtel 3483)² and following were main points discussed:

(1) Nasser said sincerely wanted improved relations and desire Kamel do everything possible promote.

(2) When Nasser lamented fact that he was misunderstood and misjudged in US, Kamel said he quite frankly told him major difficulty was Cairo press and radio (subject which I had also discussed but didn't report because has become such standardized routine). Nasser replied merely acting defensively, mentioning Radio Amman and Baghdad and clandestine stations. Kamel observed, admitting this true, situation is that now in vicious circle where voices raised are constantly more strident. Necessary find some means attenuate and would be helpful if Cairo could take initiative regardless of who started (Kamel said he had pursued subject with considerable vigor subsequently with Ali Sabri and believed results would be seen in new radio set-up to be headed by Sabri which announced yesterday).

(3) Nasser also said recognized American interests in ME and had no desire obstruct but trouble is that USG does not place confidence in him but does do so in such persons as Nuri, Chamoun and Hussein, who are, however, more interested in maintaining their personal positions than they are in responding to desires of people. This is reason why they so opposed to UAR and constantly attempt block any potential understanding between USG and UAR. Kamel said he shared Nasser's views on this point and, although he could understand that we might desire maintain friendly relations with such leaders, he felt would be great mistake if we did not recognize that circumstances impel them speak from personal motives contrary natural trend events.

¹ Source: Department of State, Central Files, 601.86B11/7-358. Confidential. Repeated to Amman, Baghdad, Beirut, Damascus, Jidda, Khartoum, Tripoli, and London.

² Document 210.

(4) Nasser also spoke to Kamel re exaggerated attribution to him of leadership of so-called Nasserist movements in other Arab countries [*1½ lines of source text not declassified*]. Kamel felt this valid observation and indicated that, if approached differently, Nasser would be receptive to using influence constructively in area.

(5) Kamel said Nasser's final injunction was try induce USG give him (Nasser) opportunity demonstrate his good intent "even for only six months."

In taking leave Kamel said going to Washington with intention do best improve relations and hoped he would have opportunity for frank discussions which would serve that purpose.

Comment: Kamel is somewhat unprepossessing little man who doesn't make particularly favorable first impression but I have found him intelligent, relatively objective and seemingly desirous be helpful. He is not as broad gauge perhaps as his predecessor and surely not as personally attractive but he has his points, including trained legal mind, and I believe will respond to considerate treatment. Fact that he had courage to make issue of press and radio with Nasser and Sabri is encouraging sign.

Hare

213. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, July 24, 1958—3 p.m.

279. Haikal asked come see me again yesterday afternoon, presumably on instructions Nasser as on previous call 2 days before (Embassy telegram 243).² His attitude was one of old friend wanting talk over situation and he said reason for asking see me was attempt foresee where we go from here and especially to ask what US policy in area actually is.

I replied that, taking policy question first, it remained exactly same, i.e., that we only interested in maintaining peace and stability in ME, in development of area free from subversion by international

¹ Source: Department of State, Central Files, 780.00/7-2458. Confidential. Repeated to London, Moscow, Rome for McSweeney, Beirut, Ankara, Tehran, Baghdad, Damascus, Amman, Tel Aviv, and Jidda.

² Telegram 243, July 21, transmitted Haikal's view of his and Nasser's trip to Moscow. (*Ibid.*, 780.00/7-2158)

communism, and in assuring normal access to resources and facilities of area on mutually agreeable basis. Specifically, we did not oppose Arab nationalism provided attainment of objectives was by appropriate means; we did not oppose Arab Union provided it effected by common consent; we believed test defense against menace of Communist power bloc was by collective defense but failure agree need not hinder normal relations. We still desired improved relations with UAR and our present action in Lebanon is for announced purpose of assuring independence and integrity of that country and had no ulterior motive. In fact, had given notice of our position in this regard in earlier stages of discussion reference improved relations, when we had pointed out that 2 major foreseeable obstacles to such improvement could be overly close relationship between UAR and USSR and UAR hostile activity against area governments friendly USG. All this had been laid cards-up on the table long ago and our present actions conform exactly to what we said. By same token, however, and in spite present degeneration in situation, I saw now reason why better relations might not be eventually attainable if present difficulties could be solved. That would depend largely on UAR showing ability understand our position better than it had in past. It was all very well to talk reasonably in private, as we were doing and as I had done many times with President Nasser, but UAR voice which world hears is that of Ahmed Said (most violent of local radio commentators). To repeat and summarize, problem was not one of conflict of basic interests but rather of means being used to achieve ends to which we were not opposed in principle.

Although Haikal maintained that main difficulty was our failure understand verities of present nationalist transition, his rebuttal was less spirited than usual and it was plain that point which he wished to make (and for which he had probably been sent) was that, difficult as things are, opportunity for constructive discussion may be greater than might appear on surface, and in this connection he particularly invited attention to passages in Nasser speech of night before in which he had said bore grudge against no one and wanted be friends of all. Haikal said Nasser had USG particularly in mind in that connection. I said had noted this passage and commended it but I had also noted other passages which were apparently intended impute imperialist motives to US, which was sheer nonsense and had cumulatively noxious effect.

Haikal responded that what we should try understand is that UAR is conscious of its weakness vis-à-vis great powers and that propaganda to which Arab masses receptive is about its only available device. If objectives of Arab nationalism could be achieved and position of strength established, situation would be entirely changed and Ahmed Said would speak with polished restraint of Selwyn Lloyd. But, until that time, propaganda would remain an indispensable de-

vice. Returning to theme of future relations, Haikal expressed feeling that ME problems were of type which should be settled by direct discussion with ME countries rather than in some big power conference. I replied not our idea but Soviets.

In course conversation, Haikal made plea for understanding new regime in Iraq which sincerely desired good relations with West. He also said that, much as he deplored early excesses, they should be viewed in light brutality of repression 1949 revolt. He believed Iraqi authorities would be most responsive to any indications of our willingness understand their motives and cooperate with them.

Comment: Although Haikal's approach might be interested merely as cynical attempt to soften us up in order to give time to consolidate major gain made in Iraq in preparation for further exploitation elsewhere, e.g., Jordan, and although this may have in fact been in Nasser's mind in sending Haikal to see us, I feel we should also consider possibility that Nasser may well feel that ME situation is getting out of hand as it promises become subject of great powers discussion and that this prospect may be accompanied by healthy fear as result American and British military intervention and by unresolved doubts reference our intentions.

Furthermore, it would seem possible that, with Iraq now apparently in firm Arab nationalist control, major objective achieved which Nasser would not wish prejudice by becoming embroiled over lesser issues, at least for time being. This could be especially true of Lebanon; Jordan more dubious.

In circumstances and particularly while presence our military forces Lebanon and Turkey remains as symbol our firm intent, it would seem possible, if we so desire, to profit by opportunity to approach Nasser from position of greater strength than has been case in past or than may be case in future when our present somewhat militant posture may be relaxed. (Meanwhile believe advisable not be too bland in assurances reference our intentions. For tactical reasons probably just as well keep Nasser on anxious seat for time being.)

This comment is made in ignorance of possible action which may be taken reference Khrushchev's suggestion to enlarge proposed ME conference,³ which if accepted, would, of course, change whole picture without, however, entirely invalidating some of suggestions made.

³ It is not clear whether Hare was referring to Khrushchev's letter of July 21 or 23; for texts, see Department of State *Bulletin*, August 11, 1958, pp. 231-235.

In this connection, recall Embassy telegrams 176 and 248⁴ reference possible Murphy visit.

Hare

⁴ Telegrams 176 and 248, July 18 and 22, respectively, both speculated on a visit to Cairo by Murphy. (Department of State, Central Files, 783A.00/7-1858 and 780.00/7-2258)

214. Letter From the Secretary of State to the President¹

Washington, July 25, 1958.

DEAR MR. PRESIDENT: I have your memorandum of July 23 with the two memoranda about the Middle East.² These contain interesting ideas, although nothing to which we have not already given much thought. The problem is posed by Mr. Robinson's point (1) that "we must shake Nasser loose from his convictions that his only friends are the Soviets".

Nasser counts as "friends" those who help him to achieve his ambitions. These ambitions include at least a truncation of Israel and the overthrow of present governments in Lebanon, Jordan, Morocco, Tunis, Libya, the Sudan, Saudi Arabia, etc., and their replacement by his stooges. The Soviet Union, being free of ties and commitments in the area, can and does help Nasser to achieve these extravagant goals, believing it will be the ultimate heir. We cannot honorably help him in these respects. Therefore, we cannot be his "friends" as are the Soviets.

Of course, Nasser would be glad to get help from us as well as from the Soviet Union, but that would, I fear, lead him to merely move on, and not to moderate his ambitions. He is not a moderate kind of person. Nor is he interested in consolidating what he has, but in going from one political success to another.

¹ Source: Eisenhower Library, Dulles Papers, White House Correspondence. Confidential; Personal and Private. Drafted by Dulles and cleared with Rountree and Berry.

² None printed. The memorandum from Eisenhower is a 4-line note of transmission; the first memorandum, July 23, by O. Preston Robinson, editor of the *Salt Lake City Desert News* contained Robinson's personal convictions on the Middle East; the second, from Elie A. Salem, Professor of Middle East Studies at Johns Hopkins University, to Secretary of Agriculture Benson, discussed the Arab world.

This is what makes the problem so difficult. We are basically wholly sympathetic with Arab nationalism if it means a constructive and productive unity of the Arab peoples. Unfortunately, Nasser's brand of Arab nationalism does not seem to be leading to that. He has done little in Egypt to improve the welfare of the people. He has done nothing in Syria. He tends to require an unending series of political successes but not pause to consolidate constructively.

Faithfully yours,

John Foster Dulles³

³ Printed from a copy that bears this typed signature.

**215. Memorandum of a Conversation, Department of State,
Washington, August 5, 1958¹**

SUBJECT

UAR Views Regarding Middle East Situation and US-UAR Relations

PARTICIPANTS

H.E. Mustapha Kamel, UAR Ambassador-designate
H.E. Amin Mouftah, Minister, UAR Embassy
William M. Rountree, NEA
Lampton Berry, NEA
Stuart W. Rockwell, NE
John Dorman, NE
Wells Stabler, NE
William D. Brewer, NE

Ambassador-designate Kamel paid his initial courtesy call on Assistant Secretary Rountree on August 5.² The Ambassador emphasized his intention to work in all sincerity to normalize and to promote US-UAR relations and stated that he had so informed the Secretary on July 30. Stressing that he was reflecting Arab public attitudes toward the US, Ambassador Kamel made the following points:

1. Arabs believe the US is dissatisfied with the growing Arab trend toward non-alignment. Ambassador Kamel asserted this had been the historic policy of Egyptian Governments since World War II

¹ Source: Department of State, Central Files, 780.00/8-558. Confidential. Drafted by Brewer on August 8 and approved by Rountree. A summary of the conversation was transmitted to Cairo in telegram 439, August 6. (*Ibid.*, 880.86B/8-658)

² Kamel presented his credentials on August 11. A memorandum of his conversation with President Eisenhower on that occasion is *ibid.*, 601.86B11/8-1158.

and that the Egyptian people continued to hope that such a policy might protect them in the event of another war. In the event of Soviet aggression against the Arab states, however, the latter would immediately invoke the Arab League Collective Security Pact and would request Western assistance.

2. While the Western press often depicts Arab nationalism as destructive, this is not the case and Arab nationalism is not "made in Cairo." If the US is able to cooperate wholeheartedly with the forces of Arab nationalism, these forces will safeguard all legitimate US interests.

3. Arabs regard the creation of the State of Israel as an act of aggression. Should the US desire a settlement of this problem it would be useful to ask Prime Minister Ben Gurion not to mount attacks against Arab frontiers (the Arabs would agree to a similar undertaking) and to abandon Israel's policy of unlimited immigration. Should these two conditions find implicit acceptance, an atmosphere would be created in which work toward a future settlement might be possible.

4. Arabs are opposed to Communism by religion, culture and temperament. The Communist Party is outlawed throughout the UAR and Syrian pro-Communists have been brought under control as a result of this union. Egypt was obliged to purchase arms from Russia to solve an existing situation, since arms were not readily obtainable from the West. Since that time there have been the Suez landings, the failure of the West to buy Egyptian cotton and Western press attacks against Nasser. Throughout this period the Soviets have shown themselves sympathetic. They have purchased Egyptian cotton and have given Egypt wheat. Should US-UAR relations be normalized, however, the UAR would certainly return to its former clients.

5. Egypt desires only compensation for war damage sustained following which relations with the UK and France can be normalized.

6. Egyptian relations with the Hashemites have always been correct. Egypt asked only that the Hashemites cease poisoning Egyptian relations with the West and stop spending money to subvert Egyptian and pro-Egyptian regimes. Egypt did not interfere in Iraq's internal affairs but the recent revolt came as no surprise in view of the repressive policies of the former government.

Ambassador Kamel continued that there was no purpose in emphasizing what is past, such as the putative role of Egyptian broadcasts, but that a new chapter should be opened. He believed that as the stronger country, the United States should take the lead in improving the atmosphere through showing publicly an improved attitude toward the UAR. According to the Ambassador, a possible area of US-UAR understanding exists which would include the following: (a) the UAR is ready to work with the US and cooperate with its Arab friends to oppose the spread of Communism; (b) the UAR (in which

the Ambassador included Yemen) represents a large area which could be opened to US capital, exchanges of persons and other aspects of cultural cooperation; and (c) even in the military sphere the UAR would be prepared to cooperate within the limits of its non-alignment policy provided some facts were first clarified. In this connection, the announcement of the US program to normalize relations with the UAR had been widely hailed but its good effect dissipated by our intervention in Lebanon. The US should make clear that it does not support unpopular governments in the area, notably King Hussein. All the UAR desires is recognition by the US that (i) government by the people should prevail in the Arab countries; (ii) these countries should be free of foreign domination; and (iii) Arab nationalism does not run counter to Western interests. Efforts should also be made to remove the suspicion of some Arabs that normalization of relations with the UAR is a screen behind which the West is making plans to overthrow Nasser. The Arab fears that the US in its relations with the Arabs follows a divide and rule concept. Since Cairo is the gateway to all the Arab countries, US-UAR relations should be improved in order that US-Arab relations may prosper. Because the US is stronger, the US should take the first step. Additionally, we should abandon our concept of indirect aggression which is not recognized by most Arabs. The Iraqi revolt was neither the result of indirect aggression nor of propaganda by Cairo but an event which had to take place sooner or later. The Ambassador noted, however, that any US approach to the Arabs would have to follow withdrawal of American troops from Lebanon.

Mr. Rountree expressed appreciation for the Ambassador's frank statement and explained the motivations and bases of US policy. It is our earnest hope that there can be a constructive approach to outstanding problems and we are willing to discuss them frankly and seek ways of improvement. However, Ambassador Kamel's comments regarding Arab attitudes toward the US reflect a widespread misunderstanding of our objectives. We have felt it wise to adopt a policy of collective security but have never considered that other states had no right to follow another policy. As a former resident of Egypt, Mr. Rountree said that he was often disturbed by articles in the Cairo press, for example the spurious State Department document recently published in a Cairo paper. This was a crude forgery which represented neither Departmental policy nor the form and style of Departmental communications. The US has always welcomed legitimate Arab nationalism as evidenced by our prompt recognition of the UAR. UAR relations with Russia have never given us cause for concern that Egypt might become Communized. We have, however, been concerned that Soviet-Egyptian contacts might result in the injection of an alien force into the area which it might not be possible to contain,

despite the wishes of the Arab Governments and peoples. There is, however, recognition of this danger by the Arab countries which should safeguard them against this threat to their security.

In conclusion, Ambassador Kamel expressed the hope that he might take up specific topics with Mr. Rountree in periodic meetings, if possible on a weekly basis. Mr. Rountree replied that such regular meetings would be welcome.

216. Telegram From the Embassy in Ethiopia to the Department of State¹

Addis Ababa, August 8, 1958—3 p.m.

165. Cairo for Hare from Murphy. After a curious day of waiting August 6 for Nasser to make up his mind we received word at 7:30 p.m. that he would receive Hare and me at Nasser's residence at 9 p.m. Reasons for delay were explained in my message from Cairo² and related to Nasser perturbation when he was informed by somebody at 7 a.m. August 6 regarding Lodge's procedural reference to July 18 US resolution on Lebanese complaint plus Secretary's statement at Rio.³ We were informed by Mustapha Amin and Ali Sabri that Nasser's immediate reaction was that he was to be made the whipping boy in what was essentially conflict between US and USSR. He was indignant and uneasy. Hare and I decided to sit out convinced that by evening realities would become apparent to Nasser. This proved to be the case.

At beginning of conversation Nasser was ill at ease and I thought uncomfortable because of his hasty morning reaction. There was a brief reference to "such things will happen" which we shrugged off as unimportant with a tactful suggestion we were happy our interpretation conveyed to him earlier proved correct. We also referred to constructive and friendly attitude toward ME problems manifest in Presi-

¹ Source: Department of State, Central Files, 780.00/8-958. Secret; Priority. Repeated to Cairo. Murphy arrived in Lebanon on July 17 and remained until early August. On his way back to Washington, he stopped for conversations in Jordan, Israel, Iraq, Cairo, and Addis Ababa. For his own account of the background to and meeting with Nasser, see *Diplomat Among Warriors*, pp. 498-506.

² Telegram 427 from Cairo, August 6. (Department of State, Central Files, 110.13-MU/8-658)

³ For text of Lodge's statement and the draft resolution of July 18, see *American Foreign Policy: Current Documents, 1958*, pp. 990-991. For text of Dulles' address at Rio de Janeiro on August 6, see Department of State *Bulletin*, August 25, 1958, pp. 304-309.

dent Eisenhower's press conference yesterday.⁴ Hare read excerpts to which Nasser lent attentive and I think appreciative ear.

Conversation opened on rather heavy note when replying to our words of thanks for interrupting his vacation plans on our account Nasser stuffily said always glad to see anyone who came with understanding of dignity, equality, etc. He was even stuffier when he added that after Lodge's reference to July 18 resolution he had asked himself whether any useful purpose would be served by talking to me in friendly fashion while USG was preparing to attack him in SC.

I said my visit to Cairo was simply another bit of evidence of desire of President Eisenhower and Secretary Dulles to work cooperatively for solution of ME problems which will not only bring peace and stability but better living conditions and understanding of US purposes to the area. We welcomed his views and ideas. Nasser pointed out Hare's past efforts to convince him regarding peace and stability which had, he said, become stock words.

I asked whether he was interested in my conversations in Lebanon and other points visited. He seemed eager to hear about them and visibly relaxed when he felt he was receiving confidential fill in. (Mustapha Amin later said Nasser had in mind confining to courtesy call but that our forthcoming approach changed his mind.)

[Here follow sections on Lebanon, Jordan, and Iraq.]

Israel: Nasser touched lightly on Israel both in connection with immediate Jordan problem and generally. For him this continues core of US difficulties with Arab world.

Arab nationalism: During this phase of conversation we were able to inject references to President's recent statement as well as Secretary's re Arab nationalism. I asked him whether Arab nationalism in his thinking has definite geographical borders. He gave no clear cut answer but implied his attitude was reasonable and that he had no ambitions to preside over a sprawling empire. Hare made excellent point that most US difficulties with Egypt seemed to arise over issues relating to third persons and third countries. There is actually no conflict over matters which are strictly Egyptian or strictly American. Nasser heartily agreed. Nasser said he resented suspicions that he is fomenting indirect aggression and subversion. He denied it. I said well I had heard stories about his network of Egyptian Military Attachés throughout the area—explosives, arms, agitation—quite apart from radio incitation. It puzzled me. Is there any truth in the stories, I inquired. He said he had heard them all and could assure me that nothing of the sort is now happening. Some of his people had been

⁴ For the transcript of President Eisenhower's press conference on August 6, see *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1958*, pp. 587-597.

eager beavers. He gave a lengthy description of The Ma at Tripoli who organized out of misguided zeal a one-man action against Libya. Nasser deplored it and said it was unauthorized. I also made gentle references to the Riyadh affair, former Damascus activities and Beirut as examples of stories that troubled us. He talked a lot about Riyadh as another unauthorized misguided case of individual overzealousness. This is not a new subject for him but it seemed apropos in light of his insistence UAR not pushing other states to join. I professed satisfaction over his assurances no plans exist for subversion other states in area.

Collective security: Nasser explained primary reason for Arab unity is collective security. Difficult for anyone of these small states to stand alone. Egypt small weak country. Its safety lay in Arab unity.

As he had previously questioned need of military alliances and "blocs" I pointed out US need for collective security and Secretary's repeated explanation no country today can stand alone and bear burden expense modern warfare. Therefore we could understand need for Arab unity, would he understand our need of collective security in face of Soviet military threat. He said he thought he could.

Arms: Inevitably question Soviet arms arose. Nasser indulged his propensity for national self pity after "three centuries of Turkish and 75 years of British" domination. There was a review of our arms negotiations. He said we had calculated total Egyptian foreign exchange as \$28,500,000 and agreed to sell that much. USSR took broader view. He had no choice. I gave this a light touch by saying I hoped he would not live to regret it. His action had done much to destroy our confidence. It seemed to me unprofitable to rake over the ashes of the arms deal. He is acutely aware of US point of view. (I am writing this while flying over Aswan which evokes memories of 1956.)

At this stage and elsewhere in conversation there were references by Nasser to what he considers Secretary's personal antagonism. At one point I expressed opinion that if Secretary had not assumed position he did at time of Suez Nasser's lot would have been quite different. He said he has publicly acknowledged it but this had been followed by the Secretary's statements relating to Eisenhower Doctrine. Matter obviously designed to isolate Egypt. He feared Secretary just didn't like him or trust him. Although his meeting with him in 1953 he thought had gone well. I believed I detected in these references to the Secretary a certain nostalgia, as well as a sense of insecurity on his part.

USSR: Stoutly maintaining his adherence to policy of neutrality, Nasser said nevertheless could not avoid contrasting attitudes of West and USSR. Not only has latter been responsive to UAR material needs but it has given assistance without strings and has also shown consideration for sensitivity UAR as smaller country by giving appearance at least of treating as equal and especially by consulting with it on con-

tinuing basis. Speaking without bitterness, Nasser suggested we would do well to take page out of Soviet book in this latter regard. Important thing is understand importance smaller countries attach to such things as equality and dignity.

Propaganda: Nobody with whom I have talked evinces more hypersensitivity to press and radio criticism than Nasser. He asserted he avidly reads American press and radio monitoring. It apparently acts on him like a daily dose of adrenalin. He had just read critical article in *US News and World Report* and his blood pressure was still high. As he was getting angry I tried to get this on a less serious note by suggesting that the time for him to worry would be when the press stopped talking about him. He complained about two black radio stations on Cyprus, one in France, Radio Beirut which he said is inspired by the US and VOA broadcasts. He said the three black radio stations are especially scurrilous attacking his personal life. He said you may say nobody listens to them "but I listen to them".

[Here follow sections on Saudi Arabia, the Sudan, the Maghreb, and UAR relations with the British.]

Concluding part conversation was devoted to US-UAR relations and prospects improving. Nasser said persistent difficulty is know what we really want in area. We constantly talk of "peace and stability" with which he agreed in principle but what do we really mean? I believe I refuted this implication with an outline of what we had done in the several countries and the constant understanding we had manifested. I said we did not want Soviet domination.

Nasser then went on point out there had never been any real difficulty with Egypt per se but that sources of friction had been certain area policies of USG which ran contrary to Egyptian interests. To be specific, i.e., US relations had been promising until we sponsored Baghdad Pact which put across basic policy of area collective defense which Egypt deemed essential if Arab countries were to play international role based on dignity and equality. In this context, Nasser regarded any pact, base agreement or similar arrangement of Arab country with outside power as form of subservience. However, events of fall of 1956 had brought about improvement in relations for several months but which had been brought to end by Eisenhower Doctrine which Egypt regarded as designed isolate it. This was not just local deduction but conclusion which was unanimous in American press. I reviewed the Eisenhower Doctrine and ridiculed the suggestion it was designed to isolate Egypt. I pointed to the USSR as the element of danger.

Finally Nasser said realized press not controlled in US but that did not change fact that cumulative effect of adverse criticism of UAR and himself can not but have serious effect. In this connection, Nasser said

he had perhaps unfortunate habit of reading American publications in extenso and again said he was especially steamed up by several articles in last issue *US News and World Report*.

However, in final survey of situation Nasser noted that causes for US–UAR conflict might be in process reaction as result Iraqi revolution, prospective solution of Lebanese situation and hope for improvement UAR–Saudi relations, although Israeli problem of course remains and corruption in Jordan could have unpredictable consequences.

I came away also convinced effective US military intervention in Lebanon may exercise excellent effect on Nasser's outlook and attitude.

Bliss

**217. Memorandum of a Conversation, Waldorf Astoria Hotel,
New York, August 14, 1958¹**

SUBJECT

Situation in the Middle East

PARTICIPANTS

Dr. Mahmoud Fawzi, UAR Foreign Minister
The Secretary
Mr. Rountree
Mr. Bergus

Dr. Fawzi referred to Mr. Murphy's recent talk with President Nasser² and said that after an initial period of groping, the conversation had "sailed". He hoped that Mr. Murphy had brought back the impression of the complete frankness of that discussion. The Secretary felt that it had been a useful conversation. He said that there had also come the impression that President Nasser believed that the Secretary had a personal unfriendliness toward him. The Secretary wished to dissipate such an impression. First of all, it was not true. Furthermore, it would be criminal to operate governments on the basis of personal likes and dislikes. Were this the case, the U.S. would not have taken actions favorable to Egypt and the UAR which were unfavorable to

¹ Source: Department of State, NEA Files: Lot 61 D 59, Egypt—General. Secret. Drafted by Bergus. The source text indicates the conversation took place in the Secretary's suite. Dulles and Fawzi were in New York for the third emergency session of the U.N. General Assembly.

² *Supra*.

countries with which we had had long and friendly relations. It was the Secretary's ambition to leave the world more devoted to principle in the conduct of international affairs. The Secretary felt this was a critical moment because we could not countenance methods which, if generally prevalent, would bring the world to chaos and perhaps even war. This was perhaps the basic difference between us. The UAR felt it was legitimate to use methods which we felt were dangerous. This was, however, a difference of principle and not a personal one. The Secretary had the highest regard and respect for President Nasser who was an extremely able man. He was not surprised that the Arabs looked up to President Nasser. The Secretary wished to get on to a basis of good relations. As President Eisenhower had said yesterday,³ unification, if it took place as a result of the will of the people concerned, could and should be accomplished through peaceful processes.

Dr. Fawzi said he could not take exception to the Secretary's remarks. The impression that President Nasser felt that the Secretary disliked him personally was not accurate.

[Here follows discussion of the situation in Jordan.]

³ For text of the President's address to the General Assembly, August 13, see *American Foreign Policy: Current Documents, 1958*, pp. 1032-1039.

218. Memorandum of a Conversation, Department of State, Washington, September 4, 1958¹

SUBJECT

US-UAR Relations

PARTICIPANTS

H.E. Dr. Mustafa Kamel, UAR Ambassador
 NEA—William M. Rountree
 NE—William D. Brewer

1. US Economic Assistance

Ambassador Kamel called by request on September 4. Mr. Rountree began by referring to the constructive Arab attitude at the recent emergency UNGA and said that the Secretary considered that his

¹ Source: Department of State, Central Files, 611.86B/9-458. Confidential. Drafted by Brewer on September 8 and approved by Rountree. A briefing memorandum for the conversation is *ibid.*, 601.86B11/9-458; a summary of the conversation was transmitted to Cairo in telegram 736, September 5. (*Ibid.*, 886B.49/9-458)

private talks with Foreign Minister Fawzi had been most helpful.² The Department had taken seriously the content and spirit of those conversations and was actively working to normalize and improve US–UAR relations. Specific actions being taken to this end included: (a) resumption of the CARE school feeding program about which he had informed the Ambassador the previous evening; (b) US decisions in principle to approve the EARIS program, amounting to \$5,000,000, and to release local currency (equivalent to \$4,700,000) under P.L. 402 for the Delta Road Project—on both of which final technical details were now being worked out by ICA; and (c) the likelihood that, despite pressure for its use on domestic projects, approval would be granted within a day or two for the U.S. Army dredge *Essayons* to be made available to the UAR in response to Dr. Fawzi's recent request through the Ambassador.³

2. UAR China Policy

Mr. Rountree continued that, in the midst of such efforts, the Department could only exceedingly regret the criticism of US China policy contained in President Nasser's speech of September 3, notably his accusation of US "aggression" against the Chinese Communists. Egypt itself had maintained normal relations with the Republic of China until 1956. Egyptian policy towards the China problem had during that period been characterized by the same adherence to principle as had our own. Subsequent Egyptian recognition of Red China had apparently been accomplished as a result of the negative Cairo reaction to the US withdrawal of its offer to assist in financing construction of the Aswan Dam, and perhaps also to assure a channel for continuing to receive arms shipments in the event that all UN members had agreed to an arms ban.

3. Reported US Arms Aid to Israel

Turning to recent publicity regarding US arms aid to Israel, Mr. Rountree emphasized that the US had taken a firm stand in support of Egypt at the time of the Suez crisis and we knew of President Nasser's deep appreciation of the actions we had taken. The political courage shown by US leaders in stating, immediately before the 1956 election, that we would impose economic sanctions on Israel if her troops were not withdrawn, had been noteworthy. However, since that period, the

² See *supra*.

³ On August 25, the UAR Embassy delivered an aide-mémoire requesting the lease of the dredge *Essayons*. (Department of State, Central Files, 986B.7301/8-2658) Following discussion in the Department of State, Dulles sent a memorandum to the President on September 3, recommending the lease. (*Ibid.*, 786B.5621/9-458) On September 4, Dulles telephoned Rountree at 4:31 p.m. to say that the President had approved the request. (Eisenhower Library, Dulles Papers, Telephone Conversations)

UAR had received substantial military assistance from the Soviet bloc. The USG had nevertheless resisted Israeli pressure to become a major supplier of arms to Israel. Israel had only received from US sources a small fraction of the amounts received by the UAR, and included in US sources a small fraction of the amounts received by the UAR, and included in US totals, because of our licensing procedures, were such innocuous items as spare parts for civilian aircraft. Our policy had been dictated by the considered opinion that an area arms race should be avoided. It was significant that the US Government had in fact supplied far more arms to the Arab states than to Israel.

In view of these facts, Mr. Rountree emphasized that the sudden publication of baseless allegations in *Al Ahram* to the effect that the US was giving \$40-50 million, and the UK \$80-90 million, in arms aid to Israel had been most disturbing. Ambassador Kamel interposed that he had not read Nasser's full speech and asked whether specific amounts had been mentioned. Mr. Rountree replied that this was his recollection.

Expressing appreciation for Mr. Rountree's remarks, Ambassador Kamel replied that he had found only good will, cooperation, understanding and patience in his preliminary contacts here. He was working in the same spirit, as were President Nasser and Dr. Fawzi. However, all questions could not be liquidated in one day and he had been prepared for set-backs. There had been rumors in the Arabic press of great quantities of arms being sent to Israel from France and the UK. It had even been reported that French troops, originally bound for Lebanon at the time of the US landings, had been diverted to Israel. The fact that Israel is receiving British, French, and apparently also some American arms, at a time when the first two powers are carrying on financial negotiations with the UAR and the US is talking of improving relations, naturally had caused Cairo concern. After the emergency UNGA, the UAR had looked forward to beginning a new page in relations with the West. If the US had given only one gun to Israel that would demonstrate that these hopes had been ill-advised. President Nasser would not understand the description of US arms aid to Israel as consisting of "small quantities" of "defensive weapons" as these were fluid terms. The Ambassador did not know whether the UAR was now receiving arms shipments from the USSR but opined that his government would no doubt cease any such transactions should the US Government be prepared to furnish UAR needs.

Ambassador Kamel expressed appreciation for the steps the US was taking in the economic field to which Mr. Rountree had earlier referred, but emphasized that political actions, for example the withdrawal of US troops from Lebanon, would be far more important. Dr. Kamel opined that President Nasser's criticism of US policy with respect to China had been directly linked to US action on the Israel arms

question. The UAR Ambassador expressed the view that it was in the interest of no one, including Israel, that Israel receive arms shipments. Efforts to strengthen Israel in this manner only served to bring the Arabs closer together and a continued policy of such assistance could cause catastrophe. The economic steps outlined by Mr. Rountree would, said Dr. Kamel, no doubt help to clarify the situation. Such economic assistance would assist in creating a favorable political atmosphere but would not solve political problems. The UAR would be happy to normalize relations with the US but specific political developments presented obstacles. (See subsequent comments below.)

4. Lebanon and Jordan

Mr. Rountree replied that the USG is aware that political problems exist. The US did not oppose Arab nationalism and our actions in the Suez and Lebanese situations had not been taken to oppose Arab unity but in accordance with the basic US principle that we stand ready to assist smaller countries who request help in preserving their independence and integrity. We believed that our failure to respond to such a request would cause a lack of confidence among our friends in our fundamental determination to assist them in meeting any threats to their integrity. The US had not desired to land troops in Lebanon but had done so at the request of the legitimate government of that country. Our troops would be withdrawn when Lebanon's integrity was no longer threatened or whenever withdrawal should be requested by the Lebanese Government. We hoped withdrawal could take place soon. Ambassador Kamel commented that the UAR would never seek to threaten Lebanese independence, noted that US withdrawal would have a great and favorable impact on the people of the area and inquired regarding the Jordanian situation. Mr. Rountree replied that the Jordanian problem was far more difficult. As the Secretary had informed Dr. Fawzi, Jordan by itself was not viable.⁴ The formation of the Arab Union had made considerable sense, without regard to political considerations. Without some solution along these lines, Mr. Rountree said, it was difficult to see a long-term solution for the Jordan problem. However, should Jordan now collapse suddenly, the consequences would be most serious. What was required was a period of tranquility in which this problem could quietly be worked out. Dr. Kamel agreed personally that the union of Iraq and Jordan might be the best solution and inquired regarding the Israeli attitude. Mr. Rountree replied that Israel had not opposed the formation of the Arab Union.

⁴ During the conversation referred to in footnote 2 above.

3. Reported US Arms Aid to Israel (Continued)

In closing, the UAR Ambassador again pressed for details regarding the value and volume of US arms aid to Israel. Mr. Rountree said that he stood by the Department's statement, namely that Israel had obtained relatively small quantities of defensive arms. He declined to speculate whether such assistance would continue and said he could not speak for the UK or France regarding possible British or French shipments. Mr. Rountree emphasized that the amount Israel had received had been far less than recent Soviet arms shipments to the UAR and was also less than US arms aid to the Arab states. It appeared questionable whether Israel should be deprived of all sources of arms, even if this were a practical possibility, since Israel might in that eventuality resort to other means to assure its defense. However, we were aware of no massive program of arms shipments to Israel from any source which could give the UAR concern in terms of existing UAR military supplies. Ambassador Kamel observed that, for the purpose of building understanding between the Arabs and the West, it would be desirable that no arms should, for the time being at least, be delivered to Israel and that the question of Israel's security should be settled by other means. Otherwise, a vicious circle would be created. Mr. Rountree said that an arms race was exactly what the Department wished to avoid and asked whether an area arms embargo might be possible. Ambassador Kamel replied personally that he would favor such an embargo provided it could be made effective. Dr. Kamel asked again whether the value of US arms aid to Israel was in fact \$40 million to which Mr. Rountree replied that this figure was, as he had explained, a gross exaggeration and that the *Al Ahram* article in which it had appeared was completely without substance.

219. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, September 11, 1958—3 p.m.

803. Had hour and half with Nasser yesterday at my request in order confirm previously passed information re arms sale to Israel and also find out what had motivated his blast on Formosa in September 3 speech.

He was in relaxed and very friendly mood, beginning conversation by saying he had felt very run-down physically during past month and had been under care several army doctors who found he had been overworking and also needed certain changes in diet supplemented by vitamins, et cetera, but trouble had not only been physical; he had also reached point where he was completely fed up with monotony of seeing same people and dealing with same problems. However, as result medical attention and spending some time at seaside with his family, he was now getting back in stride. He was also wearing sizeable bandage on his right arm as result, he said, of slipping in bath tub on September 4 and suffering nasty gash from piece of metal work. Doctor had to take number of stitches but fortunately nerves had not been affected and arm was now mending rapidly.

Getting down to business, I then explained Israeli arms transaction as authorized by Department, emphasizing that not only were facts as reported by *Al-Ahram* completely wrong but erroneous impression given of basic US policy. Furthermore I could not help but have suspicions regarding origin of report. Conceivably it could have resulted from misunderstanding somewhere along line but I was frankly inclined suspect it was deliberate plant by ill-intentioned source.

Nasser listened attentively and expressed appreciation. Said, however, that, although he now convinced his information US sales was wrong, he was under impression that there is very sizeable program of arms supply to Israel cleared through British-French-American committee, i.e., that these countries have integrated program. I replied that, although there might have been some such clearing house some years ago in connection with tripartite declaration 1950,² I felt certain such not now case and this borne out by my instructions which

¹ Source: Department of State, Central Files, 780.00/9-1158. Secret; Noform. Repeated to Amman, Baghdad, Beirut, Jidda, Khartoum, Tripoli, Tunis, Rabat, Tel Aviv, and London.

² For text, see *Foreign Relations*, 1950, vol. v, pp. 167-168.

indicated certain knowledge of supply of UK arms to Israel but specifically said we had no details re arms Israel obtaining from other sources.

Re motivation his September 3 speech, Nasser indicated that, aside from reported arms deal with Israel, he had very much in mind reports being received of Baghdad trials which, inter alia, had seemed give clear and voluminous evidence of American involvement. He said that he had formerly been inclined heavily discount such reports when they had been passed on to him by Sirraj but that evidence now being produced cast matter in different light. I said had only seen accounts in local press and that much of testimony had seemed follow classic line of political trials where witnesses more interested in ingratiating themselves with court than in telling truth. Nasser admitted this factor to be considered but said he had been particularly impressed by documentary evidence.

I then asked Nasser what under heaven he had in mind when he criticized US so violently on Formosa issue. "Don't you know why", he asked. I said hadn't vaguest idea; that reason my question. Nasser then said that he had merely been reacting to certain strong attacks which had been made against him by Syngman Rhee and Chinese Nationalists at time Baghdad revolution. I said I informed re such attacks but that, in any event, fact which concerned me was violent criticism of US Government even if he had felt justified in mentioning matter in some way, there could be no justification for.

Bitter language used. Should be realized that this is matter of most grave concern to us and one where we in no mood brook gratitude to United States criticism. Furthermore, was unfortunate that this should have happened just at time when, as result patient endeavor both sides, we had been able take certain tangible steps toward improved relations which I enumerated in accord Department telegrams 736 and 740.³

Nasser took all this in good part and, although characteristically not admitting error, stressed Suez Canal dredging contract to American group as step which was intended indicate UAR good will. Said final decision in matter had been his and was made in light of efforts improve relations. He said also appreciated steps which I had mentioned as contributing same objective.

[Here follows brief discussion of Iraq, Communism, Jordan, Lebanon, the Sudan, world tensions, Dulles' press conference on September 9, and a film about the USS *Nautilus*.]

Hare

³ Regarding telegram 736, see footnote 1, *supra*. Telegram 740, September 6, reported that Kamel had been informed of the positive decision to make the dredge *Essayons* available. (Department of State, Central Files, 986B.7301/9-658)

220. **Telegram From the Department of State to the Embassy in the United Arab Republic¹**

Washington, September 29, 1958—7:28 p.m.

924. During courtesy call on Murphy September 25, UAR Ambassador Kamel reiterated line re desirability normalizing and improving US–UAR relations (Deptel 439)² and asserted general US attitude would be judged in Cairo in light specific US area policies. Professing speak without instructions, Kamel then raised Nile waters question, asserting Sudanese refusal recognize 1929 Nile Waters Agreement and subsequent independent attitude this question not possible without considerable UK and US support. Kamel emphasized Nile waters of overriding importance UAR and opined that, if USG really desired normalize relations we should counsel Sudanese cease making trouble in their relations with Cairo this problem.

Kamel also cited recent press reports re US arms aid Israel and political assurances from President to Ben Gurion as likely confirm Cairo in belief US hostile Arab nationalism. Murphy replied (1) we doing everything possible dissipate idea we oppose Arab nationalism (2) US not major supplier arms Israel and opposes area arms race (3) Soviet arms sales Egypt caused US great concern in view our conviction Soviets motivated by desire dominate area and (4) USG has no thought damage or attempt destroy Egypt, as shown by past extensive US aid programs of which several recently resumed.

Dulles

¹ Source: Department of State, Central Files, 611.86B/9–2958. Confidential. Drafted by Brewer on September 26, cleared by Rountree and Wahl, and approved and signed for Dulles by Murphy. Repeated to Khartoum and Tel Aviv.

² See footnote 1, Document 215.

221. Memorandum of a Conversation Between the United Arab Republic Ambassador (Kamel) and the Assistant Secretary of State for Near Eastern and South Asian Affairs (Rountree), Department of State, Washington, October 8, 1958¹

SUBJECT

US-UAR Relations (with specific topics as noted)

Significance of Arab Petroleum Conference. Dr. Kamel referred to the prospective Arab League oil conference in Cairo and said that he had understood that the Department might be somewhat concerned at the objectives and outcome of this meeting. For this reason he had personally written Cairo to express the hope that the conference would not prove inimical to US interests in the area. He had now been instructed to inform the Department officially with respect to this conference that: (a) the UAR harbors no anti-Western intentions with respect to Western interests in Arab oil; (b) the question of inviting presidents of international oil companies to the Cairo meeting was now under study; and (c) there was in any event nothing to prevent these oil officials from attending the exposition as private visitors. Mr. Rountree expressed appreciation for the Ambassador's interest in this question and said that he welcomed these assurances from the UAR Government.

US-UAR Relations and US Attitude Toward Arab Nationalism. Dr. Kamel said that he would like to refer to reports he had heard that certain Middle Eastern countries (he later indicated that these were the non-Arab members of the Baghdad Pact) were attempting to induce the US to abandon its efforts to normalize relations with the UAR. It had even been said that this pressure had led the NSC to defer consideration of a proposed new policy toward the Arab countries. Dr. Kamel said that he had not reported this information to his government pending clarification from the Department.

Mr. Rountree replied that he was unable to guess what might be the origin of such stories. The NSC periodically reviewed US policies throughout the world but no review with respect to the US policy toward the UAR had been either delayed, postponed or otherwise influenced as the result of pressure from other countries. Indeed, the US wish to improve relations continued and we had taken certain steps as an earnest of this desire. No protests had been made to us by countries in the area concerning this policy. Ambassador Kamel

¹ Source: Department of State, Central Files, 611.86B/10-858. Confidential. Drafted by Brewer on October 10 and approved by Rountree. A summary of the conversation was transmitted to Cairo in telegram 989, October 8. (*Ibid.*)

thanked Mr. Rountree for this clear statement and said that he would report it to Cairo. He continued, however, that, in order to foster mutual confidence, the US should not only seek to improve its own relations with the UAR but should also convey to its "allies", such as the Sudan, Libya and the UK, the suggestion that these countries avoid measures which would complicate their relations with the UAR. He understood that certain Western countries, not including the US, were seeking to cause trouble between the UAR and its neighbors. However much the US might wish it, the US could not be disassociated from any such Western efforts and we should therefore seek to dissuade our friends from such activities.

Western Military Assistance to Israel. In the same vein, Ambassador Kamel continued that Arabs would consider that the US had no influence on its partners if the UK and France were to continue extending arms assistance to Israel. If several months could elapse without any such arms shipments, calm would return to the area and our mutual efforts to improve US-Arab relations would prosper. Mr. Rountree replied that it was indeed in the general interest that the UAR enjoy good relations with its neighbors. The US was certainly not involved in any attempt to stimulate bad relations between these states and the UAR. With respect to Western military aid to Israel, the US had never been a major supplier and our attitude on this question remains as previously outlined to Dr. Kamel. It was, however, difficult to imagine a situation in which traditional Western suppliers of arms to Israel would suspend such shipments, even should the US so suggest, as long as substantial quantities of Soviet bloc arms were being received by the UAR and other Arab states. While any one-sided boycott of this type would be impractical, we had this general problem very much in mind. In response to Mr. Rountree's observation that the Israeli situation now appeared relatively quiet, Dr. Kamel interjected that it was precisely for this reason that the Arabs questioned the need for additional Western arms to be furnished Israel. He emphasized that US-Arab relations could not develop as the UAR would like if the US assumed a friendly posture towards the Arabs but its allies assumed a contrary position. In this case, the Arabs would accuse the US of either duplicity or weakness. The homogeneous policy being carried on by the Soviet bloc with respect to the Arab countries was in favorable contrast, in Dr. Kamel's opinion, to the divergent Near Eastern policies frequently followed by the Western allies.

UAR-Controlled Radio Propaganda. Reiterating that he had seen reports that certain groups, in addition to Zionist organizations, were working in the US to block the improvement of US-UAR relations, Dr. Kamel referred to the juxtaposition in the October 8 *New York Times* of an article from London, reporting a stepped-up anti-American campaign by UAR-controlled radio stations, and a report of Dr. Fawzi's

UNGA speech in which the Foreign Minister indicated that some curtailment of extreme broadcasts was taking place. Dr. Kamel said he had been particularly upset by the nasty references to President Eisenhower, quoted in the *Times*, which had apparently been made by the Jordan People's Radio and asserted that he questioned whether the UAR Government knew anything about this station. Mr. Rountree replied that the *Times* article had also caused us concern. Although we had not observed any noticeable increase in the anti-American propaganda of the Cairo press or radio, we feared that the article might reflect a new UAR decision to resume a bitter anti-American campaign.

Ambassador Kamel took notes of Mr. Rountree's statement that we understood the Jordan People's Radio operated clandestinely from Syria and said that he would urgently request the UAR authorities to investigate this station. He said that he could assure Mr. Rountree categorically that the UAR Government had nothing to do with such broadcasts. He and his staff here had concluded only last night that the Egyptian press had in recent weeks been more moderate with respect to the West than at any previous period. He therefore wondered why the *Times* story had been filed from London at this particular time.

US Announcement Regarding Troop Withdrawal from Lebanon. Mr. Rountree informed Dr. Kamel that the US had just announced its decision to withdraw its forces from Lebanon and handed the Ambassador a copy of the Department's press release.² He expressed the hope that this announcement, coupled with the recent similar statement regarding British withdrawal from Jordan, would permit the full implementation of the Arab-sponsored UNGA resolution,³ notably with respect to relations between area states on such specific problems as freedom of land and air transit to and from Jordan. It was hoped that our announcement might be used by the Arab countries as a point of departure for their own efforts. Ambassador Kamel expressed appreciation for the announcement and commented that his government had been skeptical regarding US intentions to withdraw despite his reports from Washington. He observed that the announcement would serve to give the Cairo authorities increasing confidence in his opinions regarding US policy. Mr. Rountree emphasized that withdrawal had always been the US intention.

Dr. Kamel said that his press officer had informed him that Admiral Brown, retiring Sixth Fleet Commander, had said at a press conference on October 7 that he believed emphatically that trouble would

² For text of this press release, see *American Foreign Policy: Current Documents, 1958*, p. 1058.

³ For text of this resolution, dated August 21, see U.N. Doc. A/3905, p. 1.

recur in the Middle East after the Far Eastern crisis had subsided. The Ambassador asked what Admiral Brown might have had in mind. Mr. Rountree replied that he was unaware of any such press conference and that he could only assume that the Admiral was reflecting the widely held belief that the Soviets, when thwarted in one area, generally resume their probing operations somewhere else.

Iraq Situation. In response to a specific query from Dr. Kamel, Mr. Rountree said that the Department did not have too much information on the current situation in Iraq. Although we had promptly recognized the new government, while regretting the manner in which it had come to power, our attitude toward the new leaders in Baghdad had been widely misinterpreted throughout the Near East. While very severe limitations imposed several months ago on US official contacts had recently been somewhat modified, the Iraqis still appeared to be undecided as to what type of relationship they wish to have with the US. Actions taken by the Iraq Government against US officials would have been intolerable had it not been possible to explain them in part as the result of the inexperience of the country's new leaders. Internally, we surmised that a contest was in progress between Iraqi groups favoring close relations with the UAR and those desiring to maintain Iraq's separate entity.

Dr. Kamel observed that the UAR was not anxious to have Iraq join the federation and said that the Baghdad authorities had been so informed. Right now, difficulties stemming from Egypt's union with Syria were sufficient for the UAR authorities. Mr. Rountree emphasized that it was obvious that the US was not trying to exercise any influence on the new Iraqi leaders. The decision as to what might be in the mutual interest of the UAR and Iraq would be a question for those two countries to decide. We understood, however, that the Communists were now backing Prime Minister Qassim in an effort to block union with the UAR. Some Egyptians had alleged that the US and USSR were both seeking to frustrate such a union but, as already stated, we were not opposed to such a development. Ambassador Kamel suggested that the US should publicize its interest in bringing the Arab countries together. Mr. Rountree replied that the US does not oppose Arab unity, had not opposed the formation of the UAR, and in fact considered that union of the Arab countries might have advantages from the US viewpoint.

222. Memorandum From William Y. Elliot of the Office of the Under Secretary of State for Economic Affairs to the Under Secretary of State (Herter)¹

Washington, October 24, 1958.

SUBJECT

Comment on the telegrams from our Missions, particularly Cairo, relating to conversations between Black and Nasser, and other relevant matters, including this morning's announcement of the Soviet offer to build the first phase of the high dam at Aswan

(1) You suggested that I give you comments on this series of telegrams and on the problems posed by the Soviet offer. I have consulted Mr. William L. Griffin, of L/SFP, in order to round out my background on this, and he may feel inclined to comments of his own.

(2) It appears from the telegrams that Black had made some significant changes in the original proposals that he had suggested for consultation as to the way in which the re-opening of the Nile waters question should be put to Nasser and other interested parties.

(3) According to Dillon's report from New Delhi (telegram 834 dated October 8)² Black had indicated that the UK in London had given enthusiastic approval to the ideas contained in the original memorandum subject to minor modification of the last paragraph designed somewhat to reduce the predominant role of Nasser. Dillon transmitted to Black at that time the suggestion that further technical information would be necessary before a final plan could be evolved. But Black apparently (telegram garbled) felt that enough information was now available to enable us to commence on certain projects.

(4) Essentially the changes in the original memorandum which were agreed to as a result of this conversation in New Delhi, were largely linguistic and in the interests of bringing in the Belgian-Congo and Ruanda-Urundi, as parties to the riparian problem, with the possible exception of modification of the final paragraph which was intended "further to dilute the position of Nasser". The substantial parts of this modification read as follows: "If, after it has been ascertained through informal soundings that the Sudan was agreeable to arrangements such as are envisaged in paragraph 14, it would seem to the president of the bank that it would be fitting, and an auspicious send-off for such an approach to the Nile waters question if the President of the UAR would indicate that Egypt would be prepared to associate herself with a request to the president of the bank to lend the good

¹ Source: Department of State, Central Files, 886B.2614/10-2458. Confidential.

² Neither this telegram nor the other documents attached to the source text is printed. The list of attachments is printed at the end of the memorandum.

offices of the bank to carrying forward these arrangements". This modification of the memorandum was airtailed to Kaissouni by Black in order to prepare for the meeting with Nasser although Black felt skeptical of any concrete result from his initiative but it seemed worth while trying in order to get the negotiations off dead center.

(5) Subsequent to this appointment between Black and Dillon, Black showed the revised text to Makins, British head of the Mission in New Delhi. Makins characteristically objected, saying that it would be necessary to refer the changes to London for comment. The reply forwarded in Bunker's telegram No. 856, of October 9, stated that it had been impossible "to reach Ministers due to absence at party convention but that the working level at the Foreign Office did not agree with the changes suggested by the Department and accepted by Black. The UK feels that principle of agreement by all interested parties prior to any financing by World Bank must be maintained. *Therefore they are opposed to negotiations between Sudan and Egypt looking to financing or projects in the Sudan before over-all conference is called*".

It should be noted that this was the working level of the Foreign Office and no subsequent telegram indicates cabinet level views. Nevertheless, it is interesting to note that the working level recognized that this position will probably make agreement impossible since the UAR is highly unlikely to come to agreement with the UK at this time. They stick, however, on the principle that the progress of World Bank financing of needed projects in the Sudan should be delayed if necessary until overall agreement can be reached. Bunker, quite rightly, quoted this position "unacceptable" to the US and advised direct US representations to the UK at a ministerial level in the hope of clearing matters up.

Query: Has this been done?

In this connection it should also be noted that even if the Bank should accept the British position, it might be desirable for the UAR and the Sudan to negotiate and agree on certain matters between themselves prior to a conference of all the basin states.

Bunker suggests that he would be glad to assist while in London if the Embassy considers this advisable.

(6) Telegram No. 1202 of October 20 from Hare in Cairo indicated that Nasser had been friendly and receptive to Black's suggestion that a commission of riparian states be set up to study the development of the Nile Valley which IBRD would be willing to help establish and chair, if requested.

However, a close reading of the subsequent part of the telegram in the light of the new Russian offer to put One Hundred Million Dollars into the first phase of the high dam at Aswan, throws some doubt on the cordiality of Mr. Nasser's reception of Mr. Black's proposal and certainly on his complete sincerity. (Diplomatic language!!) Hare re-

ported that Nasser had been interested and willing to be helpful in regard to Black's suggestion that the UAR request IBRD to assist in reaching Sudan-UAR agreement on waters. This indicates that Black, in my judgment quite rightly proceeded to sound out Nasser on the independent action of Egypt and the Sudan, and not accept the low level Foreign Office advice to hold up the whole business. In the light of the Russian offer this may become quite an important matter to establish, particularly in view of the consistent misrepresentation of the nature of previous negotiations between the Bank and UAR, and the US role therein. The subsequent language is particularly interesting in view of the Russian offer: "However, Nasser wished delay request to bank until UAR had announced intention proceed first phase of Aswan dam. (Black had indicated IBRD skeptical of feasibility first phase Aswan except as part of entire high dam project.)"

The significance of this and the fact that the Soviet Ambassador immediately followed Hare into a subsequent interview with Nasser, may strike me as being greater than possibly the hand of coincidence but I think they are worth consideration.

The next part of the conversation is particularly important: Nasser was reported as "disturbed lest Sudan projects reduce Egypt's irrigated acres to five million and indicated suspicion UK and US were preventing Sudan from agreeing on Nile water division".

You are no doubt familiar with the fact that the Egyptian claim on the Nile flow to increase certain acreage is in itself regarded as uneconomic in some quarters in terms of the land to be brought into cultivation. But Nasser stated his maximum claims as minimum claims and indicated in short that we were preventing the Sudan from reaching agreement on Nile water division with the obvious intention of pressuring us in turn to put pressure on the Sudan to accede to the Egyptian position.

As to the subsequent language, I think it probably was not intended by Black to indicate the acceptance of an ultimate veto by Nasser on undertaking Sudanese development independently, if Nasser, himself, were perhaps not to join in the ultimate Nile development scheme as a whole. You will recall that in my brief memorandum of October 3, 1958, commenting on the memorandum forwarded by Mr. Rountree, I asked that the warning by Mr. Black be made more specific that there could be no acceptance of an ultimate power of veto on the part of Egypt if Nile development as a whole were being held up by refusal to make equitable agreements.

I quote the exact language of telegram 1202 on this point: "Black had pointed out that this seemed improbable in light fact agreement between UAR and Sudan necessary before Sudan projects could go forward".

Obviously Mr. Black was merely disclaiming British or UK attempts to prevent agreement by the Sudan in the light of the Bank's previous attitude. Indeed he was more than justified on this point since the Bank had in effect insisted on this agreement with the Sudanese as a condition of proceeding with the Aswan dam in past negotiations, and equally to the Sudanese for agreement with Egypt before proceeding with the Roseiras Dam, etc.

(7) Hare reported that no "request" (my italics)³ was made for a loan for the first phase "but Kaissouni indicated likely interest long-term credits (source unspecified) since short-term supplier credits anticipated from sources such as Japan would be inadequate".

Hare indicated that the next move on the Nile problem was up to the UAR and we have just seen what the Russian move is, at least.

(8) *Conclusions and suggested alternatives of policy*

This series of moves would indicate that Nasser is now strengthening his bargaining position and to force agreement by the Sudan to his terms on the allocation of Nile waters. He may be able to undertake the first phase of the high dam without flooding Sudanese lands, but if the second phase of the dam at Aswan floods the territory of the Sudan, with or without Russian financing, Egypt would be violating international law and the 1929 Agreement. The 1929 Agreement provided for subsequent negotiations of the Nile waters flow and under the 1953 Owens Falls Agreement, the UAR may obtain increased water by availing itself of its right to raise the level of Lake Victoria on payment of necessary costs, presumably after negotiations with the British before implementing any such step.

(9) The alternatives now open to Nasser on his part would seem to be to use this new leverage in establishing himself in a position from which he could move to the completion of the first phase through Russian help, and then be in a position to accept offers from higher bidders. At the threshold of the second stage he would certainly be confronted with the necessity of either outright violation of the 1929 agreement and customary international law by the flooding of Sudanese lands, or of making a deal with the Sudanese and presumably with the other riparian states. The British would certainly insist upon this agreement before further steps are taken in connection with the high dam development. From the point of view of the United States we would have the alternative either of:

(a) Trying to meet the Russian offer without strings attached in order to prevent the Soviets from having the back door from the Sudan to Africa open. They would most certainly attempt to conduct their own hydrographic surveys, check those made by the British and

³ Presumably the word "request" in quotes; it is neither italicized nor underscored in the source text.

by us before proceeding with the establishment of the high dam, and they would strengthen their own position for negotiations with the upper riparian states, particularly Ethiopia and the Sudan, for an extension of Russian assistance, with Nasser as a friend at court and as one who would certainly possess rather powerful leverage if they had undertaken the first phase and proceeded at their own pace towards its completion. This intent may be the most important part of the Russian objective since the control of the upper Nile in Soviet hands or governments under Soviet pressure would reduce the independence of Nasser and prevent him from being even a little less tied than Tito to Soviet policy control.

(b) Another alternative which would be open to us would be to allow the Russians to proceed with the first phase of the dam and trust that Nasser would then want to call on us for further help, in view of the insistence which the upper riparian states would make upon not proceeding with the latter phase without general agreement or certainly bilateral agreements, with each of the countries concerned. This possible joint aid might have certain attraction from the point of view of financing. But it is obviously extremely risky. As I pointed out above the Russian's bargaining power is considerably increased with Egypt. The Soviet block would gain added ability to penetrate the upper riparian states and offer them economic mediation and even "protection" against Nasser.

Given the degree to which Mahgoub's attitude in the Sudan has previously indicated the dangers of this promised aid in the Aswan dam and the added avenues it provides for growth of Soviet influence both in Egypt and Ethiopia (the latter exacerbated by the Somali problem), this is a risk worth very serious assessment.

(c) A third alternative would be to insist that if Nasser proceeded with the first phase of the Aswan high dam, offers of Bank assistance would be withdrawn and steps would immediately be initiated in the upper riparian states to secure an equitable allocation of the flow of the Nile within the framework of the previous offer which Mr. Black had made for a general convention, pending Nasser's acceptance. This would permit freedom of action for both the Roseiras and Managil projects and for that matter for the Ethiopians and possibly some further developments in the upper river basins of the other riparian states.

(d) Still another alternative would be to wait for developments (as we usually do) to see whether the Russians in fact intend to implement the offer or whether it is a carefully staged maneuver such as Nasser arranged previously. At that time his expectations of Soviet help on the high dam turned out not to be founded on a firm and worked-out agreement as to terms for implementation.

The publicly announced schedule of repayments is not to begin until the first phase of the dam is completed. Even with the low interest rates, Nasser economically is quite incapable of proceeding

with the dam and with the capital development of the Suez Canal, which are further outlined in Hare's telegram of October 20, previously quoted in large part.

The danger in this watchful waiting policy is that the Russians conceivably do mean business on this offer and that it is one of those selected targets which gives them the foot-hold in Africa that they have long sought.

(10) *Conclusions*

Of course, this is a very difficult problem, complicated by the desire of the British to prevent us from taking action in either the Sudan or Ethiopia which, in an ironic way, parallels Nasser's desire to put pressure on both these countries. With regard to holding up independent action, perhaps the British may see the light because of the Russian proffer, and try genuinely to cooperate without exploiting their bargaining position in a direction which could do no good to anyone but Nasser and the Soviet initiative. It complicates the Bank's problem by giving Nasser additional bargaining power, as pointed out above. It also injects, from the point of view of our policy, dangerous possibilities if the Soviet moves are genuinely intended toward implementation as a part of the "blue print" (Ethnographic Institute Studies) which provides for a massive and many pronged penetration of Africa radiating from the Sudan and Ethiopia. This penetration is timed to help force a premature end of colonialism, and to Communize Africa.

(11) *Recommendations*

I do not at this stage feel inclined to make anything but the most tentative recommendations since the situation is new and we have not had reactions from the field to the Russian offer or an analysis by the appropriate political and economic sections of the Department. It would seem to me, however, to be sound US policy to have it publicly known that Mr. Nasser had been approached with a view to the development of the Nile prior to the Russian announcement of their offer, and that we had thought his attitude was cooperative. We should therefore be disagreeably surprised if we found that the Russian proffer had been part of studied moves of which we had not been informed at the time of the offer made by the Bank in good faith, warmly supported by the Governments of the United States, and (I hope we can add) of the United Kingdom.

Beyond this, my own preference would be for informing Nasser that if he accepts the Russian offer and goes ahead without agreement of the Sudan, we reserve the right to proceed independently on aiding development of the upper Nile, on the grounds that he had, himself, in proceeding with his efforts without reaching agreement with other riparian states and particularly with the Sudan, not acted in accordance with the specific language of the 1929 agreement regarding its revision, and the usual practices among riparian states.

This particular package raises once more, by an acute example, the need that we discussed today, for having in Dillon's shop (appropriately staffed from the Legal Adviser's office, and with supporting help from the political desks and the economic experts, including possibly someone from ICA and other agencies, as needed), a center for continuous and intensive study of these matters, and for anticipating Soviet moves of this character and for devising both a strategy and a series of tactical defenses taken before the event, as far as possible.

As a particular application of this, I should warmly recommend that Mr. Griffin who has been following this problem more closely than anyone I know in Washington in the Government should be relieved of his present duties in L in order to have a focal point for framing the kind of necessary steps toward working out international control of the Nile waters and keeping in touch with the Bank on the policy interests of the Department where they did not require transmission through Mr. Dillon himself, and for advising Mr. Dillon and others through appropriate representation of the legal, political and administrative aspects of this problem.

Attachments:

Cairo's 1202 of October 20
Cairo's 1150 of October 14 (Sections one and two)
Khartoum's 448 of September 30
Department's 766 to New Delhi, of October 2
New Delhi's 836 of October 8
New Delhi's 834 of October 8
Department's 1022 to Cairo of October 10
New Delhi's 856 of October 9
Department's 1047 to Cairo of October 13 (repeated to London as 3730 and Khartoum as 475)
New Delhi's 856 of October 9
From William Y. Elliott, dated October 3
From William M. Rountree, dated September 27, with enclosures

223. **Circular Telegram From the Department of State to Certain Diplomatic Missions¹**

Washington, October 25, 1958—10:03 a.m.

497. Regarding 400,000,000 ruble loan to UAR, we recall Soviet Ambassador to Egypt announced in July 1956, following withdrawal Western aid offers, that USSR was prepared assist Egypt with financing for project upon Egyptian request. So far as we know, this offer has remained open and Egyptian planning with respect to first phase of project has continued. Nasser specifically mentioned Egyptian plans this connection in July 23, 1957 report to Parliament and again referred to "two-phased ten-year plan for building Aswan High Dam with our own resources" in talk with newsmen last month. Nasser has stated privately outside assistance to finance project would be welcome, possibly through use some of uncommitted portion Soviet line of credit or perhaps through IBRD. While Nasser in conversation with IBRD President Black October 16 did not request IBRD assistance,² it was indicated long term credits from unspecified source might become available.

Department has made only brief and factual comment to press (reported separate telegram)³ in order portray Soviet-UAR agreement more as outgrowth of past attitudes of the parties on this subject than as any sudden and radically new departure in their relations. Addressees authorized take similar line in their official contacts in effort set Soviet announcement in perspective.

Dulles

¹ Source: Department of State, Central Files, 886B.2614/10-2558. Confidential. Drafted by Brewer on October 24, cleared with NEA/P and EE, and approved and signed for Dulles by Rountree. Sent to Cairo, Baghdad, Beirut, Jidda, London, Khartoum, Paris, Moscow, Tel Aviv, and Damascus.

² The Embassy in Cairo transmitted Black's account of the meeting with Nasser in telegram 1202, October 20. (*Ibid.*, 241.86B41/10-2058)

³ Circular telegram 496, October 25. (*Ibid.*, 886B.2614/10-2558)

224. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, October 26, 1958—6 p.m.

1275. Embassy telegrams 1257, 1272.² This preliminary Embassy appraisal significance Soviet offer finance first phase High Dam. Although offer in reality not very big as it represents financing for only third of costs first phase and less than 60 percent increase over previous Soviet industrialization loan, no doubt that, if implemented, it represents major triumph both Nasser and USSR. Nasser's prestige enhanced both UAR and area, USSR gains greater degree control UAR economy and influence on policy as well as sharing propaganda victory with Nasser. Position of West in area correspondingly weakened.

Economic consequences of decision proceed with High Dam will depend in part on terms of final agreement. If newspaper reports correct, terms generous and repayments, while only 12 years duration, do not begin until additional land cultivated. While this additional obligation adds no more than 20 percent to foreign exchange liabilities now being undertaken for industrialization, it another case Egyptian unconcern about problems which can be postponed. No note taken in press of fact that population increase expected eat up all benefits of project. Nonetheless, Embassy believes long-run foreign exchange problem less important than immediate impact of additional local expenditures on domestic economy. Embassy estimates that present industrialization program cannot be carried on through next three years without support of annual net import surplus of LE 15–20 million on top capital import requirements covered by long-term financing (Embassy despatch 202).³ In Embassy's opinion transfer of local resources to dam project in amount of LE 15 million per year can only be accomplished if import surplus correspondingly increased, as not realistic to expect that Egyptians capable of necessary austerity to achieve it otherwise. Other alternative of gold loan by USSR not considered likely. Thus, economy, which already severely strained by foreign exchange shortage, will be subjected to additional pressures which could result in serious inflation unless large-scale additional aid obtained or monetary gold sold. Egypt increasingly in position of man very busy laying foundation for future wealth, but in meantime nearly

¹ Source: Department of State, Central Files, 886B.2614/10–2658. Confidential. Repeated to London, Khartoum, Moscow, Amman, Baghdad, Beirut, Jidda, Tunis, Rabat, Tripoli, and Damascus.

² Telegrams 1257 and 1272, October 24 and 25, respectively, reported that the Soviet decision to grant the UAR a 400-million ruble loan dominated the Cairo press. (*Ibid.*, 886B.2614/10–2458 and 886B.2614/10–2558)

³ Not printed.

starving. Doubtful Nasser fully aware seriousness current economic situation and degree High Dam project will add to problem, but question whether this would have influenced decision even if known. Kaissouni and other officials aware problem, but no indication they have least idea how to solve it. (Kaissouni in response direct question by Kennedy re local financing project during call on October 25, merely said local resources would somehow be found because UAR had no alternative but to proceed.) From these facts, Embassy concludes Nasser may still need Western help. Thus, while immediate effect High Dam offer is to damage Western prestige in area, UAR commitment to economic program beyond capacity its resources may ultimately give us increased room for maneuvering. Note also that undertaking first phase which provides only coffer dam and water diversion works without guarantee financing for balance project or agreement permitting flooding Sudan territory may put UAR in severe bind at later date. Soviets of course can be well satisfied with loan "without strings" which binds UAR to course threatening to wreck economy and improve Soviet bargaining position when next loan mandatory.

Most serious immediate danger is possible aggravation UAR-Sudan dispute over Nile waters. This dispute not in interest US and particularly important to avoid situation where competitive programs carried out in absence of agreement, one backed by USSR and one by West, although of course necessary see Sudan projects properly supported. But, while this sorry outcome might appear probable in view of announcements both countries their intention proceed without agreement, fact that Nasser indicated to Black, President IBRD, he would welcome IBRD assistance in reaching agreement with Sudan as soon as UAR announcement of High Dam program made, gives ground for hope way may still be found to achieve unified development plan for Nile Valley (Embassy telegram 1202).⁴

Kaissouni reiterated to Economic Counselor October 25 UAR intention proceed in accordance this understanding (Embassy telegram 1273).⁵

Embassy suggests therefore that most important immediate step is to press for early implementation Black-Nasser agreement.

As indicated reference telegrams press having field day interpreting significance Soviet loan in terms boasting, revenge and blackmail and as related various previous events ranging from our cancellation of Aswan Dam offer to current reports British arms sales to Israel. Now what press obviously waiting for is some indication that West has been

⁴ See footnote 2, *supra*.

⁵ Telegram 1273, October 26, reported a discussion with Kaissouni on Black's mediation of the UAR-Sudan Nile waters dispute. (Department of State, Central Files, 241.86B41/10-2658)

thrown into hysterical paroxysm by what has happened. Embassy's suggestion in this situation that, while we should give matter all hard thinking it deserves, we should give public impression of relative unconcern although should avoid appear to belittle High Dam project itself. In previous similar instances this has proved most effective means pricking publicity bubbles. Moreover, although Embassy not had adequate opportunity assess Egyptian motives, we would surmise that Nasser's apprehension re Sudan's intentions as recently expressed to Black and others may have been something more than putting on act. Thus, in Kennedy-Whitman conversation with Kaissouni referred to above, latter emphasized that basic motive economic defense against loss of water from Sudanese projects.

Hare

225. Telegram From the Department of State to the Embassy in the United Arab Republic¹

Washington, October 28, 1958—7:04 p.m.

1215. Rountree met with Fawzi evening October 24 prior latter's return Cairo. Fawzi seemed appreciate fact visit to New York solely for this purpose. In general review situation, Fawzi expressed view situation in Middle East somewhat improved and seemed to feel there had been some improvement US/UAR relations although he recognized there were very difficult problems. He urged US understand that UAR recognized two essential points: 1) that economies of Arab states depended upon business with West; and 2) social systems in Arab states were incompatible with communism or domination by Soviet Union. As he put it, these were very strong cards in our hands and neither of us should be too concerned when other "bad cards" were played. There were nevertheless several matters which caused him particular concern. Western, and particularly US, support for French in Algeria and refusal recognize legitimate aspirations of Algerian people for independence were becoming even more serious obstacles in relations with Arab states. Unless some gesture should be made in near future

¹ Source: Department of State, Central Files, 780.00/10-2858. Secret. Drafted, approved, and signed for Dulles by Rountree. Pouched to Damascus, Algiers, Baghdad, Amman, Beirut, Khartoum, Tunis, Rabat, Jidda, Paris, London, Tel Aviv, Tripoli, and Rome.

consequences could be serious. He did not expect that ideal solution could be achieved in near future but expressed hope at least some progress could be made re Algeria and "we could work from there."

In referring to UAR/Tunisian problems it was clear Fawzi gave credence to report US had encouraged Bourguiba's actions in Arab League and in breaking relations with UAR. He related this and alleged US/UK/French actions in other area countries to UAR concern that Western allies stepping up program of encirclement UAR by unfriendly governments. This connection he mentioned encouragement of Khalil in Sudan toward unfriendly attitude vis-à-vis UAR, and reports of large-scale military assistance to Israel at time when Israel seemed be contemplating military action against West Bank of Jordan and Jerusalem. He discreetly mentioned US military mission to Jordan with implication this might be for purposes inimical to UAR interests.

On other hand Fawzi expressed pleasure that US and UK forces being withdrawn from Lebanon and Jordan and stated situation in Lebanon seemed much improved. He expressed hope that Jordan would remain quiet after UK withdrawal. He was also pleased at various actions US had taken in UAR such as renewal CARE and EARIS programs and leasing of *Essayons*.

For his part, Rountree restated US policies and attitudes toward UAR along lines previous communications with Embassy. He expressed regret that general tenor UAR propaganda including official statements such as Amer's in Moscow on various international questions give impression UAR does not even try to follow neutral policy so often proclaimed by UAR officials. He reviewed measures which we had taken in effort improve relations with UAR and said unfortunately we did not feel that these had been matched by efforts on part of UAR. Perhaps this due in some part to effectiveness of our adversaries in convincing UAR officials that US actions were being taken against UAR legitimate interests. For example reports that US had encouraged Bourguiba to act as he did with respect to Arab League and UAR relations were totally without foundation. He said he could give Fawzi his solemn assurance that US had not suggested any such action by Bourguiba, yet he had no doubt that some UAR officials, and perhaps Fawzi, earnestly believed to the contrary. He expressed belief that DeGaulle would seek to make progress in Algeria and reviewed again reasons why US could not take more positive position with respect to Algerian independence. He explained purpose of our military mission to Jordan and when he mentioned mission would be there only for few weeks, Fawzi seemed reassured. Replying to Fawzi's comments concerning a possible Israeli attempt to take West Bank in Jerusalem, he said US had no reason to believe Israeli were planning aggression. US attitude with respect to aggressive action on the part of any state in Near East had been made clear. It had not

changed since Suez. Fawzi complained about US-UK and French supply of arms to Israel and stated this would inevitably result in Arab states' obtaining additional arms from Soviet Union, using economic resources which they could ill afford. Arabs could not understand why US would not take leadership in dissuading countries from supplying arms to Israel. It was totally wrong in his view for Israel, a country of 2 million, to be permitted to match armaments of all Arab states. Rountree replied US had of course always been strongly opposed to arms race in area and was not itself contributing to such a race. Despite Cairo reports to contrary, US had not supplied and was not supplying substantial arms to Israel. It would be extremely difficult however to sell world opinion on idea that Israel should not be entitled to buy any armaments whatsoever from those countries willing to supply at a time when Arab states and particularly UAR were obtaining vast quantities. We would like nothing better than an end to arms race but it appeared unrealistic to think one side or the other could be only one deprived of arms purchase.

Surprisingly Fawzi referred to recent article in *Time* which reported clandestine radio broadcast allegedly from UAR which was insulting to President Eisenhower and then in return insulted President Nasser. He complained this not conducive to improved relations. Rountree agreed it not profitable to return insult for insult but thought Fawzi must recognize having been in the US for many years that USG did not control press. This was unlike situation in UAR where press and radio were controlled, and statements therefore had direct relation to Government. While Fawzi denied there existed in UAR clandestine radio which carried insulting comments concerning President Eisenhower, Rountree told him in all frankness that whether this were true or not we honestly believed it was true and that clandestine radio was located in Syria. We further believed rightly or wrongly that UAR Government could cause it to cease operation if it wished to do so and Rountree thought it would be very helpful move indeed if broadcasts of this kind should cease. Fawzi replied simply that "In such large area it is possible that some people do things that we don't like, and we shall have to do the best we can."

Rountree referred to Secretary's conversation with Fawzi during Special UN Assembly in which they had discussed future of Jordan. He asked Fawzi if he had any further comment in that regard. Fawzi replied he had appreciated frank talk with Secretary and had found it most useful. He continued to hope that whatever changes must come about in Jordan could be achieved peacefully. There was no hurry. Certainly, UAR did not want to take over Jordan; for one reason it did not have financial resources to replace US subsidy. Rountree reiterated

our hope that situation in Jordan would remain quiet and that any adjustments which might be necessary could be achieved in tranquil atmosphere.

Dulles

226. **Telegram From the Embassy in the United Arab Republic to the Department of State**¹

Cairo, November 7, 1958—5 p.m.

1435. [Here follows the beginning of the telegram.] Points covered were our general disposition toward UAR, our attitude toward Arab Union and Arab League, Iraq, Jordan, Israel, Bakdash, Sudan, Tunis, Far East, Egyptian press and radio and situation re US–UAR relations.

I shall not attempt report substance this presentation, which in any event, based largely on Departmental material and in line recent discussion in Washington and New York with Ambassador Kamel and Foreign Minister Fawzi. I should perhaps report, however, that I did bear down rather hard in question our relations. I told Nasser [I] did not wish seem like old lady whose greatest pleasure was talk of her aches and pains; in fact I was heartily tired of perpetually talking about "our relations". But this was not question of personal likes or dislikes but of serious business of international relations and I would be less than frank if I did not say that I had recently seemed to sense an intangible something in atmosphere which raised question whether, despite efforts made improve relations, we might not actually be heading in opposite direction. Thus I was used to violent reaction of Cairo press and radio but deliberate way in which apparently conscious effort recently made distort facts, malign motives and fabricate charges was strange phenomenon. Was it possible I was placing overly black interpretation situation or was there in fact some new element therein?

Nasser listened intently throughout presentation and it was obvious that device of quoting from thick sheaf of documents had effect. Following were his reactions in order in which he gave them.

[Here follow paragraphs 1–6.]

¹ Source: Department of State, Central Files, 611.86B/11–758. Secret; Noform Except as Authorized by Department. Repeated to Beirut, Amman, Tel Aviv, Baghdad, Ankara, Khartoum, Tunis, London, Addis Ababa, Damascus, and Moscow.

7. *Relations with US*: Nasser said he still felt basic problem in relations with US was lack assurance we would not take advantage difficulty in which he might find himself to stab him in back. In fact he sometimes felt he was mistrusted by US more than Communist because we regarded him as being opposed to our interests. He wasn't asking anything of US except assurance he could feel secure and did not have deal with hostile USG.

I observed very difficult understand this point of view in light of our reiterated assurances, which I had just been authorized repeat to him, and also various steps we had taken improve relations. Furthermore, would be inconceivable that we, with our well-known attitude re Communism, would dream of taking advantage of possible Nasser difficulty with Communists in order attack him. It just did not make sense. It seemed to me Nasser was making serious mistake in continuing base his conclusions re our motives on unfriendly press articles (he had referred this repeatedly), chance remarks and alleged documentation re past events and situations, as contrasted with our actual policy which is based on realities of existing situation and which had been fully explained to him. To do so was to make white black and black white for no good reason. Was there anything he could suggest which would help clarify? Nasser said time would help and recalled how he had stressed improved relations with US as well as USSR on return from Moscow.

I said this wasn't getting us very far and wished ask two questions. First was what was his candid opinion as to whether our relations improving, deteriorating or staying about the same. Nasser took long time to reply but finally said he had assumed we had been working against him in Arab League and Sudan but that, with Lebanese problem resolved, things now easing. However future obscure and important factor is not just what we do but what done by our British and French allies.

I then put second question which was what, supposing Nasser were in my place, he would write as conclusion to be deduced from our talk. Again Nasser took long time to think and then replied difficult reply to question as posed but there is basic trouble because USG appears see Israel as friendly and UAR as hostile. We treat Israel like Soviets treat UAR and he then gave long enumeration of aid given by US to Israel but making clear this not plea for aid to UAR.

After another pause, he then recalled he had once before suggested best thing would be to forget past and turn new page, and that is what he would again suggest. I said recalled but also remembered I had drawn blank when I had asked what we should write on new page. Did Nasser now have any suggestions? Another long pause and

then Nasser replied better say nothing at all than something bad and better say something good than nothing. After that could see what might be written on other pages.

Here conversation ended except for Nasser's remark on taking leave that he was glad we had met and he had found conversation "very useful".

I have seen Nasser in his black and bouyant moods but this was one of his most baffling performances. On one hand he was obviously interested in various items information passed on to him, was forthcoming in furnishing information himself and seemed eager discuss problems but, on other hand, he was intent on perpetuating old suspicions and unjustifiably laying his troubles, especially re Communists, at our door. As consequence, depending on aspects of conversation chosen, conflicting conclusions might be drawn and would perhaps be justified because I had impression of talking with very confused frustrated and worried man. However, strongest impression I gained was that, despite much talk re Iraq and Nile Waters which clearly subjects much concern to him, his principal preoccupation was Israel and especially recent reports arms assistance to it by West coupled with speculation possible Israeli action in event something happens in Jordan since this raises nightmare of renewed great power intervention in area. This in turn raises question whether, faced with this problem, Nasser may have gone further in his dealings with Soviets than is now apparent. This may be, and I hope is, unduly alarmist speculation but somehow I cannot escape uncomfortable feeling that there is some new element in situation which bodes no good.

Hare

227. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, November 29, 1958—2 p.m.

1635. Deptel 1386.² In conversation with Embassy Officer November 26 Haikal said point now reached in US-UAR relations where

¹ Source: Department of State, Central Files, 611.86B/11-2958. Secret. Repeated to Baghdad.

² Telegram 1386, November 12, reported that the November 11 *Washington Star* featured an article by Earl Voss which stated that Nasser had warned the West that Iran was going Communist. (*Ibid.*, 787.00/11-1258)

Nasser had concluded no hope of understanding in Washington and had indicated American reaction would no longer be factor in his thinking. Peg on which this bit of spleen hung was leak of portion my last conversation with him in which he had discussed Iraqi situation with great frankness.³ In addition press coverage this item, including unidentified article by Dana Schmidt but probably that of November 7, Haikal said Nasser had received report from Ambassador Kamel to effect substance of conversation, particularly re Nasser's attitude toward Iraq, was being widely discussed in Washington.

Haikal said Nasser had assumed our November 5 conversation would be treated in strict confidence, that he had been "furious" when he heard of leak and that nothing had done more to convince him of futility trying work with us than when he saw his confidential remarks in print.

Haikal added that immediate consequence was that Nasser had cancelled plans crack-down on Communists in Syria. His reason for deciding conduct such campaign had been to stimulate similar crack-down in Iraq where Nasser could not directly make such suggestion but felt he might set example to show how possible for Arab Nationalist take firm hand with local Communists without affecting relations with Soviet Union. However, after revelation his remarks re Iraq in American press, Nasser had ordered Serraj not implement plan.

Another consequence of leak, said Haikal, was that Nasser had decided that further frank discussions with me would not be in order and that our relations should henceforth be essentially ceremonial in character.

Comment: It is my feeling that foregoing should be taken with seriousness but also with reserve.

On serious side, one of few assets in generally unfavorable situation here has been accessibility of Nasser to American Chiefs of Mission and his readiness discuss problems fully and often quite frankly. Unfortunately, end product of such discussion has usually been far from satisfactory but mere fact of being able talk freely and in confidence believed to have had certain utility. As consequence prospect of losing even this marginal asset regrettable. Recall this principal subject discussed by Nasser with Lakeland and as reported Baghdad's 1680.⁴

On other hand, while probably true that Nasser's nose really out of joint, it is recalled that Haikal's stories never suffer from understatement and also that assertion of having held hand when just ready crack-down on Communists, because of something USG has done or

³ See telegram 1435, *supra*. The portion including the discussion of Iraq is not printed.

⁴ Telegram 1680, November 25, reported that Nasser's conversation with Lakeland was largely concerned with leaks. (Department of State, Central Files, 110.4-NE/11-2558)

failed to do, is recurrent Haikal–Nasser gambit. Also this is not first time Nasser has had sulking mood but snapped out of it as other subjects claimed his attention.

Conclusion therefore is that certain amount of immediate harm has doubtless been done which may partially account for strong language regarding us used by Nasser in his November 27 speech but that it will probably be possible do some fence mending due course. Suggest comments made Embtel 1624⁵ may also have certain bearing here.

Hare

⁵ In telegram 1624, November 26, Hare commented that recent conversations illustrated the dichotomy of the situation in Cairo. One side was represented by Fawzi, Kaissouni, and others with whom the United States might disagree, but with whom objective discussions could be held. The other side was represented by Nasser, military elements, and others with whom relations were based more on subjective fixations than objective evaluations. (*Ibid.*, 611.86B/11–2658)

228. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, December 1, 1958—8 p.m.

1659. Embassy telegrams 1624, 1635, 1639.² In course series conversations with local Mission Chiefs which I have been conducting during past several weeks, I called November 28 on Lebanese Chargé Ghaleb Turc who is old acquaintance from my Jidda days. After renewing situation generally and agreeing that Soviet danger here had reached critical point, I referred to efforts we had made improve relations with Nasser and UAR, despite which situation if anything worse than better as evidenced Nasser's speech day before. Saying that in circumstances my cupboard of ideas getting very bare, I asked if he had any thoughts as friend, Moslem and dedicated nationalist. Turc said that offhand he felt we had been losing out in area (1) because we had made insufficient effort to understand Arab thinking and sentiment, (2) because our policy had been contradictory, e.g., following up our Suez stand by Eisenhower Doctrine and (3) because steps we had

¹ Source: Department of State, Central Files, 611.86B/12–158. Secret; Priority; Limit Distribution.

² Telegram 1635 is *supra*. Regarding telegram 1624, see footnote 5, *supra*. Telegram 1639, November 29, confirmed Nasser's violent reaction to the press leak on Iraq. (Department of State, Central Files, 611.86B/11–2958)

taken as symbols our desire improve relations with UAR had been inadequate regardless of fact US and UAR Governments might have agreed modest approach desirable. Admitting nothing particularly new in these thoughts, Turc said that, as Arab nationalist, he was very disturbed by Commie inroads in area to detriment of West and he would like to be helpful if he could. He was intimately acquainted with several persons in Nasser's confidence, including Zulficar Sabri and Munir Ghaleb, head political section of presidency, and would be glad sound them out if I thought might be useful. Mindful of Bill Tilden's maxim never to change winning game but always change losing one, I told him go ahead on understanding that acting on my personal initiative but at same time against general background of continuing desire USG normalize relations with UAR.

Reaction of foregoing developed much faster than expected in form call at Embassy this morning by Haikal at behest Nasser to whom calls by Turc on Sabri had been reported and who had discussed for 2 hours with Haikal yesterday with following results:

1. Regarding my reported disappointment with his speech Nasser wished make clear that reason was his feeling having been betrayed by leak our last conversation, not because of leak in itself but because he convinced had been done deliberately by USG in order embroil him with Soviets and Iraqis following pattern of previous efforts work against him and isolate him. When he had talked to me last time he had "cleared his conscience" by talking very frankly, only to have most sensitive matters discussed appear in press several days later. Not only that but it had been learned from UAR Embassy in Washington that matter had been topic wide discussion as revealed for instance in conversation of UAR Embassy officer with Dana Schmidt of *New York Times*. What had made still worse (Haikal said telling this on own responsibility, not authorized by Nasser) was that lowly UAR Embassy attaché had also been given substance conversation (Haikal did not say by whom but seemed possibly connected with alleged Schmidt conversation). This development had revived Nasser's fear of being stabbed in back if he exposed himself and convinced him of inability work with US.

I replied knew nothing of so-called leak except for telegram (1386)³ from Department which had advised me of article in *Washington Star* which bore certain similarity part my talk with Nasser but for source of which Department had said unable account. I noted this telegram received long before question raised here which clearly established bona fides of Department denial. But more importantly leak would have been contrary our own interest in any event. Regarding

³ See footnote 2, *supra*.

Nasser speech quite true I had been disappointed not only because what said but because, if I had been as effective as I had tried be in last talk with Nasser, I didn't think he would have spoken way he had.

2. Haikal then got down to what was obviously principal purpose his coming. I had asked through Turc, he observed, what could be done come to grips with situation. After serious discussion, Nasser was prepared make specific suggestion in form request for PL 480 wheat. At present wheat being obtained from Soviets in exchange for cotton. UAR would prefer reduce dependence on Soviets and for that reason to obtain wheat from US. As to terms UAR would be prepared (1) purchase for pounds under same terms as previous PL 480 wheat purchase, (2) purchase against pounds which US Government could use anywhere desired or (3) purchase against sale of cotton. Specifics regarding amounts, etc., could be worked out later by experts. All needed know now was whether we prepared to sell in principle. If so, can set about detailed arrangements; if not, just say so and "we'll forget all about it".

Commenting on proposal as authorized by Nasser, Haikal emphasized proposal could have "real impact" on US-UAR relations. On one hand, being in form food, it would have popular appeal and would serve dispel recollection economic sanctions imposed by US Government. Additionally, as far as UAR Government concerned, it would be reassuring regarding basic American attitude. On other hand, Nasser felt this type assistance would not pose difficulties for US Government as in case arms or industrial equipment and fact Israel already getting should allay objection on that score. Generalizing and concluding, Nasser said that, although US Government and UAR not now actively quarreling, obvious that paths dangerously diverging. Haikal added on his own without Nasser authorization that he felt proposal would also help UAR take stronger line on Commie issue.

Although Haikal may have added a few embellishments in presenting foregoing in Nasser's name, approach has imprint of being real thing despite unorthodox way in which evoked and I believe it should be received in that way.

As to action I recommended that our response be immediate and affirmative.

Idea of action along this line is not new. It was developed in ICA master program book, discussed by Economic Counselor Whitman in Washington and is covered in further despatch going forward this week.⁴ Boiled down it comes to this plan at time when Soviets have been making dangerous inroads here, relations between US and UAR have been stuck on dead center as result inter alia of mutual inhibition over past. We made serious effort correct situation which failed make

⁴ Not further identified.

headway because various obstacles, greatest of which was psychological block of Nasser and UAR regime. Now Nasser, after having said would never again ask anything of us for fear being refused and humiliated, has unexpectedly reversed his field by making straightforward request. This is not mere wheat deal but transaction in fundamental foreign relations.

My suggestion therefore is that we take leaf out of Khrushchev's book and strike while iron is hot. There is of course risk it won't work out but worst that could happen would be accumulation of Egyptian pound credit for which we would have no immediate use, and possible that, if successful, it might begin tipping scales in our direction to detriment Soviets. This, I submit, is good gamble which I recommend we take and hope reply possible in course current week.

Turc is unaware of foregoing reaction and in fact seemed somewhat discouraged by reaction he received from Sabri and Ghaleb. For tactical reasons, however, we believe best he be left in dark and also that discussion this matter be confined fewest possible persons. Needless say leak of this development would be catastrophic.⁵

Hare

⁵ On December 2, Hare sent some second thoughts on the P.L. 480 deal, concluding that a prompt and favorable response was indicated. (Telegram 1670 from Cairo; Department of State, Central Files, 611.86B/12-258) On the same day, the Department replied that it was willing to undertake a new P.L. 480 sale of wheat to the UAR. (*Ibid.*, 411.86B41/12-258) For text of the agreement, signed at Cairo on December 24, see 68 Stat. 455.

229. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, December 15, 1958—2 p.m.

1797. Following is account essential points covered in almost three-hour conversation of Rountree with Nasser last night.² I accom-

¹ Source: Department of State, Central Files, 611.86B/12-1558. Top Secret; Priority; Limit Distribution.

² Rountree visited the Middle East beginning December 8. In addition to the conversation with Nasser described here, he also talked with Fawzi, Ali, and Zulfikar Sabri. Memoranda of these conversations are *ibid.*, 110.15-RO/12-1358. A summary of the conversations was transmitted in telegram 1786 from Cairo, December 14. (*Ibid.*, 611.86B/12-1458) Documentation on the trip is scheduled for publication in volume XII.

panied Rountree. Nasser was alone and we were subsequently informed he planned it that way since he desired to speak in utmost confidence.

Rountree opened conversation by outlining general nature his mission, identifying areas of agreement and disagreement, attempting dispel misunderstanding re certain issues, and enunciating sincere desire improve relations without deluding ourselves re obstacles. Stressed what we seeking is distinguishable progress toward improved relations; not thinking in terms miracles.

First part of Nasser's response was replay of familiar record beginning with great expectations of free officers re what might be expected from us, recognition of certain periods when interests seemed coincide but general pattern of gradual deterioration of relations leading up to conviction that US basically hostile to UAR and that our motives could only be viewed with suspicion. Nasser also wove into recital story of his struggle with Communists in Egypt, saying (for first time my knowledge) that he had at early stage his career been approached by Communists who desired use him in order infiltrate officer group. At that time he had studied "all the books on the subject" but decided communism was not for him for three reasons:

First, because he cherished his religion;

Second, because he was repelled by brutal methods;

Third, because he did not desire see his people liberated from one form of bondage only to be subjected to another. Nasser also told of the critical point in his struggle with Naguib when Communists were demonstrating against him (Nasser) and seemed on verge of taking over Cairo. Had Naguib taken advantage of situation he could have disposed of him then and there but he had avoided crisis by convincing Naguib that if he liquidated Nasser he himself would be next on Communist list.

Two other interesting, although incidental sidelights were Nasser's explanation of recognition of Communist China and raising by Khrushchev of US-UAR relations at time Nasser's Moscow visit. Re first, Nasser said he had had reliable intelligence reports from his own sources to effect that, at NATO conference in Paris,³ British and French Foreign Ministers and Secretary Dulles had agreed to plan by which Israel would receive Mystere Fighters valued at \$10,000,000. Rountree set Nasser somewhat aback here by observing he himself had attended conference in question and that "facts" recounted by Nasser were definitely erroneous. Rountree also took this as occasion

³ The reference is presumably to the NATO Ministerial meeting, held at Paris December 16–18. Rountree did not attend.

comment on danger of being taken in by so-called intelligence reports, indicating that he assumed that certain powers unfriendly to US might be very adept at planting such false reports.

Re his Khrushchev talk, Nasser said that Khrushchev had referred to my talk with Nasser shortly before he went to Moscow⁴ and said he understood we had offered new assistance. Nasser said he told Khrushchev nature of message I delivered was to effect USG could understand reasons of UAR remain neutral. In so saying Nasser had emphasized he did not consider that friendly relations with USSR should necessitate unfriendly relations with other countries. Furthermore, as far as assistance went, negotiations were in progress for extension credits by West Germany.

Nasser also took occasion to point out that, despite what some might say, he had remained steadfast to certain basic principles from time new regime took over. Essentially there were three: independence, dignity and Arab nationalism. In discussing independence, he stressed that this only partly political since basic element is desire of people to live better in comparison living standards in more advanced countries; this meant emphasis on development (to be noted that this is note which Nasser has particularly sounded recently). Re Arab nationalism, he took pains point out that idea of unity does not necessarily connote political union. That might take place where there is unanimity of opinion of peoples concerned but not essential. What is essential is that there should be Arab solidarity.

Bringing this part of conversation to conclusion, Nasser said necessary realistically view situation in which UAR finds itself. On one side there is Soviet Union which has played its cards very well and has responded unhesitatingly in giving material assistance and political support. On other side is West and especially US with which relations have been troubled and lack confidence developed. He had attempted indicate reasons why this so but at same time he wanted make clear that he thought difficulties with US not only to be deplored but efforts should be made remedy.

Assuming that foregoing was not unsatisfactory conclusion of talk, Rountree so indicated together with expression appreciation for frank appraisal of relations which Nasser had given but latter, saying that there was still "one more point" which he wished discuss, specifically introduced question of Iraq, a question which has been touched on several times in course conversation but not developed. Abandoning easy and confident manner of serious presentation and assuming apparently sincere attitude of very troubled man wrestling with problem possibly too big for him, Nasser told of camaraderie between UAR and Iraq in early days after July 14 revolution and of approaches

⁴ See Document 205.

by Iraqis re union which Nasser said he had discouraged as being premature. However, relations had subsequently deteriorated and efforts reach understanding had been unsuccessful. He had sent Sarraj talk to Kassem but latter would not talk in anything but generalities. Subsequently, he had sought arrange meet with Kassem himself but latter had begged off. Meanwhile Communists had become active and nationalists subjected attack. Situation had further been complicated by rumors circulated re UAR plot assassinate Kassem and British had played Communist game by bringing this report to Kassem's attention.

Situation very serious because, if Communists gain control in Iraq, they will then be able move into Syria and Jordan and eventually into Egypt with result that "all we have built up and are planning to build would fall to Communists". This would be real irony but problem is what to do. Nasser said that he had learned through experience how deal with Communists as internal problem but how do so in another country was quite different matter. However, American experience had been more extensive. Did we have any ideas? And, incidentally, what was our policy regarding Iraq anyway? Was it true that we and British were encouraging conflict between Kassem and himself? Rountree replied, "As far as we concerned, answer was categoric 'no' ". We were following matter with interest but it had been our feeling so far that it fell into category of Arab problem for which Arabs themselves could be expected find solution. As far as British concerned, he had no reason believe their attitude at variance from ours.

Becoming even more specific Nasser said that, although inter-Arab relationship involved, this transcended by Communist threat which makes Iraq situation "common problem". Furthermore, he wished make clear that, when he had talked in past of being opposed to imperialism and spheres of influence, there was no distinction in his mind as to source. Problem so far had been from West but, if Soviets attempted assert position in Arab countries he would oppose just as vigorously as he had done hitherto in respect West.

Conversation closed on this unusually forthright note. This morning Mustapha Amin sent by Nasser to see Rountree and say he had tried be frank, perhaps to point indiscretion, but he had been impressed by Rountree's objective approach and had done best reciprocate. Furthermore, this was new and decisive situation where maximum understanding necessary. As consequence he felt conversation had been very important but wished express hope it could be kept strictly confidential since he had gone very far. Amin asked if Rountree could indicate his own reaction to talk for information of Nasser who anxious know what effect his remarks had made.

Rountree said could say he had found conversation interesting, frank and helpful, and could give assurance it would be considered seriously not only as something of moment but of continuing signifi-

cance. He was confident that degree to which we can identify areas of agreement should lead to more hopeful developments in future. As he had said before we not expecting miracles but do welcome every opportunity move forward in areas mutual interest.

This telegram cleared in draft by Secretary Rountree.

Hare

230. Memorandum of a Conference With the President, White House, Washington, December 23, 1958, 11:10 a.m.¹

OTHERS PRESENT

Vice President Nixon
Secretary Herter
Secretary Rountree
Major Eisenhower

Mr. Rountree stated that he had withheld some of the details of his conference with Nasser when he made his presentation in the National Security Council meeting² because of the sensitive nature of these details. He found the talk encouraging and brought out the following points:

(a) Nasser is showing a real concern over Communist penetration of the Middle East.

(b) The first forty-five minutes were devoted to a recitation of Nasser's views of past errors of the U.S. in dealing with the nations of the Middle East, but also in this recitation, he gave recognition to things we had done in the past in an effort to help.

(c) Nasser had been extremely impressed with our promptness in responding to his request for P.L. 480 wheat. Apparently the project had been approved in principle by the Department of State within twenty-four hours of issuance of the request.

(d) Nasser desires to work with us on Iraq. He is much concerned over Communist influence with Qasim and stated that Qasim refuses to talk with him.

(e) Mr. Rountree believes we can work with Nasser on the Iraqi situation. He cited a suggestion by Ambassador Hare in Egypt that Mr. Rountree send a telegram to Nasser expressing appreciation for this constructive talk, giving some recount of his experiences in Iraq, and

¹ Source: Eisenhower Library, Whitman File, Diary Series. Top Secret. Drafted by John Eisenhower.

² Rountree's presentation to the National Security Council on December 23 is scheduled for publication in the compilation on Iraq in volume XII.

indicating that he had reported results of his talk off the record to the President.³

The President then asked whether Nasser had implied that in return for this cooperation he would exact a price in terms of action against Israel. Mr. Rountree admitted that Nasser had mentioned this several times as a serious problem but had always put it aside without recommended action.

The President voiced the opinion that if it were not for the existence of Israel we might be able to do some business with Nasser in that Nasser could oppose Communists better than can the U.S. in the three-cornered struggle of the Middle East. He stated that Israel would unquestionably be restive in a situation in which we rendered *open* support to Nasser, but felt that possibly something could be worked out if Nasser would agree that we would ignore the Israeli problem.

[1 paragraph (2½ lines of source text) not declassified]

Mr. Rountree then turned to the subject of a union of Iraq with the UAR, which he considers highly unlikely. It is his opinion that Nasser has problems enough in Syria without taking on another country to direct. He then pointed out that there are three major groups in Iraq; first, the Communists; second, the Nationalists who are pro-Qasim; and third, the Nationalists who favor union with the UAR. He feels that our main effort should be to bring the two Nationalist groups together. This might be possible if Nasser were to specify that a union between UAR and Iraq is out of the question. This would force a redirection of pro-UAR Nationalists in Iraq.

At this point Secretary Herter observed that Nasser has been more moderate than the other Arabs recently as regards Israel. (He and the President took passing note of the exception to this in the recent air battles between the UAR and Israel.) He considers that there is a healthy element in the fact of an Arab strong man of such stature that he does not need to compete with other Arab countries in baiting the Israelis.

The President admitted that Nasser has grown up a little.

This comprised the end of the meeting; however, as Secretary Herter and Mr. Rountree were leaving the room, Mr. Nixon asked what had been Nasser's views on the possibility of conciliation with Bourguiba. To this Mr. Rountree replied that Nasser is completely

³ At 8:54 p.m., December 23, the Department transmitted a telegram along these lines to Cairo. (Telegram 1858; Department of State, Central Files, 611.86B/12-1558) On December 26, Hare reported that he had delivered the message to Nasser on the previous day. Nasser expressed his appreciation and added that he had been "astonished" by the signing of the P.L. 480 agreement. (Telegram 1900 from Cairo; *ibid.*, 611.86B/12-2658)

convinced that we have placed Bourguiba in his present spot to scuttle the Arab league. Nasser could not be budged from his belief that we had told Bourguiba to join the Arab league so he could destroy it.

John S. D. Eisenhower

231. **Telegram From the Embassy in the United Arab Republic to the Department of State¹**

Cairo, January 27, 1959—4 p.m.

2188. In course call on Fawzi yesterday to discuss *Essayons* matter,² he remarked individual actions of course important but what really significant is basic trend in relations which, as far as US-UAR concerned appreciably better. In so saying, he felt this favorable development was to large extent result of patient perseverance and he now wished make plea that policy which had borne this was good fruit should be maintained. He wished make clear he was not suggesting something dramatic but he was equally convinced of necessity of not relaxing at this point; very important keep moving ahead. This applicable not only to US but also other Western governments and he especially mentioned West Germany.

Becoming more specific Fawzi then recalled he had previously expressed hope that something might be done which would in some way assuage difficulties re cotton, both from standpoints of maintaining highest level possible of exports Egyptian cotton to US and also of consulting with view minimizing to extent possible effect on Egyptian cotton market of our PL 480 cotton sales to third countries.

Fawzi then mentioned somewhat more gingerly question possible additional PL 480 assistance in food products. Said understood we had bumper crops last year and hoped in some way this might be translated into same thing which might further contribute to improving relations. Added he not in position discuss in terms of specifics—that was question for experts—but he did venture mention idea as something which might be explored.

¹ Source: Department of State, Central Files, 986B.7301/1-2759. Confidential. Repeated to London and Bonn.

² On January 22, Hare was informed that due to a breakdown of the generator on the *Essayons*, its departure for Port Said would be delayed about 30 days. (Telegram 2115 to Cairo; *ibid.*, 986B.7301/1-2059)

Comment: Although foregoing conveyed with much of vagueness and indirection characteristic of Fawzi's presentations, I had distinct impression that there was strong force impelling him speak as he did and that he desired his observations be taken seriously but that at same time he wished avoid being placed in position of getting too far out on limb in case his ideas not reciprocated. This reserve did not apply however to cotton where he made strong plea and made clear nothing could be more effective in transforming our relationship than reaching some accommodation in that regard.

Although foregoing may not give Department much in which to sink its teeth, I believe would be advisable indicate our reaction in some way since no doubt but that Fawzi's sympathies lie with US and West and anything we can do to strengthen his hand is all to good.³

Hare

³ On January 30, the Department of State cabled Hare that he should assure Fawzi that the United States shared his desire for better U.S.-UAR relations. Hare was also informed that increasing cotton imports was difficult because of various quotas from other countries. (Telegram 2199 to Cairo; *ibid.*, 611.86B/1-3059)

232. Memorandum From the Assistant Secretary of State for Near Eastern and South Asian Affairs (Rountree) to the Acting Secretary of State¹

Washington, February 7, 1959.

SUBJECT

Further Relaxation of Restrictions in Economic Field in our Relations with the UAR

Discussion:

The Secretary authorized us on April 15, 1958 to begin implementation of a four-stage program designed to place US-UAR relations on a more normal basis. A copy of the program as approved is attached (Tab B).² Since that time, all measures outlined under stages I and II of

¹ Source: Department of State, Central Files, 611.86B/2-759. Confidential. Drafted by Brewer on February 4 and initialed by Rountree. Concurred in by ICA, W/MSC, E, EUR, H, and Murphy who wrote on the source text: "This would have more appeal to me if the objective were stated as the promotion of our objectives in the ME rather than to 'normalize' US-UAR relations." Dillon wrote next to this comment: "For public posture here, I agree."

² Not found, but see Document 202.

the attached program have been taken. In addition, in response to a request which originated with President Nasser, we agreed on December 24, 1958, to sell 300,000 tons of wheat and flour to the UAR under the PL 480 program. We now consider that it would be appropriate and desirable to undertake a further step in our program to normalize relations with the UAR by agreeing to a long-standing UAR request for the release of the remaining unutilized balances of FY 1955 funds already obligated under the US aid program. We believe this step would be very effective in what our Embassy in Cairo describes as "keeping up the momentum" of our improving relations with the UAR.

Resumption of our interrupted economic aid program was envisioned as part of stage III of our four-stage program. It was contemplated that this stage could be initiated when it had become clear that the UAR wished actively to pursue a more friendly relationship with the US and that the apparent trend toward realization of the dangers of the penetration of the Near East by international Communism was continuing. On the latter point, the campaign against Communists in the UAR and elsewhere in the Arab countries which was launched by President Nasser's Port Said speech of December 23, 1958 is an encouraging sign. In this connection, there is reason to believe that our prompt response to Nasser's request for wheat was a factor in the timing of the recent anti-Communist drive.

In addition, there have been signs during the last six months that Nasser may realize that policies which foster widespread area instability are not invariably in the interest of the UAR. UAR representatives played an important role in the drafting and passage of the Arab resolution at the special UNGA in August, 1958 which was followed by some relaxation in area tensions, including slight moderation of provocative UAR propaganda. Although clearly desirous of maintaining its primary position among the Arab countries, the UAR has since that time apparently been devoting its major current effort towards solving internal administrative and economic problems in part occasioned by the Egyptian-Syrian union. The UAR approved our request in November, 1958 for the over-flight of Hawker Hunter aircraft, as well as MATS aircraft carrying spare parts, for King Hussein, and reportedly has now removed remaining restrictions on transit to and from Jordan. Ambassador Hare has reported a distinct improvement in US-UAR relations as well as belated recognition by the UAR of the Communist danger. As you know, I received the same impression during my recent Near Eastern trip. While these items are not conclusive, we believe that they reflect in part a desire on the part of President Nasser, to which he has frequently given voice in recent months, for an improvement in US-UAR relations.

The UAR has shown an interest in the blocked economic aid funds in the past and would no doubt react favorably to their release. On August 25, 1958 the UAR Ambassador brought the matter up with you.³ It was subsequently decided that such additional measures as the release of these funds should not be implemented until an opportunity had been provided for evaluating the UAR's reaction to the constructive programs already undertaken. The blocked funds in question consist of \$8 million remaining committed to Egypt, of which (a) \$5.5 million represents FY 55 Development Assistance committed mostly for highway, waterway, and railway improvement projects; and (b) \$2.5 million represents technical assistance funds from FY 56 and prior years. We recommend that you authorize initiation of activities utilizing both DA and TC funds in order to provide maximum flexibility in meeting the UAR request for the release of these funds. It is proposed that the following approach be taken. With respect to the \$5.5 million of Development Assistance funds we should indicate willingness to release these funds immediately for use as presently obligated or for revised uses as mutually agreed. Regarding the resumption of a TC program we should take the view that the US commitment to Egypt (UAR) under the TC program called for the delivery of services rather than money. In the light of this the US would be prepared, if the UAR genuinely desires a Technical Cooperation program, to reinstitute any and all normal TC activities which are mutually agreed as being capable of effective implementation. It would be understood that funding for such activities would be derived from existing funds only insofar as FY 59 obligations are concerned. If the UAR would agree, future funding would be derived from funds appropriated in subsequent fiscal years and would not be limited by the amount of \$2.5 million presently in the pipeline. Funds from the pipeline not required for the TC program in the current fiscal year would become available to meet urgent requirements in other countries.

Because of our close coordination with the British with regard to US policies toward President Nasser, we would propose to inform the British in advance of the decision to release these funds.

Recommendations:

1. That you authorize NEA to inform the UAR Ambassador that, with reference to his request to you regarding the release of suspended US economic aid funds, the Department is gratified to authorize release of these funds at this time. We would point out to the UAR

³ See footnote 3, Document 218.

Ambassador that details regarding the release of these funds should now be the subject of working level US-UAR discussions in Cairo.⁴

2. That you authorize NEA to inform the British of our decision before it is conveyed to the UAR Ambassador.⁵

3. That you sign the attached telegram (Tab A) to Ambassador Hare informing him of our decision.⁶

⁴ Dillon initialed his approval on February 13. Next to his initials, Dillon wrote "Subject to satisfactory results from consultations with UK." The British were consulted on February 14 and asked the United States to delay the announcement until the signing of the UK-UAR financial agreement. (Telegram 2447 to Cairo, February 20; Department of State, Central Files, 786B.5-MSP/2-2059)

⁵ Dillion initialed his approval on February 13.

⁶ Not found attached, but at 10:01 p.m. on February 13, telegram 2358, approved by Dillon, was sent to Cairo outlining the proposal in this memorandum. (Department of State, Central Files, 786B.5-MSP/2-1359) Following the signing of the U.K.-UAR financial agreement, Rountree, on March 2, informed Ambassador Kamel of the release of the additional assistance. (Memorandum of conversation, March 2; *ibid.*, 786B.5-MSP/3-259)

233. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, February 11, 1959—8 p.m.

2357. Haikal came in today to say he had "bad news". He had been commissioned by Nasser, he said, to tell me decision had been reached call off campaign against Communists. Reason was that Nasser did not feel he could continue fight Communists while he was at same time being attacked by West in form broadcasts by clandestine Voice of Reform and Voice of Free Egypt stations as well as by BBC and Radio Paris. It was not that such broadcasts were doing any actual harm, because their effect was negligible, but what was important was that they served as clear indication of ill-intent of British and French Governments toward UAR. Further evidence of this seen in anti-UAR campaigns in French and British press, in attacks against UAR by British-controlled *Sawt El-Libnan* (?)² newspaper in Beirut and in obstacles which British placing in way of conclusion financial agreement. Furthermore, British seem think they playing smart game by following same line as Communists in Iraq. If that is their view, then let them go

¹ Source: Department of State, Central Files, 786B.001/2-1159. Secret; Limit Distribution. Repeated to Baghdad and London.

² As on the source text.

ahead and see what happens. As far as Nasser concerned, they can have clear field from now on but he felt difficult understand why he was being subjected to pressure which, if pursued, would have logical consequence of forcing him seek understanding with Soviets. It just did not make sense.

I let Haikal blow off steam and then observed that, since he calling at behest Nasser, wished make sure nature of message entirely clear so as not confuse conversational amplifications with substance of what Nasser had desired communicate.

In first place, was I to understand that Nasser was changing his policy re Communists in general or just in Iraq. Only in Iraq, Haikal hastened reply. Situation in Egypt had always been under control and same now true in Syria as result recent action. Moreover not exactly correct say opposition to Iraqi Communists being dropped. Basic UAR hostility to them remains same. It is just that attitude of West makes it impossible continue struggle and it therefore necessary desist temporarily for tactical reasons.³ And even here disengagement process will have to be phased since difficult call off campaign too abruptly after having been so deeply involved.

Second question put to Haikal was what he meant by referring to "attitude of West" as deciding factor in Nasser's policy change. Did reference pertain to USG? If so I could only express great surprise since we had given assurance that we had no desire "stab Nasser in back" and had also endeavored refrain from taking public position which would be embarrassing to UAR by indicating that we were behind its crack-down on Communists. Did or did not Nasser feel that we had kept our word?

Haikal's reply was unusually direct. He said position we had assumed was unprecedented in its wisdom and demonstrated understanding of psychology of situation. Object of Nasser's criticism was not USG but French and British, except for fact that Nasser still feels that USG, even if not directly responsible for Voice of Reform, could exert influence on Turks to desist from attacks on UAR which coincide with those of Communists, not to mention Israeli Radio. Also would only be frank to say that, although our assurances re back-stabbing are welcome and have increased feeling of confidence, it nevertheless takes time to do away entirely with suspicion. Net situation, however, is that US position greatly appreciated; it is British and French who are causing the difficulty.

I then said that, having made clear that we are not object of criticism, I was at loss to understand exactly what British and French were supposed to have done which had caused such strong reaction.

³ Above this sentence on the source text is the handwritten notation: "Sounds very phony to me!"

Difficult believe British would deliberately consort with Commies and I had neither seen nor heard anything re British and French radio and press campaign beyond clandestine radios to which reference had been made on several occasions. Haikal said UAR has "masses" of such anti-UAR publicity and he would have samples sent to me.

Finally I cautioned Haikal re danger of indulging in inadequately considered generalization regarding supposed intention of individual governments or groups of governments based on what might be isolated or exceptional considerations which, if taken as basis for evaluation, could obfuscate rather than clarify real situation. Would be unfortunate if UAR, in making important policy decisions, rushed to insufficiently founded conclusions.

I asked Haikal to communicate this clarifying part of our conversation to Nasser so as make sure there no misunderstanding, especially re American position. Haikal took notes and said he would do so. In so doing he said wished make clear purpose his mission was to give advance explanation in order not only avoid surprise but assure that UAR position understood by US. He also wished re-emphasize that UAR had never sought support from West in attacking Commies in Iraq; all it had wanted was that opportunity should be given for this regional problem to be settled without Western interference. USG had played game; British and French had not; there was trouble.

Comment: In circumstance where complexity and uncertainty of situation in Iraq is outstanding factor and where Nasser as well as others, including ourselves, may be hard put to plot course, it is difficult determine exactly what Nasser may have had in mind in advising us of his intention to lay off attacks on Iraqi Commies. It may be that he does in fact have certain misgivings re intentions of French and British and his dictum re avoiding fight on two fronts is, of course, old story as well as classic excuse for following questionable policy lines. It is also true that recently developed dispute re British financial agreement has given rise widespread feeling here that British resorting to perfidious devices for ulterior motives. Furthermore, it is understood that prospect of access to unblocked sterling funds was being counted on by Nasser as ace in hole in case worse came to worst with Soviets. But I would hazard guess that these are more contributing than main causes and that real problem facing Nasser is that his policy of attempting influence Iraq in direction of UAR and of using Communist issue as field on which to fight battle despite admonition to contrary by some of his associates, e.g., Marshal Amer, had failed produce intended results and he is therefore considering taking time out to think things over and revise his plans. This would not exclude possibility that present disengagement would be more apparent than real in event coup expected in Iraq which might be in UAR interest but with

which it would prefer not seem be openly associated. In this sense, Haikal probably right in stating present move essentially tactical.⁴

Hare

⁴ At the end of the source text is the following handwritten notation: "I wonder also whether this tactical move may not also be designed to press us to show more interest in picking up check if Sovs move out. Sovs are probably threatening."

234. Telegram From the Department of State to the Embassy in the United Arab Republic¹

Washington, March 17, 1959—6:38 p.m.

2729. Joint State-ICA message. In effort maintain momentum in improving US relations with UAR Department has decided it would now be appropriate remove remaining limitations on use of aid funds.² We accordingly plan inform UAR that USG prepared institute discussions Cairo immediately re agreement on use of Egyptian pounds from PL 480 sales in 1955-56. Steps to be taken involve negotiation of loan agreement and subsequent mutual agreement re use of funds for economic development in Egyptian Region under Section 104(g) of PL 480. Exact amount that would be available is at present uncertain due to shortfall in sales and exchange rate complications but will be somewhat less than \$13.6 million.

Since UAR Ambassador officially requested Dept release these funds some months ago, Dept planning, after informing UK, communicate decision to UAR Ambassador here along foregoing lines. We will advise you of date he informed so that you may inform Nasser, Kaissouni and other UAR officials of US decision and take initiative arrange any working level discussions that may be necessary in Cairo with respect details reactivation this assistance.

Subject your views, Dept not contemplating any publicity this development.

¹ Source: Department of State, Central Files, 786B.5-MSP/3-1759. Confidential. Drafted by Brewer and Kennedy; cleared with Rountree, Murphy, ICA, E, G, H, W/MSC, BNA, and EUR; and approved and signed for Herter by Dillon. Repeated to Beirut, Baghdad, London, and Paris.

² This decision was approved by Dillon in a memorandum, also dated March 17, from Rountree. (*Ibid.*)

FYI We would also plan include normal provision use local currency for economic development purposes in any new PL 480 agreement which may be concluded with UAR. However, believe it unnecessary inform UAR this fact except in context new negotiations. End FYI.³

Herter

³ On March 23, Hare was informed that the British concurred. (Telegram 2813 to Cairo; *ibid.*, 786B.5-MSP/3-2359) On the same day, Rountree told Ambassador Kamel. (Memorandum of conversation; *ibid.*)

235. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, April 1, 1959—6 p.m.

2875. Paris for USRO, Rome for Lister. On several occasions during past year (Embtels 2028, February 10, 1958; 2746, April 16; 893, September 20; 1011, October 2)² I undertook comment on area developments with special reference to position UAR in respect of Syria, Soviet Union and Iraq. In so doing, it was suggested that, as far as Syrian-Egyptian union concerned, there were prospective pluses and minuses but that on balance foreseeable immediate consequences were on plus side, bearing especially in mind pre-existent danger of extreme leftist take-over, and that experience might also have sobering influence on Nasser. Re Soviets, extensive inroads in both regions of UAR were stressed but at same time it was pointed out that currently common objective of Soviets and Arab nationalists was not inherently lasting and that some reasonable development of Arab nationalism might well turn out to be stabilizing factor in area. Re Iraq, comment was confined to opining July 14, 1958 might well mark zenith of Nasser's ascendancy and to suggesting that, due quick-silver-like nature of situation, policy of "alert inactivity" would seem be in order. Re American policy in general, observation was made that, for various reasons many of which beyond our control, our past efforts had failed

¹ Source: Department of State, Central Files, 686B.00/4-159. Secret. Repeated to London, Rome, Paris, Moscow, Ankara, Tel Aviv, Amman, Baghdad, Beirut, Benghazi, Damascus, Jidda, Khartoum, and Tripoli.

² Telegrams 2028 and 2746 are printed as Documents 194 and 203. Telegram 893 is in Department of State, Central Files, 780.00/9-2058. Telegram 1011 is *ibid.*, 780.00/10-258.

produce desired results and that it would be preferable adopt more pragmatic approach of concentration on realizable projects in anticipation at least partial attainment our ultimate objectives by process of accretion as contrasted with overly-ambitious efforts to blueprint unrealistic master plans. Re policy in respect USSR in UAR and Near East, it was recommended our approach should take form of "competing without competing", i.e., to be most active in fields where our capability greater than Soviet and avoid head-on conflict in areas where Soviets at advantage. Re Nasser, account was taken of fact that we simply were tuned to different wave-lengths but that we might find certain areas of agreement and that, relatively speaking, Nasser with all his asperities might prove preferable to others who could be expected take over in event his overthrow.

Now, taking retrospective glance at developments in area in past year, it might be described as period of somewhat accelerated normalization, on understanding that normality is relative to time and circumstance and that it is always necessary distinguish between short and long term. Within this concept, Lebanon with its somewhat more middle-of-road government following period of civil war, Syria with its whirlwind marriage with Egypt following its leftist scare, Saudi Arabia with Faisal playing more important role following an internal shakeup, Sudan with its coup d'etat, and Iraq with its revolution were all normal developments in sense that, without regard their merits or demerits, they were in accord current trends; only Jordan, itself an anomaly, reminded outwardly unaffected but thanks largely to outside support and Israel, as usual, remained in sullen isolation.

To certain extent this trend toward normality might be seen, and correctly so, as detrimental to the position of the West and favorable to Arab nationalism championed by Nasser but it would be mistake accept this without qualification for two reasons. In first place it has long been in nature of things in this area that certain vestiges of Western domination or influence had to be eradicated before any real hope could be entertained for developing new relationships better adapted to all situations and exigencies. Naturally this is irksome process to us when, despite our best efforts, we are castigated on charges of guilt by association and patience is further strained when much of hue and cry is directed to no longer existing servitudes in much same way that, according medical theory of "phantom limb", certain persons continue have illusion of suffering pain from previously amputated members. But it was always inevitable that, much as we would like to have had it otherwise, this is type of situation which had to get worse before it could get better although converse not necessarily true that mere getting worse guarantee of better things to come.

In second place, while not wishing in any way minimize troubles that Nasser has caused and is still capable of fomenting, it is submitted that distinction should always be drawn between Nasser in phases of anticipation as contrasted with realization. In anticipation he is like man who comes into restaurant and boisterously orders everything on menu but who, when served, eats with moderation. This is pattern of revolution in Egypt, of union with Syria and, to extent it has any significance, of new relationship with Yemen, not to mention discretion he has shown thus far re new regimes in Lebanon, Saudi Arabia and Sudan. This does not mean that meekly throwing offerings to Nasser is indicated way of keeping him quiet but it does mean that exaggerated ideas can be created regarding practical consequences of his aims or actions.

This brings us to question of Nasser and Iraq, which is piece de resistance on political bill of fare these days. Of course, there no question but that Nasser welcomed July 14 revolution and that he looked to it as being important step toward greater Arab union of some kind with himself as leading might but very much to be doubted that, with his troubles in Syria so much to fore, he ever had any serious thought of actually imposing his will on unwilling Iraqi people. However, there was big difference between this and situation where Iraqis, or at least Kassem, decided play lone game and thus not only thwart such personal ambition as Nasser may have had but also violate dogma to which Nasser dedicated for reasons going beyond merely personal, i.e., concept of indivisibility of Arab policy in international context. In saying this I realize there are many who think of Nasser as mere Johnny-come-lately opportunist and he himself repeatedly contributes to that impression when he says: "I never act; I just react". However, this is only one side of Nasser's complex nature; other he is person with certain fixed ideas or principles which permit him with equal truthfulness to say, as he often does: "I have always had same ideas. Read my speeches from beginning and you will see I am still saying same things". In sum, Nasser is opportunist but with principles, if not especially apparent scruples.

But this only serves partly explain degree to which Nasser has become so wrought up, at least for time being. Other and transcending reason is undisguised Soviet support of Communists and Kassem in Iraq. In past Nasser has consistently maintained he opposed Communism in principle because it atheistic and subversive, saying he could not condone first and would not condone second (Embtel 2307).³ However, he always maintained that distinction should be drawn

³ Telegram 2307, February 6, reported on Hare's conversation with Nasser on February 5, which was mainly concerned with the Soviet Union and Communism. (*Ibid.*, 611.86B/2-659)

between Soviet policy per se and Communist movement and gave Soviets credit for being too smart to interfere internally in Arab countries. In fact he has on several past occasions and with ostensibly friendly intent, gone so far as suggest USG might take leaf from Soviet book in dealing with Arabs. However, he has always maintained that, if Soviets deviated from policy of non-interference, he would attack them as vigorously as he had West for alleged imperialism. To many this was regarded as mere rhetorical exercise since it was maintained Nasser had become so enmeshed with Soviets that he would not have courage stand up to them, but, now that Soviets have done what he had predicted they would not do, Nasser has been as good as his word and has even gone much further than in his past attacks on West in sense that he has personally assumed responsibility for spearheading campaign whereas attacks on West were largely delegated to others, especially press and radio. Case where Nasser now riding ahead of hounds rather than urging them on from rear. Furthermore, present campaign both wider and deeper than before as evidenced by marshalling Moslem and Christian clergy, cooperatives, students, et cetera, in fray. In fact, to give devil his due, must be recognized that Nasser has dealt body blows to both Communists and Soviets recently which West, with all its psychological warfare potential, could not equal and fact that motivation may have been complex and different from our own does not detract from further fact that we have received unexpected assistance in unmasking designs of Soviet-inspired Communism.

However, all this should be kept in perspective. While I agree with prevailing opinion here, even in anti-regime circles, that wounds have been inflicted which will inevitably leave scars (just as in our own relations with UAR) and even possible that Soviets may actually be changing policy line re this area, seems possible, even probable, that Soviet bear may adopt big dog attitude and work back toward situation which will make possible continued UAR-Soviet cooperation, once Nasser has blown himself out. Also should be understood that difficulty with Soviets will not necessarily have effect of basically changing UAR attitude toward West. To be expected, of course, that Nasser will be taking few looks over his shoulder to see how we are reacting and we already have had feelers suggesting appropriate time unloosen our purse-strings but there is no doubt that prevailing mood is maintain position non-alignment. In fact, I would venture purely personal view that, despite vulnerability of position in which Nasser finds himself, there is probably enough of "dead-end kid" in him somewhat to relish idea of having told off both West and East regardless of consequences.

Following are suggestions drawn from foregoing:

1) To extent that past evaluations of Arab nationalist movement have tended stress undesirable tendency toward extremism, we now have case where impetuosity of movement can be diverted to useful purpose. Same comment also applies Nasser himself. In other words extremism can on occasion have usefulness which benign approach normally advocated by us could not have and must now be admitted that Arab contention that Arab nationalism best defense against Communism has certain validity. As old Persian proverb goes, "it takes Mazanderan dog to catch Mazanderan jackal".

2) Fact that we can never expect to develop policy synchronized to extent and frequency of Nasser's oscillations does not mean that there are not points at which far more modulated policy curves can intersect his and fact that synchronization cannot be complete should not inhibit us from doing what is practicable.

3) Fact that UAR pendulum may be swinging back somewhat from far-left position should not lead us to set up new standard of judgment. Initial, if pardonable, mistake which we made in evaluating regime here was to judge its position according unrealistic ideal of full cooperation with West whereas true guide should always have been maintenance true neutrality. There is always danger that as pendulum moves toward us we may subconsciously move point of judgment with it.

4) More realistic and less obvious policy which we have been following in Near East during last year or so has been dividends and should be maintained, on understanding, however, that it is not a passive policy but on contrary policy of assiduously pursuing what is attainable and seeking build up to cumulative position by accumulative approach.

5) Due Nasser's complex motivations it is obviously impossible cooperate on basis identity of interest. Preferable policy in circumstances would be "cooperate without commitment", which is what being done on modest scale now and is consonant with objective of seeking more normal relations.

6) Although Nasser, of course, interested in bringing Iraq back into fold of which he is shepherd, I agree entirely with Consulate General Damascus that Syria is his more immediate concern. To lose out in Iraq would be discomfiting; to do so in Syria would be disastrous. Hence, any assistance we might be able lend in Syria could be especially significant to Nasser as well as have possible attractions to us since anomalous that this literally key region is only one in Near East where we are not active in some way. This is matter which now under discussion between Embassy and Consulate General Damascus with view submission recommendations to Department.

7) As far as Iraq itself concerned it has obviously been advisable remain aloof from Kassem-Nasser squabble on ground situation in Iraq so difficult evaluate and best general policy in any event to stay out of Arab disputes. However, both these considerations may have decreasing validity as problem becomes less inter-Arab and more UAR-Arab nationalist versus Soviet-supported Communists and also as facts of situation in Iraq seem increasingly indicate Kassem reaching

point of no return (Baghdad's 2758).⁴ In light such revised judgment we may possibly find hitherto sound policy of aloofness should be reconsidered, even to point of actively supporting Nasser with all his complexes and faults if alternative is not only Communist-controlled Iraq but exploitation of such situation for further Soviet penetration of Near East. Perhaps necessity such decision not yet upon us but might be advisable be giving it precautionary thought.

8) Regarding Egypt itself we are fortunately in position of having year ago initiated policy of normalization relations and respectable progress has been made not only in building up record of actions speaking louder than words but also of gradually creating feeling of greater confidence that we sincere in seeking normalize relations and that we would not take advantage of Nasser in event he should find himself in trouble as result standing up to Communists or Soviets. In fact, difficult believe Nasser would have taken his present stand unless he had been reasonably confident in this respect. In circumstances unnecessary indulge in frantic realignment of our policy; all necessary do is maintain same general line while opening or closing throttle in accordance circumstances. Related to present situation, believe this clearly time for opening throttle somewhat as in fact we have done in re certain recent decisions and are considering in respect others. In doing so, we need not and should not go to excess and in particular it would obviously be unrealistic give blanket assurance that we would automatically pick up where Soviets might decide leave off. However, it would nevertheless seem highly desirable take prompt action in some area which would have greatest impact as related present situation. Assistance on cotton would, of course, be master stroke but, recognizing difficulty acting quickly in this field if in fact possible do anything important at all, it is believed that some significant action in respect Syria would be helpful, as would also sizeable assistance in PL 480 field. All these are items which have recently been brought to attention Department either on Embassy or UAR initiative and which presumably under consideration.

9) Regarding neighboring countries, would seem this might be time when, with his other preoccupations, Nasser would be more than usually amenable to little fence-mending. In this context Chehab meeting with Nasser would seem moderately encouraging whereas King Hussein's public position in US would seem regrettably inept.⁵

10) Similarly, anti-Communist campaign has given minorities here such as copts opportunity to rally around and get in on nationalist act. Importance of this should not be exaggerated but may serve temporarily attenuate anti-minority trend.

11) As regards treatment by US publicity media, believe essentially impartial line followed so far has been correct and that worst thing we could do, other than follow line of "I told you so" would be come out with thumping endorsement of Nasser which would provide ammunition for charges that Nasser mere "imperialist stooge". However, fact that Nasser actually attacking our number one enemy as

⁴ Telegram 2758, March 26, reported on the situation in Iraq. (*Ibid.*, 787.00/3-2659)

⁵ Chehab and Nasser met on March 25; King Hussein visited the United States March 17-April 17.

distinct from mere feuding between Nasser and Kassem would seem indicate desirability putting greater emphasis on former while maintaining ostensibly dead-pan approach.

12) Question public official position in form press conferences, public statements, et cetera, falls within general scope preceding paragraph but obviously more delicate and line followed thus far of keeping comment to minimum believed wise. However, might be advisable reconsider if present trend toward sharper delineation of conflict should continue. But not believed this point yet reached and therefore preferable substantive endorsement should at this time be by non-official sources, e.g., by inspired editorials (Embassy telegram 2775).⁶ We also intrigued by possibility something might be done by prominent Catholic figure as mentioned Beirut's 3881 and 3912.⁷

13) Believe we should also consider possibility of confidential message to Nasser from high American official source, presumably President. Of course, Nasser puts up bold front in maintaining he wants fight battle alone but believe reassuring word from President at this time would buck him up no end. Such message would not need go very far; something along first paragraph Embassy telegram 2824⁸ confined entirely to stand against Soviet inspired Communism might be sufficient as to content and could be oral in form, reserving for possible future consideration some more formal communication.

14) Naturally desirable that whatever we do should be coordinated to extent possible with friendly governments but, in view special interests or fixed ideas which naturally govern thinking of others, do not feel we should be unduly inhibited by failure receive unanimous endorsement of line which after careful considerations we may decide best follow.

Although I realize I have grossly transgressed rule of brevity in this message, foregoing does not pretend be anything more than random thoughts which come to mind in connection recent developments. There are many points not covered and some only partially so. As consequence I realize other missions in area will doubtless have other ideas and/or criticisms.⁹

Hare

⁶ Telegram 2775, March 25, noted that the relations between Iraq and the UAR seemed too fluid at that stage to initiate a new U.S. policy. (Department of State, Central Files, 780.00/3-2559)

⁷ Telegram 3881, March 24, has not been found. Telegram 3912, March 25, reported on a conversation with Cardinal Agagianian who was in Beirut for Easter. (*Ibid.*, 686B.87/3-2559)

⁸ Telegram 2824, March 28, reported that UAR anti-Communist activities were not related to U.S.-UAR relations, but were part of longstanding principles. (*Ibid.*, 611.86B/3-2859)

⁹ On April 8, the Embassy in Beirut reported that it found this analysis "an excellent and lucid exposition" and supported the idea of a high-level message to Nasser. (Telegram 4082; *ibid.*, 686B.00/4-859) Other comments on this telegram are *ibid.*, 686B.00.

236. Telegram From the Department of State to the Embassy in the United Arab Republic¹

Washington, April 2, 1959—8:38 p.m.

2961. Embtels 2800 and 2849.²

Dept fully recognizes desirability make as forthcoming response as possible to current feelers re US assistance Egyptian cotton problem. Unfortunately, current Free World surplus and full US stockpile, domestic problem here and lack legislative authority render it impossible for us take direct affirmative action along lines desired by UAR. You should, therefore, reply along following lines to approaches you have received. While you, of course, free keep Amin and Haikal appropriately informed, Dept inclined believe, view delicate handling required in order avoid impression US stand excessively negative or has broad implications for US-UAR relations, it preferable, unless you perceive objection, that you convey message in first instance direct to Nasser, whom it might be useful for you to see soon in any event view recent developments.

[Here follow numbered paragraphs 1-4 which explain in detail the problems connected with marketing Egyptian cotton in the United States.]

5. While recognizing foregoing not notably encouraging response, we hope it will indicate our continuing desire be hopeful and will not be interpreted as reflecting any lack of US interest in continuing improvement US-UAR relations. US has welcomed recent progress in improving US-UAR ties and has been gratified note courageous stand taken by President Nasser and UAR in exposing true meaning international communism to peoples of NE through forthright publicity recent weeks. Fact USG has avoided taking public position on matter should not be interpreted by UAR as implying lack of interest or respect for Nasser's courageous anti-Communist stand, but rather as arising from belief public US expressions of approval current UAR attitude would be seized upon by unfriendly elements in effort discredit UAR. In fact, for President Nasser's private information, his firm and uncompromising position on the Communist issue has been welcomed by the highest levels in USG. (FYI. Dept approves your com-

¹ Source: Department of State, Central Files, 886B.2321/4-259. Secret; Priority; Limit Distribution. Drafted by Brewer on April 1; cleared by Rountree, Murphy, E, and the Department of the Navy; and approved and signed for Herter by Dillon.

² Telegram 2800, March 26, noted that in a conversation on March 26 Haikal had stressed the "great and continuing" UAR interest in selling cotton in the United States. Telegram 2849, March 30, described Nasser's anti-Communist campaign and urged that the United States assist the UAR in selling Egyptian cotton. (*Ibid.*, 786.001/3-2659 and 786.001/3-3059)

ments to Sabri para 1 Deptel 2824³ which appropriate this connection. End FYI.) As earnest US desire continue normalize and improve relations, we have over past year taken number steps which, taken together, should leave UAR in no doubt of our determination seek broaden area of mutual confidence and understanding between our two countries. Believe as result our combined efforts we have now arrived at point where it possible speak frankly, as we have done above, about troublesome perennial problem such as cotton without fear any resultant misunderstanding.

[Here follow numbered paragraphs 6 and 7 in which Hare was informed that the United States would consider a UAR request for naval training and that it was urgently considering a supplemental P.L. 480 program of \$20-25 million for the UAR.]

Herter

³ See footnote 8, *supra*.

237. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, April 5, 1959—noon.

2918. Conveyed substance Deptel 2961² to Nasser yesterday afternoon.

Contents paragraphs numbered one through four re cotton covered in detail with no effort gloss over difficulties. Nasser took well, observing one reason why he so interested in selling cotton was that foreign exchange produced thereby could be used entirely according plans of UAR Government whereas foreign exchange generated by other means had to be used for agreed projects. If free world could somehow absorb some of Egyptian cotton would be tremendous help in stabilizing situation and he would therefore be very appreciative if we could be of assistance finding outlets even though we could not give direct relief. He said would have Kaissouni discuss this aspect of matter as well as representation Cotton Advisory Committee with economic counselor of Embassy.

¹ Source: Department of State, Central Files, 886B.2321/4-559. Secret; Limit Distribution.

² *Supra*.

Paragraph 5 outlining our desire for improved relations and reaction to current anti-Communist campaign obviously fell on attentive and receptive ears. Nasser also seemed interested when I reviewed various and numerous steps we had taken in past year and its sizeable cumulative importance in dollars and pounds. In this connection I particularly stressed that assistance which reduced need for foreign exchange, e.g. PL 480, does in fact have effect similar to that if we bought cotton. More than one way of skinning cat.

At this point, Nasser evidently had impression I had finished what I had to say and he launched into discussion of implications his anti-Communist campaign (being reported separately). However, when I eventually indicated had some more say and gave him contents paragraphs 6 and 7 he was obviously impressed, especially when point made, as instructed, that this approach essentially on our own initiative although in knowledge of what we believed was in accord with UAR needs as revealed in various conversations with UAR officials. Up to this time Nasser had steered clear of mentioning assistance needs and at one point even suggested UAR in quite good shape meet its problems without outside help and even had plans meet situation if Soviets withdrew aid. However, when point made that we taking the initiative, he visibly melted and admitted he had not wished raise question. King Hussein might feel free make such requests but he (Nasser) was in different position. It was only recently that he had been quarreling with US; now he quarreling with others. How would it look if he now asked for help? We would probably say, "What's that man up to now?" However situation quite different if matter could be approached on basis what we can do or willing do without prior UAR request.

Ensuing discussion re economic needs was not in very sharp focus but following were highlights:

(1) Nasser evinced great interest in various PL 480 items covered in Deptel 2972³ although he obviously did not have background on list as whole. In fact lack such full knowledge seemed increase impact on him since came in nature surprise. He did indicate however he had been thinking of seeking additional PL 480 wheat with approximate value LE 15 million. He said Kaissouni would be authorized undertake specific discussion proposed list as soon as we were prepared proceed.

(2) Nasser indicated that field supposedly pre-empted by Soviet loan agreements was really wide open.

³ Telegram 2972, April 3, reported that a Title I supplement of \$23.4 million had been approved for negotiation with the UAR. (Department of State, Central Files, 411.86B41/4-359)

Especially emphasizing need for economic development in Syria in order meet drive being made by Soviets to make Iraq showcase of Communist assistance, Nasser said supposed Soviet aid to Syria was "mirage". Economic agreement negotiated by Khaled El-Azem had been very vague as contrasted with specific agreements with UAR and activity to date had consisted largely of series proposed studies of excessive length; in that connection only actual activity was several small irrigation schemes. As consequence, it was decided during his recent visit in Syria to by-pass Soviets in respect railway and fertilizer projects which had figured in Soviet-Syrian agreements and to get on with the job independently. In fact, Egypt had agreed furnish some support from its own budget.

As regards Egyptian region Soviet agreements, including high dam, the amount to about LE 102 million but thus far only LE 27 million used. Now question whether Soviets will renege. One thing certain and this is that, if price of fulfillment is political subservience, UAR would willingly forget whole thing because "we do not," said Nasser, "intend to industrialize our country merely to hand it over to Communists".

(3) Nasser was interested in possible assistance we might give through IBRD, Export Import Bank and especially DLF which he obviously saw as being best adapted to UAR needs and also more competitive with Communist bloc offers. Stressing essentiality of economic development and aim in that connection to double national income in next twenty years, Nasser mentioned five-year plan which he said would require expenditure of LE 300 million of which half would be in foreign currency. This above savings capability of Egypt and some form foreign assistance obviously required.

Seeing way Nasser's eye brightened at mention DLF, with which he previously unfamiliar, I took occasion inject word of caution by observing DLF in initial stages and modest funds appropriate for that purpose now committed, although efforts being made enlarge capital.

(Comment: I wish take this occasion once again express strongly held personal view that vastly preferable extend low interest or soft loans to outright grant assistance. Latter inevitably smacks of charity or paying off and difficult feel assured of motives of persons or governments who willing receive on that basis, due allowance being made of course for exceptional circumstances such as emergencies. Former or contrary maintains concept of helping those who help themselves and, even though may not always be possible maintain this concept with ideal purity, it would seem advisable direct our efforts in that direction as much as possible. If this line reasoning has validity, role of such institution as DLF could have great significance.)

(4) Nasser specially stressed desire work with West Tartous or Baniyas (he seemed foggy on exact location), fertilizer plant in Syria, and pipeline to new Syrian oil field. Problem was high rate (7 percent) of German interest. If arrangement could somehow be made reduce interest rate to two and one-half percent as given in Communist bloc agreements or even three percent would open way for full cooperation with West Germans. In fact, if this could be arranged, he would be glad increase amount of West German loan from present LE 44 million to LE 80 or even 100 million. He indicated that, if there was some way USG could assist in this regard, it would constitute important move toward cooperation with West.

(5) Nasser also referred to certain other specific projects in which he suggested USG might be of assistance, e.g. increase power of Damascus broadcasting station from 20 to 300 or 400 kilowatts and arrangement for institution television system in Egyptian region, including certain local manufacture, this being project in which he said understood RCA had been interested along with certain Czech and Hungarian companies.⁴

Hare

⁴ Hare reported the political aspects of his discussion with Nasser in telegrams 2920 and 2922, April 5 and 6, respectively. (*Ibid.*, 780.00/4-559 and 686B.00/4-659)

238. Memorandum From the Assistant Secretary of State for Near Eastern and South Asian Affairs (Rountree) to the Acting Secretary of State¹

Washington, April 29, 1959.

SUBJECT

US Attitude with Respect to UAR Application for IBRD Loan for Suez Canal Improvement

Discussion:

Following the signature of the French and British financial agreements with the UAR regulating certain of the problems which arose from the Suez crisis, the question of a possible IBRD loan to the UAR

¹ Source: Department of State, Central Files, 986B.7301/4-2959. Confidential. Drafted by Brewer on April 27 and initialed by Rountree. Concurred in by E, EUR, W/MSK and the Department of the Treasury.

for improvement and development of the Suez Canal is again arising. In March 1959, President Black reported to the British, French and US representatives on the IBRD Board that the Bank is considering the possibility of a loan which might amount to \$100 million, with a maturity of some 20 years, to finance the deepening and widening of the Suez Canal. This would cover what is known as first and second stage work, namely deepening from 35 to 37 feet and subsequently deepening from 37 to 40 feet (draft of vessels). A so-called third stage, which might mean a dual Canal, a pipeline or a substantial widening, is not under consideration at this stage. Mr. Black commented that, from a project point of view, such a loan would be quite simple and sound, as the earnings of the Suez Canal Authority are some 40 million Egyptian pounds (\$112 million) annually, entirely in foreign exchange, while expenses amount to approximately half this amount and are largely in local currency. On March 10, Mr. Black touched briefly on this proposal at a meeting of the full IBRD Board at which time, according to the US representative, he appeared to receive the Board's general approval. A small IBRD team was accordingly sent to Cairo on April 20 to undertake a preliminary evaluation of the UAR economic situation and prospects with a view to possible loan operation.

Meanwhile, UAR Minister of Economics Kaissouni informed Embassy Cairo on April 7 that a formal application for a Bank loan for Canal improvement had just been submitted to the IBRD (Embassy Cairo's G-387 attached, Tab A).² Kaissouni stated that the UAR wished as a first step to obtain partial IBRD financing for existing Canal improvement contracts (which involve three US firms). He expressed gratification at the assurances of US support for sound UAR loan applications to the IBRD which had previously been received from Ambassador Hare (Deptel 2961 attached, Tab B).

The British have now raised with us the question of the attitude which our representatives at the IBRD should adopt with respect to a possible loan to the UAR for Canal development (Deptel 3101 to Cairo attached, Tab C). The UK proposes to instruct its representative to indicate that the British are agreeable to a possible loan on a basis outlined by President Black (see above). However, they suggest that the following conditions be incorporated in any loan agreement with the UAR: (a) there should be no excessive increase in Canal tolls; (b) there should be no international discrimination with respect to shipping; and (c) there should be no arbitrary closure of the Canal. We have been asked to comment on this British suggestion and to indicate whether we would support it at the IBRD.

² Tabs A and C-G are not printed. Tab B is printed as Document 236.

We are uncertain whether President Black would be prepared, as the British have suggested, to attach conditions of such a manifest political character to an IBRD loan agreement with the UAR. It is our preliminary view that, while all three conditions suggested by the British are desirable aims, existing international instruments go part way to meet the problem. We also question whether the Bank could exercise leverage in this matter since the assured annual income from the Canal is such that financing might be forthcoming from other sources. Furthermore, it might be unwise for the Bank, in an effort to obtain more formal guarantees, to link the question of Canal financing directly to that of a UAR assurance regarding discrimination with respect to shipping, since this would immediately raise the Israel transit question.

You will recall in this connection that the operation of the Suez Canal has been the subject not only of the UN Security Council resolution of October 15, 1956, which incorporated six principles for settling the Canal question (attached Tab E), but also of the unilateral Egyptian declarations of March 18 and April 24, 1957 setting forth basic principles relating to the Suez Canal and arrangements for its operation (Egyptian Declaration of April 24 is attached, Tab D). While the Egyptian Foreign Minister accepted the Security Council resolution on behalf of his government, he had a reservation with respect to the wording of point (3) regarding the insulation of the operation of the Canal from the politics of any country. With respect to the Egyptian Declaration of April 24, Ambassador Lodge commented in the Security Council on April 26, 1957³ that, in its present form, it "does not fully meet the six requirements of the Security Council". Noting that there is no provision for organized and systematic cooperation between Egypt and the Canal Users, Ambassador Lodge stated that there is no assurance that the six requirements will in fact be implemented. He went on to point out, however, that "perhaps no final judgment can be made regarding the regime proposed by Egypt until it has been tried out in practice."

Operation of the Canal since that time has shown that, with the exception of the special question of Israel transit, the system proposed by Egypt has worked effectively. At the IBRD Board meeting on March 10 President Black himself commented very favorably on the record of efficient Egyptian operation of the Canal. While full observance by the UAR of the various international instruments with respect to free and open transit through the Canal is manifestly desirable, we question whether, at least at this preliminary stage, it would be advisable for the IBRD to become directly involved in a problem so intractable as

³ For text of this statement, see *American Foreign Policy: Current Documents, 1957*, pp. 969-970.

the Arab-Israel question. This view is supported by our Ambassador in Cairo (Embtel 3032 attached, Tab F). Any attempt by the Bank to attach conditions to a loan for Canal development along the lines of those suggested by the British would unquestionably be regarded by the UAR, particularly in view of the existing unilateral Egyptian declarations of March 18 and April 24, 1957 on this subject, as an effort to compel the UAR to modify its attitude with respect to the Israel transit problem. We question whether such an attempt would be feasible, in the light of the UAR record on the Palestine question, or desirable, in view of current differences between the UAR and the Soviet Union arising out of the situation in Iraq.

It is also our impression that Mr. Black may have given some indication, in his past contacts with Egyptian officials, of a willingness to consider Bank financing for Canal improvement projects once a Suez settlement were reached and British and French financial differences with the UAR regulated. If this impression is correct, it would appear unwise for the IBRD now to seek to attach additional conditions of a sensitive nature to any loan agreement with the UAR.

In conclusion, we believe in view of all the circumstances that it would be inadvisable to raise the question of attaching specific political conditions to an IBRD loan to the UAR for Canal improvement at this stage. We understand that it will be many months before the IBRD is prepared to give formal consideration to a UAR application for significant projects to widen and deepen the Canal, by which time there will have been a further opportunity to observe UAR practice with respect to freedom of passage through the Canal with particular reference to the transit problem. In the event that UAR practice continues unsatisfactory with respect to Israel cargoes, Israel itself may well raise objections to any large-scale loan for deepening and widening the Canal (Tel Aviv Embtel 831 attached, Tab G), thus making it as unnecessary as it is politically undesirable for the major Western powers to take the initiative on such a sensitive question.

Recommendations:

1. That the Department recommend to the US Executive Director in the IBRD that he take the following preliminary position with respect to the UAR loan application for improvement of the Suez Canal:

(a) In general the US is prepared to support UAR loan applications for sound projects, including Canal development.

(b) While the Egyptian reservation with respect to the six principles and the Egyptian declaration of April 24, 1957 does not fully meet the desired requirements for operating the Suez Canal, these declara-

tions have provided a generally acceptable legal framework within which the operation of the Canal since that time has been relatively satisfactory.

(c) The UAR has not, however, given full effect either to the six principles or the Egyptian declarations of 1957 as the result of the special circumstances arising out of the Arab-Israel problem.

(d) While it would appear desirable for the IBRD to obtain UAR agreement to cease all discrimination with respect to shipping through the Canal, we believe, subject to President Black's views, that it might be politically unwise for the Bank to attach any conditions to a loan which would link Bank financing to a politically difficult UAR concession on the Israel problem. Specific questions regarding observance of the Security Council resolution of October 16, 1956 would appear matters for the U.N. to decide.

(e) In the circumstances, the US believes the IBRD should (i) move forward on what we understand is the immediate UAR interest in partial financing of existing Canal improvement contracts without attaching special conditions; and (ii) defer the question of including in a major loan agreement more specific guarantees than currently exist until such time as a question of such a loan for new improvements comes up for discussion, when it should be considered carefully in the light of the continuing UAR practice with respect to the freedom of Canal transit.

2. That you authorize us to consult with the British regarding our attitude as outlined above before it is communicated to the IBRD Board.

3. That you informally acquaint President Black of our preliminary views in accordance with the foregoing recommendations.⁴

⁴ Dillon initialed his approval of all three recommendations on April 29.

239. Memorandum of a Conversation, Department of State, Washington, April 30, 1959, 2:30 p.m.¹

PARTICIPANTS

Mustafa Amin, Editor-Publisher, *Akhbar al-Yom*

William M. Rountree, NEA

¹ Source: Department of State, Central Files, 611.86B/4-3059. Secret. Drafted by Brewer and approved by Rountree. In a briefing memorandum to Rountree, April 30, Rockwell noted that Amin was a confidant of President Nasser, who had been sent to the United States "to communicate Egyptian dissatisfaction at what is regarded as ineffective US support of the UAR in its current anti-Communist campaign and to seek assurances, including if possible commitments for aid on specific projects, that the US is

Continued

Parker T. Hart, NEA
William D. Brewer, NE

Mr. Rountree welcomed Mr. Amin and noted the many favorable developments which had taken place since they had met in Cairo in December, 1958. He was pleased at the way the situation had developed and this pleasure was reflected at all levels in the US Government. There was great admiration for President Nasser's forthright stand on the Communist issue and the US had extended a large measure of indirect support. Mr. Amin interjected that UAR had not sought public support. Mr. Rountree continued that it had been difficult for us to refrain from publicly supporting the UAR on this matter in view of our well-known opposition to Communism, but we had done so to avoid embarrassment to the UAR.

Mr. Amin indicated that the general assessment of the situation in Cairo did not accord with the sentiments which Mr. Rountree had expressed. President Nasser was concerned at the US position. There was a pressure group around him comprising aides who had worked on UAR-Soviet arrangements, who noted critically the gradual approach which the US was taking. Such a "drop by drop" policy had left a bad impression. President Nasser considered that the US did not trust him. As an example, when the UAR had sought approval for an anti-Communist declaration at the recent Beirut Arab League meeting, Libya, the Sudan and Saudi Arabia had not supported the UAR and Tunisia and Jordan had not even attended. President Nasser regards these countries as friends of the US and has assumed that they were given no advice by us regarding the attitude which they should take with respect to the meeting. Mr. Amin noted that he understood the UAR Ambassador here had been informed that we had regretted the inconclusive outcome of the meeting.

Mr. Rountree replied that it was only logical that we would warmly welcome the fullest possible Arab support of President Nasser and the UAR for the current anti-Communist program. There was absolutely no question of this. At the same time the attitude of certain Arab Governments with respect to the Arab League could not properly be attributed to us. We had had the same type of problem in the past, for example with respect to Premier Bourguiba of Tunisia. We had emphasized to the UAR Ambassador that, had our advice been sought by Tunisia with respect to its differences with the UAR, we would have counseled a different course from that the Tunisians had taken. The US had only limited means for advising friendly Arab countries

not seeking to undermine Nasser or to withhold support from the UAR with respect to the Iraq situation." (*Ibid.*, 986B.62/4-3059)

with respect to purely Arab matters. The attitude of such countries as Libya and the Sudan was, therefore, not the result of any US action and President Nasser should not be misled on this point.

Mr. Amin noted that Iranian newspapers, including a semi-official paper, and also the Turks, notably Zorlu, were attacking the UAR and defending Qassim of Iraq. President Nasser cannot understand why these people do not regard opposition to the Communist Party in Iraq as helpful to Turkey and Iran. Perhaps the UK prefers a little Communism in Iraq to a lot of Nasserism. Mr. Rountree replied that he had been unaware that Iranian papers were taking this line. We understood that the Iranians thought that their relations with the UAR were much better. Similarly, we were not aware of any substantial differences with the British. However, there was a dilemma. The UK position in Iraq differs from that of the US in that the UK has been the traditional supplier of arms to Iraq. Initially the Qassim regime received Soviet arms. They did not discuss US arms aid since this would have required clarification of the Iraqi position with respect to our MDAP Agreement. Instead, they had asked the British to sell them arms. The UK no doubt found it very difficult to determine whether to sell arms to a country which might go Communist or to refuse to do so and thus provide that country with an excuse for obtaining more Communist arms. The fact that the British were considering this matter, therefore, did not reflect any lack of British concern regarding the seriousness of the Iraqi situation.

Mr. Amin emphasized that Nasser in the past has sought no aid from the US. However, there is now a hard currency crisis in the UAR. The Soviet technique had been to open a credit of 40 million rubles and then discuss detailed projects. In Nasser's view, the US position was that we would discuss a whole range of projects and then decide what might be done. Nasser now hoped to obtain an assurance regarding what the US would do following which discussions of individual projects could take place. Mr. Rountree commented that President Nasser had correctly identified one of the problems in our Ex-Im Bank and DLF procedures, since these organizations operate on a project basis. Referring to Mr. Amin's comment regarding our "drop by drop" approach, Mr. Rountree read a list of steps which we have taken, and are taking, to improve US-UAR relations and said that the total picture appeared fairly impressive. We thought both the UAR and the US were on the right track. We strongly supported the UAR anti-Communist campaign and would do so publicly were it not for UAR views regarding possible embarrassment which we respected. We were very sympathetic to the UAR economic requirements and would support these where we could. We understood that Minister of Economics

Kaissouni was preparing a list of projects. Mr. Amin commented that he had the list and produced a list of 17 industrial projects for which US financial assistance was being sought.

Mr. Rountree said that we would certainly wish to examine the UAR list and see what could be done to help. There was a problem, however, in that we were between appropriations. Certainly some projects would, no doubt, qualify under the DLF or the Ex-Im Bank and he was optimistic that we ourselves could help. Mr. Rountree then repeated to Mr. Amin the recent statements which we had authorized Ambassador Hare to make to President Nasser.² He reiterated that, with respect to the UAR application for a loan for Suez Canal development, it was the US intention to lend appropriate support. Mr. Amin said that he had met IBRD President Black in New York on April 29.

Returning to the hard currency question, Mr. Amin emphasized that this dictated UAR policy with respect to Communism and the Soviet Union. President Nasser had thought that the USSR would withdraw or delay its assistance as the result of the UAR anti-Communist campaign. This campaign had, therefore, been initiated with the thought in mind that Egypt's sterling balances in London would be reserved as a cushion to meet this contingency. However, Nasser was worried about the gap of days which would exist between the withdrawal of the sterling balances and the inception of Western aid. Were the Soviet Union suddenly to withdraw its help and the UAR was left with nothing, Egyptian public opinion would place all the blame on Nasser's anti-Communist policy. This gap was, therefore, the most dangerous period in the life of the Nasser regime. Mr. Rountree expressed agreement and commented that President Nasser surely knows that there are considerable possibilities for the UAR of obtaining similar assistance from the West, for example West Germany.

Mr. Amin said he would illustrate how bad the situation might become for the UAR by relating the newsprint problem. It had been thought that the Soviet Union would delay or cease its newsprint deliveries. The US Embassy had, therefore, been alerted in January to the possibility that help would be needed to obtain newsprint from the West. Subsequently the Russians reduced newsprint deliveries from 10,000 tons per quarter to *al-Akhbar* to 1,200 tons. Amin had seen Ambassador Hare who had requested the Department's assistance. The reply had been that recently released FY 55 US aid funds could be used for newsprint instead of locomotives as the UAR had originally planned. Since Nasser had sought additional assistance for newsprint, he had been disappointed at the US reaction. Mr. Rountree noted that there might be some misunderstanding. Mr. Hart said he had not seen any approach to Embassy Cairo regarding newsprint such as outlined

² See Document 236.

by Amin. Mr. Brewer said that there had been several despatches reporting UAR concern regarding newsprint which it was indicated would begin to be short in March or April 1959. Mr. Amin emphasized that the UAR now needs \$6 million with which to purchase newsprint immediately. His paper had been reduced from 16 to 12 pages; others from 12 to 8 pages and weeklies reduced 35% by Government order. These cuts were taken from the anti-Communist campaign itself. UAR publishers were now asking why Nasser had not provided newsprint for this campaign in advance from a Western source. Mr. Rountree said he would like to give further thought to the newsprint question.

Mr. Rountree raised the question of Mr. Amin's calls on Mr. Henderson and Mr. Murphy on May 1.³ Mr. Amin replied that his instructions had been to come "privately" and that he therefore would not bring the UAR Ambassador with him. He emphasized that the UAR had considered carefully in advance the public effect of initiating the anti-Communist campaign. They had considered that the USSR might halt its aid. From the military standpoint, the UAR was ready for this with enough spare parts for five years and arrangements made for other supplies from neutrals. However, Nasser was concerned with respect to the industrialization program which the Russians apparently envisioned for Iraq. This would have an effect in Syria. The UAR, therefore, had to undertake industrialization projects in Syria more rapidly in order that a favorable comparison would be drawn. One could not plan that the Soviets would move slowly in Iraq as they had done in Syria. Mr. Rountree asked whether Amin's list of 17 projects included any projects for Syria. Amin replied negatively and seemed uncertain what the projects envisioned for Syria were. Mr. Brewer said that textile plants and a pipeline had been among those mentioned. Mr. Amin agreed and said that TV stations were also needed. The Department of Commerce had announced a 1 million Egyptian pound project desired by the UAR and RCA had expressed willingness to the UAR to undertake this project. The US Government should appropriately encourage RCA. Mr. Rountree said that TV obviously had vast potentialities and we would be glad to do what we could in discussion with RCA.

Mr. Amin then turned to the situation in Iraq which he described as very bad. The Communists had practically taken over and even if Qasim wished to oppose the Communists he could not do so. The USSR had a complex of having lost Syria because of moving too slowly. Therefore, Nasser thought that they were working quickly in Iraq and considered that the time was ripe to "cash in". Tibet and Iraq

³ Memoranda of Amin's conversations with Henderson, Murphy, and Dillon on May 1 are in Department of State, Central Files, 611.86B/5-159 (the first two) and 886B.392/5-159. In these conversations, Amin made the same points which he had made to Rountree and received similar replies.

might in fact have been timed to coincide in order to force neutral nations to choose sides. Soviet policy envisioned a thrust to the Persian Gulf and India via Iraq and Tibet. Nehru is in a weak position with respect to Indian internal affairs but a successful anti-Communist campaign on the part of the UAR in the Near East would very much influence India. Syria for the present is safe from Communism but Iran is next on the list and then the Persian Gulf.

Mr. Amin described UAR relations with its neighbors as generally improving. Nasser considered that any change in Jordan would produce another Qasim and the UAR, therefore, wished King Hussein to remain on the throne. Nasser's relations with King Saud were improving and the UAR hoped the incipient quarrel in the royal family would not serve to weaken the country. The UAR was not interfering and hoped royal Saudi differences would be composed. In the Sudan the British were working to sabotage US-Sudan relations. UAR-Lebanon relations were now very good and Egypt had convinced the Syrians to go along with Lebanese desires with respect to trade and transit questions. Amin indicated that Nasser believes the UK has influenced US policy with respect to Iraq. As a result the US may consider that Qasim is not a Communist and that UAR pressure is responsible for the current situation. This is false. Qasim is increasingly under Communist control and in any case was a Communist Party member before the July 1958 revolt. President Nasser was, nevertheless thinking of halting attacks against Qasim in order to demonstrate the fallacy of the British position.

Mr. Rountree expressed appreciation for the foregoing survey and said that there was very little with which he would take issue. Soviet objectives were clear and both the US and the UAR understood what they were. There was now more general recognition throughout the world as to real Soviet aims as a result of the Iraq and Tibet situations. We are concerned regarding the Iraqi situation and believe the UK is also. However, some believe Qasim is not a Communist and may seek to follow an independent neutral policy. The question, therefore, arose as to whether it might not be better to emphasize attacks against Communism rather than Qasim personally. We understood from Ambassador Hare that the UAR campaign was moving in this direction. While it might not work, we were not out of sympathy with this development. Regarding UAR relations with its neighbors, Mr. Rountree emphasized that all Arab regimes were equally concerned regarding the Communist danger and we thought their relations with the UAR had all improved. The Saudi economic situation was better. We sincerely hoped that good relations would be established between the Sudan and the UAR and a solution found for the Nile Waters problem. It was difficult to assist the Sudanese on their major hydro-electric projects without such an agreement. We had good relations with the

Sudan Government and had no reason to suspect the existence of a British program to undermine Sudan-UAR relations. We believed it was in the general interest as well as that of the Arabs that no explosion should occur in Jordan. Amin expressed agreement. Mr. Rountree continued by expressing the hope that Jordan-UAR relations would gradually improve. King Hussein's visit to the US had gone well except for two instances when he had made statements critical of the UAR which we had considered unwise. We had had no advance word and had been able to do nothing to prevent these remarks. Amin commented that they had not been given publicity in Cairo. Mr. Rountree replied that this reaction had been very wise.

In conclusion, Mr. Rountree emphasized that we hoped Mr. Amin would leave the US with the conviction that we were sincere in our efforts to improve US-UAR relations and earnestly desired to be helpful where we could with respect to the UAR's economic problems. We were convinced that the continuation of an effective anti-Communist campaign was essential for the security of the Middle East but would not wish to embarrass the UAR by endorsing this campaign publicly. Without injecting ourselves directly, we hoped that relations could be improved among the various Arab states and very much supported indications we had seen that UAR relations were somewhat improving with Lebanon, Jordan, Saudi Arabia, Tunis and Libya. If these countries considered UAR policy within their borders as adverse to their interests then no real rapprochement was possible but it was to be hoped they would have no ground for such conclusion.

Mr. Amin mentioned his publication of the story on the Communist take-over in Hungary. His firm had done this using Russian newsprint and 150,000 copies had been sold in four days out of an initial printing of 300,000 copies. He had also published a four page supplement to a recent issue of his newspaper on Tibet. A book on Tibet had not been possible, however, due to the newsprint shortage. Ambassador Hare had commented that if the US had spent 1 billion pounds we would not have had as good an effect as the publication of these items. The UAR desired newsprint from the West on which the UAR would print, at UAR expense, what we would like to have them say regarding Communism. Newsprint was the first crisis which faced the UAR as the result of its anti-Communist campaign. Favorable US action on this matter would give Nasser hope for the future. Delay would convey a bad impression. Mr. Rountree said he would see what could be done.

240. **Telegram From the Department of State to the Secretary of State, at Geneva**¹

Washington, July 17, 1959—8:46 p.m.

Tosec 327. From Dillon. Geneva Secto 316.² Re questions raised your reftel, Black discussed projected Canal loan to UAR with me July 14. Black said he understood UK prepared proceed with loan. He told me there would be no mention of transit issue in Bank loan agreement with UAR but noted no loan would be made until *Inge Toft* issue settled.³ He also said that initial IBRD team sent Cairo last April to survey UAR economic situation with reference UAR loan application had returned with satisfactory report. Black asked me whether there would be any objection to sending an IBRD team of engineers to UAR for further detailed study. I replied this appeared in order provided it were not done too quickly. Black also said might be difficult split loan into smaller first phase and larger balance but that total would in any case not exceed \$100 million. We understand Black does not plan bring loan before IBRD Board for formal consideration at least until September.

Dept has been in close touch British Embassy this question in recent months and understands points British concern. As result British mid-April inquiry, Rountree on May 1 gave British Minister informal memo⁴ setting forth preliminary US position as follows:

1. US prepared support UAR loan applications IBRD for sound projects including Suez Canal development.
2. While Egyptian attitude re 1956 Security Council resolution (embodying 6 principles) and Egyptian Declaration of April 24, 1957 did not fully meet desired requirements for operating Canal, these Declarations have provided generally acceptable legal framework within which operation of Canal has been relatively satisfactory.
3. UAR has not, however, given full effect either 6 principles or Egyptian 1957 declaration due special circumstances resulting Arab-Israel problem.
4. While would appear desirable have IBRD obtain UAR agreement cease all discrimination re Canal transit, we believe, subject Black's views, it might be politically unwise for Bank attach conditions

¹ Source: Department of State, Central Files, 986B.7301/7-1559. Secret; Priority. Drafted by Brewer on July 16; cleared with Sisco, Hart, E, EUR, U/MSC, and S/S; and approved and signed by Dillon. Repeated to London and Cairo. Herter was in Geneva for the Four-Power Foreign Ministers Conference.

² Secto 316, July 15, reported that Lloyd had asked about the U.S. position on an IBRD loan for Canal improvement and for a summary of where the question stood. (*Ibid.*, Conference Files: Lot 64 D 560, CF 1315)

³ Regarding the impoundment of the *Inge Toft*, see Documents 92 ff.

⁴ Not found, but a memorandum of the conversation between Rountree and the British Minister on May 1 is in Department of State, Central Files, 986B.7301/5-199.

to loan which would link Bank financing to politically difficult UAR concessions on Israel problem. Specific questions re observance 1956 Security Council resolution would appear matters for UN decide.

5. US believes IBRD should: (a) move forward if possible on what we understand is immediate UAR interest in partial financing existing Canal improvement contracts without attaching special conditions; and (b) defer question of including, in a major loan agreement, more specific guarantees than currently exist with respect transit issue until such time as loan brought up formally before IBRD Board when it should be carefully considered in light continuing UAR practice re Canal transit.

In further discussions this question with British Embassy during June, we have expressed desire continue consultations with UK this question but have indicated formal consideration UAR application by IBRD still appeared some months off and that preliminary US position seemed generally valid. Embassy London has reported British discussed question with Black when latter in London early July at which time UK expressed dissatisfaction over slowness de-sequestration British property Egypt. British said would find it awkward if loan proposal put to IBRD Board as early as August which they understood was possibility and reportedly expressed hope to Black that consideration proposal could be delayed until better evidence Egyptians intend honor commitments.

Would appear from foregoing Black in general agreement our position re undesirability attaching political conditions any IBRD loan for Canal development but that no loan will be made until *Toft* issue settled. Meanwhile routine Bank procedures, including engineering survey, will consume sufficient time keep application from coming formally before IBRD Board until September at earliest. Opportunity will thus be provided observe (a) practice of UAR with respect transit issue, following recent discussions this question in Cairo by Hammar-skjold, as well as (b) final disposition *Inge Toft* case which currently being pursued by Danes with UAR.

Should you discuss this question further with Lloyd, suggest you draw on preliminary Dept position as above outlined. Might be helpful point out Black's view (which we share) that there should be no mention transit issue in any loan agreement but that final IBRD decision on loan will obviously be taken in context continuing UAR practice with respect transit issue.

Dillon

241. Telegram From the Department of State to the Embassy in the United Arab Republic¹

Washington, July 29, 1959—7:41 p.m.

343, Cairo's 289.² UAR Ambassador Kamel saw Lewis Jones July 29 without instructions³ to lodge complaint re *New York Times* editorial July 28 entitled "The Two Nassers" which highly critical Nasser's recent public statements replying Dayan article (Tel Aviv's 105 not rptd all addressees).⁴ Editorial characterized Nasser's comments re Sinai campaign as "height of foolishness", asserted "this is kind of tosh offered unhappy people UAR on one of their great holidays", and raised question "whether person who talks as irresponsibly as Nasser is worthy representative his people, good subject for international credit, or guarantee of something representing peace and civilization in Middle East."

Kamel asserted *Times* editorial constituted not only scurrilous personal attack but also indirect call to UAR people to overthrow regime. While article by itself bad enough, Kamel alleged broader issue was that it represented part calculated policy by Israel and its friends in US sow dissension between USG and Arabs. Noting moderate tone Nasser's speech July 22, Kamel inquired rhetorically what Nasser could have been expected say in later speeches following publication Dayan article July 24. UAR Ambassador concluded article part basic and deliberate Israeli policy maintain and exacerbate tension between US and UAR. Requested Dept take steps both prevent recurrence publication such material and frustrate all maneuvers designed worsen US-Arab relations.

Jones replied he personally had also been troubled by Dayan article. Noted, however, Dayan not member GOI and that article had been published in context Israeli electoral campaign. While *Times* had distinguished history, its editorial page not infrequently at variance US policy. Editorial about which Kamel complained certainly hardly calculated further normalization US-UAR relations which our two governments working achieve. Noting Nasser had already made two replies Dayan article, Jones expressed view best course would appear be let issue fade from public view.

¹ Source: Department of State, Central Files, 786B.00/7-2759. Confidential; Priority. Drafted by Brewer, cleared with NEA/P in substance, and approved and signed for Dillon by Jones. Pouched to Paris, Amman, Tel Aviv, Beirut, Damascus, Baghdad, Moscow, Ankara, and USUN.

² Telegram 289, July 27, summarized Nasser's speech at Alexandria on that day, which was in part a reply to an article by Dayan in the *Jerusalem Post* on July 27. (*Ibid.*)

³ A memorandum of the conversation and a briefing paper for it are *ibid.*, 611.86B/7-2959.

⁴ Telegram 105, July 27, summarized Dayan's article. (*Ibid.*, 684A.86B/7-2759)

Kamel asked his comments be called to attention Acting Secretary and suggested US Chargé Cairo be instructed convey sense of comments Jones had just made to Nasser "since I know he must feel very deeply". Jones promised bring Kamel's comments to attention Acting Secretary and to inform Embassy Cairo.

For Cairo: While Dept believes unnecessary for Chargé see Nasser specially re foregoing, you authorized if you believe desirable pass message to him via special channel stating (a) Dept has noted Nasser's concern re *New York Times* editorial contained his Idinfa speech; (b) tone editorial this private newspaper not in accord USG policy continue improve relations with UAR; (c) Dept had also been troubled by Dayan article, believing as we do that inflammatory declarations by either Israeli or Arab leaders can hardly serve useful purpose, and (d) we would hope matter might now be permitted fade from public mind.

For Tel Aviv: Understand Eban has given effective reply Dayan emphasizing quiet diplomacy rather than threats preferable method dealing with Arab-Israeli problems. Embassy requested transmit text together with brief telegraphic summary. Embassy should also take appropriate opportunity emphasize to Israeli officials that, while statements by private individuals such as Dayan obviously cannot reflect GOI policy, Dept firmly believes that inflammatory declarations by either Arab or Israeli public figures can hardly serve a useful purpose.

Dillon

242. Telegram From the Department of State to the Secretary of State, at London¹

Washington, August 30, 1959—9:11 p.m.

Tosec 25. Secto 24, August 29.² IBRD Loan to UAR.

1. IBRD staff not yet informed in detail results Rucinski Mission Cairo. Full information expected be available only upon his return about September 7. However, Bank official informed Department in confidence today IBRD "fairly satisfied" with financial and economic phases of discussion. Official stated no date yet set for IBRD Board consideration loan; Black expected "feel out" attitude Board members

¹ Source: Department of State, Central Files, 886B.10/8-2959. Secret; Priority. Drafted by Dillon, Thacher, and Stookey (NEA/NE); cleared with Hart and UNP; and approved by Dillon.

² See footnote 1, Document 89.

and if significant opposition to UAR application arises will probably defer bringing it formally before Board. UAR likely press for formal consideration during visit Washington Min Econ Kaissouni arriving September 26. (Cairo press recently stated Kaissouni will conclude IBRD loan while in U.S.)

2. Issue Israeli transit through Canal already linked with loan in U.S. press, and in this context group of 13 congressmen (six from N.Y. and N.J.) have written Black³ urging IBRD not grant loan while Canal "being used for belligerent action by a nation which insists on remaining in a state of war with a neighbor." Formal consideration by IBRD Board would be roundly condemned by domestic elements responsive to Israeli interests, particularly in view importance GOI attaches to issue. Coincidence granting loan with UN discussion transit issue would be likely intensify interest in and acrimony of debate on matter. Arab bloc will probably enjoy at least tacit Sov Bloc support. Western Europeans, Latin Americans and Afro-Asians (with number exceptions among latter) expected support principle freedom transit while, like UK, avoiding public opposition IBRD loan to UAR.

3. Latest conversation with Black (approximately two weeks ago) indicates he did not believe feasible conclude loan negotiations with UAR, while *Inge Toft* remained Port Said and that once Rucinski mission successfully concluded, should UAR send negotiating team Washington immediately, bank might have to "drag feet" until *Inge Toft* out of way. Since it is clear that he is reluctant bring loan before Board while *Inge Toft* issue remains unsettled, as this provides unfavorable climate for enlistment private capital he hopes will participate in loan, we believe Black willing defer action as long as postponement possible on technical and economic grounds. If canvass mentioned shows majority of Board members favor action, however, and if, as appears likely, substantial agreement on technical aspects of loan will have been reached between Rucinski and UAR officials, subsequent deferment of formal consideration could be ascribed by UAR to "imperialist-Zionist" pressure. As purpose of loan is carry out "Nasser Plan" for Canal improvement which has been presented to UAR public as cornerstone of overall economic development program, postponement on non-technical grounds would involve prestige of UAR Government and likely provoke sharp anti-West reaction.

4. Manner in which Suez transit issue handled in next few weeks will depend in considerable measure on tactics chosen by Israelis in seeking UN consideration transit problem and *Inge Toft* case (Deptel

³ A copy of this letter, August 26, is in Department of State, Central Files, 986B.7301/8-2659.

London 1700).⁴ Israel Embassy has asked us what measure US would be willing take respect four possible courses Israel might choose: 1) raise in SC; 2) seek inscription on GA agenda special item on freedom of passage; 3) raise transit issue during general debate in GA; 4) request maritime powers make formal statement outside of UN in support freedom of transit. While we expect inform Israelis it is for them to decide whether or not to raise transit issue as well as to decide on most appropriate forum and mode of presentation we will point out to them possible hazards of formal UN consideration. Department believes at minimum we will at some point find it necessary reiterate our support for freedom of transit perhaps on lines our earlier declarations in SC.

We believe also that before consummation of loan it will eventually be necessary for UAR reaffirm its support for freedom of transit possibly by inclusion in loan agreement with IBRD some reference Egyptian declarations of 1957, Security Council resolution for 1956, or 1888 Convention. This obviously best handled by Black who can explain such provision to UAR as necessary to obtain assurances persuade investors soundness of security loan.

In light foregoing suggest you may wish inform Lloyd: 1) Tactics of handling transit issue next few weeks will depend in part on strategy selected by Israelis, but we will seek avoid acrimonious airing of issue and will be prepared, if such statement would seem helpful, to reaffirm in some form our support for principle freedom of transit. 2) Re Suez loan we continue wish to avoid any appearance attaching any political conditions. 3) We recognize difficulties which would be posed by loan issuance at time freedom transit issue under debate in UN with *Inge Toft* cited as evidence UAR failure observe principle. We are, of course, desirous loan announcement should not be withheld in manner tending excite UAR hostility, while at same time, we recognize that announcement before transit issue resolved or while UN debate in progress could be embarrassing to both US and UK. Timing of loan announcement obviously important to Black as well as to interested nations. Therefore as occasions arise US and UK should each discuss matter very privately with Black.

Final Comment: Black informed us that toward end present trip to Europe he intends to visit London so as to be available for any comment British care to make. We feel that it is essential that British put their views to Black in straightforward manner which we do not feel they have done so far. We recommend they be given no encouragement in their endeavor to shift burden of opposition to US. We do not

⁴ Telegram 1700, August 28, reported that the Israeli Chargé had called on Jones to discuss the Suez transit question and had raised the possibility of taking the matter to the United Nations. (*Ibid.*, 986B.7301/8-2859)

feel that US can take stronger position than UK; therefore, unless UK prepared to make their views clearly known to Black, if necessary through official action their Executive Director, we feel that loan is likely to be approved by IBRD some time this fall.⁵

Dillon

⁵ On September 1, Black, who was also in London, reviewed the status of the IBRD negotiations with the UAR. A summary of the conversation was transmitted in Secto 45 from London, September 1. (*Ibid.*, 886B.10/9-159)

243. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, September 13, 1959—2 p.m.

797. In manner which suggested prior consultation with Nasser, Embassy officer was requested call September 11 at office of Haikal who said Nasser very upset by Macomber letter² (see recent press telegrams) and had for three days been mulling over matter in effort decide whether instruct Kaissouni, now en route Washington, refrain altogether from discussing IBRD loan for canal since Nasser interpreted letter as indication that Department yielding to Zionist/Israeli pressure.

Embassy officer, who had conferred with me prior meeting, explained it standard procedure for Department to reply to inquiries by members Congress and incorrect interpret letter as something unusual or as yielding to pressure. As matter of fact substance Department's reply simply restatement of our established position of freedom of transit which I had explained to Nasser some months ago with warning that it might have to be re-enunciated if current difficulties re transit Israeli goods become matter public discussion.

Haikal appeared somewhat impressed by this explanation (although difficult understand how he could find anything new in it) but then, referring to strong local press reaction on matter, including his own article "Israel will never pass" (Embtel 757 and despatch 180)³

¹ Source: Department of State, Central Files, 986B.7301/9-1359. Confidential.

² Not found, but the letter from Macomber, June 30, was a response to Congressional letters to President Eisenhower on the transit question. According to telegram 975 to Cairo, September 17, it dealt solely with the transit issue. (*Ibid.*)

³ Telegram 757, September 10, transmitted a summary of the Cairo press for that day. (*Ibid.*, 986B.61/9-1059) Despatch 180 has not been found.

said UAR compelled answer in this fashion or risk being discredited in eyes other Arabs. US must understand that on Israeli issue margin of tolerance for any Arab state very narrow. UAR had ignored statements by Congressmen protesting loan and articles similar nature in major American papers (*sic*)⁴ but could not afford ignore statement by an Assistant Secretary which connoted to Arab readers official US support for Israel's position and also carried suggestion that loan, if forthcoming, conditional on acceding to Israeli demands.

Re loan it well Haikal said UAR not pressing matter: Canal is functioning well and revenues satisfactory; project for which loan sought of more immediate concern to shipping interests than UAR. Actually, after years of disappointment with USG, the UAR is pleased with improvement relations in 1959 and would not wish loan question jeopardize. In fact UAR consciously following policy of seeking avoid embarrass USG in matters related Israel and he gave as examples of this policy the scuttling by UAR delegation of proposed establishment Palestine liberation army at Casablanca conference⁵ and decision refrain from forcibly unloading *Inge Toft* despite fact that, after brief world press flurry, exercising of legitimate right do so would have eliminated source great annoyance. All this led up to Haikal saying that, if UAR request for loan created embarrassing and difficult problem for Department, UAR prepared (here he assured Embassy officer he speaking with Nasser's approval) to withdraw application for loan. Embassy officer replied he not in position respond to suggestion of this type. As far as he knew loan process was proceeding normally but, if UAR authorities felt otherwise and wished discuss, matter should be pursued at higher level.

Later in day Embassy officer saw another reliable source and queried him re Nasser attitude. Source said Nasser irritated both by statements Congressmen and Macomber letter but, to his knowledge, had not mentioned possible dropping application for loan.

In connection foregoing, see Embassy telegram 771⁶ re different impressions given Rucinski of IBRD by Fawzi and El Emary.

Embassy impression is that strong press reaction was in fact standard procedure but that it has been given additional stimulation by articles such as those by Haikal himself. Question is why. Does it merely mean that occasion seized to show UAR always ready dish it out to West as well as East when it feels its interests or prestige affected, or may it be that matter has conjured up specter, especially in Nasser's mind, of situation reminiscent of our renunciation of assist-

⁴ As on the source text.

⁵ The Arab League Conference, which began September 1.

⁶ Dated September 10, telegram 771 transmitted a letter from Rucinski to Black summarizing the former's conversation with Fawzi on that day. (Department of State, Central Files, 986B.7301/9-1059)

ance on High Dam? Latter may not be entirely without pertinence especially as would fall in behavioristic pattern of Nasser and those around him; however, Embassy has impression that so far at least head of steam generated is of manageable proportions but this does not rule out possibility of pressure mounting to explosive proportions if public discussion, especially of official character, is further intensified. In other words, it seems possible that, having blown off steam through press, UAR may well be disposed to take it easy re timing of negotiations as indicated by Fawzi to Rucinski but, should political atmosphere become more highly charged, it is entirely possible that this attitude might be jettisoned for one of stronger reaction, including rejection Canal loan. In that event fact that so doing would be contrary UAR interests would not necessarily be restraining influence since precedents are abundant where, in cases of publicly aired dispute, national interest has been subordinated to national dignity.

Foreseeing matter may be pursued with us by Nasser or other UAR officials, Embassy would appreciate any guidance which might appropriately be used.

Would also appreciate receiving full text Macomber letter.

Hare

244. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, September 19, 1959—1 p.m.

854. Discussion of Suez transit question as reported Embassy telegram 836² was only small portion of 2-hour session with Nasser which was in nature general review in order pick up threads since we had last talked prior my departure on leave. Main subjects covered were UAR-Soviet relations, area problems and US-UAR cooperation. This telegram covers introductory part of conversation and relations with USSR.

¹ Source: Department of State, Central Files, 611.86B/9-1959. Secret; Limit Distribution. Repeated to Moscow.

² Telegram 836, September 18, reported that in a conversation that day Hare had stated that the Macomber letter was not unusual and that Nasser did not dwell on the issue. (*Ibid.*, 986B.7301/9-1759) Hare and Nasser also discussed Iraq (telegram 855 from Cairo, September 19; *ibid.*, 686B.00/9-1059) and economic assistance (telegram 872 from Cairo, September 20; *ibid.*, 986B.7301/9-2059).

I began by saying had found that steps normalize US–UAR relations as well as stand of UAR on Communism, its efforts at reconciliation with its neighbors and emphasis on internal development had created good impression in both official and unofficial circles in US. In fact, I had been authorized deliver message to that effect from Secretary Herter who had also said wanted Nasser know that as far as Khrushchev visit concerned we approaching it without illusions which could promote false optimism but that we nevertheless hope some good may come of it and will do our best to that end. Department circular telegrams 128, 157 and 233³ were drawn on in elaborating latter and emphasis laid on fact that not our intention negotiate bilaterally regarding other free world countries without consulting them; this of course applied to Middle East as well as other areas. Did Nasser have any comments? If so, they would be appreciated.

Nasser said would welcome any moves that might relieve world tensions and dangers of war and therefore hoped Khrushchev visit would be successful. However, would be difficult matter because of fact that Soviets are so basically imbued with Communist doctrine and so intent on its world-wide propagation, however much they may talk of co-existence.

Nasser said he had drawn this conclusion from first-hand experience. At first he had taken Soviets at their word when they professed no intention to intervene in domestic affairs of others and UAR had attempted maintain relations based on good faith. Things had gone well for time but then difficulty had developed as result of Soviet support of Communist elements in Arab countries, especially in Iraq but also in other cases involving UAR directly and recently such as Soviet public criticism of arrest in Syria of Lebanese Communist Faragallah Hilu (whom Nasser said key man), of public recanting by 16 Syrian Communists and of current trial Egyptian Communists in Alexandria. (Where Nasser said Soviets seem under mistaken impression that failure publicize trials here is evidence of fear of public reaction.)

UAR difficulty with Soviets had really become serious last December when Nasser made his speeches attacking local Communists but it had seemed difficulty might be dispelled when Khrushchev wrote long letter proposing mutual restraint, although even here Khrushchev had been rather heavy-handed in criticizing Egyptian-Syrian Union and in apparently assuming it was UAR desire to take over Iraq. However, Nasser had interpreted letter as essentially friendly in intent and had agreed to cease public attacks but in so doing he had commented fully on points in Khrushchev letter to

³ Dated August 12, 20, and September 8, respectively, these telegrams summarized various aspects of the preparations for Khrushchev's visit to the United States in September. (*Ibid.*, 033.6111/8–1259, 033.6111/8–2059, and 033.6111/9–859)

which he took exception in thought that Khrushchev might have publication in mind; in fact he had given matter full treatment by replying in 64 pages to Khrushchev's 32 page missive.

Situation, however, had not remained stable owing continued Soviet intervention in various matters where local Communists concerned. UAR Ambassador in Moscow had been instructed on several occasions to protest, only to be asked what he expected; he should realize that Soviets are Communists and could not be disinterested in Communists elsewhere. As consequence, said Nasser, UAR-Soviet relations have been going up and down but trend is downward. And this not merely question of attitude; it has been reflected substantively, especially in matter arms where deliveries held up and prices being raised; situation with reference spare parts particularly acute and UAR looking for other sources such as Yugoslavia or local manufacture. Perfectly clear, Nasser said, that Soviets following policy of pressure although this not so far evident in economic field.

Nasser's conclusion was that virtually impossible for non-Communist country to come to basic agreement with Soviets as long as they so dedicated to Communist principles and convinced Communism destined pervade world. Would seem, he said, there some inner impulse which drives them on whether they will it or not.

Comment: Nasser looked fit and relaxed; remarked jokingly he had so much enjoyed vacation with his family on beach at Alexandria that he was in no mood get back to work.

As regards contrast between Nasser's present evaluation of Soviet motivation as compared with his attitude less than year ago, question might arise whether his comments especially flavored for American taste but that I doubt. Rather I would say his present attitude was typical evolution of his somewhat primitive but nevertheless keen mind which reaches conclusions more by trial and error than by abstract deduction. However, this does not mean, as we have said before, that Nasser's disenchantment with Soviets can be expected to result in a complete policy reversal but it does mean that our side of the scales gradually going up as that of Soviets goes down and that something approaching balance is in process materialization. More troubles obviously lie ahead but trend of events would seem to be toward point where neutralism which has been largely policy of words in past will become more nearly one of fact in future. This may not be ideal situation but it is one with which we decided we could live in initial stage of policy determination re normalization of relations with the UAR. If we can press our advantage further at some future time, well and good; for the time being however would seem advisable not change target.

245. Memorandum From the Assistant Secretary of State for Near Eastern and South Asian Affairs (Jones) to the Secretary of State¹

Washington, September 24, 1959.

SUBJECT

UAR Application for an IBRD Loan for Suez Canal Improvement

Background:

President Black reviewed for Under Secretary Murphy on September 17 the background of the proposed IBRD Suez Canal loan to the UAR, noting the problem created for the IBRD by the continued presence of the *Inge Toft* at Port Said (a copy of the memorandum of Mr. Murphy's conversation is attached, Tab A).² Mr. Black asked whether the Department might inform UAR Minister of Economics Kaissouni during his current visit to the US (September 20–October 4) that the US has no objection to the Canal loan but realizes that the IBRD had a problem with respect to its timing and that we, therefore, considered the question of when the IBRD should formally consider the loan should be left to President Black.

IBRD Position:

Routine IBRD economic and technical reports on the Canal project have been surprisingly favorable. The IBRD would consequently be prepared to move forward on the loan now were it not for the Suez transit issue. President Black's desire to delay formal IBRD consideration has been made known to Dr. Kaissouni and other top UAR officials. The latter have indicated willingness for the present to leave the question of timing to President Black. He now hopes it may be possible to defer consideration of the loan until early in November, after the British (October 8) and Israeli (November 3) elections.

UK Position:

The UK made clear to Dr. Kaissouni in London on September 15–17 that there is no British objection to the loan but that the possibility of positive UK support would be enhanced by UAR action on desequestration of British properties, reaffirmation of freedom of Canal transit and release of the second of two accused British spies. Since

¹ Source: Department of State, Central Files, 986B.7301/9–2459. Secret. Drafted by Brewer on September 23; concurred in by Wallner, Macomber, E, and H; and transmitted through Dillon who initialed it.

² Not attached. A copy of the memorandum of conversation is *ibid.*, 986B.7301/9–1759. A briefing paper for the conversation is *ibid.*, 398.14/9–1759.

the British are aware of Mr. Black's desire to delay formal IBRD consideration, their earlier concern relative to the timing of the British elections has disappeared.

Considerations Affecting US Position:

Granting of a Canal loan to the UAR while the *Inge Toft* issue remains unsettled would draw strong criticism from Israel and from its sympathizers here. While we incline to the view that neither the Israeli nor UAR positions on the transit question are wholly sound, UAR opposition to the transit of Israeli-owned cargoes on Israeli-chartered vessels appears clearly contrary to the Security Council resolutions of 1951 and 1956 as well as former UAR practice. We believe, however, there are strong reasons for the US not to oppose the loan and to vote for it when President Black calls for its formal consideration by the IBRD. These reasons include:³

1. *Withholding loan will not solve transit problem:* Efforts to link the Canal loan to a UAR concession on the Israel transit issue would only increase UAR intransigence on the latter question. The recent improved climate in UAR-Western relations would thus deteriorate, rendering less rather than more likely some subsequent UAR concession on the transit problem.

2. *Aswan Dam history:* President Nasser has not forgotten the abortive Aswan Dam negotiations in 1955-56. Failure to obtain the Canal loan might well cause him to turn to the Communist bloc for Canal financing, thus weakening, if not destroying, the UAR's effective anti-Communist position. Moreover, the Soviets might find in the financing of Suez improvements a golden opportunity not only to secure a stake in this strategic waterway (and a claim on its tolls) but also to recover ground which International Communism has definitely lost in the Arab world during the past year.

3. *Integrity of IBRD:* There appears to be complete economic justification for granting the loan. Refusal by the IBRD to do so would thus serve to convince the UAR and other uncommitted nations that the IBRD is an instrument of Western policy rather than a bona fide international financial institution.

4. *Western initiative for loan:* When the IBRD took the initiative in suggesting to the UAR in the autumn of 1957 the possibility of IBRD assistance for Canal expansion, it was with the proviso that agreement would first be reached by the UAR on compensation to the Suez Canal Company and on financial settlements with the UK and France. With Mr. Black's skillful help these two major problems were resolved. For the IBRD now to take action with respect to the Canal loan which would appear to attach an additional condition would no doubt exac-

³ Herter wrote some comments next to the following points: Next to point 1, he wrote: "Don't know." Next to points 2, 4, 5, and 6, he wrote: "Good reason." Next to point 3, he wrote: "Best reason."

erbate Cairo's adverse reaction, thus undoing much of the recent progress made in improving UAR-Western relations, in which President Black has played an important role.

5. *US assurance to Nasser*: In connection with the initial stages of the UAR anti-Communist campaign, which seemed likely to deprive the UAR of considerable Soviet financial assistance, we assured President Nasser in April 1959 of our willingness to extend appropriate support for sound UAR loan applications before the IBRD. The Cairo press has already been critical of the alleged US role in blocking IBRD action on the loan, and the UAR will blame the US, rather than the IBRD, if it is not granted. We have welcomed recent evidence that President Nasser is concentrating on UAR economic development, for which the requested loan would provide considerable indirect assistance. Its refusal might well force delays or cancellation of some of these economic development plans, thus increasing the possibility of a return to irresponsible UAR political adventures.

6. *Western need for improved Canal facilities*: While the UAR would benefit from Canal improvements through increased revenue, these improvements are also highly desirable from the point of view of the major maritime nations and Western European oil consumers. Refusal to grant the loan might thus penalize world shipping interests more than the UAR.

Conclusion:

On balance, we believe it is in the US and general Western interest for the IBRD to approve a Suez Canal loan when President Black believes such action opportune. He probably cannot postpone action on this question beyond early November without provoking a serious UAR reaction and has sought firm indications of the US and UK positions as a guide. While the UAR is unlikely to give any undertaking on the specific question of Israel transit, there are indications that the UAR would, in the context of an IBRD loan, reaffirm the unilateral Egyptian Declaration of April 1957, embodying the principle of freedom of Canal transit as set forth in the Constantinople Convention of 1888. While we deplore UAR restrictions on the Israel transit question, we do not believe favorable IBRD action on the Canal loan should be contingent upon a specific commitment by the UAR on the Israel transit issue. In brief, we believe the transit issue should be dealt with primarily as a separate issue and that progress toward its eventual solution will be more likely if the IBRD loan is approved than if it is refused.

Recommendations:

1. That you inform President Black:⁴

⁴ On the source text at this point, Dillon wrote: "I will take care of this if you so desire."

A. That, while we hope a solution may be found to the Israel transit problem, notably the specific *Inge Toft* issue, the US is prepared to support the UAR loan application when it is brought before the IBRD Board without making our support conditional upon a prior UAR commitment on the Israel transit issue;

B. That we wish to leave the question of timing up to President Black but wish to call to his attention the problem created for Israel if the loan were granted prior to the Israeli elections on November 3;

C. That we plan to inform Dr. Kaissouni that the US has no objection to the Canal loan but believes that the question of timing is one for President Black to decide.

2. That you authorize us to inform Dr. Kaissouni accordingly during his Washington visit.

3. That you authorize us to inform the UK of our decision.⁵

⁵ Herter initialed his approval of each of the recommendations. Next to his initials he wrote: "Approved on assumption loan will not be voted on till Nov. date. C.A.H."

246. Memorandum of a Conversation, Department of State, Washington, September 28, 1959¹

SUBJECT

U.S. Economic Assistance to the UAR

PARTICIPANTS

Dr. Abdel Moneim Kaissouni, UAR Minister of Economy	The Under Secretary NEA—Parker T. Hart
Dr. Mostafa Kamel, UAR Ambassador	NE—William D. Brewer NE/E—Enoch S. Duncan

The Under Secretary remarked, and Dr. Kaissouni agreed, that U.S.-UAR relations were greatly improved over the last time Mr. Dillon had seen Dr. Kaissouni in 1957.

Dr. Kaissouni referred to planning for economic development in both the Syrian and Egyptian regions of the UAR and commented that these plans in their latest format were scheduled for publication around the beginning of 1960. In connection with these plans, there were four major topics in U.S.-UAR economic assistance relationships on which he wished to obtain the Under Secretary's views.

¹ Source: Department of State, Central Files, 786B.5-MSP/9-2859. Confidential. Drafted by Duncan. Two other memoranda cover other parts of this conversation. In them, Dillon informed Kaissouni of the U.S. position on the IBRD loan and discussed Soviet bloc resale of Egyptian cotton. (*Ibid.*, 986B.7301/9-2859 and 440.86B9/9-2859)

1. *Development Loan Fund*:—Dr. Kaissouni wished to ascertain the degree to which the United States could assist the UAR through this mechanism. Could not a specific gross sum be allocated for UAR projects? Dr. Kaissouni understood the preference for the project approach but understood there had, in fact, been exceptions.

In addition, Dr. Kaissouni noted that Mr. Mohammad Rushdi, Chairman of the Board of Bank Misr, was visiting in Washington, and it was hoped that some of the projects in which the Misr group is interested might be financed by DLF.

Also, railway development, television, and telecommunication projects had been recently added to the list of items² for which U.S. financial help was sought.

The Under Secretary said that the United States was most willing to be of assistance through the DLF and wanted to do all possible to get started. He explained that the procedures required reflected the view of the Congress that loans should be designed to aid in a country's economic development rather than to provide assistance for political reasons. Therefore, DLF was not geared to operate on the basis of general listings of projects. Even though there had been a few exceptions in which allocation of total amounts had been undertaken, the details of the various projects still had to be worked out, since loans were actually made on an individual project basis. He recalled that such commitments had been made in the case of Turkey and the Philippines and noted that in both cases sufficient worthwhile individual projects had not yet been worked out to give effect to actual loan operations in the magnitudes envisioned. He contrasted this operation with Pakistan where there had not been an overall figure set but DLF resources had been brought quite effectively to bear on the problem on a project-by-project basis. In the case of the UAR, it was important for the UAR itself to determine priorities among the projects it had listed both with respect to the time in which they could or should be implemented and according to the importance the UAR attached to each. The U.S. is not prepared to assign these priorities. The U.S. concern is rather that the projects presented will make an effective contribution to economic development. The Under Secretary contrasted this to the Soviet practice of willingness to select from a list of projects.

Mr. Dillon indicated that DLF would not be able to act on the basis of a list and general description, such as that provided by Ambassador Kamel on September 24. The Under Secretary emphasized that detailed applications should be worked out and said that it would

² A copy of this list is attached to a memorandum of conversation between Dillon and Kamel on September 24. (*Ibid.*, 786B.5-MSP/9-2459)

be valuable for Dr. Kaissouni to meet with Mr. Brand, the new head of DLF. DLF might also send out a senior officer to consult with UAR in the early stages of the development of their applications.

Mr. Dillon suggested that review of the DLF report of its operations would be helpful in evaluating the role DLF might play in the UAR. He recalled his conversation with an emissary of President Nasser in May³ and discussion of what might be a reasonable level of DLF operations in a given country's case, considering its size and level of economic development. He had mentioned Turkey and Iran to the emissary as roughly comparable in size to the UAR and noted the level of DLF operations in these. Mr. Dillon confirmed to Dr. Kaissouni that this was still our view and expectation in the case of the UAR, provided good projects were submitted.

2. *P.L. 480*:—Dr. Kaissouni referred to a request for wheat and barley for the Syrian Region and expressed hope that something might be done shortly. He noted also that a further list of commodities for possible Title I sale to the Egyptian region had just been presented and mentioned especially maize and tallow.⁴ He said that timing was important, for example in the case of maize, if they were to avoid complications in supply. If tallow should not be available under *P.L. 480*, Dr. Kaissouni hoped earnestly that something could be done to provide this commodity from other sources.

The Under Secretary said he had inquired as to the status of *P.L. 480* operations and could confirm that a program for Syria had been agreed to by the several agencies concerned. Negotiating instructions were now being sent to the Embassy in Cairo.

He observed that, on the basis of technical study, the interagency group had agreed to offer the full 75,000 tons of barley requested but, in view of Syria's normal wheat exporting position, preferred to offer only 75,000 tons of wheat for immediate agreement. This was because of the great difficulty that might be posed if the need were misjudged and stocks accumulated in Syria with consequent pressure to export. A commitment not to export until after the beginning of the next crop year, mentioned by Dr. Kaissouni, was not a complete answer to the problem since an overshipment under *P.L. 480* might simply result in accumulation of stocks pending expiration of the export ban. The list of other commodities was already under study but would be given particularly careful and prompt attention in view of Dr. Kaissouni's observations regarding the importance of timing with respect to maize. Inclusion of tallow will be dependent on the supply situation, Mr.

³ See footnote 3, Document 239.

⁴ The list referred to in footnote 2 above.

Dillon noted, explaining that the shipment of tallow to the UAR in June, 1959 had been financed with Special Assistance, not P.L. 480 funds.

3. *Use of P.L. 480 104(g) Local Currency Loan Funds*:—Dr. Kaissouni recalled the substantial quantities of local currency accumulating from P.L. 480 sales agreements and for which loan agreements had been signed. He observed that at one time the UAR had thought to sterilize these funds, particularly since as a practical matter the equivalent Egyptian pound resources could be had by the government through use of treasury bills. After considerable reflection, however, the decision in principle had been made to utilize the P.L. 480 104(g) funds since this would contribute to the atmosphere of cooperation associated with the P.L. 480 operation. The subject had been discussed with the Embassy, and the UAR had planned to utilize substantial quantities of these funds in the development project budget in the fiscal year which began July 1. Dr. Kaissouni smiled and commented that one of the projects in this budget was the Aswan Dam and suggested that the U.S. might wish to specify that the U.S. local currency funds were being associated with other projects.

The Under Secretary said that he believed ICA would be prepared to agree, although ICA's terms of reference might require them to earmark utilization of these funds. This would not necessarily be in extensive detail such as specifying a road from one spot to another. The earmarking might be for road building in more general terms. This would be given as prompt attention as possible, however.

4. *Technical Assistance including Expansion of EARIS*:—Dr. Kaissouni said he hoped that the U.S. could give favorable consideration to a number of technical cooperation project proposals which had been discussed with the Embassy in Cairo, including expansion of the EARIS operation. He expressed particular interest in the problems of improved systems for irrigation which might conserve water and referred to a sprinkler system of irrigation which had been under discussion with an American group.

The Under Secretary said he thought the technical cooperation program was mainly a question of working out details although he had not followed too closely the specific questions that were being considered. He said that appropriations in general permitted a level of technical cooperation on a world-wide basis at about the level of the previous year, but that this did not necessarily mean that expansion of a program in any one country could not be considered if worthwhile projects were available.

247. **Memorandum of a Conversation, Department of State,
Washington, November 10, 1959, 2:30 p.m.**¹

SUBJECT

US-UAR Relations

PARTICIPANTS

For the United States:

The Secretary
NEA—Parker T. Hart
IO—Woodruff Wallner
NE—William D. Brewer

For the United Arab Republic:

H.E. Dr. Mahmoud Fawzi, UAR
Foreign Minister
H.E. Dr. Mostafa Kamel,
UAR Ambassador

Dr. Fawzi expressed gratification at the progress made in US-UAR relations. We were moving in the right direction. It now remained to translate good words into realities. Ambassador Hare had extended the fullest cooperation in Cairo and Dr. Fawzi understood that Ambassador Kamel was gratified at the cooperation he had received from the Department. The Secretary said he had a high regard for Ambassador Hare. Mr. Hart observed that Ambassador Kamel had worked very effectively to bring about the present improved climate of our relations. Dr. Fawzi opined that US-UAR cooperation was proving pleasant and mutually profitable here, in Cairo, in the UN and elsewhere.

Dr. Fawzi referred to the ambitious economic development and industrialization programs of the UAR, including modernization of the Suez Canal. The Secretary observed that the Suez transit problem still presented difficulties. Dr. Fawzi agreed, observing that, not speaking of the UAR position, the transit problem was one of the "imperfections of life". He expressed appreciation for the recent loan of the US Army dredge *Essayons* to the Suez Canal Company. The Secretary observed that great credit was due to the Egyptians for the way in which the Canal was being operated and asked when the IBRD might act on the UAR loan application. Dr. Fawzi replied that the little information available to him indicated that the IBRD Board might consider the loan on approximately December 1. He appreciated the sober attitude of the US Government on this question, about which he had learned from President Black. The Secretary commented that we had not felt it our business to tell President Black when the loan should be made but we did in principle support it.

¹ Source: Department of State, Central Files, 611.86B/11-1059. Confidential. Drafted by Brewer on November 13 and approved in S on November 16. The source text indicates this is part two of three. Fawzi visited Washington November 9-12 during a break in his attendance at the U.N. General Assembly. A briefing paper for his conversation with Herter, November 7, is *ibid.*, 611.86B/11-759.

Turning to the UAR's industrialization plans, Dr. Fawzi said he could think of no better way for the US to cement relations with the UAR than to cooperate in these endeavors. In response to a question from the Secretary, Dr. Fawzi said that the UAR had specific projects in mind and was now trying to make them still more specific. The Secretary commented that bankers always need documentation and time before reaching decisions. Dr. Fawzi observed that the UAR did not desire donations but wished technical and financial cooperation. He hoped that such cooperation would be regarded as a sound investment from all points of view. The UAR wished to raise living standards and desired to see neighboring Arab countries "robust and independent". The Arab area, though possessed of inherent great wealth, was now in a difficult transition period toward full productivity and economic development. The help of friends was needed. In fifteen years the Aswan High Dam would add between two and two and one-half million acres of irrigable land in Egypt, but in the meantime, Egypt's population would have increased by 8 million, leaving the population density per irrigated acre four more persons than at present. Development of industry and improved agricultural techniques were the only way to solve this difficult problem. The US was already helping to reclaim and improve certain lands.

The Secretary inquired regarding the status of the Nile Waters agreement. Dr. Fawzi said it was a final, definitive agreement. The authorities in Cairo had not wished to impede its conclusion by haggling over details, such as who takes the extra dollar from whom.

Dr. Fawzi expressed the hope that there would be more "definiteness" in US-UAR cooperation in the economic field in the coming months. Further work was required on the Suez Canal and the second and third stages of the Aswan Dam project were still open. In response to a question from the Secretary, Dr. Fawzi said that preliminary work on the Aswan Dam had already begun but that initial construction would be formally inaugurated by President Nasser in January. The UAR was also planning to generate electricity by diverting salt water from the Mediterranean into the Qattara Depression.

Dr. Fawzi expressed gratification for US action in maintaining the existing quota on long-staple cotton and expressed the hope that this would continue to be the US position. He wondered whether UAR efforts to market cotton directly in Western Europe might be assisted. Perhaps there might be some indication by the US to friends in Europe that purchases of UAR cotton would be helpful. The UAR was itself trying to work out this matter by using direct bilateral arrangements rather than barter details. Western Germany and Italy had been studying this question to see what might be done. There was also a growing problem regarding the adverse prices of raw materials in relation to

manufactures. The Secretary noted that the US was aware of this situation and had been helpful with respect to the world oversupply of coffee.

248. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, November 14, 1959—6 p.m.

1533. Although first reports of President's projected trip through this general area not unexpectedly gave rise to various private expressions of surprise, regret and criticism that Cairo not included, matter was one which felt could be taken in stride in view obvious complications which visit here or to other Arab countries could raise in respect of Israel and inter-Arab rivalries (inclusion Morocco no problem since so much on fringe Arab world). Furthermore, original emphasis placed on inability expand schedule gave matter note of finality which seemed preclude discussion.

Subsequently announced meeting with President Bourguiba, however, puts trip in different light since it will bring President into orbit of one of foremost rivals for Arab Nationalist leadership (others being Nasser, Hussein and Qassem) and consequently will invite speculation on that score. In particular and in view proclivity here for subjective deduction, visit could hardly fail be interpreted in Cairo as invidious endorsement of Bourguiba over Nasser at time when they publicly at loggerheads and even without diplomatic relations. For reason of pride this will probably not be mentioned officially or possibly even publicly but situation nevertheless certain to be one which will not only give rise to negative repercussions here but also tend dissipate goodwill which has been so laboriously built up during past year; which has recently been bearing such satisfactory results in form normalization relations; and which presumably is development of which Soviet have been mindful in their recent fence-mending efforts with UAR.

Having posed problem, question is what, if anything, can be done about it.

¹ Source: Department of State, NEA Files: Lot 61 D 59, UAR—President's Trip to Near East. Secret.

As Department aware, I have in various past evaluations of situation here expressed view that Nasser's psychotic sensitivity and suspicion constitute key problem in our relations with the UAR and that one of most promising opportunities for making major and constructive impact on him would be in form personal meeting with President Eisenhower, who, as soldier turned statesman, could be expected especially command Nasser's respect and inspire his confidence. However it was recognized that relations between two countries would have to be more normal before such visit would be feasible. In pursuance this thought and in light of improvement in relations mentioned above I have looked [omission in the source text] course but implications of Bourguiba meeting and incidental publicity of other origin would seem to bring matter to point of active consideration sooner than had been expected.

As regards procedure which might be followed most obvious suggestion would be that, with political pattern of President's trip already altered, arrangement might be made for short stop here provided adjustment in schedule possible. To extent political atmosphere a consideration, it would seem just about as favorable as could be expected now or foreseen later. It would also be in good political perspective.

However, if that not possible, would suggest President consider sending message to Nasser saying would have liked stop here but, being unable do so would like have him visit Washington at later date. Timing problem here could of course be more bothersome but on other hand prospects as good as they are likely ever be in this chronically troubled area. To wait for ideal opportunity would merely mean postponing decision indefinitely.

If this also found unacceptable, suggest transmission personal message from President to Nasser through this office to general effect that President would have liked extend trip to include Cairo but unable do so and expressing trust that steps taken normalize relations may be continued and expanded. Some personal touch would also be effective, including, if consistent with fact, expression hope that Cairo might be included on one of President's subsequent trips. Additionally, it might be helpful, if he could be given guidance which might put Bourguiba meeting in as favorable a light as possible here. Obviously anything smacking of excuse would be out of question but perhaps there might be something useful which could be said.

In submitting foregoing wish make clear no intention raise Bourguiba visit in critical vein but rather to point out that such plus values as might be expected therefrom could foreseeably have equally or greater negative consequences here unless some form of remedial action taken.

Addendum: Foregoing was in final draft when unfortunate press reaction to Press Secretary Hagerty's replies to questions in Rome broke in press here this morning (Embtel 1526).² Still too soon to assess seriousness but of interest to note that rebuttal by official spokesman understood to have been directed personally by Nasser, who seems to have attached especial importance to matter because it featured as headline news on Voice of America yesterday morning. Although this additionally complicates situation, believe that it gives even greater emphasis to desirability of making some appropriate gesture.

Hare

² Telegram 1526, November 14, reported that the Cairo press was quoting responsible sources in the UAR to the effect that they knew nothing about an Eisenhower visit to Cairo and that he had not been invited. (Department of State, Central Files, 711.11-EI/11-1459)

249. Telegram From the Department of State to the Embassy in the United Arab Republic¹

Washington, November 19, 1959—7:31 p.m.

2095. For Ambassador. Embtel 1533.² In your discretion, and if in your judgment message can be conveyed without becoming public knowledge, you authorized inform Nasser in manner you deem appropriate that President himself remarked that he really would have liked very much to have seen President Nasser on this trip but that he was just unable to arrange it within the space and time that was available.

If you so inform Nasser, you may add that, for reasons with which we presume Nasser would concur, visit to one Near Eastern country would inevitably require visits to a number of other countries in that area and adequate time was unfortunately not available. You may

¹ Source: Department of State, Central Files, 711.11-EI/11-1459. Secret. Drafted by Brewer, Meyer, and Stookey; approved in draft by Goodpaster; cleared with Hart; and signed by Herter. On November 18, the Department of State sent a memorandum to the White House outlining Hare's concern and suggesting that an enclosed draft telegram be approved by the President. (Eisenhower Library, White House Office, International Series) The telegram as drafted contained only two paragraphs and the President added that he "really would have liked very much to have seen President Nasser."

² *Supra.*

wish to take occasion to express President's personal satisfaction with steady progress which has been achieved in normalization of US-UAR relations.

If specific question President's visit with Bourguiba arises, you may wish offer observation that meeting off Tunis represents only slight detour on sea voyage Athens-Toulon which being made for purpose relaxation between portions President's strenuous trip.³

Herter

³ No reply from Hare to this telegram has been found.

**250. Memorandum of a Conversation, Department of State,
Washington, December 10, 1959, 2:30 p.m.¹**

SUBJECT

- (1) US Economic Assistance to the UAR
- (2) DLF Aid to the Syrian Region
- (3) Over-all DLF Assistance

PARTICIPANTS

Mustafa Amin, Editor-Publisher *Akhbar al-Yom*
M—The Under Secretary for Political Affairs
NEA—G. Lewis Jones
NE—William D. Brewer

(1) *US Economic Assistance to UAR*: Mr. Amin emphasized that President Nasser hoped that US-UAR relations will continue to be good. In Nasser's view, however, the recent improvement in our relations came at an unfortunate time in view of the current emphasis of Secretary Anderson and others on achieving a balance in US foreign trade and thus circumscribing US foreign assistance.² President Nasser therefore hoped that considerable US aid might be extended through

¹ Source: Department of State, Central Files, 786B.5-MSP/12-1059. Confidential. Drafted by Brewer on December 15 and initialed by Jones. The source text indicates this is part two of two. The other part has not been found. In a briefing paper for the conversation, Jones indicated that Amin was in the United States primarily for a medical check-up, but also to convey Nasser's dissatisfaction at the pace of U.S. assistance. (*Ibid.*, 611.86B/12-1059) A memorandum of Amin's conversation with Jones, Meyer, and Brewer at 12:15 p.m. is *ibid.*, 786B.5-MSP/12-1059.

² On December 4, Hare reported that he had discussed U.S. assistance with Nasser who had made an obvious effort to be reasonable, but was still chafing at delays. (Telegram 1728 from Cairo; *ibid.*, 786B.5-MSP/12-459) Hare also summarized the questions that Amin would raise in Washington.

loans of PL-480 local currency for industrial projects. Mr. Merchant assured Mr. Amin that we had the greatest sympathy for the economic development problems of the UAR and desired to do whatever we could to assist. However, ours was a large and bureaucratic government, and it was not possible to move as rapidly as one would wish. There was, however, every desire to meet UAR needs to the maximum extent feasible. Mr. Merchant noted that he had discussed this matter with Under Secretary Dillon, who would be disappointed to learn on his return from Europe that he had missed Mr. Amin's visit, and knew that Mr. Dillon had a deep and genuine interest in this question. Where delays occurred, they were not due to US procrastination. We desired a steady increase in the warmth, depth and breadth of our relations with the UAR. The needs of the UAR would continue to receive genuine, rapid and sympathetic consideration.

Mr. Merchant noted, however, that the US was now faced with a problem in continuing its foreign assistance. This problem related to the negative turn which our balance of payments had recently taken. Actually, this development signified that the commercial and foreign aid policies which we had been following for the past decade had achieved unlooked-for beneficial results. However, the drain on US reserves, while so far not of great concern, could be very serious if allowed to continue. We definitely did not wish to retreat behind a new protectionist wall, but it was now necessary to take other steps to see that a new balance of US payments was achieved at a high level of world trade. Any trade actions which the US might have to take in the immediate future should be viewed in this perspective. On the related question of foreign aid, we remained hopeful that it would be possible to obtain Congressional approval for approximately the same magnitudes as last year.

(2) *DLF Aid to the Syrian Region:* Mr. Amin referred to Syria, noting that the Syrians had so far received no US assistance, although this had been the fault of successive Syrian governments. On the other hand, the USSR had offered substantial assistance to Syria prior to the establishment of the UAR. This Soviet help had subsequently been suspended, and an opportunity had thus been provided for the US now to do something which would make Syria a show-case of what Western help could do at a time when the USSR was stepping up its efforts in Iraq. The Iraqi situation was moving very rapidly and Iraqi developments would continue to play a major part in influencing Syria. In this situation, the UAR wished to consolidate its position by demonstrating the availability to Syria of US aid. In fact, President Nasser had informed the UAR Cabinet last year that one-quarter of the aid which the Egyptian region had received was being transferred to the budget of the Syrian region. This statement had elicited a favorable reaction from Syrian ministers. President Nasser now hoped

that the US would do something substantial in Syria such as sales of surplus commodities or making them available through charitable organizations, along the lines of the CARE program in Egypt.

Mr. Jones assured Mr. Amin that the Department was fully aware of the political factors which made US assistance to the Syrian region desirable. It was, however, necessary that the UAR translate these political factors into development project priorities. So far this had not been done, all priority projects designated by the UAR having been for the Egyptian region. Mr. Amin said that he had understood that the DLF did not wish to extend assistance to the Syrian region, and that this fact might have been the reason that the UAR had limited its priority requests to the Egyptian region. The DLF had apparently felt that the Syrian region had no suitable projects. Mr. Merchant noted that the US Government was influenced by the UAR's own estimate of priorities and suggested that one or more projects for the Syrian region be included in the next priority listing.

(3) *Over-all DLF Assistance:* Mr. Amin observed that Under Secretary Dillon had assured him in May 1959, that the DLF would be prepared to extend approximately \$40 million in loans this year. Now, however, the UAR felt that there had been some "shrinkage" in this amount. Mr. Brewer recalled that Mr. Dillon had spoken illustratively regarding DLF programs in Turkey and Iran and had stated that there would appear to be no reason why the UAR could not expect assistance in a similar magnitude provided qualifying projects were submitted. Mr. Amin replied that the UAR felt that DLF assistance was being reduced to \$25 million. Mr. Merchant observed that no such ceiling had been set to his knowledge. However, the DLF Board could not consider projects for the UAR in the absence of suitable documentation. We were often accused by foreign countries of delaying loans when the actual cause of the delay was the failure of the country concerned to submit adequate documentation. In those cases, requests for additional information had to be made. Mr. Brewer observed that this had already happened in the case of the UAR. Mr. Merchant emphasized the desirability of the UAR submitting project applications as promptly and in as much detail as possible in order to facilitate rapid processing of requests by the DLF.

251. **Memorandum of a Conversation Between the Secretary of State and the President of the International Bank for Reconstruction and Development (Black), Washington, December 11, 1959, 1 p.m.**¹

Mr. Black raised a number of points of considerable interest. I had asked him to lunch at the suggestion of Jack McCloy who thought that I could elicit from him some suggestions with respect to Egypt that would be worthwhile. We began by talking about the Aswan Dam and he told me that he had had some interesting conversations with the Germans with respect to the different stages inherent in the building of the Dam.

When this problem was first studied by the Bank, the Bank came to the conclusion that there was no economic justification for the construction of a part of the Dam plus the irrigation works and the power plant but that whoever was committed to the first stages would have to carry it through to the end or else the original investment in a single phase would be useless. He had estimated that the total would cost over a billion dollars. The Russians have, of course, committed themselves to the first phase which includes the building of two coffer dams and a diversionary channel. The amounts involved are about \$250 million. Work has begun on these but the Egyptians have no assurance that anything further will be done beyond this point.

Apparently Erhard² had had some talks with the Egyptians and had given them a completely unjustified assurance that if Germany shared in the second stage costing about \$100 million for the building of the low dam, the Western Powers would agree to the completion. Mr. Black tried to disabuse him of this idea [*2½ lines of source text not declassified*]. He was very much opposed to trying to impose Western construction on Russian construction [*1 line of source text not declassified*]. I told him that I agreed with him fully. It was much better for the West not to get involved in the Aswan Dam and to let the Germans work out their own problem by themselves.

I did this on the basis of a second proposal which was put up to Mr. Black, and in which he was very much interested. This had to do with the carrying of water from the Mediterranean to the declivity in the desert in the area of El Alamein. This would involve the digging of a channel about 450 miles along to a point where the land dropped very suddenly some 450 feet. At that point a power station would be built and the engineers who made preliminary surveys claimed the

¹ Source: Department of State, Central Files, 886B.2614/12-1659. Confidential. Drafted by Herter on December 16.

² Ludwig Erhard, Minister of Economy of the Federal Republic of Germany.

water that would flow into the declivity would not be a problem because it would evaporate as fast as it flowed so that only a salt flat would be left.

Mr. Black told me that the Siemens Company of Germany had made an engineering study of this and that while the Bank would have to make its own study, he felt that possibly this was a project that was well worthwhile. The amount of power which could be produced from this project would be almost as great as that at the Aswan Dam and it could be carried to Cairo and Alexandria over much shorter high tension wires than from Aswan. In addition, the Alamein project could be completed much sooner than the Aswan Dam project and could become a better impact project as far as the Egyptians were concerned than Aswan. However, Mr. Black said he would not give serious consideration to this until the financing of the Suez Canal widening had been completed, which he hoped would be done shortly after the meeting of the Board of Directors on December 21st.

We discussed at some length the difficulties that he was going to encounter and we likewise discussed Israeli objections to financing of the Suez improvements without some assurance by the Egyptians with regard to freedom of transit. However, he was willing to go ahead and take the chance even though he was counting on the banking institutions in the U.S. taking a considerable share of this loan. Incidentally, he mentioned that the loan should be as fine a loan as a bank could ask for; the interest rate would be over 5% and backing for it would be a first lien on all Canal tolls.

Mr. Black discussed at some length our relations with Nasser and his great sensitivity. He mentioned how unfortunate it was the President could not go to Egypt and hoped that it would be possible for me to find some excuse to go. I told him this was very improbable and he then suggested we find some excuse for Secretary Anderson to take a trip to Egypt which he felt would be very reassuring to Nasser in terms of the normalization of our relations.

Christian A. Herter³

³ Printed from a copy that bears this typed signature.

252. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, December 17, 1959—6 p.m.

1872. In farewell call on Nasser yesterday I found him in relaxed and reminiscent mood with result much of conversation devoted to recalling ups and downs in United States-UAR relations, concluding with expression satisfaction that situation now more normal and hope present trend would be continued and consolidated.

I did however take occasion run over various items which Department suggested in Deptel 2410² and other telegram on specific subjects with following results:

1. Magnitude of assistance in terms dollar value as mentioned and Nasser indicated interest without however making any specific comment.

2. Re DLF Nasser said understood why consideration Jordan projects lagging but emphasized great importance which he attaches to doing something in Syria both in industrial and agricultural fields. By way of substantiation he stressed (A) economic dislocation created by two years of bad harvests and foreseeable catastrophic consequences of third such year, (B) emphasis being placed on economic development in Iraq (he mentioned four-year plan amounting to 400 million pounds) in obvious effort seduce Syrians, and (C) fact that Syrians are economic minded people who can be most readily approached through economic medium. In this connection Nasser said also interested in possible IBRD assistance and said target is double national income in next ten years.

3. Re television project Nasser seemed already informed of 4.5 million pound project and to understand its utility but he did not elaborate.

4. UNWRA and PCC that agreement reached on former [*sic*] but was dubious re prospective efficacy of reactivating PCC under terms of reference stipulated in UNGA resolution³ which he noted were at wide variance from what he had suggested since former one covers question of repatriation and compensation of refugees whereas his idea had been that PCC should work on all UN resolutions on Palestine.

¹ Source: Department of State, Central Files, 611.86B/12-1759. Secret; Limit Distribution.

² Telegram 2410, December 12, transmitted a list of eight points which Hare, at his discretion, was authorized to make to Nasser in his farewell call. (*Ibid.*, 684A.85322/12-359)

³ For text of Resolution 1456 (XIV), December 9, see U.N. Doc. A/4354, p. 8.

5. On question Jordan waters Nasser reviewed matter in almost identical terms reported Embtel 1723,⁴ clearly indicating that he still was none too happy to have to become involved in a problem which, prior to union with Syria, Egypt had been able to regard more or less as a spectator. In circumstances he said matter under study and nothing specifically decided but that engineers are looking into possibility of using all of Syrian water, although would not wish this result in depriving Jordan of Yarmuk waters since, if this done, Jordan would be completely cut off from water if Israelis should pre-empt Jordan River waters. Nasser also referred, as he had done previously, to military implications, especially in light previous Syrian reactions and strong feelings. It was obvious that this point particularly perturbed him.

I took occasion point out that, by Nasser's own analysis, matter which had previously been more or less ignored is now inexorably becoming immediate and serious issue. Situation is one where previous appraisal re necessity some form unified development arrangement is obvious and Johnston plan⁵ would seem be best available starting point. Why let matter reach point of explosion when there still time seek some form solution?

Nasser looked thoughtful but refrained from specific reply other than recall his previous suggestion that all these problems would fall into different perspective if sizeable Arab repatriation could be effected in such way that Israel would become another sort of Lebanon.

6. Regarding Africa, Nasser's comments were along same lines as those of Anwar Sadat as reported Embtel 1862⁶ with especial emphasis on perspective future importance of Africa and consequent necessity for its constructive development.

7. Re Iraq Nasser said agreed with our thesis of non-intervention from outside but he nevertheless felt that Communist threat in Iraq was too serious to be ignored by UAR whose immediate objective is to isolate Communists from people. Following Kirkuk incidents⁷ Communist influence had declined but it is now on upsurge. As for Kassem, he initially used Communists in order to strengthen his position but now situation reversed since Communists endeavoring use Kassem in order regain power. In this connection Nasser said often perplexed by attitude of west which often seemed not only indifferent to this problem but at times actually to follow line which helpful to

⁴ Telegram 1723, December 3, described a conversation with Nasser on the previous day in which he stated that discussion on the Jordan waters question was inconclusive. (Department of State, Central Files, 684A.85322/12-359)

⁵ See footnote 3, Document 15.

⁶ Telegram 1862, December 16, summarized Hare's farewell call on Sadat in which Sadat stated that U.S. and UAR positions on Africa were not too different. (Department of State, Central Files, 670.86B/12-1659)

⁷ Reference is to the massacre of Turcomans in Kirkuk July 14-18 by Communist-led local army units.

Communists and he referred certain broadcasts against UAR which he maintained could only have effect of bolstering position of Iraqi Communists.

8. Matter special assistance as covered by Deptel 2427⁸ did not come up.

9. Question relations United States-UAR missions as treated G-59⁹ mentioned in general terms and Nasser agreed situation should be corrected as required. He specifically asked re any cases in point and I cited Libya and Uruguay. Mention of latter seemed amuse Nasser greatly, i.e., as being insignificant.

10. I also briefly reviewed preliminary findings of ICA iron and steel and western desert water development consultants, especially emphasizing recommendations in both cases that efficient development should not be hampered or imperiled by impatient demands for quick results. Nasser listened attentively and said in agreement but I would surmise that his interpretation of recommendation of consultants would probably be at rather wide variance from theirs.

11. I also mentioned orders recently placed with nine Egyptian textile mills by a broker representing several large American mills for Egyptian cotton textiles (mostly unfinished) which might amount to as much as \$20 million and for plans by same agent to supply Egyptian private interests with modern United States textile finishing plant at estimated cost of \$1,200,000. I emphasized that USG and Embassy had nothing whatsoever to do with this transaction, which however did serve illustrate both indirect benefits of improved relations and also important role can be played by private enterprise. This was apparently first Nasser had heard of matter and it was obvious he was keenly interested.

Hare

⁸ Telegram 2427, December 14, reported the UAR request for Special Assistance funds for tallow and newsprint was undergoing review which would be completed early in 1960. (Department of State, Central Files, 868B.392/12-1459)

⁹ G-59, December 5, reported that the UAR Embassies in Uruguay and Libya were unaware of the normalization in relations with the United States and were in fact working against their U.S. counterparts. (*Ibid.*, 611.86B/12-559)

**253. Memorandum of a Conversation, Department of State,
Washington, December 21, 1959¹**

SUBJECT

Israel Transit Problem and IBRD Loan for Suez Canal

PARTICIPANTS

The Acting Secretary
IO—Francis O. Wilcox
NEA—G. Lewis Jones
NE—Armin H. Meyer

Ambassador Avraham Harman, Israel
Embassy
Mr. Moshe Erell, Israel Embassy

Ambassador Harman said the purpose of his urgent visit was to inquire as to the instructions being given to the U.S. Director concerning the consideration being given by the IBRD that afternoon to the question of a loan to the UAR for improvement of the Suez Canal. Foreign Minister Meir had sent a message concerning this matter to the Secretary in Paris² and the Israel Government was now anxious to know the answer.

In reply, the Acting Secretary referred to our gratification that the IBRD has so far managed to keep itself out of politics and in a strictly economic position. The Bank management, he said, feels strongly that for the IBRD to postpone action on the Suez loan at this stage after the application has been approved on economic and technical grounds would be a bad precedent. Accordingly, the Bank is proceeding to present the subject at its afternoon meeting. Under these circumstances, the Acting Secretary said, the U.S. Government sees no alternative but to go ahead and approve the loan, even though we regret very much the incident involving the Greek vessel *Astypalea*³ and other Israeli shipping difficulties at Suez. The Acting Secretary emphasized that the principle of free transit of the Canal is of vital concern to the U.S. Government as the Secretary had reiterated in his public address at the General Assembly.⁴ The U.S. will continue to make these views known whenever appropriate. Noting our belief that using

¹ Source: Department of State, Central Files, 986B.7301/12-2159. Confidential. Drafted by Meyer, initialed by Jones, and approved in U on December 30. A briefing paper for the conversation is *ibid.*, NEA Files: Lot 61 D 43, Tel Aviv. A summary of the conversation was transmitted to Cairo in telegram 2510, December 21. (*Ibid.*)

² Herter was in Paris for the NATO Ministerial and Heads of Government meetings, December 15-22. Although the specific message has not been identified, on December 19 and 20, Ambassador Reid reported that Meir requested Herter be apprised of her concern that the IBRD loan be approved at this time. (Telegrams 604 and 605 from Tel Aviv; *ibid.*, Central Files, 986B.7301/12-1959 and 986B.7301/12-2059, respectively)

³ On December 19, Ambassador Harman had discussed the *Astypalea* with Jones, Meyer, and Wahl along these same lines. A memorandum of their conversation is *ibid.*, NEA Files: Lot 61 D 124, Middle East-Suez Canal.

⁴ For text of Herter's address to the General Assembly, September 17, see U.N. Doc. A/PV.797, pp. 9-14.

the Bank as a political instrumentality would not be effective in achieving the objective we all seek, and would meanwhile damage the position of the Bank in helping to ameliorate this and other problems, the Acting Secretary said that the U.S. Director would concur in the Suez loan, making an appropriate statement at the meeting.

Asserting that a commercial banking institution would not grant a mortgage under questionable circumstances such as a conflict concerning the particular property involved, Ambassador Harman said his government felt it would be only prudent for a thorough investigation to be made concerning the Suez loan before approval were to be given. It was public knowledge, he said, that the Secretary General is presently engaged in clarifying the *Astypalea* incident. Furthermore, the Secretary General has informed the Government of Israel that the IBRD is fully cognizant of his contact with the Suez transit problem and his current negotiations. Accordingly, the Bank should seek a report from the Secretary General as guidance to its directors. In fact, the Government of Israel has made an official request to the director who represents Israel to insist upon such a report.

Ambassador Harman went on to observe that the present predicament was not one of Israel's choosing. With specific reference to the *Astypalea* affair, Israel had given ample notice to the Secretary General concerning this vessel's transit of the Suez. Israel had scrupulously avoided publicity. There had been no apparent objection registered by the UAR authorities. When the story leaked, however, the source was clearly Egyptian.

The Acting Secretary said the *Astypalea* affair, the importance of which might be debatable, should not be considered a closed incident. To the best of our knowledge the UAR authorities had not yet replied to Secretary General Hammarskjold. Thus the possibility still exists that the ship might be released. Once a reply has been received by the Secretary General a better judgment can be formed.

Ambassador Harman asserted that this was a most unique situation. Since last Friday, the Secretary General had communicated three requests to the Egyptians. The fact that they had not replied was unpardonable. He recalled that there had been weeks and months of negotiations after which the Secretary General had given the Israelis specific advice. The central point, therefore, was that if the UAR authorities behaved as they did without the courtesy of a reply to the Secretary General what would be the implication of proceeding with the approval of the loan as if nothing had happened. To Israel, this would be an act on the part of the IBRD of the highest political order.

Noting that the Bank does not accept this conclusion at all, the Acting Secretary stated that in the Bank's view it would only be political if the loan action were postponed. The UAR authorities, the Acting Secretary said, must be aware of the Bank discussion and

perhaps tend to draw the conclusion that an attempt is being made to assert political pressure through the IBRD. Under these circumstances, they might be finding it difficult to answer the Secretary General objectively. We regret that the UAR has not answered, the Acting Secretary said, but the foregoing might be a part of the reason. The Acting Secretary reiterated that we regret the stoppage of the *Astypalea* very much for our understanding of the situation was quite similar to that of the Ambassador's. We consider it a very serious matter and assume that the Secretary General will proceed to address his attentions to it. It is our belief, the Acting Secretary said, that holding up the IBRD loan would not facilitate the release of the Israeli cargo but would rather have the contrary effect.

In response to a further inquiry concerning the U.S. views, the Acting Secretary stated that we have Israel's interest very much at heart as well as our own and that of the World Bank. While we do not wish to see the Bank's reputation damaged, we are also interested in Israel's rights. The Acting Secretary reiterated our conviction that one way not to gain Israel's rights for some time to come is to hold up the loan. It is safer in our opinion, he said, to preserve such influence as the Bank and the Secretary General may have to press for a prompt and favorable solution to the transit problem.

Noting that Israel does not object to the Suez loan at a later date, Ambassador Harman said that Israel does not wish to see the Suez used as an instrument of discrimination against Israel for it could subsequently be used against other countries for political purposes. He stressed that an assumption had been reached that the transit problem was being solved. IBRD President Black had personally expressed his satisfaction at the way Israel had behaved. Now it was clear, according to the Ambassador, that the problem was not settled at all and that the assumptions on which the item had been placed on the IBRD agenda were not valid at all. There had been a complete reversal since the *Astypalea* incident.

The Acting Secretary expressed the view that it was correct to assume that an effective basis for resolving the transit question had been generally agreed upon. He felt that the stopping of the *Astypalea* might be a set-back but it did not mean that the whole concept was "out the window". He added that he felt it was not in Israel's interest to press for a postponement of the Suez loan as hard as it has been doing.

Ambassador Harman observed that any prospect for resolving the Suez transit problem as previously planned was now at best a vague hope. Even UN officials were now speaking in terms of "only a possibility" rather than a "probability". He stressed his conviction that the IBRD meeting approving the Suez loan would destroy any chance of converting the possibility to a probability.

The Acting Secretary replied that the U.S. judgment of the results of the IBRD action was directly contrary to this Israeli view. The U.S., he said, felt that postponement of the loan by the Bank would insure the failure of the Secretary General's attempt to obtain an effective basis whereas approval of the loan would enable us all to continue our efforts with hope for success. The Acting Secretary said it was clear that Israel and the U.S. were in full agreement on the objective and our only difference was on the best tactics to achieve this objective.

In response to the Ambassador's inquiry as to whether the U.S. would "pursue" the transit question through other channels, the Acting Secretary said the U.S. would make every effort we can which would be effective. He noted that the matter is in the hands of the Secretary General and that we would not wish to harm what Mr. Hammarskjold is doing. We would be guided by the judgment of the Secretary General, whose prestige is deeply involved in this matter, as to when and whether the U.S. Government might be helpful.

Before departing, Ambassador Harman asked whether the U.S. thesis that development projects be considered on their economic merits alone might apply also to other issues (obviously referring to the question of U.S. help to Israel in its water development program). The Acting Secretary said that he had been talking about the World Bank and that the two subjects were different in character. Nevertheless, as soon as he would have the opportunity, following his recent travels, to familiarize himself with recent developments concerning Israel's water problem he would be pleased to talk further with the Ambassador concerning this subject.⁵

⁵ Later in the day, the International Bank for Reconstruction and Development unanimously approved the Suez Canal loan.

254. **Telegram From the Consulate at Damascus to the Department of State**¹

Damascus, January 5, 1960—2 p.m.

676. Reference: Cairo telegram 2004 to Department.² Wish emphasize point made Embassy Cairo that, should U.S. wish make palpable contribution to longevity UAR, ideal time is now. Current Syrian economic difficulties are obvious. On political side Nasser has harried Syrian Commies underground and broken with Syrian ASRP, at risk of: 1) paring his forces in Syria to statistical minority; 2) awarding Sarraj more responsibility than he can be trusted with.

To hold Syria against these two dangers, Nasser must: 1) demonstrate sufficient economic advancement to prevent Syrian populace from turning back to ASRP or Commie Party; 2) win personal allegiance enough Syrian officers First Army to minimize danger Sarraj-led secession. Believe U.S. participation Syrian econ development would contribute to these two objectives—in addition, of course, to enhancing U.S. prestige in UAR.

Major factor which we cannot accurately evaluate now is that Sarraj so far has been uncooperative re U.S. efforts in region in case trade mission we informed explicitly by commerce and industry representatives that they will do nothing unless Sarraj endorses program, "regardless of any instructions from Cairo." He has not yet replied to our note of December 23³ soliciting assistance.

Contels 674 and 675⁴ confirm our difficulty dealing "even with friendly Syrians." Industrial bank and fertilizer plant have for several months been regarded as good possibilities of DLF assistance. However, in requesting final data it develops that immediate need is the entry on scene of U.S. technicians who can provide recommendations upon which Syrian decisions can be made as to final proposals for these projects.

Data promised for January 5 by Ministry, will add to prospects of immediate capabilities for U.S. give financial assistance. Projects said to require foreign exchange amounting to LS 15 million for equipment for existing railways, LS 24 million for earth moving ballast-handling and related construction equipment for Latakia-Aleppo new railway

¹ Source: Department of State, Central Files, 786B.5-MSP/1-560. Secret. Repeated to Cairo and Aleppo.

² Telegram 2004 from Cairo, January 2, reported that the current crisis between Nasser and the Baath Party of Syria necessitated the United States giving urgent attention to its economic assistance to the Syrian part of the UAR. (*Ibid.*, 786B.5-MSP/1-260)

³ Not found.

⁴ Both dated January 5, these telegrams discussed various aspects of DLF loans for a fertilizer plant and requested details on specific loan projects from the Syrian Industrial Bank. (Department of State, Central Files, 786B.5-MSP/1-560)

and LS 30 million for highway construction equipment. Ability of region to carry out properly all three projects simultaneously seems open to doubt from our non-technical viewpoint. However, Ministry putting all three up at once as of concurrent top priority.

In respect of Export Import Bank and DLF funds for private enterprise, despite fairly large number of conversations which have resulted local businessmen suggesting about eleven projects, not one applicant has pursued his presentation.

Even talks with officials re availability soon of local currency fund for lending as result of PL 480 sales have elicited no prospective use.

Agricultural attaché here now to explore requirements additional PL 480 wheat. To date despite frequent contact with economic and agricultural officials, some of whom know that U.S. had told Qaysuni it would consider providing more upon justification, there has been no request for additional wheat.

In sum, doing something of major importance on part U.S. in Syrian region will require considerably more technical and administrative coordination within UAR than now exists. Our recommendation is that we meet terms which appear compatible to both regions and enter on scene with technicians for study and appraisal of both industrial bank and fertilizer plant, with a view to ultimate loans in these fields.

Haring

255. Telegram From the Department of State to the Embassy in Germany¹

Washington, January 7, 1960—10:26 p.m.

1431. Bonn's 1253 (not rptd London).² You may inform Westrick there has been no change in USG position re Aswan Dam project as set forth Deptel 325.³ While we understand that like USG neither IBRD nor UK disposed participate, we continue believe question

¹ Source: Department of State, Central Files, 886B.2614/1-660. Secret; Niact; Limit Distribution. Drafted by Brewer; cleared by Jones, GER, E, and U; and approved and signed by Dillon. Repeated to Cairo and priority to London.

² Telegram 1253, January 6, reported that Ludgar Westrick, State Secretary in the Ministry of Economics, had inquired "urgently" whether the United States opposed West German participation in the second phase of the Aswan Dam. (*Ibid.*)

³ Reference should be to telegram 523, August 11, which stated that, while the United States had not been approached and did not plan to participate in the Aswan Dam project, it had no objection to assistance from other Western countries. (*Ibid.*, 886B.2614/8-859)

FedRep participation second phase project matter for FedRep decide. We have no firm info re Westrick's allusion possible FedRep association other Western oriented countries and would appreciate FedRep elucidation this point. However, we consider any such association matter for FedRep work out with any other interested parties.

FYI: Black's reported comment re strong USG opposition FedRep participation may be outgrowth his conversation with Secretary December 11.⁴ At that time Black told Secretary that Erhard had apparently indicated to Egyptians that, if FedRep participated second stage low dam costing about \$100 million, "Western powers" would agree to completion. In this context Secretary replied better for West not get involved in project and let Germans work out their own problem by themselves. You of course aware this connection Black expresses his own views in discussions with governments (of Deptel 325). End FYI.

FedRep has also apparently approached British. British Embassy informed Dept January 6 FonOff planning instruct UK Ambassador Bonn reply, inter alia, that it seems premature take decision now on whether second stage suitable subject government financing for West and that UK unable encourage British firms who might be interested. In response request our comments on UK proposed reply, we informing British Embassy we have similar views. We will add, however, wording proposed UK statement perhaps unduly discourages Germans and thus likely give rise belief in Cairo, which we feel should be carefully avoided, that UK and/or US actively seeking discourage assistance to UAR from Free World countries for this project.

Dillon

⁴ See Document 251.

256. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, January 20, 1960—9 p.m.

2225. While it will be some time before one can evaluate significance UAR agreement for Soviet assistance in construction both stages

¹ Source: Department of State, Central Files, 886B.2614/1-2060. Confidential. Repeated to London, Bonn, and Moscow.

high dam² preliminary and tentative views of Embassy may be of some relevance.

From standpoint USSR, it has successfully driven home advantage achieved from October 1958 offer to finance and assist in first stage. UAR now wholly dependent on benevolence USSR with regard its two most vital areas (1) USSR sole supplier military equipment to UAR and (2) USSR sole source foreign assistance for most important and spectacular UAR economic project. Unless USSR stumbles badly over Iraq or another political issue, USSR presumably will maintain formidable position vis-à-vis UAR indefinitely.

From standpoint UAR, reasons for awarding second stage to USSR not as clear as motives of Moscow in pressing its advantage to favorable decision. Previous Embassy messages which have anticipated possibility USSR would obtain second stage have pointed out various factors such as fear of political complications which might result from attempting introduce western nations into second stage. In addition there are no doubt many engineering reasons; greater smoothness of operation if only one country involved, possible saving of total time, and perhaps economic advantages of Soviet offer from standpoint terms repayment and interest rate.

Embassy believes Haikal article (Embtel 2202;³ repeated information London 198, Bonn 16, pouched Moscow) presents reasonably accurate résumé considerations influencing UAR decision without of course illuminating critical political factors, if indeed, any such did exist.

Recent developments have also produced possible additional economic motives for decision. It is noteworthy that West German credit provided in May 1958 has been practically exhausted, whereas Soviet credit of January 1958 still less than half utilized. We assume UAR has found Soviet offer of industrial equipment generally not up to international standard and that consequently UAR may be seeking concentrate all assistance that can be obtained from West Germany and other modern industrial countries in providing equipment for industry, while channeling Soviet aid into a public works project, which being unique, does not have to meet international competition in quite same manner. So long as cotton remains a surplus commodity, so long as UAR requirements remain in excess its ability to finance from the west, and so long as Soviet bloc willing accept "surplus" cotton in payment, it would seem natural for UAR from economic point view to turn to bloc for such aid as can be most effectively absorbed.

² On January 18, the United Arab Republic announced that the Soviet Union would participate in the second stage of the Aswan Dam on the same basis as the first stage.

³ Telegram 2202, January 19, summarized a long article by Haikal on the circumstances leading to the UAR decision to have the Soviet Union finance the second stage of the Aswan Dam. (Department of State, Central Files, 886B.2514/1-1960)

Negotiations apparently proceeded with great speed and within tightly limited circle UAR officials. Although rumors of impending Soviet offer prevalent two or three days prior to announcement, surprising element was neither offer nor acceptance but rather precipitous manner in which decision made. We have not yet been able ascertain to what extent Soviet pressures or other political factors may account for this speed. We had anticipated UAR action would be deferred pending scrutiny imminent German offer and evolution Soviet policy in Iraq.

We have no evidence to prove that tremendous leverage available to USSR as result its paramount position as arms supplier and cotton purchaser was in fact applied to produce recent agreement. We note, however, Soviets had not scored major success in UAR since first stage agreement in 1958 and that in light forthcoming Erhard visit and President Eisenhower's recent sympathetic remarks re high dam⁴ Soviets may have become seriously concerned at prospect propaganda advantages accruing to it from first stage would be substantially neutralized by western participation.

Such incomplete accounts as we have so far been able obtain suggest that in Nasser's mind basic economic factors were principal preoccupations. According to these accounts Nasser considered Soviet offer better than anything he likely to receive from the west and was apprehensive negotiation with west would result in same type frustrations and delays which UAR experiencing in its efforts obtain DLF financing.

In view Nasser's well known complexes, his willingness accept aid from any source without strings, his political and economic involvements in high dam, and fact his decisions contingent on approval from no other authority, these accounts may well be correct. Under these circumstances Nasser's economic incentives and Soviet political incentives may have fused into quick agreement.

While we regret this additional enhancement of Soviet strength vis-à-vis UAR, we have no doubt that Nasser is fully determined adhere his policy non-alignment and would react sharply to any Soviet effort exploit its position. It is our thesis that western interests in UAR can be maintained only by actively participating in its economic and civil development plans and thereby pre-empting the ground from further bloc intrusion. This latest Soviet achievement again emphasizes necessity for effectively implementing this policy or, in words of Ambassador Hare, of "competing without appearing to compete".

⁴ For text of President Eisenhower's remarks at his January 13 press conference, see *Public Papers of the Presidents of the United States, Dwight D. Eisenhower, 1960-61*, pp. 21-31.

If Nasser assumes western nations recognize it in their interest during this period roughly to balance bloc participation in UAR development, Nasser may be right.

Anschuetz

257. **Telegram From the Embassy in the United Arab Republic to the Department of State¹**

Cairo, April 16, 1960—7 p.m.

3148. Personal for Secretary. You will have noted that relations between US and UAR seem now to be entering rather difficult phase directly related to UAR's deep-seated fear of and alleged US partiality toward Israel.

Proximate causes UAR anxiety are, of course, Ben-Gurion's visit to western capitals,² his conversations with President Eisenhower, Nixon, yourself, Adenauer, Macmillan, and others; Hammarskjold's statement regarding unloading of *Astypalea*; proposed Hays amendments; coordinated attack against UAR shipping by US and other maritime unions, et cetera. Uncertainty as to success Israeli efforts obtain western arms; rumors substantial German credits for Israel; possibility visits to Israel by Heuss, Macmillan and Gaitskell; and apprehension concerning possible Summit conversations touching on Middle East have all combined to stimulate local sense of uneasiness and irritability. Nasser's references to US and Israel in his conversations with Ayoub seem also reflect this attitude.

I am concerned with cumulative psychological effect which these developments may produce in minds of Nasser and inner circle of UAR leadership.

Absence US effort to balance sympathetic gestures toward Israel from Washington, London, Paris and Bonn with similar gesture toward Arabs tends strengthen UAR suspicion that western policy in fact orchestrated by US. Unfortunately, basic anxieties regarding US policies are compounded in an election year and will be difficult to remove until a new administration, Republican or Democratic, reconfirms an even-handed policy toward UAR and Israel. In meantime, opportunities for mischief and irrational decisions will multiply.

¹ Source: Department of State, Conference Files: Lot 64 D 559, CF 1644. Secret. Ambassador Reinhardt presented his credentials on March 22.

² Regarding Ben Gurion's visit to the United States, see Documents 130 ff.

You appreciate that subjective factors are critically important element in policy-making process here and will recall that Embassy has long sought devise appropriate occasion on which a ranking US leader could provide Nasser definitive statement current US policy in ME as well as mitigate his sense of personal grievance and ostracism. For these reasons, and in order protect our equity in increased area stability and improved US-UAR relations, you may wish consider possibility stopping briefly in Cairo en route from Athens to Washington, despite your crushing schedule.³ If such stop feasible, I would, with your approval, seek reaction from Nasser who returns this afternoon from Pakistan. If it appeared convenient an invitation for you to appear before some private organization in Cairo (such as American University or Egyptian Society of International Law) could of course be arranged.

In short, in light tensions which now developing and which will probably continue to increase, believe visit from you would have highly salutary effect and would tend discourage actions on part UAR during coming months which would complicate our own problems and work to advantage Soviet bloc.⁴

Reinhardt

³ Following the NATO Ministerial meeting at Istanbul, May 2-4, Secretary Herter was scheduled to stop at Athens, May 4-6, before returning to Washington.

⁴ On April 19, Herter replied that his schedule was so full that it would be impossible to visit Cairo even though he appreciated the points Reinhardt had made. Herter noted that the upcoming visit to Cairo of Senator Fulbright, who would not visit Jordan or Israel, might help meet the situation. (Telegram 4253 to Cairo; Department of State, Conference Files: Lot 64 D 559, CF 1664)

258. Despatch From the Embassy in the United Arab Republic to the Department of State¹

No. 861

Cairo, May 27, 1960.

SUBJECT

Senator Fulbright's Conversations With UAR Leaders

During his stay in Cairo from May 11 to 16, Senator Fulbright had conversations with President Nasser, Vice President Boghdadi and Foreign Minister Fawzi. Although frank and friendly, these conversa-

¹ Source: Department of State, Central Files, 033.1100-FU/5-2760. Confidential. Drafted by Reinhardt on May 23.

tions did not reveal from the UAR side any new elements or trends in Arab thinking. For his part, the Senator spoke of the basic friendship of the American people for the Arabs, described the nature of the U.S. constitutional system and foreign policy formulation and explained why special minority interest groups and lone irresponsible voices could not be taken as reflecting either U.S. policy or the attitude of the American people in general. Senator Fulbright took every occasion to correct the inaccurate description of U.S. aid made by President Nasser in his recent speech at Mansoura (May 7, 1960) and which had been taken up by the Cairo press.

At his several meetings, the Senator was accompanied by Mr. Carl Marcy, Chief of the Foreign Relations Committee Staff (except at the meeting with Vice President Boghdadi), Ambassador Mahmoud Riad, Counsellor to the Presidency, and the American Ambassador.

A summary of the several meetings is as follows:

I. Meeting with Foreign Minister Dr. Mahmoud Fawzi, 9:30 a.m., May 12.

There was a general discussion of agricultural and industrial problems in Arkansas and the UAR. Senator Fulbright pointed out that Arkansas was a comparatively underdeveloped state and that its per capita income had been increased over five times since 1930. Fawzi spoke of the need for economic aid and technical assistance and, although he preferred such assistance through the UN, he spoke highly of US assistance since 1958. Prior to that time, US aid had tended to be offered with so many strings as to make it unacceptable to a neutral country. Fawzi stressed the need for stable high commodity prices for the Arab countries and their need for development capital. He referred favorably to the proposal for an Arab development bank and was critical of local capital such as Kuwaiti which went to London for investment. The Senator suggested that political stability was a prerequisite for capital development and asked about the prospects for a definitive settlement with Israel which would provide a sound basis for industrial growth in the area. Fawzi replied that Israel must conform to the UN resolutions—that was the only hope. He realized it was difficult for Americans to understand that Israel and the UAR were at war. At the same time, the UAR had no intention of causing border incidents but they occurred nonetheless.

II. Meeting with President Nasser at Koubbah Palace, 11:00 a.m., May 12.

President Nasser described the agricultural and population problems in Egypt and the plans which had been developed to increase arable lands including the role of the High Dam at Aswan. Senator Fulbright discussed agricultural development in Arkansas and the cre-

ation of state experimental stations. He suggested the UAR might wish to send people to see their work, including experiments relating fish culture to rice growing.

Senator Fulbright discussed the development of the U.S. Constitution which had been designed to create a national unity out of the many diverse groups that made up the U.S. The system had worked well in domestic matters but less so in the conduct of foreign policy since at the time it was developed American foreign relations were minimal. He also spoke of the difficulty which existed when the administration was of a different party than the majority in Congress. President Nasser said he had studied the American system and concluded that it would not work in Egypt. He had settled for a system of election from the village level up. Ministers would be subject to the confidence of the Parliament.

Nasser referred to Mr. Dulles' penchant for military defense pacts. He said he thought Dulles had agreed that an Arab defense grouping was reasonable: that if the Arabs were attacked by Russia they would ask the U.S. for help, or if attacked by the West, they would turn to Russia. As matters turned out, the UAR was attacked by the West and Israel. They were extremely grateful for U.S. support at that critical moment. The Eisenhower Doctrine, however, was viewed here as a device to re-establish imperial control by non-military means. He could have nothing to do with it and felt it was directed at Egypt as much as at any communist threat.

During the last two years tensions had been reduced and the UAR and the U.S. had been getting along better. But the Zionists had not liked this. The *Cleopatra* case and the Douglas-Keating Amendment ensued and things looked pretty bad again. Senator Fulbright stressed the basic friendship of the American people for Egypt and said that although there naturally were groups in the U.S. who opposed Nasser, the Douglas-Keating Amendment was not a fair representation of general U.S. sentiment. He described the background and maneuvers which had led to its passage. Nasser expounded at length his views on the basic errors of American policy toward Egypt. The Senator observed that the U.S. was more understanding today of the concept of neutrality than formerly.

Senator Fulbright raised the question of Palestinian refugees and said that his colleagues had become rather frustrated after putting more than \$200 million into the refugee program with no progress to show for it. Nasser hewed to the line that the refugees must return home.

Nasser contrasted Soviet aid with U.S. aid and noted that the interest rate of the former was much lower. The Senator pointed out the essential difference was that repayment of U.S. aid was in Egyptian pounds and not commodities and that it, therefore, did not take anything out of the UAR.

Nasser complained about the delays regarding DLF loans suggesting that the U.S. had apparently been frightened off by the *Cleopatra* case. Reinhardt replied that this was not the case. The loans had been agreed in principle and the terms were now being negotiated for early signature.

III. Meeting with Vice President Boghdadi, 7:00 p.m., May 12.

Senator Fulbright referred to the Vice President's role as coordinator of all economic planning in the UAR and there followed a discussion of the importance of planning in underdeveloped economies. The Senator described "Operation Bootstrap" in Puerto Rico and asked whether the UAR Government had ever looked into that program. Boghdadi said that they had not done so but evidenced interest and asked the Ambassador to provide him with the exact name and address of Governor Munoz Marin. Senator Fulbright took the occasion to speak along the line he had taken with President Nasser on the nature of U.S. Government, pointing out it was incorrect to overemphasize the influence of minority special interest groups or the statements of irresponsible persons in the field of foreign affairs. Senator Fulbright raised the subject of Israel with the Vice President who gave the short standard reply and showed no disposition to enter into any further discussion of the subject.

IV. Meeting with President Nasser at his home, 7:00 p.m., May 15.

Senator Fulbright expressed his appreciation for the hospitality which had been accorded him and said he was very impressed with the several development projects he had visited. Nasser replied that he might be interested to know that when he and his friends came to power, they had no economic program and, for lack of anything better, decided to develop their initial program from the unfulfilled promises of preceding parliaments. The Senator spoke of the importance of educational exchange and of his meeting with U.S.-UAR exchange foundation the previous evening. The Senator referred to the President's recent speech at Mansoura which led the latter indirectly to defend his unfriendly observations regarding the U.S. by recounting the insults directed against him in the U.S. Congress, particularly the regular attacks of Congressman Celler. Nasser said that in the absence of a parliament he feels responsible for dealing with all attacks on the UAR. Once a parliament was in being, no doubt they would be dealt

with at greater length there. He then recounted his history of unsatisfactory experiences with the U.S. press involving the cutting and suppression of interviews and suppression of important news dealing with the area. Senator Fulbright pointed out that such statements as the President had made at Mansoura made it difficult for his friends to be helpful and referred especially to the description of the nature of U.S. aid. As he had at his first meeting with the President, he described why this description was incorrect; there was no interest on PL 480 transactions and interest on counterpart loans stayed within the country.

Nasser spoke of the problem of small powers in their relations with great powers and the fear of isolation. At the time of his recent conflict with the Soviet Union some of his colleagues hesitated to take issue with the Soviet Union since relations with the U.S. were bad at the time. Yet the decision had been taken to risk it since to do otherwise would have been to compromise UAR independence. He said that in their recent conflict with the Communist bloc they had decided to concentrate their propaganda first on Moscow, then on Peking, and then on Sofia in turn since they felt that they could not take them all on at once. There was a general discussion of the role of the Communist powers in the world and Nasser agreed that Nehru was deeply worried over his position vis-à-vis Communist China. Nasser asserted his strong opposition to communism saying that the Communists had endeavored to recruit him in 1949. At that time he had read all their books and decided against communism primarily because it was atheistic, because it involved becoming an agent of a foreign state, and because it involved the use of terrorism.

With respect to Iraq, Nasser said he believed that the Communists there might now be said to be contained. They would, of course, continue to be an influence but Qassem seemed to be trying to extricate himself from them. His problem was his fear on one hand of the Communists and on the other hand of the nationalists who stood for Arab unity and who Qassem thought would be found to want to join the UAR.

G. Frederick Reinhardt

259. **Despatch From the Embassy in the United Arab Republic to the Department of State¹**

No. 14

Cairo, July 5, 1960.

SUBJECT

Conversation With President Nasser

Having had an informal notification that President Nasser would like to see me I asked for an appointment and was received by him July 1, at 12:30 P.M. informally in the study of his residence where he apparently had been hard at work on the many dossiers piled on his desk. The following paragraphs summarize the highlights of our conversation.

Cairo Press:

Nasser asked me if I had become accustomed to life in Cairo. I said agreeably so but that it was difficult to become accustomed to the Cairo press to which he observed that his problem was to become accustomed to the American press. He added that he believed I would find, however, that from my point of view the Cairo press was much better now than it had once been.

Development Plans:

Nasser spoke at length about his development plans, particularly in regard to agriculture. He said that the land to be reclaimed by virtue of the High Dam would not barely keep up with the country's population growth. He laid great store in the potentiality of the New Valley and other areas capable of development. He said his interest in the New Valley had derived from his learning that when Cambyses invaded Egypt it was not good enough for him just to subdue the Nile Valley but he had to advance into the desert and take on the population of the Oases which in those days was far greater than it is today.

[Here follow sections on disarmament, Khrushchev, Japan, Yugoslavia, Greece, Iraq, and Jordan.]

US-UAR Relations:

With respect to UAR's request for P.L. 480 assistance, I spoke along the lines of Deptel 5123 and 18² and added that in view of the

¹ Source: Department of State, Central Files, 786B.11/7-560. Secret; Limit Distribution. Drafted by Reinhardt.

² Telegram 5123, June 28, authorized Reinhardt to state that P.L. 480 assistance to the UAR was receiving careful consideration. (*Ibid.*, 411.86B41/6-2560) Telegram 18, July 1, reiterated this position but told Reinhardt to point out the U.S. need to follow procedures established to protect third country interests. (*Ibid.*, 411.86B41/6-3060)

drought in Syria the Embassy was recommending consideration of a larger amount for that region. The President made no comment and did not seem surprised when I said it would take several weeks before a final decision would be reached. He did, however, observe that the new Five-Year Plan was very ambitious, it couldn't be otherwise, and that they were counting on considerable support from the West. I told him the ball was in the UAR court on four DLF loans.

Nasser said there was no real problem in US-UAR relations other than the problem of Israel which ascended and receded in importance in the light of circumstances. The allegation that the UAR was dependent on the USSR because it received its arms from that quarter was not true. He himself flew in a Russian plane but it was his view that once that plane had reached Egypt it was no longer a Russian but an Egyptian plane. Furthermore the UAR was developing its own capacity in the manufacture of ammunition and spare parts.

Israeli Arms:

Nasser mentioned briefly his concern that Israel was to receive Mirage III aircraft from France. When Okasha was in Paris he had talked to Couve de Murville and had come back with the impression that France would not raise the ante in the UAR/Israeli balance of arms, but it was now clear that he was in error. The Israeli had no doubt convinced the French that the UAR possessed Mig 19s, but this was not the case.

Work and Vacation:

Nasser said that for the last few days he had been working until three or four o'clock every morning on the budget and the Five Year Plan. July would be a very busy month what with the National Union, administration reorganization and other matters to be dealt with. His family had gone to the seashore and he had hoped to join them for the whole month of August, but this would not be possible particularly in view of the visits of Sekou Toure and General Aboud, scheduled for that month.

USS Canberra:

I told the President that the US heavy missile cruiser *Canberra* was in the course of a good will cruise around the world and would pass through the Suez Canal in August and that we would be delighted to receive on board to visit the ship and make the passage of the Canal any UAR personalities he might designate. He replied he thought he would be interested in having some UAR Naval personnel accept this invitation. I undertook to send him particulars in respect to the vessel and its schedule.

At the conclusion of our conversation which lasted some two hours, the President said he would be glad to receive me again whenever I wished to see him.

G. Frederick Reinhardt

260. **Memorandum From the Director of the Office of Near Eastern Affairs (Meyer) to the Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs (Hart)**¹

Washington, July 20, 1960.

SUBJECT

Reasons For Nasser's July 9 Criticism of the United States

Cairo Embtel 152 (attached)² sets forth three major reasons which in the opinion of the Embassy probably account for the generally pro-Soviet and anti-US attitude which President Nasser and the UAR regime have adopted publicly during the past few months. We are in full agreement that the two most significant reasons for the current UAR attitude are: (a) the UAR desire to acquire MIG-19s; and (b) the general worsening in UAR attitudes toward the US resulting from the Ben-Gurion visit, the "Cleopatra" case, the "Douglas-Hays amendment" and statements regarded as pro-Israel by public figures in this country. It occurs to us that the following factors may also have influenced the current UAR attitude:

1. The worsening economic situation in the Syrian Region and rumors of popular criticism of the military in the Egyptian Region may be causing the regime more concern than is apparent. In this situation, it might appear desirable from the regime's standpoint to resort increasingly to anti-Western propaganda as a means of regenerating popular support.

2. Anti-US elements in Nasser's entourage may still be seeking, by propagating misleading reports such as the alleged flour contamination case, to set Nasser's foot even more firmly on the path of UAR-Soviet cooperation.

¹ Source: Department of State, NEA Files: Lot 62 D 435, 1960 Chron. Secret. Drafted by Brewer.

² Not attached. A copy of telegram 152, July 16, is *ibid.*, Central Files, 786B.11/7-1660.

3. The U-2 incident, President Eisenhower's inability to visit Japan, and other recent US reversals may also have contributed to the hardened line in UAR propaganda, since the Arabs love to be on the winning side.

While Nasser is undeniably irritated at continuing Jordanian propaganda attacks, we are not inclined to regard this as an important contributing factor to the recent anti-US trend in UAR pronouncements. However, the recent exploitation by the Jordanian authorities of an Iraqi Air Force defector, earlier believed to have had contacts with UAR Intelligence in the Syrian region, must have created some doubts in Nasser's mind about the security and efficiency of his own intelligence apparatus. This uncertainty might be particularly marked in association with the considerations noted in numbered paragraph one above.

In sum, we believe the current atmosphere in the UAR and in UAR relations with some of its neighbors has probably been a factor in the recent increase in anti-US propaganda, as well as the UAR desire for supersonic jets and desire to react to recent developments in this country.

261. Memorandum of a Conversation, Ambassador Kamel's Residence, Washington, August 15, 1960¹

SUBJECT

Luncheon with UAR Ambassador at Residence

PARTICIPANTS

His Excellency Mostafa Kamel, UAR Ambassador
Mr. Salah El-Abd, UAR Counselor
G. Lewis Jones, Assistant Secretary, NEA

Luncheon today with the UAR Ambassador and Mr. El-Abd was more tiring than any of the previous sessions I have had with him. The Ambassador did not look particularly well. El-Abd's contribution to our talk, which lasted 90 minutes, was exclusively that of lighting cigarettes. The Ambassador evidently planned to give me a going over and hardly had I sat down when he began what he probably consid-

¹ Source: Department of State, NEA Files: Lot 62 D 435, Cairo 1960. Confidential. Drafted by Jones. A briefing memorandum for the conversation, August 12, is *ibid.*, Central Files, 601.86B11/8-1260. On August 20, Jones sent a copy of the memorandum of conversation to Reinhardt.

ered a suave diplomatic attack (I got the impression that he was performing to a certain extent for the benefit of El-Abd). Because our talk ranged widely, I will not attempt to give a consecutive account but deal with topics.

PL 480 Wheat

The Ambassador said he had already expressed his thanks to the Department but he wished to do so again in connection with the PL 480 wheat. He appreciated all the Department had done to assist him in this project.

Press

The Ambassador embarked on his favorite theme, i.e., diplomats and governments should ignore the press. Neither the US nor UAR should pay any attention to what the press of one country says about the other country.

I replied that it was the job of diplomats to deal with practical problems and the press was one of these problems. The Ambassador had had occasion to bring to the Department's attention a number of articles and statements which he considered unflattering to the UAR. However, the Ambassador knew that in the US we have a free press, and the statements of which he complained could NOT be taken as the views of the USG. I said that the situation was somewhat different in the UAR since the passage of the press law; indeed the situation has been different for some time since a Minister of Guidance had been guiding the Egyptian press. I recalled that at the time of the Wafd Egypt had had a press with the broad spectrum running from left to right, and at that time everyone understood that when the press commented re the US the views were those of the publisher or editor. Under existing conditions in Egypt, however, I thought the Ambassador would understand that we naturally felt, when unpleasant statements regarding the US were made that there was a certain degree of government sanction behind their publication. The Ambassador asserted that the press law had resulted in an even greater freedom of expression being accorded the Egyptian press; he said that Nasser was frequently shocked with the things that appeared. I argued that under existing conditions there could be no ignoring that a certain degree of government control existed over the Egyptian press.

Iran

The Ambassador began in a portentous way to warn me against misconceptions which some of the junior members of my staff were supposed to have regarding developments in the Middle East. He said

that the young men might mislead their seniors and in any case they should not “talk”. He implied that our reaction re UAR behavior toward the Shah was based on erroneous information.

I replied that I would be quite frank with him: We had been “disappointed” by the statements in the UAR press to the effect that the US instigated the alleged new action by the Shah of Iran.² We had been disappointed because we had informed a member of the UAR Embassy staff before such statements were made that the US knew nothing of the Shah’s statement and was in no way involved. (I was quite firm about this—he changed the subject.)

General Middle East Situation

Being somewhat tired of the Ambassador’s reiteration that everything is going well I remarked that “I was not at all sure” when he again insisted that things in the Middle East were going swimmingly. This remark seemed to give him pause, because he reverted to it on several occasions looking at El-Abd as he did so. He assured me that he felt great progress had been made in the past two years and that in the past six months progress had been accelerated. I said simply “in ‘shallah”.

Israel

The Ambassador proceeded to propound his theory that Israel is at the root of all Arab-US and UAR-US difficulties. He said Israel was felt to be a far greater menace by the Arabs than the US feels the USSR is to the US. Later in the conversation he compared Israel to Cuba under Castro. He emphasized to me the sensitivity felt in the UAR with regard to everything touching Israel—how the UAR felt it must “fight back” whenever things are published in the press of the US against Egypt and in favor of Israel.

I dealt with this one by saying that if American newspapers printed something which the UAR disliked, it was the privilege of the Ambassador to write a letter to the newspaper. This was the normal procedure used in the US. What we resented were the attacks upon the USG and on “Americans” launched in Cairo as a riposte to some casual article in the *New York Times* or the *Washington Post*. The USG was not responsible for the article, yet the USG and all Americans were made to suffer for it. I went on to say that there are thousands of newspapers in the US and occasionally things unpalatable to the UAR appear. They do not cause a sensation in the US; texts of such articles reach Cairo through wire or clipping services. It seemed to me that a good deal could be done in Cairo to improve US–UAR relations right at the desks of the editors, who might, in logic, scrap or play down the

² Reference is to the Shah’s announcement on July 14 recognizing Israel.

wire service reports of articles published in obscure American newspapers. Articles which passed unnoticed in the US, should not be allowed to cause a sensation in Egypt. However, there were instances when stories we had never heard of were played up in the Cairo press apparently for the purpose of being used for attack in the next day's editions. (Neither the Ambassador nor El-Abd denied that this was the case.)

With regard to the all-pervading nature of Israel in the Ambassador's exposition, I told the Ambassador that if Israel really was the "key" of Egyptian policy this might make things easier for the US. We could take for granted that the UAR would always react adversely to matters concerning Israel. However, it seemed to me that while Israel looms large in the calculation of the UAR, Israel is by no means the *only* motivation of the UAR's foreign policy. Problems arise in the United Nations and other forums which had nothing to do with Israel. In a number of instances "including even our own hemisphere" the UAR embarked upon lines of policy wholly different from those of the US. El-Abd asked me to cite instances: I told him that I preferred to keep the conversation general. I had not intended to do more than have a pleasant luncheon with the Ambassador. I spoke only because the Ambassador introduced the subject of the impact of the press on US-UAR relations.

Arms

No doubt the Ambassador was sincere when he volunteered (as though it was the next item on his agenda) that he considered expenditures of armaments were a waste of money. However, he said that the UAR had to have arms in order to defend itself against Israel. The UAR would never attack Israel, but it was convinced that Israel would attack the UAR. Israel was already better armed than the UAR, consequently the UAR must seek arms. "You will not supply us with arms—we must go to the USSR".

I reminded the Ambassador that in 1953-54 we had planned to assist the UAR with some of its spare parts requirements, but just before shipment there had been trouble along in Gaza which made it impossible for us to act. I said that the truth of the matter is that the Israelis feel about the UAR just as the Ambassador had said that the UAR felt about the Israelis: Israel states it will never attack the UAR but the UAR is certain to attack Israel and already has a military capability far in excess of that possessed by Israel. I said that I was afraid that this unhappy arms race was bound to continue. One way to solve the matter would be for the UAR to announce that it was prepared not to seek more arms if Israel would announce the same thing. I remarked that there was a great deal of discussion of "disarmament": I thought the UAR and Israel could show the world a useful example if

they would forego strengthening their armed forces, naturally under arrangements involving adequate inspection. The Ambassador and El-Abd appeared to take seriously this sally: they seemed doubtful Egypt would embark upon such an adventure in disarmament.

I volunteered to the two men that it was the Cairo and Damascus radios which contributed most to Israel's military strength: wild statements made on both radios were of great service to Israel since they were taped and used in efforts by Israel to obtain more arms. I pointed out that the Israeli radio did not directly attack Israel's Arab neighbors but the UAR attacks on Israel literally helped fill Israeli arsenals.

The Ambassador said that he thought the situation was "better" but he did not know what "those Syrians might have said".

Refugees

When the Ambassador advised me strongly to "freeze" the situation with regard to Israel saying that this was the only way to make progress in US-Middle Eastern relations. I replied that there are certain dynamics which defy freezing. For example, I doubted that five years from now the American Congress would be prepared to appropriate any funds to keep the Arab refugees alive. This was a fact which would have to be faced. The Ambassador replied: "In five years, who knows?" He said that in that time it might be possible to "work out some kind of solution".

Normalization

When the Ambassador went out of his way to give me a lecture about going slow, and having remarked to me that "Rome was not built in a day", I added that I thought the US had amply demonstrated its patience and its willingness to take positive steps towards the normalization of US-UAR relations. I pointed to the recent PL 480 wheat deal and the fact that we had invited three Egyptian Ministers to come here in the near future. I said these were positive acts and that these were the kind of things I had in mind when I testified before the Congress that "progress had been made in the normalization of our relations with the UAR".³ It would not be long before I would again have to appear. I could tell the Congress the positive steps which the US has taken during the past 12 months to improve our relations with the UAR. My position would be stronger, however, if I could cite a similar list of positive steps taken by the UAR in favor of the US. One such step was the recent offer of two scholarships which we appreciated.

³ Jones' testimony has not been identified further.

The Ambassador said quickly that Ghalib of the Foreign Office had "told one of your people" at the time of the Summit collapse that the UAR did not wish to see the USSR dominate the world situation. I told the Ambassador that I did not recall the statement, but it was made privately. If President Nasser said something of the same kind publicly this would have a much greater impact. I said that, given the disposition to do so, I was sure the UAR could find many opportunities in which without violating cherished principles it could take a more forthright position toward the US.

Access

The Ambassador at another point claimed that he was working night and day to make Cairo understand that the American press did not express USG policy: however, in this connection he needed the help of the American Embassy in Cairo who should "see people and explain". It is a big job and the Embassy should help him in his "pro-American" efforts.

I suggested delicately that I was sometimes not sure that the problem was a failure in "understanding" regarding the character of the American press. There were instances when it seemed to me that misunderstandings might have been deliberate on the part of the journalists in Cairo for obscure reasons.

I said that I could assure him that his stalwart efforts were being seconded by the American Embassy in Cairo which, I was sure, lost no opportunity to work along the same lines. However, the situation in Cairo and the situation in Washington were not exactly the same. Here we were having one of our series of friendly luncheons. He and the personnel of his Embassy know that every hour and every day or night they were most welcome in the Department to discuss any subject. I could recall a time during my own service in Cairo when we of the Embassy used to do business not only on the official premises but also at cocktail parties in American homes which would be attended on all levels of the Egyptian officialdom. I remembered showing our telegrams to interested individuals in the Egyptian Foreign Office in my own house as part of the exchanges normal between friendly states. I understood that the situation in Cairo had "somewhat altered" since I left in 1955; it appeared that he and his Embassy enjoy in Washington a greater degree of access than is customary in Cairo these days.

Final note

Upon departure the Ambassador accompanied me all the way to the car during which time I thanked him for the luncheon. We agreed to lunch again, and next time he would be my guest. El-Abd hovered in the background.

When he reports to Cairo I do not know how the Ambassador will handle my refusal to play "Pollyanna" with him. However he reports, I doubt that it will have much effect. If he reports accurately he could sum up our talk in a few sentences: "The attitude of the State Department continues to be friendly and cooperative with me but I have detected a slight lowering of the temperature which probably stems in part from our asserting that the US instigated Iran-Israel recognition affair. Moreover it appears to me that having done a good deal for the UAR lately along the lines of improving relations (aid, etc.) the US is wondering what we are going to do in return. Jones didn't say so but he implied it was a two-way street".

262. Letter From the Assistant Secretary of State for Near Eastern and South Asian Affairs (Jones) to the Ambassador in the United Arab Republic (Reinhardt)¹

Washington, September 6, 1960.

DEAR FREDDIE: I believe you should be filled in on our deliberations of last week concerning a possible visit to this country by President Nasser. The matter came up when Secretary Benson suggested to the President, as a result of Benson's talks with the UAR Minister of Agriculture, that Nasser would like to come to the United States. Mr. Benson endorsed the idea of issuing an invitation.

In our reply to the President's memorandum on the subject² we said we could not recommend a visit now because of the strongly hostile reaction to be expected from elements in Congress and from pro-Israel sympathizers and because the current atmosphere of US-UAR relations was not propitious. We said, however, that we

¹ Source: Department of State, NEA Files: Lot 62 D 435, Cairo 1960. Confidential; Official-*Informal*. Drafted by Thacher.

² Copies of the President's memorandum, August 22, and Dillon's reply, August 25, are in the Eisenhower Library, Whitman File, Dulles-Herter Series.

would keep the matter under continuing review in case changed circumstances later on might enhance possibilities for benefit to the United States from a visit by Nasser to this country.

On the basis of the President's memorandum as well as remarks made to me by a member of the White House staff who had discussed the matter with Secretary Benson, we concluded that Marci had not meant to convey a request from Nasser for an invitation and that consequently no reply was required for Marci to carry back to Nasser.

Before sending our comments to the White House, we gave the matter a very searching review and weighed most carefully the pros and cons. But with the political campaign now in full swing and problems of Near Eastern affairs having attracted some attention a Nasser visit just seemed too impracticable. There are other problems. Recalling King Saud's experience in 1957,³ we wondered if Nasser might not in the same way be refused a welcome in New York City. Elsewhere there might be a constant security problem in protecting him from hostile gestures of some of our more pro-Israel citizens. We considered seriously seeking your views before advising the President but finally decided not to since, however strongly you might feel in favor of a visit, the domestic arguments against it were too overwhelming.

We recognize the considerable possibilities for making some impression on Nasser's attitudes by asking him to this country and the overall favorable impact of a visit on US-UAR relations. I think we probably would be ill-advised, however, to take on at any time a full-fledged, 30-day state visit. Given the feelings towards Nasser of significant elements of our population, such a prolonged encounter would run serious risk of going sour at some point, leaving us with a net loss instead of a gain.

There might come a time when Nasser planned travels to other parts of the world and when we might consider whether or not a brief detour through the US would be desirable. For example, were he to travel to the Far East he might return to Cairo via a week or ten day stopover in the United States. Such a short tour could be much more easily managed and would have a much better chance of success, providing, of course, general circumstances of US-UAR relations were favorable. They are, of course, rendered less favorable than ever right now as the result of the latest events in Jordan.

³ Regarding King Saud's visit to the United States in February 1957, see *Foreign Relations, 1955-1957*, vol. xvii, pp. 49 ff.

As Norb Anschuetz will tell you, we discussed this matter at some length with him and I think we got a good feeling of the Embassy's viewpoint from his comments.

With best regards,
Yours ever,

G. Lewis Jones⁴

⁴ Printed from a copy that bears this typed signature.

**263. Memorandum of a Conversation, Department of State,
Washington, September 14, 1960, Noon¹**

SUBJECT

President Nasser's Forthcoming Visit

PARTICIPANTS

H.E. Dr. Mostafa Kamel, U.A.R. Ambassador

NEA—G. Lewis Jones

NE—Armin H. Meyer

NE—William D. Brewer

Ambassador Kamel said that he welcomed President Nasser's decision to come to the United Nations session and hoped that the Department was equally gratified. The United Arab Republic enjoyed friendly relations with the United States but there were elements in this country which might seek to disturb the atmosphere surrounding Nasser's visit. Ambassador Kamel hoped that the US would cooperate fully with UAR security representatives in assuring that maximum security measures were taken to protect the UAR President. Mr. Jones said he understood that Mr. Sami Sharaf, President Nasser's private

¹ Source: Department of State, Central Files, 320/9-1460. Confidential. Drafted by Brewer on September 20 and initialed by Jones. A summary of the conversation was transmitted to Cairo later that day. (Telegram 802; *ibid.*, 786B.11/9-1460)

A separate memorandum of this conversation covered discussion of Kamel's speech to the Organization of Arab Students on August 29, which Congressman Halpern, in a letter to Herter on September 13, asserted was interference in the U.S. election campaign. (*Ibid.*, 601.86B11/9-1460) The letter was released to the press on the same day. In summarizing this part of the conversation for transmission to the Embassy in Cairo, Jones noted that Kamel appeared uneasy about the effect which the Halpern letter might have on Nasser's visit, but concluded that the Ambassador's remarks on August 29 appeared to fall short of actual interference in the political campaign. (Telegram 814 to Cairo, September 15; *ibid.*, 601.86B11/9-1560)

secretary, had arrived in New York on September 13 to oversee the security arrangements, and that he would be discussing them with Department security officers in New York later in the day. At present it appeared that more than twenty-three chiefs of state and heads of government would be coming to the UN General Assembly. While the security problems thus created were enormous, the US would of course fully observe its responsibilities to protect such leaders as President Nasser and hoped he would be spared embarrassments.

Ambassador Kamel referred to President Nasser's great sensitivity and said that he thought a golden opportunity had been provided further to improve US-UAR relations. Mr. Jones commented that, while no final decision had yet been taken, it appeared that all chiefs of state and heads of government, including President Nasser, would be regarded as heads of their respective UN delegations. The special hospitality and courtesies which in these circumstances could be extended to them would necessarily be limited. Dr. Kamel expressed understanding of this principle but noted that he hoped something could be done "behind the scenes" to demonstrate a warm welcome to the UAR President.

Mr. Jones asked whether word had been received regarding President Nasser's time of arrival. Ambassador Kamel replied negatively, emphasizing that he was making no special requests and had no instructions. Mr. Jones noted that the security problem might be simplified if the time of President Nasser's arrival were not announced to the press. Ambassador Kamel agreed and said he would immediately send a message to Cairo to this effect.

Mr. Jones recalled his discussions with Ambassador Kamel at the time of the Ben-Gurion visit, particularly Ambassador Kamel's anxiety lest Mr. Ben-Gurion make statements which would adversely affect US-Arab relations. Mr. Ben-Gurion had been relatively quiet. It was our hope that President Nasser would similarly avoid statements which would embarrass US relations with friendly foreign states. Ambassador Kamel hastened to agree, stating that he would make clear our concern that President Nasser avoid any actions or statements which might prove embarrassing. Mr. Jones said he welcomed the UAR Ambassador's cooperation and added that he hoped President Nasser's comments before the UN General Assembly would constitute a constructive contribution to the solution of the problems which so concerned us all.

In response to a question from Mr. Jones, Ambassador Kamel said that he had had no indications of President Nasser's particular area of interest in coming to the UN General Assembly. Ambassador Kamel felt that, even though President Nasser might like to travel in the US, it would be much better for US officials to take the initiative in making

this suggestion. He also felt that it would be helpful if the US position on major world problems could be carefully explained to President Nasser at a very high level.

Mr. Jones observed that events at the UN General Assembly would take place in the world spotlight. Positions assumed and attitudes expressed might have fateful consequences. We desired President Nasser to return to the UAR with the best possible impression of the US. However, in the early days of his visit at least, President Nasser would no doubt focus on the work of the General Assembly. President Eisenhower was planning to speak to the General Assembly but would then return immediately to Washington. In this situation it was difficult to make any firm plans for the more distant future. Mr. Meyer observed that we hoped President Nasser's comments would reflect a position of bona fide neutrality. Indicating that President Nasser's decision to come to the UN General Assembly had been motivated in part by his "special position" in the Arab area, Ambassador Kamel replied that the UAR had never been a stooge for anyone but would always speak out on what it believed to be right. Mr. Jones observed that an effort would no doubt be made by the Communists to make all other world leaders look like stooges. Should such an impression become widespread in the case of President Nasser, incalculable harm would be done to US-UAR relations. Ambassador Kamel replied that he would make these points clear with all the emphasis which could be expected from a friend.

**264. Memorandum of a Conversation, Waldorf Towers Hotel,
New York, September 26, 1960, 4:30 p.m.¹**

SecDel/MC/115

PARTICIPANTS

US

The President
The Secretary
Mr. G. Lewis Jones
Gen. Goodpaster

UAR

President Gamel Abdul Nasser
Mr. Mahmoud Fawzi, Minister for
Foreign Affairs
Mr. Zakcaria Muhyeddin, Minister of
Interior

¹ Source: Eisenhower Library, Whitman File, DDE Diaries. Secret; Limit Distribution. Drafted by Jones and approved by S on October 5 and by the White House on October 12. A similar record of the conversation by Goodpaster is *ibid*. A summary of the conversation was transmitted to Cairo in telegram 998, October 3. (Department of State, Central Files, 786B.11/10-360)

Mr. Ali Sabri, Minister for Presidential
Affairs
Ambassador Mustafa Kamel
Mr. Thabet al-Aris, Minister of Culture
and National Guidance
Mr. Mahmoud Riad, Counselor to the
Presidency

SUBJECT

Conversation with President Nasser

After the picture-taking session and the seating of the group, the President opened by saying that we were in the midst of an "interesting and turbulent meeting". He said all the world is looking forward to a constructive session. He had tried to make his speech conciliatory.² Personally, he felt that *only* through the UN could the world make progress. When a nation, even a great nation, attempts to give aid bilaterally, it lays itself open to the charge of imperialism. The U.S. he felt was generally absolved, but sometimes it is still charged with "economic imperialism". Thus it is better to deal with and through the UN. The President said Khrushchev's attack on the UN and its efforts in Africa were "wholly unwarranted". The U.S. wanted the African nations to settle their own problems—the Africans should be the operating agency. The U.S. would support African efforts to form an African confederation which would strengthen the position of the African States. Apparently, the President said, his conciliatory speech had not been wholly understood by Mr. Khrushchev.

The President said he would welcome any ideas from President Nasser which the UN can support. "Frankly, I am at my wit's end".

Nasser, speaking in a clear voice marked by self-confidence, said that he must begin by thanking the U.S. for its great help during the 1956 aggression against his country. He wholly agreed that the UN must be maintained. Egypt had had a personal experience with the UN and the UN had not only ended aggression, but had forced the aggressors to withdraw.

UAR had, however, been surprised by the UN having occupied the airfield and the broadcasting station at Leopoldville. These seemed to the UAR to be actions taken against Lumumba. Egypt objected to this because it felt that such actions jeopardized the prestige of the UN. The UN went to the Congo to throw out the Belgian troops. The UAR had great faith in the UN as an instrument of security. The UAR felt it would be terrible if bad actions by the UN forces were to compromise the UN's utility in the eyes of the African people.

² For text of Eisenhower's address before the U.N. General Assembly, September 22, see *American Foreign Policy: Current Documents, 1960*, pp. 60-70.

Nasser went on to confess that, arising out of the events of 1948, he had initially been suspicious regarding the UN. He had spent months in the Negev because the Egyptian Government had honestly believed in the UN only to have its belief disappointed. However, he had had the better 1956 experience with the UN. He felt that the UN in the Congo should not be allowed to take any action which would hinder the legal government there.

"Moreover," said Nasser, "we can never forget the UN has not lived up to the UN resolutions regarding Israel." He said, "you asked for my point of view—I have given it to you."

The President said that regarding Palestine in 1948 the UN did not then possess sufficient power to enforce the resolutions. He agreed that resolutions not carried out bred disrespect for the UN. He could understand the UAR feeling some bitterness towards the UN. However, the U.S. is constantly trying to improve and strengthen the UN.

So far as the Congo is concerned, the President said, this is an affair "growing out of all proportion". As the President saw it, the UN's first job was to insure law and order. Even now the situation in the Congo is confusing—it is difficult to tell from day to day who is on top—Kasavubu or Lumumba. The President said that the Secretary General, in closing the airfield, probably wanted to keep out of the Congo unilateral intervention by outside powers. In conditions of chaos, once the UN had gone in, *it must keep the peace*. There could have been errors in operations or tactics, but the 70-0 vote showed that world opinion thought that the UN was doing all it could.

The President went on to say that the UN is just as important to the big nations as to the small nations: as an instrument of the big nations in giving aid, the UN is most important.

Recalling the Suez affair in 1956, the President told how, in spite of the presidential election and in spite of the "Jewish vote", he had given all-out support to the UN in causing the withdrawal of the U.K., French and Israeli forces. He said this was not an easy thing to do, but he was backing the principle. He thought the principle had to be backed in the Congo also, even if there were flaws in operations from time to time.

Nasser said that there was no need to debate whether there should or should not be a UN—the UN is clearly needed. Moreover, he recalled clearly the courage of the U.S. in standing up against the wishes of its closest allies. However, in 1948 the U.S. had backed the creation of Israel. This was the first barrier which had even arisen between the U.S. and the Arab people who up to that time had been deeply moved by Mr. Wilson's principles of self-determination and the ideals of the Atlantic Charter. He said the UAR wants to develop its country, but this is a normal part of a country's national aspirations.

Nasser said the people of the Middle East place great responsibility on U.S. shoulders. This was inevitable given the U.S. position in the world. In the Congo, the U.S. cannot escape responsibility because simple people see the U.S. and the UN as virtually the same thing.

Nasser said that Africa is now moving quickly. The UAR very definitely did not want to see the cold war brought to Africa. He said the UAR is against Soviet influence in the Congo just as much as it is against Soviet influence in the UAR.

The President reiterated that the U.S. would support the UN when action is called for. He said the U.S. would never try to do an "end run" and intervene unilaterally. He was glad when the Secretary General decided to bring Dr. Bunche back and send an Indian to replace him because Dr. Bunche gave too great a U.S. connotation in the Congo. The President said that the U.S. wants to support in the Congo, and in Africa generally, a UN economic program because he believes we must help conquer poverty, illiteracy and disease.

The President said that the United States does not want any part of anybody's territory and does not want to dominate anybody. However, the U.S. does not like to be made the target of accusations in the contrary sense from "certain quarters". The U.S. wants to see all the peoples of the world develop. Several times, the President said, he had offered Puerto Rico its independence, but the Puerto Ricans wouldn't take independence.

Nasser said that from the moment of his assuming power in 1952, he had looked forward to good relations with the United States. He had tried hard; but the main barrier always remained—Israel. He had wanted to buy arms, but he could not get any arms from the West. Meanwhile, Israel did receive arms from the West—airplanes from France, tanks from the U.K., and 105 mm. recoilless rifles from the U.S.

The President said that we had never sent any offensive weapons to Israel—"Just some radar equipment and defensive things".

Nasser said he had heard a radio report from Tel Aviv giving an account of the American 105 mm. recoilless rifles appearing in an Israeli parade. The Israeli commentator had said that these rifles were for use against the UAR.

The Secretary told the President there had been one small sale of this kind.

Nasser said the fact remains that the *UAR cannot get arms from the West and Israel does get arms from the West*. The UAR is thus liable to be subjected to aggression by Israel.

Nasser said, "I must protect my country and my people. Israel is the barrier to good U.S.-Arab relations". He said there had been a sharp reaction in Egypt to the statements by Nixon and Kennedy who "have unfairly said open the Suez Canal to Israeli shipping". But, he

asked, what about the other UN resolutions? In the Arab world free speech as practiced in the United States will not be fully understood, but on the TV he had seen Senators and Congressmen discussing Egypt's Suez Canal quite freely. Nasser said, "We are grateful when you send us wheat but we do not like it when this occasions debates and arguments as to whether we should be given wheat and on what terms." This, he said, was contrary to Egyptian dignity.

Nasser continued, "If the U.S. wishes to say that the Suez Canal must be opened to Israel shipping, the U.S. must try just as hard to get the UN to get Israel to implement the resolutions to which Israel stands in default."

The President said that the U.S. was "getting tired" of putting up 23 million dollars each year to keep a million Arab refugees alive with no progress towards settlement. The President said, "I think that right today we would like to see this thing worked out".

Nasser said that constantly he had followed the line of demanding only that the UN resolutions be implemented—all of them. Except on one occasion when he was responding to an attack by Dayan, he had not threatened to "throw the Jews into the sea". All he wanted was the implementation of the UN resolutions.

The President said he thought we should take a good hard look at what can be done now via the UN with regard to the Arab-Israeli problem.

With regard to arms, the President said war has taken on a new dimension after Hiroshima. When he took office, he told Mr. Dulles that he did not want to see an arms race start in the Middle East. He said he respected the UAR position as the neutral—indeed, there could be no objection to the UAR taking Soviet arms—but the U.S. "would not like to see" the UAR dominated by the USSR.

The President said the U.S. was spending 46 to 47 billion dollars a year on arms. This was too much. He hoped a balance regarding armament might be established in the Middle East, although he realized the depth of the antagonism existing between the Arabs and the Jews.

Nasser, agreeing regarding the high cost of armaments, said that he did not believe that a limited war between two small countries is possible these days. The 1956 affair had shown that. Nasser said that he strongly favored peace not war.

The President said he would like to see friendly and fruitful discussions between the U.S. and the UAR regarding what can be done with regard to the Arab refugees. He said this was not only because of the suffering of the refugees, but because the refugees lie heavily on the conscience of the world.

Nasser said that only two weeks ago Ben Gurion said that Israel would not take back any refugees.

The President inquired "How many refugees do you think would go back?" Nasser replied quickly, "All of them". He said that if all the refugees go back, Israel would then be a country made up of 1 million Arabs and 2 million Jews and it would be a different kind of country, not the all-Jewish State it is now.

The President said, "Isn't that quite a lot of Arabs to return to such a small country?"

Nasser said that Ben Gurion expects to get 3 million Jews into Israel from Russia. If these come, Israel will be a very crowded place indeed.

The President asked the Secretary whether "world Jewry" was opposed to the return of the Arab refugees.

The Secretary replied, "Effectively, yes".

Nasser said that Israel had received since the State was founded, 2 billion dollars in foreign aid of one kind and another. There was some discussion regarding just how much aid Israel has received; Ambassador Kamel, asserting "approximately 1 million dollars a day from the U.S."

The President said that he wanted to assure Nasser that the U.S. wants to be friends with all the countries in the Middle East. He agreed that Israel constitutes a terrible problem. However, Israel is. The question is how can this problem be solved without starting a war. He thought some Arab refugees would prefer compensation instead of return to Israel.

Nasser demurred at the President's thought that "Israel is". He said that to accept Israel as a fact would be to permit a thief to keep what he has stolen.

The President told Nasser that if he could think of any way to solve the refugee problem, he should communicate it to the U.S. Government confidentially. This would have to be done confidentially because if word got out, some interested parties would go to some Senator who would make a speech and nothing could be accomplished.

The President said that the U.S. looks forward to better relations with the UAR. The U.S. is, however, always suspicious "when the Soviets touch a country".

Nasser asserted firmly that the UAR would accept no price for its liberty or independence. At times its relations had been bad with both the East and the West, but he would never yield where UAR liberty or independence was concerned. "We want to keep our dignity", he said. It was an affront to Egypt's dignity when the word came suddenly from Washington that the U.S. had withdrawn its offer to build the high dam. This was a great shock because the Egyptians are "a very sensitive people".

The President said that the offer was only withdrawn after word had been received that the UAR was negotiating with the Soviet Union for the High Dam.

At this point, Nasser made a move to depart, but the President stopped him by saying he had one other question, "What is going to happen in Jordan"?

Nasser said that since 1957 the Jordanians have continually claimed that the UAR has been plotting with the USSR against Jordan. The UAR has always been on the defensive. He said, "I have no agents in Lebanon, Syria or Iraq." (*sic*)—"There are in those countries people who share our ideas. I do not know who they are, but they believe in me, and they believe in Arab unity. Some months ago King Hussein made a provocative speech against the UAR, but the Communist tide was on the rise in Baghdad and I refrained from replying since I did not wish to give them any encouragement." However, later when King Hussein was in Morocco, he made a speech against Nasser, and the Communist tide in Iraq having receded, Nasser broke his silence which had lasted for 4 or 5 months and started to "attack back".

Nasser said that within 24 hours of the assassination of Majali, Jordan was attributing responsibility to the UAR. "How could they know so soon?"

Nasser asked rhetorically, "Who assassinated the King's grandfather? It would not have been me because I was serving in the wilds of the Negev". The situation was that "many people like our ideas". At the present time he said Jordan has 5 brigades along the Syrian border; only two days ago there were Jordanian incursions into Syria where demolition charges were placed. The UAR had instituted patrols along the frontier.

The President said that what he could not understand was why the "weakest and poorest" of all the Arab States should attack the UAR. It did not make sense.

Nasser replied, "It is all psychological. The people like Arab unity. Some of them put up my picture and some of them cry 'Long live Nasser'." He wants them to cry "Long live Hussein". It is all personal, said Nasser.

After Nasser and party had taken their leave, Mr. Hagerty suggested that it might be possible to add something to the attached very simple statement.³ The President considered the question and said that it was a talk with the Head of State which was always privileged and he did not want anything more said. The President told Mr.

³ Not printed.

Hagerty that if he was asked about the Suez Canal or any other specifics, he should simply refuse to comment.⁴

⁴ On September 30, Hare held a similar conversation with Nasser at the UAR Delegation headquarters in New York. A memorandum of that conversation is in Department of State, Central Files, 110.15-HA/9-3060.

265. Letter From the Assistant Secretary of State for Near Eastern and South Asian Affairs (Jones) to the Ambassador in the United Arab Republic (Reinhardt)¹

Washington, October 11, 1960.

DEAR FREDDIE: As indicated in our recent messages, Nasser seems to have departed generally pleased by his reception in New York. The full police protection and extensive press coverage accorded him apparently made the biggest hits. His talk with the President² went well, and he seems to have been delighted with the prominence accorded him among the world's leaders at the UNGA.

We fully shared your hope that it might be possible to show Nasser some of the country while he was here. At first, chances for such a trip looked excellent and, after review at the highest levels, we received a tentative green light to go ahead with initial detailed planning. An eight-day itinerary was worked out to be suggested to President Nasser by the American Friends of the Middle East who would then have been responsible for chartering an aircraft and other arrangements. Boston, Chicago, and San Francisco would have been visited with suitable social and other functions at each stop. While Protocol and Security were not too happy with such unofficial sponsorship, apparently out of concern that security and other problems might be greater than if the U.S. Government were to assume full responsibility, they agreed at the working level to cooperate if a trip took place. From a general standpoint, a privately-sponsored trip of this type was the only practical solution to the problem of how Nasser could be singled out for a tour of the United States from all the other heads of state or government attending the General Assembly.

¹ Source: Department of State, Central Files, 786B.11/10-1160. Secret. Drafted by Brewer on October 16.

² See *supra*.

It became apparent, however, that a trip of this nature by Nasser would necessarily require more obvious preparation by the Department than had originally been foreseen. Governors and mayors would have to be notified by the Department, and similar official details also taken care of. Moreover, it would subsequently have been more difficult to refuse requests for similar courtesies by other chiefs of state and heads of government. There was also a question to be considered regarding attitudes which state and local government officials might take toward trips by controversial world figures into their areas of jurisdiction, particularly during the heat of the presidential campaign.

Ultimately, it was decided that our approval could not be given to AFME raising with Nasser's party the possibility of such a tour. In the absence of a specific request from a chief of state to make a trip, it was further felt that no detailed planning of this nature should go forward, in view of the security and protocol problems that such a trip would have entailed.

In the end, of course, Nasser made no such direct request. In fact, his staff never pursued with AFME, or with our NEA liaison representative in New York, any of the specific suggestions for public appearances which had earlier been advanced. As Fawzi indicated to me, Nasser cancelled plans for several public appearances in New York City. In view of his busy schedule in Manhattan and his obvious enjoyment of the summity limelight at the UNGA, I believe he would probably have refused any suggestion for a tour unless officially invited by the U.S. Government. I am confident he remains hopeful of receiving such an official invitation at a later date.

I think you will find the various memoranda of conversations based on talks with Nasser and Fawzi in New York very interesting. They are going forward by pouch as soon as S/S can clear the backlog, presumably today. Looking back on Nasser's visit, I do think it went about as well as we could have expected. Nasser seems to have been not too greatly disappointed at not being able to go on tour, particularly since none of his peers did either. Incidentally, much credit should go to U.S. Zionist leaders who made a conscious decision to have their organizations refrain from public demonstrations of any kind against Nasser's presence here.

I was most interested to read of the good welcome accorded our initial shipment of Title II flour to the Syrian Region, and delighted that you were able to be on hand in Latakia to take part in the ceremonies. While the event unfortunately was accorded little publicity in the Syrian press, distribution and subsequent re-use of these marked bags throughout much of the Syrian Region may well do more

to create a favorable attitude there toward the United States than laudatory items in the Damascus press.

With warm good wishes,
Yours ever,

L

P.S. I have always felt that Nasser's *ignorance* accounted for a great deal: therefore his exposure to New York, since he is a quick study, will probably have an impact. We will be most interested to see whether you note any changes in him or in his entourage as a result of his stay in New York. I don't know what they bought to take back with them but no doubt there are more Arrow shirts and transistor radios in Cairo than there were previously.

You may hear them speak of Sam Sims of NEA/P. He was our special liaison officer with Nasser and did a first class job.

Ambassador Kamel is *most pleased* with the visit. He is a career man but the visit gave him an opportunity to see more of Nasser than he ever had before and we are told he gained Nasser's respect.

266. Telegram From the Embassy in the United Arab Republic to the Department of State¹

Cairo, December 24, 1960—7 p.m.

1141. In "Victory Day" speech in Port Said December 23 (assume text available via Department FBIS) Nasser attacked West and particularly US along broad front.

Speech began with standard historical buildup in which UAR pictured as having successfully thrown off yoke imperialism and now standing as shining example for other oppressed countries follow. For this reason imperialists continue view UAR as Enemy Number One. Imperialists have not slackened attempts divide Arabs into spheres influence, and toward this objective they continuing rely on their stooges in this part of world. Extended section on King Hussein, delivered in tone of heavy sarcasm, ridiculed Hussein for manic fears of plots against him and for constantly appealing to US and other supporters for help. "Thereupon Americans write Hussein check for \$4

¹ Source: Department of State, Central Files, 786B.11/2-2460. Confidential. Repeated to London, Paris, Leopoldville, Brussels, Beirut, Baghdad, Damascus, Aleppo, Jidda, Tel Aviv, and Amman.

million". Taking stronger line than he has in recent speeches, Nasser declared war on "imperialist agents in all parts of Arab nation", and stressed more strongly than usual UAR's duty to bring about unity of all Arabs.

Turning to reports that Israel had atom bomb, Nasser took line (previously taken in Haikal and Salah Salem editorials) bomb probably did not exist, but if Israel in future should obtain bomb, "UAR would get one, too, at any price". "If it is established that Israel is making atom bomb, this would mean beginning of war between us because we will not allow Israel to work on producing bomb. We must attack base of aggression even if we have to mobilize four million men". Nasser reminded readers that Western countries had refused him arms in 1955. "Did that mean we failed to get arms? It did not".

Nasser also clearly warned that regardless of US campaign speeches, any attempt on part of "Washington or London" impose peace between Arabs and Israel doomed to failure. US hit for continuing to give financial support to Israel. "They (Americans) gave Israel \$3000 million in ten years—every bullet fired to kill an Arab was paid for by America and by all the Western imperialists because they give money to Israel".

NATO came under heavy attack in the context of Algeria. "Atlantic Pact, which supposed represent free world, represents only lust for slavery and domination. It is this pact which is helping France and it is France in turn which is said to be offering Israel help with atom bomb". Accordingly NATO "would be our first enemy" because it supplies France with arms, and "It is this pact which supplies Israel with arms". "Positive neutrality means that we are enemy of our enemies and friend of our friends. NATO is our enemy in Algeria. NATO is showing us enmity by helping and arming Israel. NATO, the Western states and Western imperialism are showing us enmity and fighting our principles; but we insist on our principles". In later passage Nasser said US must share responsibility Algerian situation because US is supplying France with arms. "France's strength emanates from the US".

Discussing voting in UN, Nasser (evidently reacting to Assistant Secretary Hart's remark to Ambassador Kamel last week)² complained Americans say we are not neutral because we voted 14 times with USSR at UNGA. "This is true, but we vote in conformity with our principles". "For example, how could we vote with US in case of Afro-Asian resolution against imperialism, which US did not support?" If

² In commenting on this conversation, which took place on December 16, the Department of State reported that it had discussed with Kamel a "number of disturbing recent developments which might adversely affect US-UAR relations." (Podst 118, December 19; *ibid.*, 700.00(S)/12-1960)

we did not vote with US it's because "they vote against principles of freedom." If US still buys votes "from some semi-independent states", this not true in our case. "Our votes are not for sale".

Re Congo, Nasser stressed disappointment UN "allowed itself be used as vehicle by big colonialist powers"—carrying out colonialist policy "which stands for overthrow of national rule and make of Lumumba a lesson for whole African Continent". Today anyone will hesitate to seek UN help "because one knows UN plays game of colonialism and carries out policy of USA". UN has "become tool in hands of imperialism". UN betrayed itself in Congo; imperialistic countries are responsible for this, "and I hold UN secretariat also responsible". Congo events prove "administration system" of UN "requires a change". If UN Secretariat submitted to imperialism, then imperialism would "represent power which attached to UN" and this would lead to UN collapse. When UAR struggles for sake of its principles in Congo "in order protect nationalist elements in Congo", it is at same time working to protect UN as world organization commanding respect.

Speech was delivered in mixture of literary and colloquial Arabic which Nasser has perfected into flexible and effective oratorical tool. Nasser in particularly fine form during section on Hussein, where combination of mincing sarcasm and wit produced loud bursts derisive laughter.

US has not come in for such sharp and specific criticism for long time. Throughout speech it was clear that when Nasser spoke of "imperialists" he meant to include US in company. In Embassy view, speech (apart from concern over rumored Israeli atomic capability) reflects Nasser's general exasperation with US policy, particularly as it has recently opposed his objectives in Congo and continued to support, in his eyes, French in Algeria. Nasser unquestionably in fighting mood; underneath general fulminations against West and US, there appear to be warnings on two specific points: (1) unless US stops backing wrong people in Congo, UAR may support USSR in its efforts fundamentally alter structure UN; (2) if West should provide Israel with atom bomb, or provide Israel with money and know how enable it produce bomb themselves, UAR would obtain bomb from Soviet Union at any cost even if it entailed loss of UAR's "neutral" position in world affairs.

Reinhardt

NORTH AFRICA

U.S. POLICIES REGARDING NORTH AFRICA¹

267. Memorandum of a Conversation, Chateau de Rambouillet,
Paris, September 3, 1959, 7 p.m.²

US/MC/31

PARTICIPANTS

United States
The President
The Secretary
Ambassador Houghton
Mr. Merchant
Lt. Col. Walters

France
President de Gaulle
Prime Minister Debre
Foreign Minister Couve de Murville
Ambassador Alphan
M. de Courcel
M. Lebel

SUBJECT

North Africa

Upon the remainder of the party joining the two Presidents, Mr. Merchant handed the President a copy of a joint communiqué which had been agreed between the French and the Americans. The President read it and said he had no objection to it. General de Gaulle read the French version and likewise gave his approval. After some discussion, it was agreed that the communiqué would be released that evening.³

The Secretary then said that Prime Minister Debre had given a restrained presentation of developments in Algeria and the desirability of finding methods to dovetail our policies on Morocco and Tunisia. Mr. Debre said that generally we shared the feeling that the King of Morocco was a reasonable man, that we should try and support him, that he was the personification of Moroccan sovereignty. We should

¹ For previous documentation, see *Foreign Relations, 1955-1957*, vol. xviii, pp. 88 ff.

² Source: Washington National Records Center, RG 59, Conference Files: FRC 83-0068, CF 1449. Top Secret. Drafted by Walters, cleared with Merchant, and approved by S on September 14. Eisenhower traveled to Europe August 26-September 7 for consultations at Bonn, London, and Paris in preparation for Khrushchev's visit to the United States, September 15-27.

³ For text, see *American Foreign Policy: Current Documents, 1959*, p. 914.

try to help him but in so doing we must be prudent and discreet. As far as he was concerned, he was definitely oriented towards the West. President Eisenhower said that there had been some differences between us on the matter of the bases. We had tried to go slowly and drag our feet but we had long ago committed ourselves to the fact that we would not attempt to maintain permanently bases in countries where they were not wanted. In order to increase the time available in Morocco, we had agreed to pay more rent but we do not have any hope that over a long period of time we could retain these bases. Mr. Debre said that the situation involved not merely bases but was a matter of general policy as what happened in Morocco and Tunisia had immediate repercussions in Algeria and that the problem involved here was two-fold. It involved financial assistance as well as military assistance. He felt it was essential that the US and France be able to coordinate and consult over this financial and military assistance.

General de Gaulle said that certain independent nations were in direct contact with the Communist world and he could well understand the US rendering them arms assistance. This was the case with Laos. However, Morocco and Tunisia were not in contact with the Communist world—yet. In a country like Tunisia, which is rather disorganized, the French didn't mind the Tunisian Army getting arms. However, when the Fellagha were mixed in with them and the weapons, which were greatly sought after, drifted into Algeria and when these weapons were supplied by the US without consulting France, this made things quite difficult for them. The President replied that this misunderstanding had begun at the end of 1957 when the Tunisians asked for arms. We preferred that the French supply them. However, the government in power at that time, which was headed by Mr. Gaillard, had been unable to make up its mind and when it became apparent to us that the Czechs and Egyptians were going to ship in equipment, we shipped in 500 rifles which was a token amount. The French Government, nevertheless, was very much annoyed and we have been at some loss to know why there had been such a fuss over such a small quantity of weapons.

General de Gaulle asked, "But what happened later?" The Secretary said that the US and French had agreed to supply the Tunisians with weapons for an army of 20,000 men. Mr. Debre said these weapons had replaced a large part of the arms with which the Tunisians had originally been equipped, and that as the older weapons had been released, they had drifted into the hands of the Algerian rebels. Therefore the French felt we should examine this problem together.⁴ The

⁴ These two sentences were revised by Herter, who felt the original draft did not accurately reflect what Debré had said. (Memorandum from Krebs to S/S, September 14; attached to the source text)

President said that we should send in that amount of equipment that was necessary to keep Iron Curtain country weapons out.

General de Gaulle then said that he and the President had discussed the problems of Germany on which there was no shadow of a difference between them. They had also discussed Algeria, Guinea, Morocco, and Tunisia. He said that often it appeared that the US and France were in complete agreement when they discussed these matters, but that, in practice, they seemed to be opposed. He wondered what could be done to prevent such situations from occurring.

The President said he felt two things could be done. First, we should render the minimum amount of assistance necessary to keep the Iron Curtain weapons out. He also felt we might have a small staff to work together on these problems to make an estimate of what was required, and this would at least give us a floor. If any specific country made a request, we could consult together and coordinate our policy before one country was pledged to keep its word. He felt we should have started this more than two years ago; but when we had done what we had done at that time, a shipment from Nasser to Bourguiba was already at sea. General de Gaulle interjected, "There were several and thank God we were able to stop them". The President then said that he felt we should have closer, more effective consultation earlier. General de Gaulle then said, to sum up, that it seemed to him that the principal conclusion is that when these situations develop, we should consult very early. When necessary, we should include the UK which likewise had world responsibilities. He felt it would be helpful to put our cards on the table in developing world strategy and that we should keep in contact constantly.

The President said we might have a small group of staff officers who should not be too high ranking, and in reply to a suggestion by the Secretary of State, said that this might be under the direction of the Ambassador. He recalled that we were dealing with independent nations and said that if we did not deal with them, they would obtain the arms elsewhere. Prime Minister Debre said that many of these countries did not have money and that, therefore, the question of financial aid was also involved as well as military assistance. General de Gaulle indicated that in the case of Tunisia, it was difficult to distinguish sometimes between the Tunisian Army and the Fallagha. The President said that he would have no objection to setting up a small staff on an ad hoc basis with French and US representation to discuss these matters—military as well as financial. This obtained general agreement and the Secretary said he felt it should be clear that neither side should have a veto. The President said that this was not the intention, that this body would be consultative in nature and could make recommendations.

268. National Security Council Report¹

NSC 5911/1

Washington, November 4, 1959.

STATEMENT OF POLICY ON TUNISIA, MOROCCO, ALGERIA

General Considerations

Importance of the Area

1. The accelerated political evolution in Tunisia, Morocco, and Algeria, and resultant tensions, have a major bearing on U.S. security interests:

a. Northwest Africa is strategically important as it forms the southern flank of Western Europe and fronts on the Western Mediterranean and the Atlantic.

b. The air bases and the naval and air communications facilities we maintain in Morocco will remain for some years important factors in our military strength. We also maintain a VOA relay station in Morocco.

c. The Algerian rebellion is a divisive factor in the non-Communist world. It serves to weaken NATO military strength in Europe, and the Western political influence in Africa and Asia. The conflict also contributes to pressure for evacuation of Western forces, especially from Morocco, but also from Tunisia and Libya.

d. Events in North Africa have had a profound impact upon the international standing and internal politics of France. These events have also been a major cause of France's diminished contribution to NATO.

e. Events in North Africa also have a direct bearing on issues arising in the Middle East and elsewhere in Africa. U.S. actions in this region are widely interpreted as evidence of our intentions and capabilities with respect to other dependent or newly-independent peoples.

2. The crucial dilemma confronting U.S. policy is how to reconcile our need to support a major ally, France, with the need to accommodate to the nationalist tide in the area and to establish a stable satisfactory relationship with the new states. This dilemma is most acute with

¹ Source: Department of State, S/P-NSC Files: Lot 62 D 1. Secret. A cover sheet, a note from the Executive Secretary to the NSC, a Table of Contents, a Financial Appendix, and an Annex entitled "Major U.S. Facilities in Morocco" are not printed. The National Security Council considered an August 3 draft of the report, NSC 5911, on August 18. A copy of NSC 5911 is *ibid.*; regarding the NSC discussion, see Document 357. On October 16, the NSC Planning Board revised several paragraphs of NSC 5911. (Record of Meeting of the NSC Planning Board; Department of State, S/P-NSC Files: Lot 62 D 1) The revisions were distributed to the Council under cover of an October 19 memorandum from Lay (*ibid.*) and discussed at its October 29 meeting. (See Document 359) President Eisenhower approved the report on November 4.

respect to the Algerian problem where we are under increasing pressure from both France and the Asian-African states to support their respective positions.

Tunisia and Morocco

3. Our most acute concrete problem is how to continue the use of our bases in Morocco.² Moroccan policy now is to secure the evacuation of all foreign forces, and severe diplomatic pressure is being exerted by Morocco for progress by France, Spain and the United States toward this objective, especially a timetable for complete withdrawal. It would be extremely difficult politically for us to cope with Moroccan violence against the bases, interference with supply, or a formal Moroccan demand that we evacuate. We have privately recognized the "principle of eventual evacuation," and in September 1958 offered to settle for a five-year minimum tenure. The King subsequently countered with an offer of "two or three years". Prime Minister Ibrahim has recently indicated preparedness to conclude a formal public agreement on the whole base question if agreement on an overall time limit can be reached. Whatever specific course of events develops, the forced evacuation of bases in Morocco, even on a piecemeal basis, will have an effect on U.S. relations with France and Spain and on the future of the U.S. world-wide base system.

4. The USAF bases in Morocco play a highly important role in the maintenance of our strategic global deterrent and in the execution of the SAC mission. It is expected that the importance of these bases will continue for an indefinite time. Relocation of the aircraft on these bases to existing bases outside Morocco would produce a more dangerous concentration of our deterrent strength, and reproduction of comparable facilities elsewhere could be accomplished only at great cost. In addition to the USAF bases, the naval communications facility at Port Lyautey is a primary link in the world-wide naval communications system. There is a continuing military requirement for this facility.

5. French security forces have withdrawn from the USAF bases in Morocco, and the French flag no longer flies over them. The French administrative services which formerly performed an intermediary role between the U.S. bases and the Moroccan economy are being disbanded. We have offered to fly the Moroccan flag at the USAF bases and to accept Royal Moroccan Army personnel to perform certain external security functions, as a symbol of Moroccan sovereignty. However, France continues to claim title to the real estate on which our bases are situated, and the Franco-American agreements of

² For an explanation of the legal status of our base rights, see the Note in the Annex, page 23. [Footnote in the source text.]

1950-51³ call for relinquishment to France of the fixed installations at these bases when the United States evacuates them.

6. De Gaulle has moved toward establishing improved relations between France and the new states of Tunisia and Morocco, but basic problems remain unsettled in the political, military, and economic fields. Despite the continued existence of a considerable basis for cooperation with France, the pernicious effect of the Algerian conflict and related French policies in North Africa seem likely to cause continued strains in these relations unless a solution is found.

7. The prestige and stability of the Tunisian and Moroccan governments are threatened in varying degrees by serious economic and political difficulties:

a. The unity and common purpose which characterized Moroccan politics and society in the aftermath of independence have been seriously disturbed by such related developments as tribal unrest, a profound split in the ruling Istiqlal Party, and failure to institute many necessary governmental and economic reforms. Thus the task of insuring national unity and order has developed on the moderate and Western-oriented King Mohamed V. Drawing on his great popularity and his considerable political acumen he has so far managed to prevent the spread of extremist political forces and doctrines in Morocco without alienating important political and social factions.

b. Although Tunisia is unified behind moderate and relatively pro-Western President Bourguiba, his government's prestige and stability are threatened by forces primarily of external origin. On the one hand, Algerian militants, operating on Tunisian soil, have clashed frequently with Tunisian security forces and resent Bourguiba's advocacy of proceeding toward an Algerian settlement through conciliatory and gradual steps. On the other hand, the French have pursued Algerians into Tunisian territory, and have informed the Tunisians that French occupancy of the naval base at Bizerte is not negotiable. Bourguiba has managed with great skill to consolidate his domestic political position. However, Tunisia faces serious economic difficulties, and if the government should fail in its appeal to nationalist sentiment, serious opposition would probably develop, especially in the labor unions and among Tunisia's younger elements.

8. Both Morocco and Tunisia remain heavily dependent upon trade with France and French capital controls much of the national industry, particularly that of Morocco. About 60 per cent of Moroccan and Tunisian trade is with France, benefiting from preferential tariff or quota arrangements and from outright subsidy to goods produced mainly by French interests in those countries. French military expenditures in these countries have continued to be substantial, but declining. Both Morocco and Tunisia are less developed areas with low standards of living, chronic unemployment and occasional food

³ For texts of the agreements on naval and air facilities in Morocco, signed at Paris December 22, 1950, see *Foreign Relations*, 1950, vol. v, pp. 1764-1770.

shortages. Since France has virtually ceased direct economic development assistance to these countries, both have been relying upon the United States for the bulk of such aid, and until France can be persuaded to resume aid on conditions acceptable to them, or until other Western sources can be encouraged to provide more assistance, Morocco and Tunisia will almost certainly continue to look to the United States as the principal supplier of development assistance. There is little doubt that in the absence of effective outside aid—either direct or indirect—from some source, these states would become much more prone to social disorder and extremist political influence.

9. For its part, France hopes to maintain a *presence* in Morocco and Tunisia and is anxious to protect its investments, the rights and well-being of European residents, and French cultural influence. Perhaps more important, it wishes to preserve its military bases which the French consider important to the security of France as well as Algeria and the French Community in Africa, and to France's influence elsewhere in the world. It is also anxious to prevent Morocco and Tunisia from aiding the Algerian rebels, but has not succeeded in doing so. France wishes to be the principal supplier of equipment to the Tunisian and Moroccan armies, but its political difficulties with these countries have caused them to seek other sources of arms. The United States and the United Kingdom have endeavored to forestall acceptance of Soviet Bloc arms offers by efforts to have the arms needs of these countries met from friendly Western sources. We are providing military and police equipment to Tunisia, and have agreed in principle to provide arms to Morocco.

10. Serious difficulties may develop between Morocco and Spain. Spain retains the Mediterranean port cities of Ceuta and Melilla and the small Ifni areas as enclaves in Moroccan Territory. To protect these interests and those of its nationals residing in Morocco proper Spain retains forces in the enclaves and also in Moroccan Territory. Morocco is pressing for the complete evacuation of Spanish troops and has asserted claims to the enclaves as well as to the Spanish Sahara. Franco, on the other hand is attempting to avoid evacuation and may be under considerable pressure from the Army in this respect.

Algeria

11. French forces involving about 400,000 troops have not so far succeeded in stamping out the Algerian rebellion which began in 1954. Despite recent successes, intermittent terrorism and guerrilla activity continue. The fact that Morocco and Tunisia provide safehavens for the Algerian Army of Liberation (ALN) and facilitate or countenance the passage of arms and other support has contributed significantly to the Algerian rebellion. Morocco and Tunisia continue to have difficulties with Algerian militants but neither government is

likely to adopt policies running completely counter to FLN objectives, in view of widespread public support of the rebel cause. Although the rebels retain a force of 15–20,000 in Algeria, supply difficulties, the loss of key commanders, and the increased effectiveness of the border barriers, have somewhat impaired rebel morale and have contributed to some dissension in the rebel movement. On the other hand, the Algerians retain considerable para-military capabilities, and it appears likely that France will have to maintain a large army in Algeria for the foreseeable future.

12. Politically the Algerian nationalist movement has expanded during the conflict both in size and strength and has undoubtedly gained the sympathy and support of an important number of Moslems in Algeria, even though only a small number take active part in the fighting. The great mass of the population may be more war-weary or apathetic than militantly anti-French; some Algerian Moslems have become resentful of ALN intimidation and some degree of confidence in De Gaulle's personal intentions has been expressed in Moslem quarters. Nonetheless there is probably an increasing belief in a national identity of some sort for Algeria of which the FLN continues, in the eyes of most Moslems, to be the sole organized proponent. The Algerian nationalist movement has gained in international status since the formation in the fall of 1958 of the "Provisional Government of the Algerian Republic" (PGAR). The Arab states back the Algerian cause, and several other countries (notably Communist China) have also recognized the PGAR. The Asian-African nations look on Algeria as a major colonial issue and will continue to press for UN intervention so long as no settlement is reached.

13. The Algerian rebellion remains France's most critical problem. Although the French Government can probably continue to finance the Algerian military campaign in its present dimensions almost indefinitely, the over-all Algerian effort, which has resulted in tying down over half of the French ground forces, represents an enormous drain on French resources and is a source of political instability. Moreover it would appear inevitable that Algeria will emerge with a considerable degree of autonomy, if not eventual independence. General de Gaulle announced his future program for Algeria on September 16, 1959.⁴ It promised self-determination to the Algerians through a referendum after pacification; this offer went far beyond that made by any previous French Government. That referendum would offer the choice of secession, assimilation into France, or a large measure of internal autonomy. The announcement has been praised by the U.S. Government, in particular for its promise of self-determination. If imple-

⁴ For text, see *American Foreign Policy: Current Documents*, 1959, pp. 1096–1099.

mented in a manner permitting freedom of political expression in Algeria, it would be consistent with our hopes for a liberal and equitable solution which we could support.

14. De Gaulle has made clear his belief that complete independence would not be to the advantage of the Algerians. Instead he appears to favor an autonomy under which an Algeria would emerge whose internal status and ties with France would be determined in consultation with representatives of Algeria's various ethnic groups. Although not completely spelled out, De Gaulle's offer of self-determination has given rise to new hopes for a restoration of peace in Algeria. It appears to have the support of most French but is being attacked by the extremes of right and left. The rightist and nationalist elements of the European population in Algeria, which played a large role in the events of May 13, 1958, oppose it. While there has been no open opposition from the military, some Army leaders are agitating against a liberal solution.⁵

15. The PGAR (Provisional Government of the Algerian Republic) after a period of considerable hesitation during which it consulted with Algerian resistance military leaders and weighed the reactions of the U.S. and other governments, especially those of the Arab states, announced on September 28 that "as director of the Algerian resistance and liberation army" it "is ready to enter into talks with the French Government in order to discuss the political and military conditions of a cease-fire and the conditions and guarantees for application of self-determination".

16. The PGAR statement is not exactly responsive to that of De Gaulle. The acceptance of self-determination through the electoral process by the leaders of the rebellion does, however, represent progress and may lead to undercover discussions between the French and FLN representatives, looking towards a cease-fire and the implementation of the De Gaulle program.⁶

17. Resolution of the problem is made particularly difficult because of its unusual political, economic, and social aspects. In particular, the presence of over a million persons of European descent permanently residing in Algeria (out of a total population of about ten

⁵ In NSC 5911, paragraphs 13 and 14 were combined in one paragraph ending: "As demonstrated by the coup in Algiers of May 13, 1958 the degree of freedom which France possesses for coming to terms with the rebels is limited by the attitude of the French army. Though loyal to De Gaulle, the army has demonstrated unwillingness to treat with the rebels in a political context. Covertly, however, there occur from time to time unofficial and secret French contacts with rebel leaders, to explore means of ending the fighting."

The October 19 draft contained the language printed here. Regarding the May 13 coup, see footnote 2, Document 277.

⁶ Paragraphs 14, 15, and 16 were not in NSC 5911, but appeared as paragraphs 13a, 13b, and 13c, respectively, in the October 19 version.

million) and owning the majority of businesses and productive land contributes to making this problem so difficult to resolve, even though their influence has been recently curbed by De Gaulle and the Army in an effort to convince Algeria's Moslems of France's good will. The increasing discoveries of petroleum and natural gas in the Sahara and the strategic location of Algeria add to the complexity; the French appear determined to maintain control of the development of the Saharan economy regardless of what *modus vivendi* eventuates. The current involvement of the French military in the Algerian issue poses a further and perhaps the most serious problem. The explosive nature of the issue was clearly demonstrated by the political upheaval of May 13 which brought an end to the Fourth Republic.

18. De Gaulle's statement has strengthened the growing sentiment in France in favor of a settlement in Algeria, although it has also alarmed certain elements who fear that self-determination will inevitably result in independence. However, metropolitan public opinion has less bearing on the outcome than that of the European population and especially the French military in Algeria. Both France and the rebels are undoubtedly anxious for a settlement, and prior to De Gaulle's proposals overtures were made behind the scenes by both sides. De Gaulle appears to be striving for an agreement with Moslem elements which would provide for evolutionary progress toward eventual internal autonomy. However, the issue of which Moslem elements are to exercise control locally constitutes at least as difficult a barrier to a French-FLN accord at present as the question of the formal status for Algeria. De Gaulle has been unwilling to enter into political negotiations with the FLN. Any steps to give the FLN or its leaders the right to campaign in Algeria for independence would presumably be resisted by many settlers and perhaps some Army elements. Yet some means of assuring the rebels that they can safely enter the political arena is clearly a prerequisite to the cessation of hostilities in Algeria. Thus the problem of Algeria has shifted from the issue of self-determination to the problem of its implementation. One of the difficulties of implementation involves the indication by De Gaulle that Sahara would in any event remain under French control, and that even the remaining part of the country might be subject to partition as a price of independence. Another difficulty, although a lesser one, is the necessity for ratification of the Algerian choice by the French electorate.

19. Meanwhile the Algerian dispute is a grave handicap to us in our international relations. We are considered by the Moroccans and Tunisians, and by the other Arab and Asian peoples, to be the chief outside support for French policy; it is widely believed that our influence could be decisive in changing that policy if we chose to exercise it. The Soviet Union poses as champion of the oppressed Algerian "colonial" people, and its local agents are busy in France and Algeria

trying to gain a voice in the nationalist movement. Thus far the Soviet Union has refrained, however, from recognizing the PGAR, and, by contrast with Communist China, it is obviously inhibited in its support by its relations with France and the Communist Party in France. The Algerian rebellion is diverting French forces from assigned NATO locations and preoccupies French political energies without being in itself a long-range unifying force in a country that badly needs greater unity. On the other hand, the French Government and a large segment of French opinion bitterly feel that the United States fails to give all-out support to its NATO ally in a place where critical French interests are at stake and where Frenchmen are being killed daily. There is French resentment too concerning the activities of the FLN representatives in the United States. There is some suspicion also that the United States actually intends eventually to supplant French influence in North Africa. In any event, the French will continue to blame the United States for their own failures in North Africa. The Algerian problem thus constitutes simultaneously one of the most sensitive issues affecting both U.S.-French relations and our relationships with the Asian-African world.

20. Social, economic, and ethnic factors in common underlie a considerable popular feeling of community among the Moslem populations of Northwest Africa, which is felt with particular force in the sense of solidarity in Morocco and Tunisia with the Algerian nationalist movement. Thus the concept of "Maghreb Union", i.e., close association of the three North African territories with each other, has widespread popular appeal and tends to partially displace the attraction of a wider pan-Arab nationalism. However, personal rivalries at the government level, the unchanged status of Algeria, unresolved boundary problems, and internal political complications, especially in Morocco, have prevented positive steps towards unity apart from a generalized commitment to consult on matters of common concern. Nevertheless, the Maghreb Union concept might provide a vehicle for association of France and North Africa should France be prepared to grant to Algeria a considerable degree of autonomy. Without an Algeria which was, as a minimum, substantially self-governing, Maghreb Union would not be feasible.

Policy Conclusions

Morocco and Tunisia

21. A close and amicable relationship between France and Morocco and Tunisia would, if attainable, be in the U.S. interest. The possibilities of such a relationship are inevitably compromised by the continuation of the Algerian conflict and French policies stemming therefrom. We should of course continue to consult with France on

North African problems. However, our own interests in North Africa and the importance of a favorable orientation for Morocco or Tunisia may compel us in some situations to take initiatives in our relations with these countries which may not wholly accord with French wishes. Moroccan and especially Tunisian nationalism can usefully serve U.S. interests as a counterweight to Arab extremism and Soviet ambitions both in Africa and in the Middle East.

22. The military importance of the U.S. bases in Morocco will continue for an indefinite period and all feasible means should be taken to secure Moroccan acceptance of their retention.

Algeria

23. Because prolongation of the Algerian dispute adversely affects U.S. interests in Africa and Europe, and is a handicap to the Free World in competing with the USSR, an early settlement is highly desirable. However, the United States has limited capabilities for bringing about a satisfactory solution to the Algerian issue, particularly in view of the adamant position of France that the Algerian issue is solely within its domestic jurisdiction. De Gaulle's proposals of September 16, if implemented in a manner permitting freedom of political expression in Algeria, would be consistent with our hopes for a liberal and equitable solution which we could support. The statement of the "PGAR" is also encouraging in its acceptance of the self-determination process. These are the first proposals by either side which offer a basis for working toward a solution acceptable to both. It is in the U.S. interest to support discreetly a settlement generally along the lines proposed by De Gaulle. Espousing the French cause too actively could (a) give De Gaulle's opponents in France the opportunity to attack him through charges of U.S. "interference", (b) undermine our relations with the Afro-Asian states who await evidence that De Gaulle's program will be implemented by the French in such a way as to permit free political expression to those Algerians who advocate independence, and (c) risk driving the Algerian rebels toward closer ties with Moscow and Peiping, should they interpret our position as giving a "blank check" to the French. Thus the United States must, without tempering its support for French efforts to bring about a liberal solution on Algeria, retain a capability to promote by discreet and appropriate means a constructive attitude towards De Gaulle's proposals.

Objectives

24. An early and equitable settlement of the Algerian conflict as a means of contributing to general stability in France and North Africa.

25. Within the limits of feasibility, maintenance of U.S. bases in Morocco for as long as they are required.

26. Closer association of the peoples of this area with the Free World.
27. Prevention of the spread of Communist influence in the North African area.
28. Maintenance of moderate governments in this region.
29. Progress toward political stability and sound economic growth in North Africa.

Major Policy Guidance

Morocco and Tunisia

30. a. Provide economic and technical assistance to Morocco and Tunisia as required by our direct interest in their stability and by our military interests in Morocco, bearing in mind (1) the importance of consulting with the French and others with a view to obtaining their cooperation, and (2) the desirability of contributing to a political climate in Morocco which would facilitate retention of our bases.

b. Encourage the continuation of present forms of French assistance to Tunisia and Morocco and the settlement of outstanding issues between the French and Tunisia and Morocco in the hope that such settlement may lead to resumption of French military and development assistance to Tunisia and Morocco.

c. Urge other Free World countries to participate in efforts to promote the economic development of Tunisia and Morocco. Encourage some form of limited membership or association with the European Common Market countries which would facilitate financial assistance from those countries.

31. a. Seek to minimize the danger that Soviet Bloc military equipment will be sought for the Tunisian and Moroccan armed forces. To the extent feasible, seek to have them meet their legitimate requirements initially from other friendly Western sources, especially from France, should this become acceptable to the countries concerned. However, where necessary to retain the U.S. position in Tunisia or Morocco, or when essential assistance is not otherwise available, provide limited U.S. military assistance, on a grant basis only if necessary.

b. Encourage Tunisia and Morocco to develop local public safety and related military forces to maintain internal security and to help prevent effective penetration by the Communist apparatus by overt or covert action.

32. Endeavor, within the limits of feasibility, to maintain access to U.S. bases in Morocco for as long as they are required, being prepared to this end to offer reasonable quid pro quos, to reach satisfactory agreement regarding tenure, and to conclude such other arrangements with Morocco as may be deemed appropriate and essential to the

retention of the bases, including public acknowledgment of the principle of eventual evacuation and the relinquishment of non-essential facilities.

33. Strengthen cultural exchanges with and information activities in Morocco and Tunisia.

34. Seek to have Moroccan and Tunisian influence exerted to moderate the demands of the Algerian nationalists, whenever this would appear likely to facilitate a settlement of the Algerian dispute.

35. Continue to help Algerian refugees in these countries where necessary on humanitarian grounds.

Algeria

36. In view of the crucial importance of an Algerian settlement to both French and North African stability, take every appropriate opportunity to contribute the weight of U.S. influence toward an early, realistic settlement while minimizing the possibility of U.S. overt involvement as an arbiter. Continue to give support to the general approach outlined by De Gaulle on September 16, but retain sufficient flexibility to allow us discreetly to serve a constructive role in its application. To this end:

a. Direct U.S. efforts toward encouraging an early settlement of the Algerian problem generally along the lines of the approach outlined by De Gaulle.

b. Discreetly encourage through appropriate channels discussions between the rebels and the French Government, initially for the purpose of achieving a cease-fire; attempt to have friendly third powers play a similar role and contribute to a broader settlement.

c. Endeavor to ensure better understanding that the U.S. motivation is its desire for an early peaceful and equitable solution.

d. Except in connection with necessary UN considerations, keep our public involvement in the implementation of De Gaulle's proposals to a minimum, but continue to make clear our general position as outlined above.

e. Whenever feasible, encourage the Asian and African peoples, particularly the Arab countries, to adopt a moderate attitude toward the De Gaulle proposals.

f. Encourage the maintenance of close and friendly ties between France and North Africa. In this connection continue to study carefully the possibilities of some form of Franco-Maghreb association for contributing to a solution of the Algerian problem.

General

37. Make clear to France and Spain our hope they can maintain influence in North Africa and our desire to help them do so, without involving ourselves in the territorial disputes between these powers and the North African states. At the same time encourage France and Spain to find a workable settlement of their problems in this region.

ALGERIA

U.S. CONCERN ABOUT THE NATIONALIST REBELLION AND ITS IMPACT ON NATO AND RELATIONS WITH FRANCE; U.S. POLICY TOWARD THE FLN AND THE PROVISIONAL ALGERIAN GOVERNMENT; AND U.S. PARTICIPATION IN U.N. DISCUSSION OF ALGERIA ¹

269. Memorandum From the Secretary of State's Special Assistant for NATO (Holmes) to the Secretary of State ²

Washington, February 20, 1958.

SUBJECT

United States Initiative on North Africa

Pursuant to your instructions conveyed orally to me by the Under Secretary, I submit the following suggestions.

Assuming that the immediate crisis in Tunisia³ is surmounted, I feel that we must not miss the opportunity to endeavor to persuade France to make a fresh start in North Africa and reach a negotiated settlement of the Algerian problem. So long as the fighting continues there, the danger progressively increases of eruptions anywhere from Tobruk to Dakar, a fusion of the Algerian and Spanish Saharan conflicts, and inevitably the entire Maghreb amply and effectively supported by the Egyptian-Soviet axis against the West. Furthermore, the United States is increasingly regarded by the Africans as underwriting "colonialism" in the area and through the provision of MAP equipment as an active instrument in the present hostilities. The eventual effect of this state of affairs on Africa south of the Sahara is not difficult to forecast.

¹ For previous documentation, see *Foreign Relations, 1955-1957*, vol. xviii, pp. 219 ff.

² Source: Department of State, Central Files, 751S.00/2-2058. Secret. Drafted by Nes and Looram; initialed by Holmes and Calhoun; concurred in by Murphy, Smith, Elbrick, and Palmer; and sent to Dulles through S/S. The source text bears the handwritten notation "Sec saw."

³ Regarding the crisis created by the February 8 French raid on the Tunisian town of Sidi Sakiet Youssef, see Documents 373 ff.

In my "Report on Africa" submitted to you on February 6,⁴ I expressed the belief that before matters get worse in North Africa we should attempt, with British concurrence, to persuade France to change its attitude, and should that attempt fail, serve notice that we propose to do what we can to save the North African littoral in the name of Western security. The current crisis has convinced me that this action should be taken as soon as the situation permits.

I would propose as the first step a secret *démarche* at the highest level in Paris designed to persuade the French to modify their thesis that Algeria is an integral part of the metropole and to make a fresh start. We would suggest that they propose a cease-fire in Algeria to be followed immediately by a conference of representatives of Tunisia, Morocco (and possibly Libya), France, the United States and the United Kingdom to discuss the future of North Africa including the Algerian problem, with a view to achieving a negotiated settlement based on eventual self-determination for the Algerians. Possibly the United States and the United Kingdom would only have observer status; moreover, consideration might be given to including Italy and Spain. Alternatively, and based on the Tunisian-Moroccan offer of good offices, the conference might initially be limited to these two countries and France.

In exercising our good offices in the Franco-Tunisian dispute, we shall undoubtedly find it necessary to raise certain aspects of the Algerian situation, at least the question of the border with Tunisia. This may create a favorable opportunity to raise the basic problem of Algeria.

Attached for your consideration are short papers outlining the basic elements in this plan; the United States *démarche* (Tab A), the cease-fire (Tab B), and the conference (Tab C).⁵ These are not intended necessarily as fixed positions, but principally as initial guidance that would be subject to subsequent modifications.

It is fully realized, given the precarious situation of the Gaillard Government, particularly his dependence on the Right, that there would probably be limited chances for a successful outcome, at least in the first instance, of this *démarche*. The immediate future, however, would appear to provide a better opportunity for making such an approach than to delay too long. It is also appreciated that this initiative might provoke strong reactions in the French Government and inasmuch as it would probably become public knowledge eventually, could create severe strains on United States-French relations, possibly result in unpredictable repercussions in the French domestic scene, and might have serious effects in NATO. For this latter reason consid-

⁴ Scheduled for publication in volume XIV.

⁵ None printed.

eration would have to be given in due course as to whether and how the North Atlantic Council might be informed of our initiative. It would also have to be recognized that considerable pressures would have to be exerted on the Moslem countries, once France showed signs of making concessions, to prevent their pushing their demands beyond the bounds of mutual interest. Should the French eventually reject the *démarche*, we would then have to advise them that in the circumstances, we should feel free to follow an independent policy vis-à-vis Morocco and Tunisia, including the granting of increased financial and military assistance. We would, also, have to say that there would be grave doubts as to our ability to continue to support the French position on Algeria in the United Nations.

The difficulties to be anticipated in getting the FLN to accept a ceasefire cannot be minimized.

Faced with the increasing danger of disaster in North Africa, however, I feel that these risks should be taken.⁶

⁶ These recommendations were reiterated in a March 3 report to Dulles by the working group on North Africa. (Department of State, Central Files, 751S.00/3-358) Murphy reported on March 10 that Beeley had indicated the United Kingdom would welcome a peaceful solution in Algeria, but feared a British initiative would damage Anglo-French relations. (Telegram 4151 from Paris; *ibid.*, 751S.00/3-1058) Murphy advised on March 16 that the Foreign Office had reacted negatively to the proposal (telegram 1183 from Tunis; *ibid.*, 751S.00/3-1658); on March 19, he reported that Macmillan had approved this reaction. (Telegram 4316 from Paris; *ibid.*, 751S.00/3-1958)

270. Editorial Note

In a March 7 address before the French National Assembly, French Prime Minister Gaillard proposed establishment of a "Western Mediterranean Commonwealth" comprising France, Algeria, Tunisia, Morocco, Libya, and possibly Italy and Spain. For an excerpt from his statement, see *American Foreign Policy: Current Documents, 1958*, page 1090. Reporters at Secretary Dulles' March 13 press conference in Manila asked him about Gaillard's plan. Dulles, who was in Manila to attend the fourth meeting of the SEATO Council, replied: "I feel that the broad concept of unity, both military and economic, between Western Europe and North Africa is a sound concept. It is a concept which has been in the minds of many of us for a long time. There is really a very close mutuality of interest between Western Europe and North Africa, and the development of that concept in a manner which

is compatible with the complete independence of all of the countries involved but which accepts as a fact the theme which we stressed so much here today, namely, interdependence." (*Ibid.*)

Dulles clarified his statement on March 25. In using the phrase "independence of all of the countries involved," he explained: "I was speaking of the then independent countries and that the Mediterranean pact should not in any way impinge upon the existing independence of the countries of the area. . . . I did not intend by that statement to carry any implication, one way or another, about the future of Algeria." (*Ibid.*; ellipsis in the source text)

271. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, March 17, 1958—8:46 p.m.

735. Good Offices. Eyes only Murphy, Houghton and Jones. Tunis 1167.² Following comment bears on numbered paragraphs reftel.

1. Statements first numbered paragraph³ have been carefully weighed and while Department does not discount information to effect gesture needed, indication FLN will publicly cast its lot with Nasser appears ignore Tunisian and Moroccan attitudes. Latter are major factors in FLN thinking and it no doubt clear to FLN that neither Moroccans nor Tunisians would countenance such move toward Nasser, for time being at least. In any case it entirely unlikely such FLN plans would be unknown to Bourghiba and other top Tunisians and consultation envisaged numbered paragraph 5⁴ reftel should suffice in immediate future to keep us closely informed re FLN.

2. Subject any comments Murphy may have, we agree that we should warn FLN in sense recommended paragraph 2(a),⁵ but we do not believe contact should be made with Debbaghine in Cairo if this

¹ Source: Department of State, Central Files, 651.72/3-1758. Secret; Eyes Only; Limit Distribution. Drafted by Porter on March 15; cleared by Jandrey, Palmer, and Howe; and approved and signed by Herter. Also sent to Paris.

² Telegram 1167, March 14, reported the FLN had set a deadline for receiving an indication of Western support, and advocated establishing closer contact with the group. (*Ibid.*, 772.00/3-1458)

³ The first paragraph warned the FLN might ally with Nasser in absence of Western support.

⁴ Paragraph 5 recommended consultations with Bourguiba and the Moroccan Government.

⁵ Paragraph 2(a) stated: "warn FLN that US reaction would make it incredibly harder for US Government to play positive role in settlement of Algerian war."

can be avoided. We must assume FLN leaders under close GOE surveillance and therefore FLN itself would probably prefer contact be made Tunis or Rabat. If Debbaghine deemed ranking political leader at present, and if Murphy believes it desirable convey U.S. comments to him, we believe Embassy [less than 1 line of source text not declassified] can arrange for him come to Tunis.

3. Department in accord your belief closer overall contact with FLN needed and prior to receipt reftel had consulted [less than 1 line of source text not declassified] to that end. Entire matter now under study, especially in regard to contact with FLN military leaders who represent very important and relatively unknown factor.

4. Embassy Tunis was authorized several months ago by Department to establish discreet contact with FLN. In this connection, Dept approves suggestion para 5. of reftel re advisability very discreet high level contact with GOT this subject. We agree Tunis channel may be of increasing importance, and with this in mind we hope events will permit Tunisians induce leaders like Debbaghine to diminish their contact with Cairo. This may not be practical for latter at present because FLN dependence Egyptian support undoubtedly requires presence top level FLN in Cairo, and FLN in any case reluctant bring too many top leaders into proximity with French military forces.

6. Our hesitations with respect to Cairo contacts outlined are mentioned numbered paragraph 2.

7. We believe study mentioned paragraph 3 this tel and authorizations mentioned paragraph 4 will result adequate contacts for our purposes. As to hope we may be able hold out to FLN much would appear depend on development of present situation and consequent willingness governments Tunisia and Morocco exercise restraining influence on FLN and back up possible U.S. efforts that direction.

8. [less than 1 line of source text not declassified]

Herter

272. **Memorandum From the Assistant Secretary of State for European Affairs (Elbrick) to the Secretary of State¹**

Washington, March 25, 1958.

SUBJECT

Introduction of the Algerian problem into the NATO Military Committee

Last Thursday, in discussing Tunisia and Algeria with Mr. Holmes and Mr. Palmer,² you mentioned the possibility of introducing the Algerian problem into the NATO Military Committee. It was left that you would discuss this possible course of action with General Norstad when you see him at 4 P.M. on Tuesday, March 25.³

I have already indicated to you EUR's views on the difficulties which would arise if an attempt were made to introduce the Algerian problem for discussion into the North Atlantic Council without having secured a prior understanding with the French.

I consider that the introduction of the issue into the Military Committee without advance consultation with the French would have much the same effect.

The question is basically political, and the Military Committee would undoubtedly not consider itself either an appropriate or a competent forum for discussion of the issue. The French representative would, I believe, either justify French military redeployments to Algeria in familiar terms or state that it was beyond his powers to participate in Military Committee consideration of a basic policy of his Government and would move to prevent Committee discussion of the question. Other NATO members would, we feel, sit silent or support the French position.

Raising of Algeria in the Military Committee by the United States might well lead the French themselves to elevate the matter to the political level and ask for NAC support and solidarity for their position on Algeria. Here again I do not see any constructive result unless there had been a prior understanding between the United States and France.

¹ Source: Department of State, Central Files, 751S.00/3-2558. Secret. Drafted by Timmons and Tibbetts; initialed by Jandrey for Elbrick and by Calhoun; cleared by Holmes and Nes; and sent to Dulles through S/S.

² No record of this conversation has been found.

³ A memorandum of this conversation is in Department of State, Central Files, 751S.00/3-2558. Norstad echoed Elbrick's views outlined in this memorandum.

273. Telegram From the Department of State to the Embassy in France¹

Washington, April 18, 1958—4:50 p.m.

3890. Following based on uncleared memo conversation.²

French Ambassador under instructions called on Acting Secretary April 18 regarding newspaper reports resulting from Murphy's background briefing Paris April 17 to effect US changing its policies on Algeria and now favors French Government negotiating settlement with FLN. Alphanth stated matter extremely serious and had already provoked strong reaction French political circles. Stated Pineau had seen Houghton this morning and had asked for full explanation (Paris 4789).³ Following this meeting Pineau had personally instructed Alphanth see Acting Secretary immediately in order stress "incalculable consequences" reports might have in France and request public clarification.

Acting Secretary informed Ambassador he had just spoken with Murphy in London who stated he had been badly misinterpreted in confusion of press conference. He related what Murphy had actually said (London 6061).⁴ It was regrettable that this had occurred Acting Secretary stated and proposed with the Ambassador's concurrence release brief statement to press immediately.

Discussion ensued regarding wording of communiqué with Alphanth demurring on use of word "hope" in last sentence to effect US Government hoped France would be able work out solution Algerian conflict. It was important he said that US make clear there was no change in its policies on Algeria, none was contemplated and that US

¹ Source: Department of State, Central Files, 651.51S/4-1858. Secret; Priority. Drafted by Loomam and approved and signed for Herter by Jandrey. Repeated to Tunis, Rabat, London, and Algiers.

² Not printed. (*Ibid.*, Secretary's Memoranda of Conversation: Lot 64 D 199)

³ Telegram 4789, April 18, transmitted Houghton's report on his conversation with Pineau. (*Ibid.*, Central Files, 611.51/4-1858)

⁴ Murphy spoke with Herter at 12:40 p.m., explaining what he had said "to the best of his recollection":

"I thought the U.S. would favor a solution of the Algerian problem by negotiation if that were possible but that the U.S. has no fixed notion regarding the form such negotiation should or must take. I added I had heard opinions expressed in Paris that the French tried unsuccessfully to negotiate with the FLN in the past and that it might be hopeless to try it again. I personally, however, did not exclude the possibility that France might be able at some future time to resume negotiation." (Memorandum of telephone conversation; Eisenhower Library, Herter Papers, Telephone Conversations) Murphy reiterated these comments in telegram 6061 from London, April 18, which Herter used during his conversation with Alphanth. (Department of State, Central Files, 651.51S/4-1858)

still recognized it was internal French problem. Otherwise issue would be greatly exploited by nationalist elements in France such as Soustelle to detriment NATO.

Acting Secretary stated US had given consistent support to France in past on Algeria. It was still our hope that France would be able solve conflict itself. However, Secretary on several occasions had made clear to French Ambassador his doubts and preoccupations with regard present French policies in North Africa and particularly Algeria. As situation developing it would inevitably lead to internationalization of conflict. Acting Secretary was accordingly unwilling commit ourselves for future.

Last sentence of statement being reported separately was slightly modified to apparent satisfaction Alphand. With his concurrence it was released to press immediately after meeting.⁵

Herter

⁵ For text of this statement, which was sent to Paris in telegram 3883, April 18 (*ibid.*, 611.51/4-1858), see *American Foreign Policy: Current Documents*, 1958, p. 1092.

274. Telegram From the Consulate General in Algeria to the Department of State¹

Algiers, April 19, 1958—3 p.m.

318. Rome for Montgomery and McSweeney. During past months, French position on Algeria has gone through significant change. While in past French have maintained that Algeria is internal French problem which they could easily settle themselves without foreign interference, there is now increasing insistence that France is fighting here for West and that she should obtain full and open support of her Allies. Pineau's announced intention raise Algerian problem at May NATO meeting² is further expression this policy.

Believe therefore next NATO meeting may offer opportunity for frank exchange of views with French on Algerian problem. France expects Allied support in area which is specifically covered by terms of North Atlantic Treaty. Indeed without support on problem deemed so vital to French opinion, NATO would threaten become meaningless to

¹ Source: Department of State, Central Files, 751S.00/4-1958. Secret. Repeated to Paris, London, Tunis, Rabat, and Rome.

² Reported in telegram 4341 from Paris, March 20. (*Ibid.*, 751S.00/3-2058)

French. We hear this thesis on all sides. NATO Allies, on other hand, have right to demand formula which will permit solution of problem in terms favorable to West and cannot underwrite policy which may lead to indefinite continuation and further extension of Algerian war.

For reasons discussed in despatch 187³ we believe French promise grant Algeria self-determination within specific but limited period offers better hope for constructive solution than pressure on French to negotiate with FLN. Negotiations, directly or indirectly with FLN on future Algeria would represent such complete reversal of previous French policy on Algeria, which based on premise that FLN is not representative of majority Algerian Moslems, that it is difficult to see how it could be adopted without an equally radical change of political alignments in France including reliance on PCF support. Also, French structure here would probably immediately collapse when negotiations became public and resultant chaotic conditions could jeopardize Algeria's future and decrease chances pro-Western orientation. Promise of self-determination on other hand appears compatible with previous French policy statements on Algeria particularly Mollet statement on cease-fire, elections, negotiations. Open loi-cadre,⁴ if honestly applied, would lead eventually to self-determination as territorial assemblies could pass resolutions demanding revision of Algeria's relationship with France. What appears needed is clear French promise that Algerians will be called upon to express their preference on given date.

To be believed, such promise would have to be accompanied by international guarantees, preferably from NATO countries as this would increase ties between this area and NATO.

Interim between cessation of hostilities and self-determination could be only to undo some of damages of war, apply reforms and make necessary adjustments to permit orderly transition from French to Algerian rule. Loi-cadre, in this framework, can also play useful role through creation of badly needed political institutions. French have already accepted in principle international supervision of elections, and elections perhaps initially for institutions provided for in loi-cadre could be held within reasonable period after end of hostilities. Also possibility cannot be ruled out that French constitutional reforms urging interim may create framework for broad North African solution.

Cooperation of Tunisia and Morocco to bring about the cessation of hostilities on these terms would of course be essential. FLN may be reluctant accept solution which will not result in its immediate access to power. Nevertheless, I believe that risks of continuation present

³ Despatch 187, April 12, outlined alternative courses of action in Algeria. (*Ibid.*, 751S.00/4-1258)

⁴ Reference is to a statute adopted by the French legislature on January 31, but never implemented. It reorganized Algeria into eight new departments and aimed at a political solution to Algeria's relationship with France.

French policy, as well as risks of direct transfer of power to FLN at some future date are so great that alternative of promise of self-determination with international guarantees.

Clark

275. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, May 3, 1958—5:28 p.m.

916. Department disturbed for evident reasons by outcome Tangier Conference² which appears to have adopted in many respects bellicose and negative tone we feared and hoped to avoid by proffering friendly and positive advice indicated Deptel 763 Tunis and 975 Rabat.³ We see no point in reproaching governments for party decisions but are apprehensive re actions former may take in response emotions generated by Conference. Rabat and Tunis should therefore make following points Mokkadem, Balafrej and other appropriate officials at earliest suitable time.

1. We had hoped concept North African cooperation toward which we well disposed would be launched on positive note. While we aware Conference not governmental in character and aware intensity feeling in North Africa re Algeria, we cannot but be disappointed our advice this regard had little or no visible effect.

2. With regard to formation Algerian Government we continue consider such move at this juncture would create most serious problems. Formation would have grave repercussions in France. It would in our view reduce chances for French Government with realistic approach to Algerian problem, strengthen hand of intransigent elements on right, and drastically reduce effectiveness current and future US efforts induce French accept principle peaceful settlement. Thus hostilities would be prolonged and negotiated solution postponed. We hon-

¹ Source: Department of State, Central Files, 770A.00/5-358. Secret. Drafted by Bovey, cleared by Jova, and approved and signed for Herter by Rountree. Also sent to Rabat, Paris, and London and repeated to Tripoli, Cairo, Baghdad, Jidda, and Madrid.

² Representatives of the Moroccan Istiqlal Party, Tunisian Néo-Destour, and Algerian National Liberation Front met in Tangier April 27-30.

³ Dated March 22, this telegram advocated supporting projects that might provide a constructive outlet for moderate North African regimes. (Department of State, Central Files, 651.72/3-2258)

estly doubt formation such Government would be taken as index of strength and believe GOT and GOM are aware serious legal and diplomatic consequences which recognition would entail.

3. We therefore hope GOM and GOT will weigh matter long and carefully and in considering recommendations conference will lay great stress on consultative features which allow for delay and give room for maneuver and cool examination future courses action. While we agree desirable keep FLN within GOM and GOT orbit, we believe precipitate response to Party recommendations on Algerian Government might by prolonging hostilities and producing recognition from wrong quarters actually operate against this objective. We hope GOM and GOT will exercise all possible influence on FLN to bring home realities of situation.⁴

4. Finally we continue desirous encouraging closer North African cooperation and hope good sense GOM and GOT will prevail in giving such cooperation most constructive form by keeping always in mind vital importance North Africa and Western Europe to one another.

London inform FonOff above. Paris may act at discretion.

Herter

⁴At this point in the source text, the following paragraph was deleted before transmission:

"4. Re US aid to France, our assistance given in context widest Western interests and not for prosecution Algerian war. We sure GOM and GOT aware popular misconceptions this regard both as to real scope and purpose US aid. While we understand and have much in mind feelings North African peoples this matter, we cannot feel it would be wise depart from our general policy avoiding use of aid programs as political pressure devices. Judging from attitudes GOM and GOT we believe they share this view."

276. Editorial Note

Secretary Dulles and Under Secretary Herter met with President Eisenhower at the White House on May 2. Among other items, Dulles mentioned that the subject of Algeria might arise at the North Atlantic Council Ministerial meeting to be held at Copenhagen May 5-7: "I said that it was possible, although I thought unlikely, that the French might demand an expression of NATO solidarity behind French policy in Algeria. The President thought that it would be quite impractical to give any such blank check. We wanted a French policy that would succeed and we could not be bound to endorse elements of a policy

which seemed to be failing." (Memorandum of conversation with the President; Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199)

Dulles discussed Algeria with British Foreign Secretary Lloyd at the British Embassy in Copenhagen May 4. "There was not much to say on this subject," Dulles commented, "until the French formed a government. Bourguiba has been acting extremely well in keeping things calm. How long he could continue to do this we did not know, the Secretary said."

"The Tangier Conference, the Secretary went on, had recommended that the FLN form a government and it would be difficult for Tunisia and Morocco to hold up recognition of the FLN as a government. The Secretary said that the Good Officers had done an extraordinary job and had at least given us a reprieve." (USDel/MC/9; *ibid.*)

277. Telegram From the Department of State to the Consulate General in Algeria¹

Washington, May 18, 1958—7:49 p.m.

293. Algiers 399 and 397.² Consulate authorized have discreet contacts with self-constituted authorities. As you point out such would seem necessary in any event sooner or later for practical considerations.

For time being would appear preferable if feasible such contacts be handled by members your staff rather than by you personally, kept to a minimum and confined principally to practical and urgent matters. However level of contacts left to your judgment in each instance depending on circumstances.

¹ Source: Department of State, Central Files, 751S.00/5-1858. Confidential; Priority. Drafted by Loomam, cleared in substance with Jandrey, and approved and signed for Dulles by Service. Also sent to Paris and repeated to London.

² Telegram 397, May 18, reported that the French officer in charge of communications in Algiers had contacted the Consulate. It also requested instructions on contacts with local authorities. (*Ibid.*, 911.7251S/5-1858) Telegram 399, also May 18, reported further contacts and repeated the request for instructions. (*Ibid.*, 751S.00/5-1858) On May 13-14, French paratroops in Algiers, attempting to prevent Pflimlin's investiture as French Prime Minister, executed a bloodless coup against the French Government in Algeria and established a Civil and Military Committee of Public Safety.

As we understand it Committee of Public Safety continues claim it is only temporary body and in no sense a government. In any case while not indicating US opposition you should nevertheless endeavor avoid giving any impression US recognizes or condones actions this group. Should latter solicit your support in any way you should point out not appropriate US interject itself in French internal controversy.

You should endeavor coordinate with your Consular colleagues particularly British on question of contacts earliest and if possible before your appointment Monday.

Re cancellation TWA flight Algiers concur Paris 5281 repeated 523 Algiers³ it would appear advisable this remain in effect for present.

For Paris: Embassy may at its discretion inform Foreign Office Algiers may find it necessary have limited contacts with local elements. Embassy should in any event convey its views to Algiers repeating to Department.⁴

Dulles

³ Telegram 5281 from Paris, May 16, reported that the Embassy had recommended Transworld Airlines not operate its regular flights in and out of Algiers. (*Ibid.*, Central Files, 651.51S/5-1658)

⁴ In response to a query at the May 19 Legislative Leadership meeting, Eisenhower "commented that this was the day DeGaulle was to make his bid for power. It seemed clear to him that the existing government could control France, but whether it could control Algeria was a big question. A real explosion could occur." (Supplementary Notes; Eisenhower Library, Whitman File, Eisenhower Diaries) That day, Murphy testified before the Senate Foreign Relations Committee that the coup in Algiers did not appear Communist-inspired. For text of his statement, see Department of State *Bulletin*, June 9, 1958, pp. 959-960.

278. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, May 22, 1958—5:58 p.m.

985. While Department doing everything possible with GOF, GOM and GOT to induce them avoid incidents present critical juncture, representations in their direction unlikely affect decisions of FLN. Latter undoubtedly examining present situation with view drawing

¹ Source: Department of State, Central Files, 751S.00/5-2258. Secret; Limit Distribution. Drafted by Porter, cleared by Torbert, and approved and signed for Dulles by Palmer. Repeated to Paris, Rabat, and London.

every possible advantage from it, and question therefore arises as to what if anything can be done to restrain FLN from undertaking actions which would involve Tunisia and Morocco in direct conflict with France.

We note from Tunis 1583² that FLN units falling back from frontier into interior of Tunisia. While this step will help avoid incidents on frontier, it will put FLN in position to provoke French-Tunisian clash inside country itself.

We wonder whether in these circumstances you would deem it useful to get across to FLN idea they would be well advised to undertake no action which would further complicate existing Tunisian and Moroccan problems. As Bourguiba has in past indicated desire to transmit US views to FLN, we would prefer use him in this instance rather than make direct comment to FLN which they might construe as official US démarche.

If you perceive objection or doubt usefulness such expression by us, Department would be pleased to have your comment.³

Dulles

² Telegram 1583, May 19, reported the substance of a call by Ladgham and Mokadem on Ambassador Jones. (*Ibid.*, 651.72/5-1958)

³ Telegram 1630 from Algiers, May 24, questioned the advisability of attempting to transmit to the FLN through Bourguiba U.S. views on questions relating to FLN activities within Tunisia itself, as distinguished from U.S. views on broader subjects. (*Ibid.*, 751S.00/5-2458)

279. **Position Paper Prepared in the Office of Western European Affairs**¹

Washington, June 26, 1958.

ALGERIA

(If raised by the French)

Anticipated French Position:

1. The French may say they intend to initiate a liberal policy along the lines of an autonomous Algeria federated with France in a French federal union. This would take place after the new Constitution is approved by public referendum in September; the details would be worked out with the Algerian representatives to be elected on a basis of universal suffrage (single college system). It is not politically feasible for the Government to negotiate with the FLN on a new political status for Algeria, but members of the FLN will be permitted to run as candidates in the elections, and Morocco and Tunisia will be asked to urge the FLN to accept de Gaulle's formula.

2. France will expect NATO in general and the U.S. in particular to support de Gaulle's policies on Algeria. Apart from the UN forum, U.S. assistance may eventually be significant in getting Morocco and Tunisia to pressure the FLN to accept these policies.

Recommended U.S. Position:

1. We have never differed with France on basic Western objectives in North West Africa, including the maintenance of French influence in this region, which is of great strategic importance to NATO. Rumors of U.S. intentions to replace France in North Africa or to gain control of Saharan resources are utterly without foundation.² It will be noted, moreover, that the U.S. has given not inconsiderable assistance to France on numerous occasions in the UN with regard to Algeria. However, previous French policies on Algeria have appeared to us as only leading to an extension of hostilities to all of North Africa and

¹ Source: Washington National Records Center, RG 59, Conference Files: FRC 83-0067, CF 1031. Confidential. A covering memorandum designates this as Position Paper DGT D-3/4 in the records of Dulles' July 3-6 trip to Paris and notes that it was drafted by Loomam and cleared by Palmer, Torbert, and Elbrick. Dulles and de Gaulle discussed Algeria during a private conversation on July 5. Documentation on Dulles' consultations with the de Gaulle government is scheduled for publication in volume VII.

² For text of Dulles' April 15 statement denying these rumors, see *American Foreign Policy: Current Documents, 1958*, pp. 1091-1092.

thus to the eventual elimination of Western influence in this area. If Western influence were driven out, the vacuum would be filled by Nasser's and pro-Soviet influence.

2. An early and peaceful settlement of the Algerian conflict is the key to the maintenance of Western influence in all of North Africa. If de Gaulle can come up with a liberal and realistic policy which has a good chance of bringing about a peaceful solution, he would have our wholehearted support and we would be prepared to render any assistance that might be feasible, should such be desired.

280. Editorial Note

After attending the third emergency special session of the U.N. General Assembly, Foreign Minister Couve de Murville traveled to Washington August 21 for talks with Acting Secretary Herter and President Eisenhower. That afternoon, Eisenhower raised the subject of Algeria. A memorandum of this conversation is scheduled for publication in volume VII.

281. Memorandum From the Assistant Secretary of State for Policy Planning (Smith) to the Assistant Secretary of State for European Affairs (Elbrick)¹

Washington, September 12, 1958.

SUBJECT

Algeria

The Staff and I have discussed the Algerian problem at some length in the light of Mr. Jova's memorandum of August 21 (forwarded for S/P consideration under cover of Mr. Long's memoran-

¹ Source: Department of State, PPS Files: Lot 67 D 548. Secret. Drafted by Henry C. Ramsey. Copies were sent to Wilcox and Satterthwaite.

dum of September 2) and the instructions to our UNGA delegation² on which we understand EUR and IO agreed earlier this week.

Despite the dilemmas and dangers involved in pursuing any of the alternative courses of action which we explored, it seems clear that we accept very dangerous risks if we continue to temporize with the status quo or if we accept and support the announced French position that Algeria is an improper subject for consideration by the UNGA. We think Algeria will be a principal focus of Soviet/Afro-Asian effort within the UNGA. In view of our difficulties in the Middle East and the fact that Tunisia and Morocco have now joined the Arab League, we are convinced that we can no longer temporize on Algeria, or support a French position that Algeria is an internal matter, without further prejudicing ourselves in the anti-colonial world and gravely weakening our influence in the Arab world. We believe such a course on our part would at a minimum gravely prejudice our base rights in Morocco, Libya and Saudi Arabia.

We lean very definitely to the view that the situation is so serious that we should, in concert with the British, discuss it with DeGaulle. We think some initiative in the matter, either through talks with DeGaulle or along the lines of the Julius Holmes' proposals of last winter,³ is required, especially since the French have now announced that they will not participate in UNGA consideration of the problem.

² Jova's memorandum has not been found. A copy of the position paper on Algeria given to the delegation to the 13th U.N. General Assembly is *ibid.*, IO Files: Lot 71 D 440.

³ See Document 269.

282. Circular Telegram From the Department of State to Certain Diplomatic and Consular Posts¹

Washington, September 22, 1958—6:53 p.m.

310. Following for your guidance re US contacts with members or representatives "Algerian Government in Exile":²

¹ Source: Department of State, Central Files, 751S.02/9-2258. Confidential. Drafted by Loram; cleared by Sisco, McBride, and Bovey; and approved and signed for Dulles by Elbrick. Sent to all diplomatic posts except Taipei and to Algiers and USUN.

² On September 19, FLN representatives in Cairo announced the formation of an Algerian Government in Exile. Circular telegram 296, September 19, informed posts the United States would not recognize it. (*Ibid.*, 751S.00/9-1958)

1. In past it has been US policy in accordance traditional practice towards dissident political groups receive in Department FLN representatives in response their request but to limit such calls to working level. On each occasion French Embassy informed. Certain US missions abroad have had discreet contacts with this group but also at working level.

2. Foregoing practice should continue to be adhered to re limiting contacts with FLN. US representatives should particularly bear in mind increased French sensitivity on subject as result creation "Government in Exile". It is realized contacts with FLN representatives in certain countries who have recognized this group may be unavoidable from time to time. In addition contacts at working level USUN would also seem unavoidable. However you should show necessary discretion in order prevent embarrassment US-French relations.³

Dulles

³ French Embassy officials discussed U.S.-FLN contacts with Department of State officials September 22 and 23. (Telegrams 999 to Paris, September 22, and 1013 to Paris, September 23; *ibid.*, 751S.00/9-2258 and 751S.00/9-2358, respectively) On September 27, the Department forwarded to the White House a translation of a letter to President Eisenhower from the President of the Provisional Government of the Algerian Republic and recommended the letter not be acknowledged. (Eisenhower Library, Whitman File, International File)

283. Editorial Note

During an October 17 conversation with Secretary Dulles, Ambassador Alphand stated that the French Government hoped the United States would deny visas and access to U.S. facilities to FLN members who wished to enter the United States to carry out propaganda. The British, Italian, and German Governments, he observed, had restricted FLN activities in their countries, while the United Nations had not permitted FLN delegates to sit with the other delegations.

Dulles replied that the United States would cooperate as far as possible, but noted that U.S. laws in this area were "quite liberal." [4 lines of text not declassified] (Memorandum of conversation; Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199)

On October 21, the Department of State informed missions in Europe, North Africa, and at the United Nations that Algerian nationalists not "otherwise excludable" from the United States would be granted visas on a case-by-case basis. Posts were to submit all such

cases to the Department. (Telegram 1434 to Paris; *ibid.*, Central Files, 751S.00/10-2158) Alphand expressed his disappointment at this decision to Assistant Secretary Elbrick on October 22 (memorandum of conversation; *ibid.*, 751S.00/10-2258) and to Dulles on October 25. During the latter conversation, Alphand asked Dulles if the U.S. Government could prevent FLN political activity in the United States. Dulles "[3½ lines of source text not declassified] said he did not know off-hand of any possibilities in this field, and concluded that he would have the matter studied and let the French know should there be any measures which we could take." (Memorandum of conversation; *ibid.*, 751S.00/10-2558)

Dulles informed Alphand on October 31 that the United States "would do all we can to discourage [less than 1 line of source text not declassified] activities. It was difficult to do anything because of [the] existence of freedom of speech here to conduct even attacks against the U.S. Government. [8 lines of source text not declassified]" (Memorandum of conversation; *ibid.*, 751S.0111/10-3158)

284. Telegram From the Mission at the United Nations to the Department of State¹

New York, November 5, 1958—3 p.m.

Delga 357. Re: Third Committee resolution on refugees in Tunisia and Morocco—Deptel 422.² For Wilcox from Wise, Lord and staff.

Urge reconsideration instruction abstain on Morocco-Tunisian resolution. First day's debate minimized political aspects and focused on humanitarian issue. Abstention will be inevitably regarded by Afro-Asians as politically motivated especially in view vigorous support U.S. gave Hong Kong refugee resolution 12th GA.³

Abstention this item will weaken USDel influence with Afro-Asians on Algerian item when it appears First Committee. Vote in support this item now will enhance effectiveness our position on

¹ Source: Department of State, Central Files, 320.13/11-558. Confidential; Priority.

² Telegram 422, November 4, instructed the delegation to abstain on a draft resolution, submitted to the Third Committee of the General Assembly in U.N. Docs. A/C.3/L.694 and A/C.3/L.694/Rev.1, regarding aid for Algerian refugees in Tunisia and Morocco. (*Ibid.*, 320.13/11-458)

³ U.N. General Assembly Resolution 1167 (XII), November 26, 1957; see U.N. Doc. A/3805.

proper Algerian debate both with Arabs and with French. Would put French on notice we not necessarily intend follow same line as in past and give us better bargaining power with Algerians and Arabs.

In Third Committee Afro-Asians attitude upcoming self-determination and freedom of information items will be hardened if U.S. does not support present resolution which they insist humanitarian and non-political.

French apparently resigned to loss and non-support their position by Western colleagues, and have so indicated to Dutch and others in GA.

USDel working for removal technical ambiguities in operative paragraph, i.e., "substantial scale" and "until their return to their homes".

Wise, Lord, Phillipps and staff all feel on balance we would lose more than we would gain by abstention. This first issue since Bourguiba came out unmistakably on Western side and Arab world will be watching see what policy has gained him.

Request earliest instruction in view vote tomorrow. ⁴

Lodge

⁴ Following further discussion between the Department of State and the Mission, the Department on November 6 authorized the delegation to vote in favor of the draft resolution. Documentation on this decision is in Department of State, Central Files, 320.13/11-558 and 320.13/11-658 and Eisenhower Library, Herter Papers, Telephone Conversations. On December 5, the General Assembly adopted without change the draft resolution, which became U.N. General Assembly Resolution 1286 (XIII); for text, see *American Foreign Policy: Current Documents, 1958*, p. 1093.

285. Telegram From the Department of State to the Embassy in France¹

Washington, December 14, 1958—7:51 p.m.

Tosec 9. Ref: Secto 5.² USUN is reporting separately complete details yesterday's developments on Algerian item in New York including text of Res, negotiating developments, votes and analysis.³

Following additional elements in Dept decision beyond those previously reported may prove helpful as indicator line we plan follow with French here.

US opposition to immoderate Res such as that originally tabled with reference to PGAR, made absolutely clear by our negative vote in Political Committee. Decision by co-sponsors in plenary to delete reference to PGAR marked substantial improvement in text by removing item we understood most objectionable to French and in final version Res contained nothing which might be construed as putting the Assembly on record as recognizing the PGAR. In fact, this deletion appeared offer real possibility that regardless of our vote, Res would receive two-thirds majority. However, in order not to contribute to shift of votes in favor of Res, US kept decision to abstain confidential. We are convinced fact US voted negatively in committee and kept intention to abstain in plenary secret was decisive factor in failure Res achieve two-thirds vote. This assumption seem justified since all other countries which cast negative vote in committee also cast negative vote in plenary; this group included several countries which usually follow US lead on such issues.

Of course fact we abstained on Res does not mean we approved it. On contrary abstention shows there were still objectionable aspects of Res, i.e., such as preambular call for independence and operative reference to "two parties". We did not like these paragraphs, knowing they unacceptable to French. Moreover, we had made our explicit objections to them known to Afro-Asian group through Slim;⁴ thus

¹ Source: Department of State, Central Files, 320.11/12-1458. Confidential; Niact. Drafted by Buffum on December 13; cleared by S/S and in substance with Wilcox, Cargo, Jandrey, and Porter; and approved by Dillon.

² Secto 5, December 14, requested a report on the U.N. General Assembly debate and vote on Algeria. (*Ibid.*, 751S.00/12-1458)

³ Reported in Delga 720, December 14. (*Ibid.*, 320.11/12-1458) For text of the draft resolution on Algeria, see U.N. Doc. A/C.1/L.232. For a record of the First Committee discussion and vote on the draft resolution, see U.N. Doc. A/4075. For a record of the plenary discussion and vote on the draft resolution, see U.N. Doc. A/PV.792. The draft resolution failed by one vote to gain a two-thirds majority and was therefore not adopted.

⁴ Lodge discussed the draft resolution with Slim twice on December 12, and Barco discussed it with him on December 13. (Delgas 710, 711, and 716, all December 13; Department of State, Central Files, 320.11/12-1358)

there should be no doubt in minds of parties concerned that our abstention in no way constituted endorsement these paragraphs.

In view fact Res was moderated, even though it still contained features we knew were objectionable to French, we decided, despite concern and opposition of EUR, abstention was best solution. Our position was extremely difficult since France refused throughout participate in debate or to play active role in lobbying in favor of their position, although she had done so in years past. French did not appear to vote in plenary even when it appeared Res might be approved. Having gone on record in favor of French in First Committee and with more moderate Res up for vote in plenary having prospect of passage, a negative vote would have put US in bad position vis-à-vis Afro-Arab group especially since Soviet bloc endorsing Algerian cause. Our relations with Morocco particularly important since we about to present Moroccan base package.

In effect negative vote on modified resolution in plenary could have been considered straight vote against right of independence for Algerian people should they freely decide that was their desire. This seemed to us impossible position for US to take.

We intend take following line with press. Deletion of paragraph re PGAR substantially changed resolution from form in which it approved by political committee. Resolution in plenary no longer specified negotiation with rebel government or with any specified persons. Article re independence in our view somewhat awkward way of expressing charter rights of self-determination. US position on this paragraph made clear by our vote in favor Haitian amendment⁵ in political committee. US dissatisfaction with wording this article and with possibility differing interpretations of "two parties" in operative paragraph registered by our abstention in final vote.

Dillon

⁵ For text, see U.N. Doc. A/C.1/L.233/Rev.1. Regarding the vote on this amendment, see U.N. Doc. A/4075.

286. Memorandum From the Director of the Office of Northern African Affairs (Porter) to the Deputy Assistant Secretary of State for African Affairs (Penfield)¹

Washington, January 15, 1959.

SUBJECT

U.S. Position in UNHCR Executive Committee on Assistance to Algerian Refugees

I understand a meeting of the Advisory Committee on Refugees, of which you are a member, has been called by Mr. Hanes for January 19. The above subject will be one of the agenda items, and a paper similar to the attached draft "Memorandum for the Record" will be circulated as the basis for discussion.²

We in AFN have followed the Algerian refugee problem quite closely and believe the draft paper, with its suggested U.S. position, is a reasonable and fair document. EUR, which is, of course, the bureau most apt to turn this discussion into a problem, so far has been most reasonable on the overall subject. We understand their only complaint on this document—to date—is to the effect that recommendation #5 should be amended to provide that prior discussions take place with interested *governments* rather than *delegations*. We have informally concurred with this idea on the theory that if the French are going to be difficult or if the Tunisians have any surprises in store, the U.S. is better off knowing the true situation as much before the meeting as possible.

The Tunisians have not made a great display out of the refugees and have been relatively undemonstrative about the assistance we have given to date. However, there is no doubt that the GOT is extremely concerned about the possible threat the refugees could pose if they became truly discontented and is grateful for our aid. The number of refugees is quite large in comparison with the Tunisian population and the FLN, we believe, is helping supervise the major refugee groups. GOT officials seem to have the situation in hand. But if major disorders erupted, a definite possibility would exist for an open clash between the FLN and GOT troops, with all the additional uproar this would create in the Maghreb. A U.S. contribution of \$250,000, plus the endorsement of a wide appeal for assistance from

¹ Source: Department of State, AFN Files: Lot 65 D 178. Confidential. Drafted by Buckle and cleared by Dolgin. The source text bears Dolgin's handwritten notation to Penfield: "J.K.P. Mr Satterthwaite signed the program approval for the \$250,000. W/MSC now trying to find the money."

² Not found.

other countries, seems a small price to pay if it will maintain order among these homeless people—plus reducing the amount of suffering they undeniably are undergoing.

Attachment

Draft Memorandum for the Record³

Washington, January 13, 1959.

SUBJECT

U.S. Position in UNHCR Executive Committee on Assistance to Algerian Refugees

On January 13, 1958 representatives of WE, W/MSC, AF, OES and ORM held preliminary discussions on the U.S. position on the question of UNHCR assistance to Algerian refugees in Tunisia and Morocco scheduled for discussion at the First Session of the Executive Committee of the High Commissioner's Program. The following factors were considered:

[Here follows background information on the situation.]

After discussing the above factors, it was agreed that the U.S. position should include the following:

1. that the question of eligibility for Algerian refugees should not be discussed by the Executive Committee. The High Commissioner has already made such determination which has been generally substantiated by General Assembly Resolution 1286 (XIII);⁴

2. that the Executive Committee should take note of General Assembly Resolution 1286 and in implementation thereof authorize the High Commissioner to appeal for funds from governments for humanitarian assistance to Algerian refugees eligible under his Mandate (failure to authorize an appeal would probably result in the U.S. being the only contributor. Moreover, it is anticipated that Tunisia will insist on at least an appeal);

3. that should the question of the High Commissioner's 1960 program arise, the U.S. delegation should assume that assistance to Algerian refugees will be continued as a separate chapter in the UNHCR plan of operation for 1960;

4. it is most important that assistance to Algerian refugees be approached strictly as a humanitarian measure and that any political interpretation or connotation be avoided;

5. every effort should be made to smooth the way for this plan by prior discussions with other interested delegations and, if possible, with the Tunisian Government.

³ Confidential. Drafted by Lawrence.

⁴ See footnote 4, Document 284.

287. **Telegram From the Department of State to the Embassy in France¹**

Washington, March 6, 1959—6:32 p.m.

3251. Department concurs in view expressed Embtel 3195² that deGaulle's fixation with Algeria and rage at US abstention in UNGA vote³ play major role in our problems with him. Alphand stressed this point to Acting Secretary (Deptel 3192)⁴ and linked French project withdraw their Mediterranean fleet from NATO with deGaulle's anguish at attitude we have adopted towards FLN. [*1½ lines of source text not declassified*]

We note Boegner's statement re activities PAG representatives at UN.⁵ French informed us some months ago they had taken steps with UNSYG to deny access to UN to these representatives. Our information is that this has been totally ineffective and that Yazid and Chanderli extremely active in UN building especially noticeable during current Cameroun debate.

Department is currently studying problem presented by latest French request for no further contact with FLN and will keep you informed.

Re deGaulle's skepticism on our ability legally keep these men out of country, we regret this attitude but see little that can be done about it. With regard French "study" of our visa laws, it is clear we would not accept any comments from French on our application of US laws.

Herter

¹ Source: Department of State, Central Files, 751S.00/3-459. Secret. Drafted by L. Dean Brown and McBride on March 5, cleared by Porter and in substance with Valenza and SCA, and approved and signed for Herter by McBride. Repeated to Algiers.

² Telegram 3195, March 4, suggested that alleged U.S. failure to support France in Algeria motivated de Gaulle's approach to French-U.S. relations. (*Ibid.*, 033.51S11/3-459)

³ See Document 285.

⁴ Dated March 3. (Department of State, Central Files, 770A.5451/3-359)

⁵ Transmitted in telegram 3195 from Paris, cited in footnote 2 above.

288. Telegram From the Department of State to the Embassy in France¹

Washington, March 30, 1959—7 p.m.

3624. Merchant called in French Ambassador March 30 to discuss French démarches re US Government contacts with FLN representatives.² Said established US tradition for Department not close doors to anyone who requested being heard. Moreover it had not been frequent practice receive FLN and French Embassy kept informed in each instance. However given importance French Government evidently attached this issue, Merchant advised Alphand we would not receive FLN representatives for time being in Department. This would of course not preclude chance encounters at foreign diplomatic receptions or occasions of this nature. It was emphasized to Ambassador necessity keeping this matter highly confidential in view possibility other foreign governments might cite it as precedent for insisting Department not receive other foreign dissident groups and in view possibility adverse reaction or part certain elements US public and Congress.

Alphand expressed appreciation for this decision. He did not raise question visas for FLN, latter's propaganda activities this country or possibility substantive discussions with FLN outside Department, either in this country or abroad.

You may at your discretion advise Foreign Office of position taken with Alphand above, stressing importance this not leak to press or foreign governments.³

Herter

¹ Source: Department of State, Central Files, 7515.00/3-3059. Secret; Limit Distribution. Drafted by Looram, cleared by Bovey, and approved and signed for Herter by Merchant. Repeated to Tunis, Rabat, and Algiers.

² A memorandum of this conversation is *ibid.*

³ In a March 31 meeting with Herter, Couve de Murville "expressed satisfaction" with this decision, but stated that "the principal trouble" stemmed from the presence of FLN representatives in the United States. Herter reiterated that the United States could not deny these individuals visas. (USDel/MC/24; *ibid.*, Secretary's Memoranda of Conversation: Lot 64 D 199) Couve de Murville was in Washington to attend the NATO Ministerial Meeting held April 2-4.

289. Editorial Note

On April 21, the U.S. Intelligence Board concurred in [*document number and title not declassified*]. Paragraphs 43-48 evaluated prospects for an Algerian settlement. (Department of State, PPS Files: Lot 67 D 548, France)

Three days later, Secretary Herter sent President Eisenhower a memorandum on the second stage of French-U.K.-U.S. tripartite talks, held in Washington April 16-21. Herter reported that during the talks, which had focused on Africa:

"We had long discussions on Algeria. The French explained their policy to be one of continued military action, willingness to negotiate a cease-fire but nothing more with the rebels, and the expectation that by economic development and the creation of a new Moslem elite through a series of elections true representatives of Moslem opinion will be found with whom the eventual status of Algeria can be determined. In this connection, the French present seemed rather depressed by the results of last Sunday's municipal elections in the cities of Algeria. These policies and hopes were well known to us and their presentation did not increase our knowledge or cause us to be optimistic with regard to an Algerian settlement. We can expect great difficulty in the UN this year with the French not participating but counting on our support." (Eisenhower Library, Whitman File, Dulles-Herter Series)

The topic of Algeria had arisen on April 17 and 20; memoranda of these conversations are in Department of State, PPS Files: Lot 67 D 548, Africa, 1959-1960.

290. Letter From Prime Minister Debré to the Ambassador in France (Houghton)¹

Paris, April 28, 1959.

MY DEAR AMBASSADOR: We have, since you have been at Paris, developed the habit of speaking to each other so frankly that I desire to do it again today to discuss with you American policy towards North Africa.

¹ Source: Department of State, Central Files, 751.13/4-2959. Confidential. The text, a translation of the letter which was written in French, was transmitted to the Department of State in telegram 3993 from Paris, April 29. Telegram 3993 noted that the

Continued

For our alliance, one of the most solid foundations of world stability, does not seem to extend, I must say, to North Africa.

We are fighting there, in the common interest of the free nations, a rebellion, the representatives of which enjoy in the United States—and most particularly at New York and at Washington—a great liberty of action; these men, provided with false passports and certain of whom have been convicted in the courts, can with impunity make propaganda and carry on against us an incessant action; was not the rebel flag allowed to float a few days ago at Carnegie Hall?

In Morocco I do not have the feeling that our action—whether it is a question of military bases or of furnishing of arms—is well coordinated.

In Tunisia, the rebel chiefs who have taken refuge there find an attentive audience for their propaganda in the officials who represent your country.

Will not all this soon separate us one from the other? But it is we who represent in North Africa the only chance of stability, of prosperity and of peace; it is we alone who can prevent this zone vital for the defense of the Western World from falling into anarchy and inevitably passing into the hands of the enemies of liberty. We are at the same time protecting their vital interests, doing it with all necessary energy.

You know well moreover that our ideals correspond to yours—did they not originally inspire them?—and that my government, like General De Gaulle, has the will to practice a policy of liberalism and of evolution, which alone is capable of reconciling harmoniously in Algeria the requirements of the two communities: The task cannot be accomplished in a few days.

But I must say to you, the seduction of young nationalisms, which often only disguises the mystical totalitarian appetites of a few leaders, must not be allowed to lead American policy to play with fire and to abandon its oldest and most faithful allies for the sake of movements—of which there have been many examples in the recent past—which only prepare the ground for international communism and which, thanks to a perpetual outbidding, obtain from the West the very arms with which they fight it.

In the underdeveloped world, we are facing a struggle with Marxism which will be decisive for our future; we must approach this battle united, knowing that together we hold the patrimony of liberty.

We are, for our part, profoundly convinced—and I speak for our entire public opinion—that we are defending this patrimony in North Africa, and we find it inconceivable not to be supported. Indulgence

Embassy had received the letter on April 29 and that its final paragraph was handwritten.

towards the rebellion is presently its best trump, and I confess that I do not understand this indulgence; it is moreover understood by none of your friends in France.

It is normal that you should tell us frankly what you think; but you should not, under such or such influence, by opposite policies create a gap between us which will later, to our common detriment, be difficult to bridge.

I have too great a desire to reinforce the bonds which united us, I have too great a certainty that only our union can ensure coexistence by the equilibrium of forces, not to hesitate, as I have done, to express my feelings in all frankness; is not frankness the irrefutable proof of true friendship?

This is the letter, my dear Ambassador, which I promised you a few days ago and which frankly sets forth certain opinions which I hold deeply, and believe, I beg you, in my cordially devoted feelings.²

² Printed from an unsigned copy. Herter mentioned Debré's letter when he met with Eisenhower on May 2 to report on the Foreign Ministers meeting held in Paris April 29-30. The memorandum of this conversation is scheduled for publication in volumes vii. A copy of the memorandum of conversation is in Eisenhower Library, Whitman File, Eisenhower Diaries. The President was informed on May 20 that Houghton had been instructed to respond orally to the letter, stating that the United States felt it had supported France. (Item from State Summary reported to the President; *ibid.*)

291. Instruction From the Department of State to the Embassy in Libya¹

CG-643

Washington, June 8, 1959—6:10 p.m.

USUN 1039, Dept G-800 to Paris repeated G-117 Rabat and G-81 Tunis.²

The Department is concerned by the recent trend of Algerian nationalists, statements on the subject of American arms in Algeria. These statements are probably designed in part to justify acceptance of Communist arms and to draw the U.S. Government into public exchanges which the FLN hoped would be distasteful to the French or

¹ Source: Department of State, Central Files, 751S.00/6-859. Confidential. Drafted by Bovey and Beigel on June 5, cleared by Fowler and Nes and with L. Dean Brown, and approved and signed for Dillon by Bovey. Also sent to Benghazi, Tunis, and Rabat and repeated to Paris, Algiers, and USUN.

² Dated May 21, telegram 1039 from USUN transmitted the substance of Chanderli's statements to the press on French use of U.S. arms in Algeria. (*Ibid.*, 651.51S/5-2159) Airgram G-800 to Paris has not been found.

would create an atmosphere favorable to US and other diplomatic intervention in the Algerian war. So far as the average North African is concerned, it is difficult to do anything to mitigate public feelings over the presence of American weapons in Algeria; no matter what their manner of arriving there, their origin is clear. However, the Algerian statements and their aftermath may have created certain impressions with regard to the role of the U.S. Government in this matter which it would appear well to set straight among officials of the Government to which you are accredited, and you may therefore make whatever use you deem fit of the following material. At the same time you should make clear US Government will not be provoked into public controversy on this matter with the FLN.

(1) No new American equipment of a type likely to be transferred to Algeria is being furnished to France under any current USG programs.

(2) Other matériel, including helicopters, has been the object of straight commercial purchase.

(3) Re statement "There is no agreement restricting the use of equipment once it has been turned over the French," all equipment acquired by France under U.S. programs is subject to the provisions of the bilateral MDAP agreement between the U.S. and France. No arms have been furnished by the U.S. Government to France "for the purpose of prosecuting the war in Algeria."

Further, there is the Monnet-Dillon agreement, which provided coverage for the sales agreement under which the U.S. provided foreign exchange assistance to the French to procure military matériel from U.S. commercial sources in FY 1958 and FY 1959.³ These sales were not for "arms" in the usual sense but covered maintenance items, spare parts, POL, certain specialized technical equipment for research and development projects, etc. The terms of the agreement limited such sales to equipment and supplies to meet the needs of French NATO units stationed in Europe. (FYI: We intend to attach similar conditions to any similar sales program in future.)

Although quantities of American arms of different vintages are available in one way or another in various parts of the world, the fundamental implication of the Algerian statements (i.e., that the USG is now engaged in providing new equipment which is being used to reequip or strengthen French troops to prosecute the war in Algeria) is thus incorrect.

³ Under this January 1958 agreement, the United States agreed to extend to France certain financial facilities amounting to \$274 million; see Department of State *Bulletin*, February 17, 1958, pp. 269-274.

(4) The Department has no knowledge of any arms deal for the Algerians that "has been blocked" by this Government. American arms have of course been furnished to many countries (including Tunisia and Libya) on a nontransferable basis entirely acceptable to the recipients. It would be unreasonable to expect that the USG would encourage the recipients to put the arms to uses other than those for which the governments in question originally expressed the need, e.g., to provide them for sale to third parties.

This instruction is repeated to Paris, Algiers and New York for information only.

Dillon

292. Memorandum From the Deputy Assistant Secretary of State for African Affairs (Penfield) to the Deputy Under Secretary of State for Political Affairs (Murphy)¹

Washington, June 17, 1959.

SUBJECT

Visa Application of Lamine-Debbaghine²

I regret that we cannot concur in the EUR memorandum of June 15 on this subject.³ In view of the explosive pressures on *both* sides of the Algerian dispute, I do not believe that we can afford to substitute for the normal objective operation of our laws and traditional practices the subjective political calculation that a given application is "more than the traffic will bear in US-French relations."

I agree with NEA that failure to issue the visa, through whatever pretext or delay, will have a sharply adverse effect in the Asian-African world. Nor would the "suspended action" recommended by EUR settle even individual cases. If Lamine-Debbaghine's visa application is not acted on now, he may well apply again in the autumn when the UN is in session, under far more embarrassing circumstances

¹ Source: Department of State, AF/AFN Files: Lot 65 D 182, A-20, Visas for Non-Students. Confidential. Drafted by Porter and Stokes, initialed by Penfield, and sent to Murphy through S/S.

² Mohamed Lamine-Debbaghine, Foreign Minister of the Provisional Government of the Algerian Republic.

³ Not found.

for us. On the other hand, it would be more damaging to refuse him a visa on the formula that it would be prejudicial to our national interest, especially since the applicant must be informed of this finding.

I am especially anxious to retain the only objective criterion we have for handling such cases in a routine manner because the Lamine-Debbaghine case is only a beginning. We have at hand for decision the first of a series of Algerian student visa applications, and visa processes have been started for a six-man delegation of the labor organization affiliated with the PGAR, invited by the AFL-CIO to its congress in San Francisco this summer.

If we abandon regulatory for political criteria in Algerian visa cases, these and subsequent applications probably will become separate matters for high-level decision within the Department, and open the U.S. to pressures on each case from the opposing sides in the Algerian dispute. Moreover, we would be hard-pressed to refute charges that we have denied, under French pressure, a privilege which we customarily extend to political exiles who seek to visit this country.

Recommendations:

I accordingly recommend that the visa application of Lamine-Debbaghine, like that of other Algerians, should be governed by normal operation of the immigration laws and regulations; i.e., that the application be refused only in the presence of explicit matter in the individual's medical or legal record which would render him ineligible.⁴

⁴ The source text bears the following handwritten notation by Porter: "Note Mr. Murphy decided not to act on this visa application for the time being. WP".

293. Telegram From the Department of State to the Embassy in France¹

Washington, June 20, 1959—5:42 p.m.

5009. Paris 4641 reporting your talk with Debré re subject FLN activities this country and your recommendations contained last para-

¹ Source: Department of State, Central Files, 751.13/6-1359. Confidential. Drafted by Looman on June 18; cleared with Valenza, McBride, Dunnigan, Porter, Raymond, SCA, and L/EUR; and initialed for Dillon by Murphy. Repeated to London, Bonn, Rome, and Algiers.

graph:² Department appreciates that while significance this matter exaggerated out of all proportion, it apparently remains uppermost Debré's mind and becoming more critical issue US-French relations particularly with approach next UNGA session. Moreover given intensity and emotional nature of French feelings, difficult provide arguments that might fully convince French it simply not feasible for US Govt deport FLN members now legally in this country or put stop to their activities which do not involve violation U.S. laws. However, you should at your discretion point out following to Debré and/or provide memo to member Debré's cabinet covering following points. (It might be well take matter up in addition with Couve who seems to be less emotional on subject.)

1. On formation "PAG" not only did US publicly refuse recognize it but made its intention not to do so clear to other governments.

2. No official or special status accorded FLN members in this country. No question of US Govt "offering hospitality", facilitating their activities here or making special exceptions their cases. Many other foreign dissident and rebel groups traditionally come to US as they do to France.

3. In accordance Prime Minister's request FLN members are not for present being received by Dept. Moreover French Government kept informed of previous meetings.

4. Numbers and effectiveness FLN members this country greatly exaggerated. To Department's knowledge there are only two—Yazid and Chanderli—and very doubtful their existence and efforts known to but relatively few US citizens. Department not aware contacts foreign Embassies may have with FLN and has no intention dictating to them whom they may and may not see. (If FLN wishes contact the foreign governments concerned they can do so in other capitals in addition Washington.) In this connection Dept some time ago urged FLN through intermediary not to proceed with their plans for setting up office in Washington. (FLN accordingly desisted, but in fact there is no way preventing them from doing this if they decide to go ahead.)

² Telegram 4641, June 13, requested information on the "status in United States of persons there under false pretenses, e.g., French citizens of Algeria under Syrian passport, and what can be done to prevent them in engaging in political activities," recommended reconsidering these policies, and asked for "more ammunition quoting pertinent phrases of our laws or policies as to why we can't be more cooperative with French on this painful subject." (*Ibid.*)

Houghton spoke with Debré on June 13 in response to Debré's letter, Document 290. The Department had initially instructed Houghton to respond orally to the letter. (Telegram 4479 to Paris, May 15; Department of State, Central Files, 751.13/5-859) Houghton, however, had felt a written reply was needed. (Telegram 4519 to Paris, May 21; *ibid.*, 751.13/5-2159) On May 29, the Department authorized him to give Debré a memorandum summarizing his oral presentation (telegram 4627 to Paris; *ibid.*, 751.13/5-2959), which Houghton did on June 13.

5. Yazid and Chanderli obtained immigration visas and have status alien residents. There is simply no grounds for deporting them. (French Government has been faced with similar problems, e.g., Zlatowski case to which US Govt attached great importance.)

6. Re FLN members being here "under false pretences" as bearers non-French passports, US laws provide for granting visas to individuals in possession valid travel document. Fact that nationality of bearer may be different than issuing state does not make document invalid as travel document for visa purpose.

7. Similarly if foreigners register as foreign agents with Department of Justice, they free disseminate propaganda. The two FLN members who are so registered have to Department's knowledge been careful comply in every respect with US laws. Under circumstances their current propaganda activities cannot legally be stopped without possibility encountering challenge of persecution and violation constitutional guarantees re freedom speech.

8. In this connection French Govt must appreciate adverse effects that would result if US Govt attempted comply with French Government's requests and endeavored take action against FLN members here without sufficient legal grounds and in contravention US liberal traditions. Extensive court processes that these individuals would have recourse to, concomitant publicity and reactions certain Congressional and public elements would only redound markedly to benefit FLN and to harm US-French relations and France's prestige this country.³

Dillon

³ Debré sent Houghton a second letter on July 2 about FLN activities in the United States. (Airgram G-5 from Paris, July 3; *ibid.*, 751.13/7-359) The Department sent the Embassy a draft response on July 30. (Airgram G-49 to Paris; *ibid.*) No record of its delivery has been found.

294. Memorandum From the Assistant Secretary of State for European Affairs (Merchant) to the Secretary of State¹

Washington, July 10, 1959.

SUBJECT

Algerian Question in the 14th UNGA

You recently requested my views on the handling of the Algerian question in the 14th Session of the GA this fall. This matter is given urgency by the French Foreign Minister's expressed desire to discuss the Algerian issue with you in Geneva.²

In determining our approach to the Algerian question, I believe the following basic considerations are pertinent:

1. The repeated airing of the Algerian question in the UNGA has tended to divert attention from the more fundamental aspects of the Algerian problem. It seems clear that no instrumentality of the UN is capable of making a significant contribution to a solution of this problem. On balance, the UNGA debate tends to be counter-productive. The net effect has not been conciliatory but inflammatory. It has served to stimulate passions, harden positions and promote extremism on both sides. I doubt that any real progress toward an Algerian settlement is possible until this issue is removed from the UNGA. Last year, in connection with the Cyprus issue, we found that the Greeks were unwilling to negotiate seriously on a tripartite basis until they suffered a resounding defeat in the UNGA and abandoned hope that they could obtain the moral and psychological advantage of a UN endorsement. In the same way, I suspect that any kind of serious negotiation between the French Government and representatives of the Algerian people will be impossible until the FLN learns that it will be unable to secure a UN blessing.

2. The Algerian issue continues to be vitally important in our future relations with France. The French are perhaps less interested in the form of UNGA action than in the position taken by the US, since the French are fully prepared to ignore the UNGA. I believe it will be virtually impossible to make real progress in resolving our other serious differences with the de Gaulle Government until we reach an understanding on Algerian policy or at least until we can work out a formula which will avoid a public display of differences between

¹ Source: Department of State, Central Files, 751S.00/7-1059. Secret. Drafted by Nunley on July 9; cleared by Penfield (recommendations only) and Walmsley; sent to Herter through S/S and Murphy; and initialed by Merchant, Calhoun, Murphy, and Herter.

² A memorandum of Herter's July 21 conversation with Couve de Murville is *ibid.*, Secretary's Memoranda of Conversation: Lot 64 D 199.

France and the US. As you know, the Algerian issue in France is not merely a matter of governmental policy, but a matter of governmental survival. It is doubtful that even the de Gaulle Government could continue to maintain its position in the absence of a firm public position on Algeria. If the US takes a public stand which suggests serious reservations about this French position, there is little likelihood that our stand will serve to modify French policy. Instead, the result will probably be to exacerbate nationalist emotions in a manner which will not only foster additional antagonism toward the US, but also render the Algerian problem itself more difficult of solution.

3. There is also strong feeling on the Algerian issue throughout Asia and Africa. In fact, the issue is custom-tailored for exploitation by irresponsible politicians. At the same time, we must recognize that, with the possible exception of Tunisia and Morocco, the countries in this area do not have a vital national interest in the outcome of the Algerian controversy. A US split with France on Algeria would earn us a few kind words from the governments of these countries, but little else.

In view of the persistent anti-Western attitudes displayed by most of the Arab states on the whole range of East-West issues in the UNGA, I believe we would be sadly deluding ourselves if we should assume that a "neutral" position on the Algerian question will produce as substantial benefits in our Afro-Asian relations as it will cause us to lose in terms of our French relations.

4. Regardless of what may happen in the UNGA, it seems evident that a mutually acceptable Algerian settlement must eventually be worked out either through the efforts of the de Gaulle Government or not at all. There is no practical alternative that I can see at this time. Thus, if the US is unable to give the French Government positive encouragement or support in its Algerian policy, we should at least avoid any statement or action which would tend to complicate its task.

5. With respect to possible actions which may be taken within the UNGA, the US has an independent interest, and our position must take account of important factors other than the emotional reactions of the French and Afro-Asians. While France may be able and willing to ignore any kind of UNGA resolution, it is not so easy for the US to do so. There are certain kinds of resolutions which would be acutely embarrassing to our own government. The adoption of a resolution censuring France, for example, would place us in the awkward position of continuing a close political and military relationship with a government officially condemned by world opinion. A resolution recognizing the separate existence of the Provisional Algerian Government would place us in the position of denying diplomatic recognition to a regime accepted by the UN. A resolution establishing some kind of UN commission or other machinery to deal with the Algerian issue

would force the French into a position of defiance equalled only by that of the Hungarian Government, and would impair the moral and legal foundations of any alternative approach to an Algerian settlement outside the UN context. A resolution favoring "independence" for Algeria would give substantial encouragement to the Algerian rebels and would render more difficult a moderate and evolutionary approach to an Algerian settlement. Regardless of French policy, I believe that the adoption of resolutions of this character would be seriously contrary to US interests, and that we must remain in a position to prevent their passage.

6. The US position on the Algerian issue in the 14th UNGA will be decisive. Both the French and the Afro-Asians are well aware of this fact. If the US commits itself to a position of abstention, the Afro-Asian bloc will almost certainly be able to secure any kind of resolution they want, however extreme. On the other hand, if the US is willing to use its diplomatic influence, there is no reasonable prospect that any kind of resolution adverse to French or American interests can secure a two-thirds majority. We would probably be unable, even if we wished, to secure affirmative UNGA support of French policy, but we can certainly muster the one-third vote necessary to block an adverse resolution.

Possible Alternatives

(1) We might adopt Ambassador Lodge's suggestion that the US pursue a policy of non-participation throughout the Algerian debate.³ In my judgment such a policy would cause a serious deterioration in our relations with France, would contribute little to our relations with the Afro-Asian governments, and would undoubtedly result in the passage of an extreme resolution which might be fully as embarrassing to the US Government as to the French Government.

(2) We might encourage the French Government to participate actively in the debate, promising the French that such participation will assure US support of the French position. This alternative also presents difficulties. I do not believe we can afford to give the French a "blank check". At best, the US could probably promise the French no more than a strong effort to promote a compromise resolution acceptable to the French, and even this effort would place us in the uncomfortable position of being squeezed between French and Afro-Asian pressures. However, if we can persuade the French to participate, I believe we are obliged to offer a considerable measure of support.

³ Lodge submitted this suggestion in a May 28 letter to Dillon. (*Ibid.*, AF/AFN Files: Lot 65 D 182, A-20, United Nations)

(3) We might, regardless of French participation, announce our intention to vote against the inscription of the Algerian item and all resolutions that may be offered on Algeria, on the grounds that the UNGA had demonstrated its incapacity for making any affirmative contribution to an Algerian settlement, and that further UNGA action is likely to prove counter-productive. This position would have the merit of honesty, whatever disadvantages it might have. We could make it clear that we are not taking sides on the substance of the Algerian question, but only on the role of the UNGA, asserting our belief that the Algerian problem must eventually be worked out by agreement between the French and Algerian people.⁴

(4) We might try to work out with the French an agreement by which both governments would adopt what might be described as a position of "conditional non-participation". We could point out to the French Government that the adoption by the UNGA of a moderate resolution cast in general terms would have little effect upon the situation in Algeria and would cause little embarrassment to the French. Under these circumstances, there would be no reason for the French Government to involve itself in the debate and, by the same token, there would be no reason for the US Government to do so. However, both the US and French Governments should reserve the right to enter the debate at any time for the purpose of blocking a resolution which contains unacceptable elements. We could make known this position to the Afro-Asian delegations in New York in the hope of persuading them to exercise restraint in the development of a draft resolution. Such an effort might be successful, since these governments probably do not wish to suffer a serious defeat on Algeria and do not wish to have the US Government take a position in direct opposition to their own. In any case, this approach would afford us maximum flexibility and would avoid placing us in open opposition to the Afro-Asian bloc unless and until we are confronted by a type of resolution which might do real damage.

Recommendations

The foregoing analysis of pertinent factors and alternatives represents the thinking of the European Bureau. There are certain elements of the analysis in which IO does not concur and others in which AF does not concur. Nevertheless, there is substantial agreement among all the Bureaus concerned with respect to the immediate posture we

⁴ Lodge reported in a June 23 letter to Herter that Eisenhower had suggested the previous day that the United States "could justify abstention on the Algerian question in the General Assembly this autumn on the grounds that it was a domestic question—that because France abstained on the ground that it was a domestic question, we could hardly be expected to take any other view ourselves." (*Ibid.*)

should assume in discussing the Algerian problem with the British and French Governments. The following recommendations are based upon this agreement:

1. As soon as possible, and in any event prior to any discussion on Algeria with Couve de Murville in Geneva, we should discuss the foregoing alternatives with the British in an effort to reach agreement on a concerted approach. In past years, the US–UK positions on Algeria have been fairly close, and the British have expressed a strong interest in maintaining harmony in our policies and tactics. Moreover, our ability to influence the thinking of the French Government will be enhanced if we and the British take essentially the same line. As far as our initial discussions with the French are concerned, I would hope that we and the British could agree to proceed as indicated in the subsequent recommendations.

2. We should recommend that the French Government agree to participate actively in the UNGA debate on the Algerian issue, indicating that we would face enormous difficulty in appearing to take a stronger position on the Algerian issue than the French Government itself, both in terms of US public opinion and our international relationships. As an integral part of this approach, we should tell the French Government that if French participation is forthcoming, we will use our best efforts to prevent the adoption of any resolution on Algeria which we consider extreme and, if circumstances permit, to promote a compromise resolution which will involve minimum embarrassment to French policy.

3. If French participation is not forthcoming, we should tell the French that we must reserve for the time-being our position as to the nature of our participation in the debate, if any, so as to avoid encouraging an extreme approach by the Afro-Asians and to afford ourselves maximum flexibility in dealing with resolutions we cannot stomach.

295. **Memorandum From the Assistant Secretary of State for African Affairs (Satterthwaite) to the Under Secretary of State for Political Affairs (Murphy)**¹

Washington, August 13, 1959.

SUBJECT

The Algerian Question at the 14th United Nations General Assembly

On July 9 Mr. Merchant sent you a memorandum (Tab A)² containing a number of recommendations regarding the position we should take in respect to Algeria at the 14th General Assembly. After discussion with IO and this Bureau it was decided that for the time being we should recommend to the French that they participate actively in the debate and that we should tell them that if they did participate, we would use our best efforts to prevent the adoption of any resolution that we consider extreme. If the French did not participate, it was suggested that we would have to reserve our position for the time being.

Since that time the Secretary has discussed Algeria with Foreign Minister Couve de Murville and has urged French participation (Tab B). There have also been indications from Paris that at least some form of participation is being considered. However, the French are beginning to suggest that, if they should participate "in response to U.S. encouragement", they would expect the United States to bind itself to unequivocal support of whatever position the French decide to put forward or however minimal their participation. Hence, the problem seems now to have passed beyond the stage to which Mr. Merchant's memorandum of July 9 was primarily addressed. We are now required to determine what course we should pursue in the Assembly, whether the French participate or not.

AF's conclusions are as follows:

(1) The question of Algeria will be inscribed on the agenda, and the United States should vote in favor of inscription.

¹ Source: Department of State, Central Files, 751S.00/8-1359. Secret. Drafted by Chase, initialed by Satterthwaite, and sent to Murphy through S/S. Also sent to Walmsley and Kohler. Attached to the source text is an August 31 memorandum from Murphy's Special Assistant, Robert Donhauser, to Satterthwaite stating: "Mr. Murphy has asked that a discussion of your memorandum of August 13 on the Algerian question at the forthcoming UNGA be held until after we hear the outcome of the President and DeGaulle conversations."

² Neither Tab A nor Tab B is attached to the source text. Tab A is presumably *supra*. Tab B, a July 21 memorandum of conversation, is in Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199.

(2) It is possible that some states will consider putting forward a "mild" resolution, either to avoid a severe French reaction or to elicit an affirmative vote from the United States.

(3) More likely, however, is a move by the Arab and African states to submit a resolution substantially similar to that which failed of adoption by one vote last year. The sponsors of such a resolution would reason that the United States would again abstain and the advantages of a resolution which recognized the right of the Algerian people to independence and called on "both sides" to negotiate would out-weigh that of a U.S. affirmative vote on a less specific measure.

(4) The United States should, as a first position, aim toward encouraging a "mild" resolution, since an affirmative U.S. vote on the Algerian question would contribute materially to strengthening our position in the Afro-Asian states, particularly in Morocco and Libya, where we have important strategic bases.

(5) However, should it become apparent that there is no likelihood of a "mild" resolution being adopted, the United States should concentrate its efforts on preventing the consideration of an "extreme" resolution on which the United States would be compelled to vote *no*. A *no* vote, even on a resolution substantially more specific than that considered last year, would have a seriously unfavorable effect on our relations with the Afro-Asian states. A *no* vote would in particular be a serious blow against Tunisia's moderate regime and would threaten our interests in Morocco and Libya. Furthermore, a *no* vote, which would be interpreted by the Afro-Asians as a reversal under French pressure of our previous position, would be almost certain to affect adversely our position on discussion of "cold war issues" in the Assembly, including, if there were early indication of our position, the question of Chinese representation.

(6) We should welcome, but no longer press for, open French participation in the debate. Such participation will almost certainly not go much beyond a public reaffirmation of French sovereignty over Algeria and, possibly, an expression of intention to work towards an unspecified but essentially unilateral solution. Such a position is hardly likely to obtain enough backing to block a resolution. We cannot, therefore, bind ourselves to defend it without risking the passage of a resolution which, deprived of our moderating influence, might go much farther than would otherwise be the case.

(7) On the other hand, we should encourage the French to work actively in the corridors whether they take part in the debates or not. This would enable us to avoid our past difficulty of seeming to act as France's agent under circumstances in which our ability to maneuver was seriously handicapped. Instead, we could act as an "honest broker" between the French and the Algerian positions.

(8) AF strongly believes that whatever the French do we must remain free to determine in light of our own interests what tactics offer the least likelihood of compromising our objectives throughout the world. In any event, it would appear that our minimum position should be abstention on a resolution similar to last year's.³

³ Ivan B. White stated in an August 21 memorandum to Murphy that EUR disagreed with several of Satterthwaite's conclusions. He recommended postponing a final decision on the U.S. position until after Eisenhower's meeting with De Gaulle, but noted that EUR currently favored voting against any resolution calling for Algerian independence. White also recommended against voting for a "mild" resolution and against encouraging the French not to participate in the debate on Algeria, and noted that EUR was not convinced the United States should vote for inscription of Algeria on the agenda. (*Ibid.*, Central Files, 751S.00/8-2159)

296. Editorial Note

At its 417th meeting on August 18, the National Security Council considered NSC 5910, "U.S. Policy on France." This review included substantial discussion of Algeria. The section of the memorandum of discussion at the meeting covering this item is scheduled for publication in volume VII. A copy of NSC 5910, August 3, is in Department of State, OCB Files: Lot 61 D 385, France. The NSC discussion of Tunisia, Morocco, and Algeria is printed as Document 357.

297. Memorandum of a Conference With the President, White House, Washington, August 21, 1959, 2-2:50 p.m.¹

OTHERS PRESENT

Secretary Herter, Secretary Murphy, Secretary Merchant, Mr. Ivan White, General Goodpaster, Major Eisenhower

[Here follows discussion of Khrushchev's impending visit to the United States, President Eisenhower's upcoming trip to Europe, Adenauer and Germany, and Berlin.]

¹ Source: Eisenhower Library, Whitman File, Eisenhower Diaries. Secret. Drafted by Goodpaster on August 24. The time of the meeting is taken from Eisenhower's Appointment Book. (*Ibid.*, President's Daily Appointments)

Mr. Herter said that Adenauer will in all likelihood make a plea for the United States to support de Gaulle on Algeria. The President said that we cannot abandon our old principles of supporting a national freedom and self-determination, and we cannot join the colonialists. In his opinion we are deep enough in Europe's troubles now, and must be tough in saying that we do not propose to go deeper. Of course we can say that we are ready to support any scheme that France can work out with the little countries on the basis of mutual agreement.

Mr. Herter said that Hammarskjold had had a talk with de Gaulle regarding Algeria. It is probable that the French are simply going to ask for a "blank check" support for themselves in Algeria. The President said he knows no reason why we should change our course at this time. Mr. Herter pointed out that the French take the stand that the Algerian question is an internal problem. They do not want to fight their own battle in the United Nations but want us to fight it for them. The President said that if a bad resolution were put forward in the UN we could of course help them to fight it. He asked why they did not put in their own resolution. Mr. Murphy said the French policy has been not to fight their own battles. In addition, they have never stated what their policy for Algeria really is. Mr. Herter said that the oil development by the French in the Sahara now makes mandatory an access route. Mr. Murphy suggested that the President might tell Adenauer that, regarding Algeria, he will be hoping to find out just what de Gaulle's policy is. The President recognized that there are dangers in this situation. It could cause the breaking up of NATO. He was confident, however, that we will not gain strength for the West by letting the French and the Germans walk on us. Mr. Herter thought this was especially true with regard to the matter of colonialism.²

[Here follows discussion of tripartite planning and nuclear test suspension.]

G

Brigadier General, USA

² Eisenhower and Norstad also discussed Algeria on August 24. (Memorandum of conference with the President, August 25; *ibid.*, Whitman File, Eisenhower Diaries) On August 26, the President left Washington for consultations with allies in Bonn, London, and Paris in preparation for Khrushchev's visit. He returned on September 7. Eisenhower discussed Algeria with Adenauer and de Gaulle. Memoranda of his August 27 conversations with Adenauer and his September 2 conversations with de Gaulle are scheduled for publication in volume VII.

298. Memorandum From the Assistant Secretary of State for Near Eastern and South Asian Affairs (Jones) to the Secretary of State¹

Washington, August 24, 1959.

SUBJECT

Call on You by Arab Chiefs of Mission in Washington to Discuss Algeria

Discussion

The following Arab representatives in Washington will call on you on Tuesday, August 25, at 11:15 a.m. in Room 5100:

Saudi Arabia: Ambassador Abdullah Al-Khayyal

Morocco: Ambassador El-Mehdi Ben Aboud

Lebanon: Ambassador Nadim Dimechkie

United Arab Republic: Ambassador Mostafa Kamel

Jordan: Ambassador Midhet Juma

Iraq: Ambassador Ali Haider Sulaiman

Sudan: Ambassador Osman al-Hadari

Yemen: Chargé d'Affaires of Legation, Mr. Assayed Ahmad Ali Zabarah

Tunisia: Secretary of Embassy, Mr. M'hamed Essaafi

Libya: Second Secretary of Embassy, Mr. Mansur O. Mansur

Mr. Wilcox of IO, Mr. Sisco of UNP, Mr. Rockwell of NE and Mr. Porter of AH will also attend. While I have pointed out to the Saudi Ambassador² the desirability of avoiding excessive publicity for this meeting, the Arab Ambassadors have in the past talked rather freely with the press on emerging from similar joint discussions with the Secretary.

The Arab Chiefs of Mission will probably present you with a memorandum and some oral views on Algeria including: 1) US failure to take an unequivocal stand for Algerian independence is a repudiation of our traditional adherence to principles of self-determination, 2) continued French repression will push North Africa toward the Soviets, and 3) French use of American weapons against the Algerians is to be condemned.

¹ Source: Department of State, Central Files, 751S.00/8-2459. Confidential. Drafted by Thacher and Valdes; cleared by Cargo, Cameron, and Porter; and initialed by Jones and Herter.

² He is Dean of the Arab League Diplomatic Corps. [Footnote in the source text.]

Recommendations

It is recommended that in view of the President's forthcoming trip to Europe, during which Algeria will be discussed, you avoid any substantive discussion of the Algerian problem, and that you comment along the following lines:

1. The views of the Arab representatives will be taken into account, within the context of US policy towards Algeria, which was reiterated as recently as last month: i.e. the US has long made known its deep concern over prolongation of the Algerian war, attaches highest importance to the need for a peaceful, democratic and just solution, and has always hoped France itself will be able to work out such a solution.

2. With regard to the UNGA debate on Algeria (if this is raised by the Arab representatives), the United States will be guided, in determining its position, by its desire to support any action which would tend to assist in achievement of a just solution, and to oppose any action which might pose obstacles to such a solution.³

³ A memorandum of Herter's conversation with the Arab Chiefs of Mission is in Department of State, Central Files, 751S.00/8-2559; a copy of the memorandum they left with him is in the Eisenhower Library, White House Office Files, Project "Clean Up." Herter informed Alphand the Ambassadors had left a memorandum of their position and asked for more active U.S. participation in the Algerian situation, but had not mentioned the FLN. Herter had reiterated the U.S. position on Algeria and said he hoped the French would develop a solution. (Memorandum of conversation; Department of State, Central Files, 751S.00/8-2559)

299. Editorial Note

On September 16, President de Gaulle gave a speech outlining French policy on Algeria. The address, which was televised in France and the French North Africa departments, proposed that Algeria's inhabitants determine its future in an election held no more than 4 years after the region was pacified. For text, see *American Foreign Policy: Current Documents, 1959*, pages 1096-1099. At Secretary Herter's Staff Meeting September 16, Assistant Secretary Satterthwaite "expressed the hope that the President would not make public comment too soon regarding de Gaulle's statement." When Herter noted a recommendation must be prepared for Eisenhower's press conference the following day, Assistant Secretary Merchant suggested it be "no comment." Satterthwaite agreed. (Record of the Secretary of State's Staff Meeting; Department of State, Secretary's Staff Meetings: Lot 63 D 75)

Director of Central Intelligence Allen Dulles commented as follows at the September 17 National Security Council meeting:

"Mr. Dulles said President de Gaulle's September 16 speech on Algeria was disliked both by the *colons* and by the FLN. The speech, which holds out the prospect of independence for Algeria after a four-year period of pacification, was as generous an offer as it was possible for De Gaulle to make while still retaining the support of public opinion in France. Mollet would support the De Gaulle propositions and Soustelle would probably do so. De Gaulle's proposals, however, would be subject to attack by two sets of extremists, the Algerian rebels and the French colons.

"The President noted that De Gaulle, before making this speech, had held meetings on Algeria with the French military authorities and with representatives of the *colons*, and had also received assurances of Moslem support. De Gaulle did not want to deal with the FLN. Mr. Dulles believed that De Gaulle's references to various alternatives for Algeria would be attacked by the FLN as amounting to a proposal for the partition of Algeria. The President remarked that the French had never admitted that the Sahara was a part of Algeria. Before the coming of the French, no Algerian national government had ever had authority over the whole of Algeria; subsequently no one except the FLN had exercised sovereignty over the Sahara. The President added that De Gaulle was hopeful that his Algerian proposals, which would also be the subject of a major French speech in the UN, would elicit US-UK support and provide an opportunity for UN 'electioneering' designed to dissuade Algeria from getting a resolution of censure against France passed by the UN. Mr. Dillon remarked that one of our more difficult problems was what to say about De Gaulle's speech in press conferences. While we are sympathetic to the De Gaulle proposals, we cannot go so far publicly as to bless them in their entirety." (Memorandum of discussion at the 419th Meeting of the National Security Council; Eisenhower Library, Whitman File, NSC Records)

When asked about de Gaulle's proposals at his press conference later that morning, President Eisenhower made a statement that reads in part as follows:

"It is a far-reaching declaration, containing explicit promises of self-determination for the Algerian peoples and as such, completely in accord with our hopes to see proclaimed a just and liberal program for Algeria which we could support. I am greatly encouraged by General De Gaulle's courageous and statesmanlike declaration. It is our hope that it will lead to an early peace. And I might add that it is a plan I think is worthy of General de Gaulle's efforts." (*American Foreign Policy: Current Documents*, 1959, page 1100)

Two days later, Herter reported from the 14th Session of the U.N. General Assembly in New York that the U.S. Delegation was receiving numerous queries about its position on General Assembly discussion of Algeria, and that Foreign Minister Couve de Murville was pressing for a public statement that the United States would vote with France

on this item. Herter had demurred, stating Eisenhower's comments represented the basic U.S. position. He was impressed, however, with arguments that an additional U.S. statement would "hearten those who are opposed to immoderate" General Assembly action and "might well temper otherwise more violent public reactions" from Algerian supporters. He therefore proposed issuing the following statement:

"In the light of President Eisenhower's statement of September 17 on Algeria, the United States delegation to the present General Assembly of the United Nations naturally hopes that no action will be taken here which would prejudice the realization of a just and peaceful solution for Algeria such as is promised by General de Gaulle's far-reaching declaration with its provision for self-determination by the Algerian people."

Merchant, Satterthwaite, Assistant Secretary of State for International Organization Affairs Wilcox, and Assistant Secretary of State for Public Affairs Berding concurred. (Cahto 1, September 19; Department of State, Central Files, 751S.00/9-1959) Herter included this statement in a September 22 luncheon address before the U.N. Correspondents' Association in New York; see *American Foreign Policy: Current Documents, 1959*, pages 1100-1101.

That evening, Acting Representative at the United Nations Wadsworth reported that upon receiving advance copies of Herter's statement, the African delegations had disliked the phrase "no action will be taken," since it appeared to endorse de Gaulle's comments completely. Several noted the omission of any reference to the FLN in de Gaulle's statement and suggested Herter's remarks sanctioned it. Most liked the reference to self-determination, but some felt its impact was diminished because it was mentioned after de Gaulle's address. Guinean Representative Diallo noted the emerging African nations would examine the U.S. comments with great care, and would probably interpret them as endorsing France. Tunisian Representative Slim and Moroccan Representative Aboud feared the U.S. statement would harden Egyptian and other extremist opposition and thus make moderation more difficult for the North African states. The Arab delegations had no reaction. (Delga 38, September 22; Department of State, Central Files, 110.11-HE/9-2259)

300. Telegram From the Department of State to the Embassy in France¹

Washington, September 25, 1959—1:47 p.m.

1378. We are rather disturbed at tenor Debré's remarks reported Embtel 1347.² As noted Deptel 1268³ we do not intend ask French for precisions or clarification of de Gaulle program but it has been our hope that these would gradually emerge. It is increasingly clear from tenor of reporting from Tunis and Rabat, as well as from Arab capitals, that FLN seeking way respond affirmatively to de Gaulle while at same time requesting clarification. It is also clear from de Gaulle speech that there are undefined areas which will need to be illuminated if an accommodation is to be reached. We also note that Debré's adamant stand against clarification seems opposed to Joxe statement (Embtel 1283)⁴ that question of subsequent referendum in France could be discussed later, thus implying both clarification and possibly negotiation.

Debré in effect seems to have warned us not counsel negotiation or support in any way efforts seek clarification of points which naturally arouse questions. While it possible hope that natural pace of events will lead French first to modify position on clarification and, second, to accept possible necessity some sort of negotiation at least on modalities cease-fire and arrangements whereby FLN can re-enter Algerian community, we cannot but fear that public announcement Debré position in same brutal terms will not facilitate steps towards early peace we hope for. It could lead to immediate stiffening of those elements suspicious of de Gaulle offer and lead to doubts of de Gaulle ability carry out courageous program he has offered.

We would hope to have Embassy's assessment basic French position. If it is that personified by Debré, then we see difficulties ahead; if it is that hinted at by Joxe, then way will be easier for France's friends to aid.⁵

Herter

¹ Source: Department of State, Central Files, 751.11/9-2459. Secret. Drafted by L. Dean Brown, cleared by Dunnigan and Wallner and in draft with Porter and McBride, and approved and signed for Herter by Murphy. Repeated to Rabat, Tunis, London, and Algiers.

² Telegram 1347, September 24, reported that Debré had stated de Gaulle's Algerian program was not negotiable. (*Ibid.*)

³ Dated September 19. (*Ibid.*, 751.11/9-1859)

⁴ Dated September 20. (*Ibid.*, 651.72/9-2050)

⁵ Telegram 1401 from Paris, September 28, stated the Embassy believed Debré's comments did not eradicate the opportunities de Gaulle's address had created, and that it believed de Gaulle realized he would have to be flexible in implementing his program. (*Ibid.*, 751S.00/9-2859)

301. Telegram From the Department of State to the Mission at the United Nations¹

Washington, September 29, 1959—8:53 p.m.

Gadel 24. Re order First Committee agenda. Department has given careful study to question of order First Committee agenda which this year is far more complicated than normally. French desire early treatment Algeria, while Afro-Asian group wants it last.

When Couve raised question with us last week² he made point that early consideration Algerian item might help capitalize on momentum generated by DeGaulle plan. We believe this consideration is perhaps valid. However, in view developments since then, we believe that while early consideration Algerian item perhaps desirable, it is not in French interest to insist that Political Committee consider Algerian item first or soon thereafter (on assumption Korean item would take about three days to complete). We are convinced that bitter procedural fight on timing would create unfavorable atmosphere for serious consideration DeGaulle plan and French insistence on early treatment would arouse suspicion they do not believe DeGaulle program will stand careful scrutiny. Moreover, we agree with your view³ that Arabs should be permitted react naturally to DeGaulle plan without forcing them to take position in GA prematurely which could jeopardize prospects for later agreement.

If French and Afro-Asian group cannot agree on timing, US would be caught in middle. If we vote for early treatment, it will confirm Afro-Asian fears we are going all out in support of French, while negative vote or abstention would be regarded by French as inconsistent with our proclaimed support for DeGaulle's proclamation. Soviet bloc would line up with Afro-Asian group on this question to curry favor and could obtain maximum amount of credit for minimum expenditure effort.⁴

¹ Source: Department of State, Central Files, 320.11/9-2959. Confidential. Drafted by Sisco and Buffum on September 28; cleared by Nunley, Murphy, Merchant, McElhiney, Wilcox, S/AE, AF, and WE; and approved by Murphy. Repeated to Paris and London.

² A memorandum of Herter's September 18 conversation with Couve de Murville, SecDel/MC/21, is *ibid.*, Secretary's Memoranda of Conversation: Lot 64 D 199. Its substance was sent to the Department of State in Delga 20, also September 18. (*Ibid.*, Central Files, 751S.00/9-1859)

³ Transmitted in Delga 46, September 23. (*Ibid.*, 320.11/9-2359)

⁴ At this point in the source text, the following sentence was deleted before transmission: "Major hope for avoiding this pitfall lies in possibility that French and Arabs might agree on timing of debate."

In these circumstances, Department requests GADel inform French at earliest opportunity of following points and our intention to make them known to Murray (Secretariat) with view having him take appropriate steps re order agenda items.

1. In general, we do not disagree with French that early consideration of Algerian item desirable. However, in view strong interest in disarmament items stimulated by Khrushchev speech⁵ we do not believe it possible to prevent disarmament from being considered before Algerian item.

2. Moreover, we share with French common interest in avoiding serious fight on timing Algerian item consideration. Bitter and acrimonious debate on timing consideration Algerian item will not serve interests of French and it likely prejudice favorable developments on part Algerians and Arabs in their reaction to DeGaulle plan. Moreover, such debate on timing would expend needlessly support of some of France's friends on procedural issue.⁶

3. Best possible climate for progress on Algerian question will be created if some reasonable agreement on timing is achieved which will give at least partial satisfaction to principal parties concerned. One possible suggestion which occurs to us would be⁷ have disarmament items considered first on understanding Algeria would be considered second. Such arrangement would mean Algerian item would be considered about first of November rather than December as is being pressed by Arab-Asians. Such order would allow time for favorable developments among those principally concerned and would still permit consideration Algerian item sufficiently early to capitalize on momentum generated by DeGaulle declaration.⁸

Herter

⁵ For text of Khrushchev's September 18 address, see U.N. Doc. A/PV.799.

⁶ At this point in the source text, the following sentence was deleted before transmission: "Such support should be conserved since it will be needed subsequently on far more important question of substantive action by General Assembly."

⁷ At this point in the source text, the words "for French agree" were deleted before transmission.

⁸ At this point in the source text, the following sentence was deleted before transmission: "We believe French could accept such arrangement provided it is not expected to engage at this point in direct discussions with Tunisians and Moroccans on question of order of agenda."

During the 14th Session of the U.N. General Assembly, the First Committee considered the question of Algeria next to last.

302. Editorial Note

On November 4, the National Security Council approved NSC 5910/1, "U.S. Policy on France," which contained a section on "The Algerian Problem." Paragraph 42c defined policy guidance on Algeria. NSC 5910/1 is scheduled for publication in volume VII.

303. Telegram From the Department of State to the Mission at the United Nations¹

Washington, November 19, 1959—10:05 p.m.

Gadel 131. Re Algeria (Delga 415 and 431).² Department fully agrees that it would be much better from US point of view if no GA debate was held on Algerian item. Main reason is that, even though parties principally interested appear to be in moderate mood, it will be difficult for many to avoid temptation afforded by public forum to make statements of contentious character and thereby upset presently favorable developments. Feasibility of avoiding GA debate will depend in large measure whether French and Algerians have succeeded in making contact either directly or indirectly.

Department believes DeGaulle proposals represent highly important substantive effort toward resolution Algerian problem. Moreover, prestige and leadership of DeGaulle are behind them. Such considerations have led to US statements made by President on September 17 and Secretary on September 24 [22] as follow up to DeGaulle proposals. Moreover, November 10 DeGaulle press statement is in our view another important step forward as is moderate reaction expressed by Bourguiba in his November 12 press statement.³ We believe every

¹ Source: Department of State, Central Files, 751S.00/11-1359. Confidential; Priority. Drafted by Sisco on November 17; initialed by Cargo; cleared by Wilcox, Satterthwaite, Calhoun, and White; and approved and signed by Herter. Repeated to London, Paris, Tunis, Rabat, and Cairo.

² Delga 415, November 13, reported that Algerians at the United Nations wanted the UAR Representative to speak first on Algeria, and that they had asked him and the Irish Representative to praise de Gaulle's plan. (*Ibid.*) Delga 431, November 14, reported that Berard had asked the United States to help prevent a debate on Algeria. (*Ibid.*, 751S.00/11-1459)

³ Regarding Eisenhower's and Herter's statements, see Document 299. For text of de Gaulle's November 10 assessment of the Algerian situation and prospects for a cease-fire, see *Major Addresses, Statements and Press Conferences of General Charles de Gaulle, May 19, 1958-January 31, 1964* (New York: French Embassy, Press and Information

opportunity should be given for process set in motion by DeGaulle proposals to be carried forward and we do not see how GA debate can contribute to this end.

Department believes that if French and Algerians have arranged for contact prior GA consideration Algerian question US should exert its influence through consultations with Tunisians, Moroccans, UAR, and others as may be appropriate, to avoid GA debate on Algerian question. In this connection, you will have noted in Deptel 420 (rptd Paris 1820, Tunis 553, Rabat 715, Algiers 137),⁴ that Slim has expressed view that this would be possible "if official contacts already established between French and PAG before debate scheduled".

More likely situation in which we are apt to find ourselves at time Algerian item comes up is that no official contacts have yet been established but that efforts by those concerned are continuing to this end. In these circumstances, Department would still strongly prefer that no GA debate take place, while recognizing that achievement this not too likely in light Afro-Asian views. In these circumstances, we believe it will be both desirable and necessary, in view of statements by President and Secretary re DeGaulle proposals, to exert our influence so as to avoid substantive resolutions of character which our judgment would adversely affect future positive developments.

In light foregoing, Department requests that, unless you perceive serious objections, you see Berard and make following points on strictly confidential basis:

1. US agrees in principle that it would be desirable if GA would decide not debate Algerian item. Whether this possible will depend in large measure on whether Algerians accept French offer of contacts. If such contact made, among other things, it would be strongest possible argument in favor avoidance UN debate on Algeria. In such circumstances, US would be prepared exert its influence in manner which we deem appropriate, including consultations with Tunisians, Moroccans, UAR and other selected Dels, to bring about desired result in GA.

2. We have already sought exert our influence in direction of no debate by expressing this view to Tunisians (Deptel 420). While we would be prepared express this view once again to them and to Moroccans and UAR in next few days if French desire, our best judgment is that such approaches by us would be more effective at such time as question of contacts is clarified and at time shortly prior to scheduled consideration of Algerian item. At this moment appears Algerian item will be considered last and therefore there are at least two weeks before question comes before Political Committee.

Division), pp. 62-65. A summary of Bourguiba's November 12 statement is in telegram 683 from Tunis, November 13. (Department of State, Central Files, 772.11/11-1359)

⁴ Telegram 420, October 29, transmitted the substance of Slim's October 28 conversation in the Department of State, during which he stated he would try to establish a moderate tone in the debate on Algeria. (*Ibid.*, 751S.00/10-2259)

3. If by time Algerian item scheduled for debate Algerians have not accepted French offer of official contacts, we believe it is not likely in light of expected Afro-Asian views, that debate on Algerian item can be avoided. While US would wish make final assessment in light of then prevailing situation, we would hope to be in position in those circumstances (provided efforts at making contact are continuing) to exert our influence so as to avoid substantive resolutions of character which in our judgment would adversely affect future positive developments.

4. Believe it important that US and France keep in close consultations on this matter. In this connection, essential that French not reveal our position to other delegations. US strongly believes that we should do this ourselves in circumstances we believe appropriate and in light of developing situation.

5. You requested inform UK of foregoing, informing French of our intention to do so on confidential basis.

FYI. In discussion with Berard, important avoid impression US pressuring French toward contacts with Algerian leaders, and particularly that US favors any specific formula or arrangement for contacts. This is especially important in that solution Algerian problem is primarily matter to be arranged between French and Algerians and because ball is now in Algerian court since de Gaulle press conference. Should confine comments this subject to simple observation of fact that effort call off debate more likely be successful if contacts already established than otherwise. When we have report of your conversation with Berard, we will wish consider what steps we should take with North Africans. ⁵ End FYI.

Herter

⁵ Delga 500, November 21, advised that Lodge objected to a conversation with Berard and recommended instead that he suggest to him that a debate on Algeria would be easier to avoid if contacts between France and Algeria were established. (*Ibid.*, 751S.00/11-2159)

304. Telegram From the Department of State to the Embassy in France¹

Washington, November 23, 1959—8:43 p.m.

2190. Department is calling in Alphand with regard Debré's remarks (paragraph five, Paris 2245)² concerning French fleet matter. Without over-dramatizing issue, Department (Kohler) is planning take following line:

1) Matter issuance visas to PGAR leaders has been exhaustively discussed with Debré before and also with Alphand by Secretary and others. We are aware French dissatisfaction this matter and that it is bilateral US-French problem to which there appears no ready solution as events over past several years have proven. We have given Debré exhaustive legal study on this problem and endeavored, we regret apparently unsuccessfully, to convince French of our bona fide reasons for believing, after considerable soul-searching at high level, need to issue these visas.

2) Fact UN Headquarters are in New York multiplies difficult decisions in visa matters. However, our visa policy must and does transcend these UN cases. In this case admission of Algerians is not linked with our position on Algerian item.

3) However we are disturbed Prime Minister has chosen to associate French cooperation in NATO with dissatisfaction at US action in issuing visas. French fleet matter affects not only US and France but also thirteen other countries. We remain profoundly attached to NATO as bulwark of Western security and as framework for maintenance of US forces in Europe. Therefore, French actions detrimental to NATO, as in case withdrawal their Mediterranean fleet, adversely affect all other members of alliance, including France in our view. Such action makes more difficult our not inconsiderable task of keeping our major units in Europe. French obviously aware our balance of payments and other related problems which represent new factor in our ability to keep our forces in Europe.

4) To link issuance of these visas to French cooperation in NATO appears to us irresponsible action unjustified in the circumstances, damaging to alliance as a whole and to Western security. These are views we hold deeply.

¹ Source: Department of State, Central Files, 751.13/11-2159. Secret; Priority. Drafted by McBride; cleared by Wallner, Kohler, Calhoun, Fessenden, and in substance with Porter; and approved and signed by Herter. Repeated to USUN.

² Telegram 2245, November 21, reported Debré's protest regarding a U.S. decision to issue visas to three PGAR members wishing to attend the U.N. debate on Algeria as members of the Tunisian Delegation. Paragraph 5 noted that Debré had stated this decision made it necessary for France to operate its Mediterranean Fleet independent of NATO. (*Ibid.*)

5) We have read deGaulle's speech to Ecole Militaire on November 3³ which appears to outline French views on NATO. We regret of course see in this speech reflection General deGaulle's stress on national nature French defense mission which is at variance with basic approach to NATO defense which is broadly accepted by all other NATO governments. This basic concept had, as stated above, provided framework for US forces in Europe. However, this divergence should not, in our interpretation, lead to linking purely bilateral problems such as visa question, with common defense problems such as withdrawal French fleet from NATO.

6) We also note that Debré discussed fleet issue in National Assembly on November 19 (which date is after French were informed there was good chance we would issue visas) and said motivation of fleet action connected with fundamental objectives of French national defense mission.⁴

Herter

³ A copy of this speech is attached to a December 1 memorandum from Herter to Eisenhower. (*Ibid.*, 751.11/12–159)

⁴ Telegram 2215 to Paris, November 24, reported on Kohler's conversation with Alphand, which proceeded along the lines outlined in this telegram. (*Ibid.*, 751.13/11–2459) Herter stated the U.S. position on visas for FLN members at a November 24 press conference; for text of his statement, see *American Foreign Policy: Current Documents*, 1959, p. 1102.

305. Telegram From the Department of State to the Mission at the United Nations¹

Washington, December 1, 1959—7:35 p.m.

Gadel 159. Re Algeria (Delga 561).²

1. Department appreciates receipt your further views (Delga 561) which we find helpful. In particular, we wish endorse fully your para 7 in which you express intention to continue make clear that US thinks

¹ Source: Department of State, Central Files, 751S.00/11–3059. Confidential; Priority. Drafted by Sisco; cleared by Calhoun, McBride, Wallner, Satterthwaite, and Kohler; and initialed by Herter. Repeated to Paris and Tunis.

² Delga 561, November 30, evaluated U.S. chances to influence U.N. debate on Algeria. (*Ibid.*) It was sent in response to Gadel 150, November 28, which stated the Department of State wished to influence the debate so it would not undermine support for de Gaulle's program or the position of moderate Algerian leaders. Gadel 150 also requested Lodge's assessment of several possible General Assembly actions, some of which are outlined here. (*Ibid.*, 751S.00/11–2959)

"it is mistake and dangerous to have debate and/or resolution". For time being we believe this best tactic to pursue, though we share doubts which you have expressed all along that in absence of French-Algerian contacts, we will be able avoid resolution, even though this is our preference.

2. We also inclined agree with you that alternatives 1 through 3 of Gadel 150³ are remote possibilities at present time, although Slim apparently had something close to alternative 3 in mind in his comment to you on Nov 24 (para 5 Delga 519). See also Tunis 769 rpted USUN 28.⁴ Clearly, as you say, if talks were to get started between French and Algerians, we would have to look at whole situation again.⁵

3. Department requests you take following steps:

(a) US make statement in Political Committee debate at stage you deem appropriate in which US would state its position. Purpose of this statement would be: (1) put us again clearly on record, by recalling President's statement of September 17 and Secretary's statement of September 22, in support of DeGaulle plan; (2) to try influence Political Committee to avoid resolution; (3) to satisfy French that we have taken those steps which we deem feasible in trying avoid resolution; and (4) provide basis for vote other than negative on any resolution which may nevertheless be presented which in our judgment is moderate (such as those contained paras 4 and 5 of Gadel 150). Text of suggested statement is transmitted in subsequent tel.⁶

(b) You would inform UK in first instance and French subsequently our intention make speech and would make following additional points to them: (1) US has sought to help French by avoiding

³ Alternatives 1-3 were: (1) adjournment of general debate through either a motion from the floor or by the Chairman of the Political Committee; (2) conclusion of debate with a statement by the Chairman of the Political Committee; and (3) adoption of a procedural resolution stating the General Assembly would not consider the question further or would postpone consideration of it.

⁴ Paragraph 5 of Delga 519 reported Slim felt a resolution commending the start of talks would have been acceptable, and that he would have moved to adjourn debate had such talks been in progress. (Department of State, Central Files, 751S.00/11-2459) Telegram 769 from Tunis, November 28, reported the PAG might limit discussion of Algeria to 2 or 3 days in the Political Committee, which the Committee Chairman would summarize as in favor of de Gaulle's program and negotiation. (*Ibid.*, 751S.00/11-2859)

⁵ At this point in the source text, the following paragraph was deleted before transmission:

"3. Re your comment in para 5, you appear make assumption that US has decided against any or all resolutions that may be presented. This is not necessarily case; no such decision has been taken; and our final voting position will be determined in light of specific text. We would of course vote against any resolution which in our judgment would seriously prejudice prospects for a future solution."

⁶ Paragraph 4 of Gadel 150 suggested a resolution advocating that "in a spirit of cooperation, a peaceful, democratic just solution will be found through appropriate means." Paragraph 5 submitted a text for a resolution endorsing De Gaulle's plan and referring to self-determination. The suggested text for Lodge's Political Committee statement was sent in Gadel 157, December 1. (Department of State, Central Files, 751S.00/12-159)

debate. This has not eventuated even though we have tried to persuade UAR, Moroccans, Tunisians and Algerians; (2) we are in corridors continuing to tell other dels that we believe resolution ought to be avoided. We will continue do this as long as feasible; (3) we will make statement in Committee in which we will again support DeGaulle proposals and which is intended try to influence other dels to avoid resolution; (4) however, should our efforts fail, and resolution is nevertheless presented, we would vote against any resolution which in our judgment would prejudice future solution. At same time, French should understand that this does not necessarily mean negative vote on any or all resolutions. They should realize that if resolution is in our judgment reasonable and moderate US cannot vote against it, though final decision will depend on specific text; and (5) should French-Algerian contacts be established in next few days, we would reassess tactical situation at GA.

We believe foregoing might influence GA consideration of Algerian question in constructive way so that support for DeGaulle program will not be weakened and would not result in moderate Algerian leadership losing ground to extremists. It would clearly help establish record vis-à-vis French and thereby avoid some of bitter criticisms of past. At same time it would permit us exercise reasonable judgment re voting position on any resolution which might as Dixon has observed "be absolutely unexceptionable from any normal UN viewpoint."⁷

Herter

⁷ For text of Lodge's December 2 statement before the First Committee, see *American Foreign Policy: Current Documents, 1959*, pp. 1102-1104.

306. Editorial Note

At Secretary Herter's December 7 Staff Meeting, Assistant Secretary Wilcox reported that discussion of Algeria in the First Committee of the U.N. General Assembly was "continuing and there may be a vote on a resolution tonight or tomorrow. We will have to send instructions for a possible paragraph-by-paragraph vote. There is a possibility of a vote to adjourn debate." In response to Assistant Secretary Satterthwaite's "appeal against a negative vote on the Afro-Asian resolution," Herter said "we can not avoid choosing sides on this issue. We have made clear that we would prefer not to have a resolution but we are opposed to having the PAG designated as the only representatives to speak for the Algerians." (Department of State, Secretary's Staff Meetings: Lot 63 D 75) For text of the draft resolution

submitted December 2 to the First Committee by several Afro-Asian nations, see *American Foreign Policy: Current Documents, 1959*, page 1104.

On the afternoon of December 7, the Department of State sent Lodge instructions to abstain on the first six preambular paragraphs of the draft resolution and to vote against its last two preambular paragraphs, the operative paragraph, and the resolution as a whole. Lodge was to vote for any proposal to adjourn consideration of the item, and to ask the British or French to encourage the Norwegians, Canadians, or "other selected" delegation to make such a motion. "In making this suggestion to UK and/or French," the message specified, "you should emphasize that we cannot be identified with such initiative, but we would vote affirmatively should motion be made." In doing so, however, the U.S. Delegation "should not appear be exerting pressure on others to support US position." Herter initialed these instructions personally. (Gadel 171; Department of State, Central Files, 751S.00/12-559)

Lodge voted accordingly, but the First Committee decided to recommend that the General Assembly adopt the draft resolution. For a record of these proceedings, see U.N. Doc. A/4339. The General Assembly began deliberations on Algeria at its 4 p.m. meeting on December 10. At that time, the sponsors of the draft resolution announced that they wished to defer consideration of it in favor of a new text to be submitted the following day. For a record of these proceedings, see U.N. Doc. A/PV.852. For text of the new draft, submitted by Pakistan on December 11, see *American Foreign Policy: Current Documents, 1959*, page 1105.

At 12:10 p.m. December 11, Herter received a telephone call from Ambassador Houghton in Paris, who informed him the Embassy was disturbed by information "indicating we would abstain on the Algerian resolution. Secretary said we would vote for the resolution. Houghton said he thought our position was that we thought no resolution should be passed. Secy said when they write something as innocuous as this resolution we would be in a difficult position to refuse to vote for it. Secy then read proposed resolution which Houghton agreed was innocuous but said the French will still be unhappy. Secy said we have bent over backwards to cooperate on this; they don't defend themselves but get mad if we don't vote against the resolution. Houghton said he agreed, but felt he should put on record the fact that French will nonetheless be unhappy." (Memorandum of telephone conversation; Eisenhower Library, Herter Papers, Telephone Conversations)

Lodge telephoned Herter at 5:55 p.m. He observed that "if they put in the self-determination clause it would be hard to vote against it. Everyone wants to know what we are going to do but Lodge did not

think we should disclose this. He hoped the Sec would not pass on to Alphand our intentions. Lodge said the case for abstention looked strong. They would not be surprised if we abstained. Amb Lodge said he wanted the Secretary's thinking in case the unexpected comes up. The Sec said he was sitting with about 12 State Department people having a go round on this very question. The thinking varied considerably on geographic lines." After further discussion, Herter agreed to call Lodge with a decision. (*Ibid.*)

Following a telephone conversation with Wilcox, who also felt the United States should not reveal its position before the vote, Herter called Lodge "and said the decision was for abstention. A wire was on its way. In explaining the abstention the Sec said it would be well if L could just say a word on both sides it would be very helpful. There is a perfectly good case to be made either way." (*Ibid.*)

The telegram instructing Lodge to abstain and transmitting a suggested text for the U.S. explanation of its vote was sent to the Mission at the United Nations at 10:57 p.m. (Telegram 563 to USUN; Department of State, Central Files, 751S.00/12-1059)

The General Assembly resumed its deliberations on Algeria at its 11 a.m. meeting Saturday, December 12, voting on the Pakistani draft resolution at its 3 p.m. meeting that day. The United States abstained on the resolution, which failed to gain a two-thirds majority and was therefore not adopted. For text of Lodge's explanation of the U.S. vote, which followed the draft sent by the Department of State, see *American Foreign Policy: Current Documents, 1959*, pages 1105-1106. For a record of these proceedings, see U.N. Docs. A/PV.855-856.

At Herter's December 14 Staff Meeting, "there was some discussion of the events of Saturday and Alphand's unhappiness at our unwillingness to tell him in advance of our position. It was generally agreed that this had been the correct procedure and that the Algerian item had come out about as well as could be expected." (Department of State, Secretary's Staff Meetings: Lot 63 D 75)

Prime Minister Debré raised the issue with Eisenhower on December 21. Stating that he wished to "speak very frankly," Debré observed:

"Every Frenchman was anxious that the Algerians would choose the closest possible association with France when they had a chance to express their choice under General de Gaulle's offer. Those who had been fighting or living in Algeria for many years, both civilian and military, felt very strongly about this as was natural. The rebellion no longer had any hope of military victory but they did hope for outside political support which would enable them to achieve their aims. To the French, General de Gaulle's offer of September 16 had seemed fair and equitable. Hence while political circles might understand the reason the US abstained in the UN, French public opinion was unable to understand why the US had not voted with France. He did not wish to

reopen this matter and did not expect any answer from the President. He merely hoped that when matters of this type came up consideration would be given to all aspects of the question.

"The President said that he had discussed General de Gaulle's proposal with him before it was made, and after the announcement thereof he had warmly supported it. Ambassador Lodge had spoken most eloquently in favor of this offer and we had fully supported the General's offer. However, we too had political difficulties and a long tradition of anti-colonialism, and there were many in the US who thought that instead of supporting General de Gaulle we should be carrying the flag of the Algerian rebellion. So considering all these factors we had abstained. We had fought hard in support of the French offer but apparently unless we supported the French 100%, gave them a blank check so to speak, we were regarded as almost being enemies. Mr. Debré said he did not want to reopen the question but merely wished to tell the President the reaction of many people in France." (US/MC/19; Department of State, Central Files, 751S.00/12-2159)

Eisenhower and Herter were in Paris to attend the Heads of Government Meeting, December 19-21.

307. Editorial Note

On January 24, 1960, French residents in Algiers barricaded parts of the city following the January 22 dismissal of General Jacques Massu from his position as Commander of the Algiers Army Corps. Fighting broke out, a general strike developed, and the protesters demanded that French President de Gaulle issue a statement supporting a "French Algeria." De Gaulle, however, reaffirmed his Algerian policy in a January 29 address; for text, see *Major Addresses, Statements, and Press Conferences of General Charles de Gaulle, May 19, 1958-January 31, 1964* (New York: French Embassy, Press and Information Division), pages 71-74. The crisis ended when the insurgents surrendered on February 1.

Secretary Herter discussed these developments with President Eisenhower February 2:

"General de Gaulle is not yet out of the woods, and much will depend on the action of the FLN. If FLN leaders delay some move toward accommodation, the resentment now smoldering among the French colonials may break out. The Army is the key question. He said he had given thought to the possibility of the President sending a note to de Gaulle while the crisis was on, but had decided against recommending this since the question was essentially an internal problem. Now he thought a message could be sent with good effect. He showed the President a draft, which the President approved, with a comment

that he thought de Gaulle would appreciate such a note. It is to be kept strictly secret." (Memorandum of conference with the President; Eisenhower Library, Whitman File, Eisenhower Diaries)

The Department of State sent the text of the letter to the Embassy in Paris that evening. Dated February 2, it reads:

"Dear General de Gaulle:

"I have hesitated to write to you before, knowing full well how preoccupied you have been during this past week. As you may know, we asked your government if it believed that some positive act or statement on our part could be of assistance to you. Learning that your government believed official silence was the preferable course of action, we have maintained such a governmental position. Our attitude, however, was reflected in the unanimously warm and full support given you and France by our press and our people.

"I do want you to know that you have and maintain our full confidence in this troubled period. In re-affirming your forward-looking policy for Algeria you have once again demonstrated the faith and courage which have always marked your actions. As we know it must, France under your leadership guards unshaken its strength and unity.

"With warm regard,

"Sincerely, Dwight D. Eisenhower" (Telegram 3242 to Paris; Department of State, Presidential Correspondence: Lot 66 D 204)

De Gaulle responded in a brief letter, February 6:

"Dear Mr. President:

"I have been deeply touched by the friendly attitude and support which you and the people of the United States have shown toward France during the recent events. This is an additional manifestation of the solidarity that causes all the countries of the Free World to feel deeply anything that affects one of them.

"I thank you for this further demonstration of your friendship and assure you of my cordial and loyal sentiments.

"C. de Gaulle" (Translation prepared in the Department of State; *ibid.*)

308. Memorandum From the Assistant Secretaries of State for European Affairs (Kohler) and African Affairs (Satterthwaite) to the Under Secretary of State for Political Affairs (Murphy)¹

Washington, February 10, 1960.

SUBJECT

Approach to French on Algerian Negotiations

Discussion:

With the quelling of the French settler insurgency in Algiers, thought naturally turns to the search for possibilities of ending the Algerian war. It has occurred to us that we might consider approaching the French with a proposal as to means which we might be able to use, if they concurred in such a project, with the FLN to get them to the negotiating table with the French. It would of course be understood that we were not attempting to modify French policy on Algeria but merely to recommend strongly to the FLN through the various avenues of approach which we have that they should accept the de Gaulle September 16 proposal as a basis for entering into negotiations. We should avoid any "good offices" connotation and make clear to the French, and later to the FLN, that we are not in any way underwriting the outcome of such negotiations, offering any guarantees, etc. Our role would be exclusively introductory and merely to serve as a catalyst.

We believe now is a desirable time to make such a proposition to the French because it is far from the date of a U.N. session with its resultant pressures. Furthermore, de Gaulle, although beset with problems still as a result of the recent uprising in Algiers, nevertheless, has as free a hand as he will ever have. In addition there seems a need for some catalyst because the de Gaulle offer which we supported as a basis for ending the war, is over four months old. It is possible that the FLN regrets it did not accept the offer sooner but now certain conditions have been posed and moves made (i.e., the appointment of five inmates of French jails as the official "FLN negotiators") which have greatly limited the FLN freedom of maneuver. The FLN doubtless needs some encouragement from a power such as the U.S. in order to move.

¹ Source: Department of State, Central Files, 751S.00/2-1160. Secret. Drafted by Porter and McBride and sent to Merchant through S/S.

Therefore, we could propose to the French that they consider if they agree with us that it would be useful for us to approach the FLN with the recommendation that they should negotiate on the terms of the September 16 proposal. It could be mentioned that the alternatives seem potentially very bleak to us, especially in the U.N. It is conceivable the French Government would accept our thought but want some time to think it over, and formulate its next steps in the light of the ending of the uprising, the voting of decree powers, etc. This would be acceptable to us but we do not think we should wait too long because of the kinetic nature of the Algerian situation. Recent press reports of possible French thinking of a partition plan for example threaten to cause difficulty and make it harder for the FLN to begin negotiations.

If the French Government takes a favorable view of our proposed initiative, we envisage instructing our Ambassadors in Rabat and Tunis to approach King Mohamed V and President Bourguiba on the matter. The Ambassadors would be instructed to say that the U.S. Government is aware of their desire to see the Algerian conflict brought to an end on reasonable terms, that de Gaulle's declaration of September 16 was in our view couched in such terms; and that the U.S. Government feels that the time has come when an effort should be made to convince the PAG to send emissaries to Paris for discussions. The Ambassadors would be instructed to express our hope that the Moroccan Sovereign and the Tunisian President would agree to bring their great influence to bear directly on the leaders of the MAG, perhaps in private audiences for that purpose or in any other way which might make it clear that the King of Morocco and the President of Tunisia attach great personal importance to such a decision by the PAG in the immediate future. The Ambassadors would also be instructed to add, for the confidential information of King Mohamed V and President Bourguiba that U.S. Government representatives will also approach the leadership of the PAG at about the same time and express similar views.

Our own approach to the PAG would be at a low level and through existing channels in Tunis, and possibly New York, though it would be particularly effective if Yazid could be called to the Department to hear our views in the matter. Even at such a level, an official U.S. viewpoint would command considerable attention among the PAG leaders, especially if it coincided with Moroccan and Tunisian pressures.

Recommendation:

That you call in Ambassador Alphand at your fairly early convenience and speak along the above lines to him.²

² Merchant initialed his approval on February 11. The source text also bears Merchant's handwritten notation: "But the time element makes it impossible to do myself before departure on leave. See my memo to S/S. LTM 2/11/60". His February 11 memorandum to Calhoun endorsed Kohler's and Satterthwaite's suggestion and recommended that Herter or Dillon speak with Alphand. (*Ibid.*) Herter suggested to Alphand on February 16 that the United States contact the FLN through Tunisia or Morocco to suggest it begin negotiations with France. Alphand stated he doubted the Tunisian-Moroccan channels would be useful, but agreed to forward Herter's inquiry to Paris. (Memorandum of conversation; *ibid.*, 751S.00/2-1660) On March 11, Alphand informed Herter France would be happy to receive U.S. assistance, publicly or indirectly, toward an Algerian settlement. Herter replied the United States would avoid details and would merely state the FLN should enter into negotiations on the basis of de Gaulle's September 16 proposals. (Telegram 3821 to Paris; *ibid.*, 751S.00/3-1160)

309. Editorial Note

On April 21, the African Chiefs of Mission met at their request with Under Secretary Dillon. President de Gaulle was scheduled to arrive in Washington on a State visit the following day, and the Chiefs of Mission wished to discuss their concerns about Algeria and French nuclear testing in the Sahara. They gave Dillon a memorandum expressing their positions and requesting that the President use his good offices with the French "with a view to achieving a peaceful and speedy solution, based on the principle of genuine self-determination, to the Algerian conflict." (Memorandum of conversation; Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199)

Presidents Eisenhower and de Gaulle met on April 22, 24, 25, and 26. During their first conversation, at which only he, De Gaulle, and the U.S. and French interpreters were present, Eisenhower led into a short but substantive discussion of Algeria by mentioning the African aide-mémoire. The President introduced the topic again on April 25, when it was considered briefly by the two Presidents and their parties. Memoranda of these conversations are scheduled for publication in volume VII.

De Gaulle left Washington on April 26 for New York, San Francisco, and New Orleans, and left the United States on April 29. On April 27, Eisenhower was asked at a press conference if he and President de Gaulle had discussed Algeria. The President confirmed that they had and noted that de Gaulle had confirmed the French policy of

self-determination for Algeria. The transcript of the press conference is printed in *American Foreign Policy: Current Documents, 1960*, pages 515-516.

The text of Eisenhower's statement was sent to Paris and several African missions. (Circular telegram 1341, April 27; Eisenhower Library, White House Office Files, Project "Clean Up") On May 4, the Department of State informed many of the African missions that the "White House wishes assure all governments that made approaches wanting President to raise Algerian matter with de Gaulle are appropriately informed that subject was discussed with de Gaulle." This was, the message continued, in response to the approach by the African Chiefs of Mission. (Telegram 490 to Monrovia; Department of State, Central Files, 751S.00/5-460)

310. Telegram From the Department of State to the Embassy in Ethiopia¹

Washington, June 16, 1960—8:25 p.m.

1001. We have read carefully General de Gaulle's speech² and especially section on Algeria. To us it appears a firm re-affirmation of his September declaration with its emphasis on self-determination as means by which solution to Algerian impasse may be found. Speech additionally appears more conciliatory and takes more open attitude towards leaders of rebellion. In essence, we believe re-affirmation self-determination worthy our continued support as stated publicly by President last September.

We have noted that PGAR and other rebel organizations thus far have remained silent, indicating they giving study to declaration. PGAR also currently being represented at Addis meeting.³

At your discretion you may indicate to delegates at meeting our general support for de Gaulle declaration. You may also suggest that it our view wisest course for PGAR would be to seize opportunity of-

¹ Source: Department of State, Central Files, 770.00/6-1660. Confidential; Niact. Drafted by L. Dean Brown on June 15; cleared by Satterthwaite, Kohler, McElhiney, McBride, and Porter; and approved and signed by Dillon. Repeated to Paris, Tunis, Cairo, Rabat, Tripoli, and Algiers.

² For text of de Gaulle's June 14 address on French and Algerian realities, see *Major Addresses, Statements and Press Conferences of General Charles de Gaulle, May 19, 1958-January 31, 1964*, pp. 79-83.

³ Reference is to the third conference of independent African States, held at Addis Ababa, June 14-24.

ferred by de Gaulle and send delegation quickly to Paris. Any influence which other African delegations might be able to exert on PGAR representatives would be helpful. Do not favor your having direct contact with PGAR representatives in Addis Ababa unless unavoidable.

We are counting on your discretion in this matter. You should not, of course, give any implication that US willing step in as mediator.

Rabat, Tunis, Cairo, and Tripoli: You authorized in contact with officials govt to which accredited and with such contacts as available with PGAR, FLN, or other organization to make known US position set forth above and hope that PGAR will respond positively to de Gaulle statement.⁴

Dillon

⁴ Abbas announced June 20 that the Provisional Algerian Government had accepted de Gaulle's offer and would send a delegation to France. FLN emissaries met with French officials at Melun, June 25-29, to arrange the details of the delegation's journey. On June 29, the French Government announced that it had offered its conditions for the talks. The FLN representatives returned to Tunis on July 1; 4 days later, the Provisional Algerian Government announced it could not accept the French conditions.

On August 22, the Provisional Algerian Government released a statement suggesting that the Algerian question be settled in a referendum organized and supervised by the United Nations. de Gaulle responded on September 5 that Algeria was an internal French problem over which the United Nations had no jurisdiction. For texts of these statements, see *American Foreign Policy: Current Documents, 1960*, p. 516. Documentation on the U.S. reaction to these events is in Department of State, Central File 751S.00.

311. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, June 29, 1960—3:49 p.m.

1682. Dept has carefully considered Tunisian suggestions that US contacts with PGAR reps be established at higher level, but for reasons cogently outlined Paris 6095 (being repeated Tunis and Cairo),² we

¹ Source: Department of State, Central Files, 751S.00/6-2560. Secret. Drafted by Chase on June 28; initialed by Porter; cleared by McBride, Satterthwaite, Root, Calhoun, and S; and approved and signed for Herter by Merchant. Also sent to Rabat, Tripoli, and Cairo and repeated to Paris, Algiers, and London.

² Telegram 6095, June 25, stated that high-level U.S. contact with the Provisional Algerian Government could undermine de Gaulle's program for Algeria and create political problems for him in France. It also noted that third parties had always been

Continued

believe change in present levels of communication would be premature and subject misinterpretation both sides.

PGAR and, to lesser extent, French will of course seek to attract US sympathy for their respective positions, and we can expect govts whose interests also affected by Algerian problem especially Tunisian and Moroccan may urge that US adopt more active role. However, in Dept's view, this delicate moment is not appropriate time for US to become engaged even indirectly in negotiating process. Rather US should adopt listening role unless at some later time it becomes apparent that our influence can be constructively employed. Posts who are approached on this subject should therefore be cautious in their discussions with Algerians, with the French or with third countries to avoid giving impression that US would consider intervening to facilitate settlement. Instead posts should make clear US is confident that both sides will work sincerely for mutually acceptable and workable solution and is sure that neither will disappoint expectations of most of the world.

For Tunis: Slim seeing Secretary June 30.³ Meanwhile would appreciate your assessment motives underlying Tunisian suggestions re high-level contacts. In this connection we find Ladgham's remarks to Knight re Tunisia's ultimate security needs (Tunis 1864 para V)⁴ extremely interesting.

Herter

available to act as intermediaries in U.S.-PAG contacts, and that the United States still had some influence with both France and the PAG. (*Ibid.*)

³ Slim asked that the United States continue to work toward peace in North Africa and against Algeria's partition. Herter promised to bring Slim's remarks to Eisenhower's attention. (Memorandum of conversation; *ibid.*, 751S.00/6-3060)

⁴ Paragraph V of this June 24 telegram reported that Ladgham had stated that improvements in Tunisian internal security made delivery of U.S. arms less urgent, but that an Algerian settlement would make improving the efficiency of Tunisian security forces more important. (*Ibid.*, 672.00/6-2460)

312. Memorandum From the Assistant Secretary of State for International Organization Affairs (Wilcox) to the Under Secretary of State for Political Affairs (Merchant)¹

Washington, September 7, 1960.

SUBJECT

Algerian Item—Your Memorandum of August 19²

Your memorandum on Algeria raises several points on which I should like to comment.

1. I agree with your view that discussion of the Algerian problem in the General Assembly this fall is likely to be unhelpful, and we will wish to make this position clear at the appropriate time.

2. It would clearly be contrary to our interest if the outcome of the General Assembly debate should make a solution of the Algerian problem more difficult. I believe, therefore, that the most useful role the United States can play is to try to keep the potential damage to a minimum. For example, a resolution which condemned France would, in my view, harden the position of both sides and diminish any chances for progress toward a solution of the problem; certainly we would want to do what we could to avoid this.

3. From the standpoint of UN procedures, there are serious disadvantages to our taking an advance position on a resolution before we know what its provisions are. It is quite conceivable, for example, that a resolution may emerge from the debate which would prove highly awkward for us to oppose. Moreover, even if it should be decided in advance of the debate that we will vote in a certain way on any resolution which might emerge, it undoubtedly would not be to our advantage to make this decision known. To do so could greatly restrict our influence on the outcome of the debate. In the past, the uncertainty as to how the United States would vote has had a definitely moderating influence, since the sponsors have been prepared to water down their resolution in the course of the session to avoid a negative

¹ Source: Department of State, Central Files, 751S.00/9-760. Secret. Drafted by Buffum, sent to Merchant through S/S, and initialed by Cargo and Wilcox. Also sent to Kohler, Satterthwaite, and Hare.

² This memorandum suggested the United States announce that although it would not oppose inscription of an item on Algeria on the U.N. General Assembly agenda, it would not participate in debate on the item and would vote against any resolution arising from it. (*Ibid.*, 751S.00/8-1960) Kohler initially agreed with this approach, but later suggested postponing any final decision on the U.S. position. (Memoranda to Merchant, August 24 and 29; *ibid.*, 751S.00/8-2460) Satterthwaite felt Merchant's suggestion would adversely affect U.S.-African relations. (Memorandum to Merchant, August 24; *ibid.*)

U.S. vote. Thus, our ability to minimize the damaging effects would be seriously hampered if we were to make known our position in advance.

Beyond this, any indication that the U.S. was standing aside on an item because it was difficult and unpleasant, would set a bad example for many other states whose support we consistently try to obtain on matters where they would basically prefer to stand aside.

4. The course of action suggested in your memorandum would be interpreted by the Asian and African members as contrary to their deeply-held views and interests. With the African states rapidly becoming the largest single geographic group in the UN, their support on many items of interest to us will become increasingly crucial. Furthermore, in all of our contingency planning on the Congo, we come to the conclusion that the key to the success or failure of the UN operation rests largely with the other African states. While the Congo operation is clearly in the African interest and theoretically there should be no carryover from our attitude on Algeria to the UN role in the Congo, there is such a potential risk if we alienate the African states by our stand, once more giving the Soviets an opportunity to pose as the real champion of anti-colonialism.

5. It occurs to me that we could improve our posture considerably if we approached both General DeGaulle and the Algerian leaders urging the resumption of negotiations before the General Assembly considers the Algerian item. I realize there are difficulties involved in trying to accomplish this, but the effort appears worthwhile.

6. In view of the serious implications which our attitude on the Algerian item will have for the outcome of the General Assembly, and for our foreign policy generally, I should like to suggest that a meeting of the interested bureaus be convened at your early convenience to consider the problem.³

³ Merchant apparently met with Satterthwaite, Kohler, and presumably Wilcox, on September 13. A September 13 memorandum from Witman to Satterthwaite outlines arguments against Merchant's proposal for use in the meeting. Copies were sent to Kohler and Wilcox. (*Ibid.*, 7515.00/9-1360) Witman also referred to a memorandum which Satterthwaite might wish to hand the Under Secretary during the meeting. Satterthwaite presumably did so, as a September 13 memorandum from him to Merchant on U.N. discussion of Algeria bears Merchant's initials. (*Ibid.*) Nunley prepared a memorandum outlining arguments in favor of Merchant's proposals for Kohler. Also dated September 13, the memorandum bears Kohler's handwritten notation "Thanks. I tried. FDK 9/13". (*Ibid.*) No further record of the meeting has been found.

313. Memorandum of a Meeting, Waldorf Towers Hotel, New York, September 23, 1960, 9:55 p.m.¹

SecDel MC/73

SUBJECT

Discussion at Dinner Meeting of the Three Foreign Ministers—Africa

PARTICIPANTS

US

The Secretary
Mr. Livingston T. Merchant
Mr. Foy D. Kohler
Mr. Theodore C. Achilles
Mr. J. C. Satterthwaite
Mr. Edward T. Long

UK

Lord Home
Sir Frederick Hoyer Millar
Sir Harold Caccia
Mr. Peter Ramsbotham
Mr. Ewart-Biggs

France

M. Couve de Murville
M. Charles Lucet
Ambassador Alphand
M. Pierre De Leusse
M. Winckler

[Here follows discussion of the Congo.]

The British Foreign Minister brought up the Algerian problem and asked how the British could help the French on this subject.

The French Foreign Minister said that France certainly would not take part in any discussion of Algeria in the UN. He didn't know how the item would be handled in the UN but the French guessed that there would be pressure for the introduction of a resolution asking for UN supervision of a referendum in Algeria. He pointed out that of course the situation this year was much worse than last year with all the new African countries and also with a more belligerent Soviet attitude. He was not in a position to know what the new African countries, largely the ex-French colonies, would do. He knew they were tortured by their desire not to vote against France, but at the same time not to vote against Africa.

¹ Source: Washington National Records Center, RG 59, Conference Files: FRC 83-0068, CF 1767. Secret; Eyes Only. Drafted by Long and approved by M on September 29 and by S on October 5. The location of the meeting is taken from a chronology of Herter's participation in the 15th U.N. General Assembly. (*Ibid.*, CF 1776) Herter and Eisenhower discussed Algeria with several foreign officials while attending the General Assembly; memoranda of these conversations are *ibid.*, CF 1766 and 1767.

With respect to an Algerian resolution, he thought that in all probability the UN would vote favorably for one. He said the worst effect on France would be if the UN voted a resolution calling for UN intervention in Algeria. If France's friends could prevent that kind of resolution it would help very much.

So far as France was concerned the "least bad" type of resolution would be a general resolution like the one of three or four years ago expressing desire to see the cessation of the war, calling for agreement between the parties, etc. That kind of resolution would not be too bad from France's standpoint. Considering UN tactics, the French Foreign Minister wondered if it would be possible, in the likely event there was a resolution on UN intervention, to introduce also a general resolution and then to work to get the intervention resolution defeated and the general resolution passed by two-thirds majority or even unanimously.

The Secretary recalled last year when the French were working under the impetus of de Gaulle's "fine" offer of September 16, 1959. He wondered if de Gaulle or the Government of France would do or say something new now as an indication that things were moving.

The French Foreign Minister said this was hard to answer. On every occasion possible since September 1959 the French officially at all levels have repeated their offer of self-determination. As a matter of fact, the French have also now gone farther and have offered an Algerian Algeria. Certainly the French position will be repeated before the UN debate.

The Secretary wondered about a de facto cease-fire arrangement.

The French Foreign Minister said a truce was another idea which really meant negotiations on cease-fire. He said there was no question that France would accept a de facto truce but FLN has rejected this. France thought this might be the solution. He was at a loss to see what was possible in Algeria. The substance of the French position is that the war should cease. After this there would be political consultation with everyone including FLN, Moslems, *colons*, etc. France believes this is fair. The FLN on the other hand wants recognition as the government and then have the Government of France give Algeria to them, something that the Government of France has no right to give. The future of Algeria politically depends on the votes of the Algerian people. This was the subject of the discussion at Melun. Does France recognize the FLN as the legal government of Algeria? This is something France just cannot do.

The Secretary said that the French Foreign Minister's remarks made sense but that if this position was not stated publicly by the French France's friends would have great difficulty in defending France's position in the UN. Without this kind of exposition the UN

will vote to "free the country". There is so much emotion in this issue that France's friends can't defend France unless France states its position publicly and clearly.

There is no question but that the FLN clearly hopes France will stay out of the UN debate and the FLN will therefore be able to capitalize on the emotional issue. "It is difficult for us to explain your position if you are not participating."

The French Foreign Minister said, "I understand. But what can be done?"

The British Foreign Minister said, "Without you, we are in trouble. We can't win without you."

The Secretary said this was a decision clearly up to "our French friends". He said the U.S. wanted to help. "Couve, we want you back."

The French Foreign Minister said there was another thing that people forgot. "We and the Algerian people are the only ones preoccupied with trying to end the war. Most of the UN countries and the FLN don't give a damn. The war goes on, the FLN gets its monetary subsidies, and as a matter of fact it is to the FLN's advantage to keep the war going."

The Secretary said that the U.S. likes to cite the Cyprus situation which was hopeless until the Greeks found out they couldn't get the UN into the act. It is parallel to the Algerian situation. The FLN must learn a similar lesson, that they are going to get nothing out of the UN but the reality is that this is an emotional issue, the African states are involved and France continues to claim Algeria as part of the Metro-pole.

The French Foreign Minister said that France doesn't say that Algeria is part of metropolitan France.

The Secretary said that Algeria is still part of metropolitan France for NATO purposes.

Then he said, "Couve, we have made our plea".

The British Foreign Minister said it was most important for France to say something.

The Secretary said it would be rough sledding.

314. **Telegram From the Mission at the United Nations to the Department of State**¹

New York, September 26, 1960—11 p.m.

800. Re: Algeria.

1. Aside from Congo, problem of Algeria will create greatest emotional appeal in 15th GA. I consider it most important we not dissipate great gains we have made in Africa from Congo situation with rigid pro-French position on Algeria.

2. Algerians are already shifting sharply into anti-US posture and toward cooperation Soviet bloc. Comments Yazid (in Tunis) who normally pro-US, are convincing sign this is happening. So are observations of Sarper (USUN 801).² We must not allow Communists gain foothold in Algeria we are expending great effort to prevent in Congo.

3. French apparently intend fol their usual ineffective policy in UN or refusing defend themselves in debate but expecting others, especially US, both to speak and vote for them.³

4. Whatever reasons may be, French have allowed much good will which they had in GA last year to evaporate through breakdown negots with FLN. Reports de Gaulle may break off aid to community states if they vote against France on Algeria⁴ further indication viewpoint of French. With 13 new African states just admitted to UN, it is almost inevitable GA will adopt res this year on Algerian question.

5. Also note (London 1344)⁵ that UK, which has consistently taken more pro-French position on Algeria than US, is leaving its position open.

6. In consequence these considerations I believe it most important US make absolutely no commitment to French either on degree US participation in Algerian debate or on what we will do on res.

¹ Source: Department of State, Central Files, 751S.00/9-2660. Secret; Priority.

² Selim Sarper, Turkish Representative at the United Nations. Telegram 801 from USUN, September 26, reported that France had refused Tunisia's offer of good offices, that the Provisional Algerian Government had suggested uniting with Tunisia, and that Algeria might have to accept aid from the People's Republic of China. (*Ibid.*)

³ Winckler told Merchant on September 13 that he expected France would not participate in the U.N. debate on Algeria, although Couve de Murville would probably state France's position in general debate and France would work on it in the corridors. (Telegram 1116 to Paris; *ibid.*, 320/9-1360)

⁴ Reported in Secto 2 from USUN, September 20. (*Ibid.*, 751S.00/9-2060)

⁵ Telegram 1344, September 14, reported the Foreign Office felt a debate on Algeria was "virtually certain" and that by not walking out when the item was inscribed and debated in previous General Assemblies France had in effect conceded Algeria was not a purely internal matter. (*Ibid.*, 751S.00/9-1460)

7. Given overall US interests I also believe our ultimate objective, without involving US in drafting process, should be to encourage discreetly res on which US will at least be able abstain. What this will be cannot be predicted until we see Afro-Asian draft.⁶

Wadsworth

⁶ Telegram 610 from Rabat, September 30, reported that the Embassy shared Wadsworth's apprehensions and endorsed his recommendations. (*Ibid.*, 7515.00/9-3060)

315. Memorandum From the Assistant Secretary of State for African Affairs (Satterthwaite) to the Under Secretary of State for Political Affairs (Merchant)¹

Washington, October 20, 1960.

SUBJECT

Presidential Letter to General de Gaulle re Algeria

Discussion:

AFN has been discussing with WE the content of a letter to General de Gaulle along the lines of Mr. Bohlen's earlier suggestion.² I believe there is substantial agreement as to the substantive points to be included in the letter.

However, I have the impression that certain points of difference remain related primarily to the letter's over-all tone and scope. Quite naturally there is concern that the expression of a United States position on Algeria might produce a rather violent reaction from De Gaulle, especially since he tends to show considerable exasperation when presented with views on "French" issues which differ from his own. There may also be fear that the knowledge in French political circles that the United States had sought to exercise pressure, however gently, in favor of a negotiated solution might be sufficient to accelerate to a dangerous degree pressures in France towards an internal political showdown in which De Gaulle would be trapped between

¹ Source: Department of State, Central Files, 7515.00/10-2060. Secret. Drafted by Chase and sent to Merchant through S/S. Copies were also sent to Bohlen and Kohler.

² A September 16 memorandum from Merchant to Kohler noted that Bohlen had suggested Eisenhower send de Gaulle a letter reaffirming U.S. support for his Algerian policy and outlining action the United States would take during U.N. debate on Algeria. Herter initialed this memorandum. (Washington National Records Center, RG 59, Conference Files: FRC 83-0068, CF 1772)

extremists of the Right and Left. These considerations, it is suggested, might favor a letter drafted in a low key and implying that the course of action to be adopted by the U.S. has been chosen with considerable reluctance.

AF of course recognizes that these dangers exist. We feel, however, that the West, and particularly the United States, faces even greater dangers if De Gaulle for one reason or another does not move more quickly to implement his announced offer of self-determination on terms which will permit an end to the fighting. AF does not question De Gaulle's assessment of the obstacles to self-determination inherent in the current state of Franco-Algerian relations. It does believe, however, that he should be told in all fairness that we have analyzed the problems posed for Western interests as a whole by the lack of progress, whatever its reasons and that we plan a course of action which in our opinion is best calculated to meet the dangers we see.

AF concludes that the Algerian leadership has all but lost faith in the prospects of a peaceful solution and is now determined to rely on Soviet bloc intervention as a means of bringing the crisis to a head. If the struggle could be confined to Algeria alone, we would be less concerned. However, it is plain that the impact of Soviet involvement will be felt initially not so much in Algeria as in the bordering African countries, primarily Tunisia and Morocco, secondarily Libya and Mali. In only one of these countries, Tunisia, does the regime have a reasonably stable footing, and even in Tunisia, as you are aware, President Bourguiba seems to have decided that the only safe alternative for his regime in the face of a stepped up Algerian political and military effort with Communist support and in the absence of comparable Western support for the Algerian cause is to merge Tunisia's fortunes with those of the Algerians in a desperate effort to maintain some control over events which he has not the power to prevent. Internal weaknesses in the Governments of Libya, Mali and Morocco are causing those countries to make no effort to stem the tide and it is probable that all three will soon be placing substantial facilities at the disposition of the Algerians.

AF assumes further that a Soviet decision to extend substantial political and military support to the Algerians is designed to create a situation of maximum difficulty not just for France but for the United States. The Soviets are presumably aware that if our North African friends come to believe the choices which they are now facing have been forced upon them by continued U.S. support for French obduracy, the United States, in a relatively short time, will find itself at odds with its erstwhile friends. Indeed the Soviets might hope for United States commitment on the side of the French in an "anti-Communist crusade" in Algeria so as to isolate the United States not

only from the Afro-Asians but from certain NATO members such as the Scandinavians, Greece, Turkey and possibly Italy and even Germany which, in varying degrees, find French policy in Algeria to be contrary to the basic interests of the West in Africa. The Soviets would only benefit from a situation in which the premises on which we hold our Moroccan and Libyan bases were swept away by an atmosphere of recrimination and bitterness. Under these circumstances the long-range forecast would be even more disturbing. Should the Algerians win independence as a result of Soviet assistance, we could expect to see as a minimum the establishment in the heart of North Africa of a vigorous, dynamic state whose national policies would be somewhat comparable to those of Yugoslavia after World War II. From this base the Soviets could hope for a rapid and largely unopposed extension of anti-Western influence into Tunisia, Tripolitania and Morocco.

AF considers that the proposed letter to De Gaulle will have two purposes. It must of course acquaint him as frankly and clearly as possible with our own analysis of the problem and state our objectives with regard to the GA debate. More important it must make clear to De Gaulle that we continue to count on France to resolve the strictly Algerian aspect of the problem but that in the absence of substantial progress towards a settlement, vital Western interests require us to do what we can to prevent the threatened collapse of the Western-oriented policies of moderate leaders especially in the North African states. These leaders must not conclude that the West is not concerned with "justice" for the Algerians and that logic is therefore on the side of those who argue that only through Bloc intervention can an effective solution come about. AF believes that the letter should be couched in positive terms which impress De Gaulle with the depth of our convictions and appeal to his historical sense. It should outline in broad terms a course of action which will recognize that France alone has the capability to bring freedom of political expression to Algeria but will also enable us to give heart to African leaders, such as Bourguiba, who have pleaded with the United States to bring its influence to bear on a problem which is vital to their own future.

Recommendations:

1. That you request EUR and IO to comment on the attached draft.³
2. That you call a meeting of EUR, IO and AF at an early date to agree upon a final text.⁴

³ Not found.

⁴ No record of a meeting has been found. An October 28 draft of the message to de Gaulle, however, bears the following handwritten notation by Chase: "drafted 10/28— not sent due De G's 11/4 speech. PC". (Department of State, AF/AFN Files: Lot 65 D

316. Message From Secretary of State Herter to Foreign Minister Couve de Murville¹

Washington, November 2, 1960.

We have been much encouraged by report Bohlen has given me of luncheon conversation concerning French intentions in regard to settlement Algerian question in event expected Afro-Asian resolution UN referendum can be defeated in UN. We have had careful discreet analysis made of situation in New York and possibilities in light thereof success of procedures which were discussed by you with Ambassador Houghton and Bohlen in Paris.² The result of this inquiry leads to the conclusion that an alternative moderate resolution along lines discussed would have very little chance of obtaining proper sponsorship or adoption or even of drawing off enough votes to constitute blocking third defeat UN referendum resolution unless UN members whose support is essential were convinced that this was not just another resolution but indeed a prelude to a determined French attempt to settle Algerian question along lines which you outlined to Ambassador and Bohlen.

We very much doubt if mere private indication in corridors of UN to that effect by French delegation or from us and British would be sufficient for this purpose. Furthermore, discreet dissemination in corridors would undoubtedly leak to press and result in direct inquiry being made to French Government. It, therefore, seems to us that some official French statement appropriate time prior to GA debate setting forth at least in broad outline proposed program of action for settlement Algerian question after UN debate is necessary if we are to have a reasonable chance of obtaining sponsors and sufficient votes for moderate resolution to achieve its purpose. It would of course be most helpful in any such statement if it could indicate that FLN would be one of the parties to proposed consultation after ceasefire.

I fully realize this is matter for determination by French Government in a matter of most vital concern to it. We fear in the absence of such statement it would be fruitless to endeavor to work out moderate resolution along lines discussed. Also, I venture to bring this to your attention since I understand a program of this nature is the genuine intention of the French Government in event the obstacles in GA

182, A-20, United Nations) Regarding de Gaulle's address, see footnote 4, Document 317.

¹ Source: Eisenhower Library, Herter Papers. Secret; Eyes Only; Priority. Transmitted in telegram 1892 to Paris, November 2, which is the source text. Telegram 1892 was repeated eyes only, priority to Wadsworth at USUN.

² No record of this conversation, which the introduction to telegram 1892 to Paris indicates occurred on October 27, has been found.

debate, i.e. the UN referendum or plebiscite, can be overcome. In this light it is merely a question of timing when the French program is to be made public.

We fear it will be virtually impossible in the absence of some such statement for any alternative resolution to block the expected Afro/Asian resolution for a UN-controlled referendum in Algeria with all the consequences that that would entail. With such a statement by the French Government France's friends should be able to move forward in the Assembly along the lines we have discussed.

We see, moreover, positive advantages in the adoption by the Assembly of the kind of resolution we have in mind. Such an expression of view by the Assembly would constitute international support for the program of negotiation you intend to pursue. In this sense it would strengthen the position of moderate elements and offer to the African states as well some tangible result from the Assembly discussion. We would therefore wish to proceed on the basis of actively working with you for adoption of such a resolution by the Assembly.

I might also add that I believe a most important factor in the situation, both in the UN and out, will be the attitude of the African members of the French Community. If as a result of Houphouet-Boigny's projected visit to Paris, agreement can be reached for strong public support of a moderate resolution by the African members of the French Community, this would be most helpful. Contrarywise, without such an agreement, we can see no possibility of a success at the UN. In this situation the reception accorded Houphouet-Boigny on his projected visit to Paris seems to us to be of crucial importance.

I would appreciate your letting me have your views on this since it is important that we waste no time in determining our position in regard to the forthcoming debate on Algeria in the UN.³

³ Telegram 1892 does not bear Secretary Herter's signature.

317. Letter From Foreign Minister Couve de Murville to Secretary of State Herter¹

Paris, November 5, 1960.

DEAR CHRIS: Your letter of November 3² was delivered to me by Ambassador Houghton.

I was happy to talk on October 27 with Mr. Bohlen in Paris³ and to receive from him confirmation that you were at that time agreeable to support the action we had considered together in preparation for the forthcoming debate on Algeria before the United Nations.

You now tell me that such a plan could have a reasonable hope of success only in the event that, before the debate in the General Assembly, the French Government would again define officially its plan of action for settlement of the Algerian problem.

Your letter reached me at the very moment the President of the Republic was going to deliver his radio broadcast on November 4,⁴ about which you were undoubtedly informed.

General de Gaulle thought, indeed, that the moment had come to define his position, not so much for the sake of the United Nations, as for French public opinion. What he has just said appears to me to be, to a great extent, in line with your concern.

You noted in particular in your letter that it would be desirable to specify that the F.L.N. [Front de Libération Nationale]⁵ would be one of the parties to the talks that would be held after the cease fire. I wish to call your attention, in this connection, to what General de Gaulle said: "I have constantly and straightforwardly proposed to the leaders of the foreign organization of the rebellion that they take an unrestricted part in the talks relating to the organization of a future conference, then in the campaign that will develop freely on this subject, and lastly in the supervision of the voting, asking simply that first of all they agree to stop killing each other." This statement explains clearly the one already made on June 14 last.

In general, all of the statements made on November 4 by the President of the Republic clarify the problem perfectly.

Basically, Algeria will be Algerian, with its own government and institutions. If it so desires, it will be linked with France, particularly with respect to its economy, culture, finances, and defense.

¹ Source: Department of State, Presidential Correspondence: Lot 66 D 204. Secret. The source text is a Department of State translation.

² *Supra*.

³ See footnote 2, *supra*.

⁴ For text of de Gaulle's address on the Algerian political situation, see *Major Addresses, Statements and Press Conferences of General Charles de Gaulle, May 19, 1958–January 31, 1964*, pp. 99–103.

⁵ Brackets in the source text.

With respect to method, only one thing is out of the question: that France deliver Algeria unconditionally to the F.L.N. We do not have the right to deliver it to any but the Algerians as a whole after they have expressed themselves freely. Moreover, if we did what the F.L.N. wishes, which would naturally entail (as Ferhat Abbas stated recently) the instant evacuation of the French Army, the immediate result would be chaos, disaster, and massacre: the wild flight of the French, atrocious acts of revenge among the Algerians, complete anarchy, and, finally, the arrival of the Russians, if not the Chinese. We do not intend to assume such a responsibility and thereby create a situation comparable to that of the Congo and a thousand times worse.

Accordingly, several stages must be envisaged: first, that the fighting cease; then, that the French Government determine jointly with the representatives of the various tendencies in Algeria the conditions and guarantees of the referendum; that the referendum be held; and, lastly, that the new institutions be established.

This is what we envisage and would be unwilling to render more difficult by a United Nations motion requesting its intervention in supervising the referendum. I might add that such a motion, which we, of course, would not accept, would signify the assumption of command by the United Nations together with military occupation. Here again we are familiar with the Congolese precedent.

At the conclusion of your letter you state that the attitude of the African members of the French Community may be determining in the vote that will be taken by the Assembly. We fully concur in this view and are endeavoring to act accordingly.

I should like to know your reactions to the foregoing.

Sincerely yours,

Couve⁶

⁶ Printed from a copy that bears this typed signature.

318. Memorandum of Discussion at the 466th Meeting of the National Security Council, Washington, November 7, 1960¹

[Here follow a paragraph listing the participants at the meeting and items 1 and 2.]

¹ Source: Eisenhower Library, Whitman File, NSC Records. Top Secret. Drafted by Johnson on November 8.

3. *Significant World Developments Affecting U.S. Security*4. *U.S. Policy Toward Algeria (NSC 5910/1)*²

[Here follows discussion of Sino-Soviet relations.]

Turning next to the situation in France and Algeria, General Cabell summarized de Gaulle's speech of November 4.³ The reaction in France had been as expected with the leftist Faure describing the speech as "pure illusion" and Bidault characterizing it as "unacceptable". In Algeria the hostility of the Europeans had been reinforced by the speech. The Moslems were reluctant to comment, but their reaction was generally favorable. General Cabell observed that de Gaulle's stock in France was still high and that he could probably get wide support for broad negotiations. However, he was deterred from undertaking such negotiations by his obsession with the need for national unity.

Soustelle was organizing opposition to de Gaulle behind a wide economic program. The trial of Pierre Lagaille, and the other top Algerian rebel leaders⁴ now going on in France provided a dangerous focus for Rightist sentiment. Within the army there was an increasing number who took the view that independence for Algeria was inevitable.

The Algerian Nationalists believe that the situation is moving in their favor. They had been outspoken in their rejection of de Gaulle's speech although official reaction awaited a meeting of the FLN today. Khrushchev's de facto recognition of the rebel regime and the possibility of Soviet and Chinese assistance would result in pressure on France's allies. NATO could become involved if de Gaulle invoked the Treaty. He was not likely to do so unless the USSR or Communist China sent large quantities of aid to the rebels. Bourguiba had reportedly urged the rebels to accept the mediation effort which was being made by the states of the French Community. General Cabell concluded this portion of his briefing by stating that the initiative now lay with the rebels.

[Here follows discussion of Laos and El Salvador.]

At the conclusion of the briefing, Mr. Gray turned to Secretary Merchant and suggested that we might possibly face in Algeria a problem of Soviet intervention involving movement of Soviet troops or arms into the country. He wondered whether we needed plans to deal with such possibilities. The President asked whether such intervention would not mean war. Secretary Merchant pointed out that the

² See Document 302.

³ Regarding de Gaulle's November 4 address, see footnote 4, *supra*.

⁴ Of the January 1960 insurrection in Algeria. [Footnote in the source text. Regarding the January 24 uprising, see Document 307.]

Soviets had promised matériel assistance and that this assistance might be accompanied by volunteer technicians. However, there was no present fear that the Soviets would introduce organized military units into Algeria. Such action would obviously be an invasion of NATO territory. Mr. Gray asked if this meant that, in such an eventuality, we would take action under the NATO Treaty. Secretary Merchant said that yes, we would if the Soviet action constituted an organized attack. General Cabell pointed out in this connection that the northern departments of Algeria were covered by the North Atlantic Treaty but that the southern departments were not. Secretary Merchant noted that the French had moved the boundary of the northern departments south about a year ago so that the northern area now included most of the population of Algeria.

[Here follows further discussion of El Salvador.]

*The National Security Council:*⁵

3. Noted and discussed an oral briefing by the Acting Director of Central Intelligence on the subject, with specific reference to Sino-Soviet relations; the situation with respect to Algeria; and the situations in Laos and El Salvador.

4. Noted that in the event of intervention in Northern Algeria by organized, identifiable units of the armed forces of the USSR, the provisions of the North Atlantic Treaty would be applicable.

[Here follows item 5.]

Robert H. Johnson

⁵ Paragraphs 1 and 2 of this NSC Action were recorded in the portion of the memorandum not printed here.

319. Letter From the Assistant Secretary of Defense for International Security Affairs (Irwin) to the Acting Assistant Secretary of State for International Organization Affairs (Bohlen)¹

Washington, November 10, 1960.

DEAR MR. BOHLEN: As you are aware, there is great interest and concern among the members of NATO with regard to the forthcoming United Nations General Assembly debates on the Algerian question.

From a military point of view, the Department of Defense is especially interested in the development of the U.S. position prior to these discussions which will not alienate the French or cause any further disruption of France's relationship with NATO. Although we recognize the wording of the proposed resolution might be such as to make it impossible for us to vote with the French on the Algerian question, the Department of Defense believes it important to consult with the French at all stages of these discussions and support France where possible. Any other approach to this problem will complicate our working relationships with senior French military officials and could conceivably have a serious adverse affect on our military posture in Europe, e.g., the possible loss of main lines of communication with U.S. forces in Germany. The danger also exists that UNGA resolutions could be so worded as to cause some or all of the French Community to vote against France and thereby further increase the confusion and instability in Africa.

Because of Defense interest, we would very much appreciate being kept advised with respect to the current development of the U.S. position in the United Nations regarding the Algerian situation and in participating in this work when appropriate.

Representatives from this office are prepared to discuss the matter in further detail with the Department of State as soon as it may be convenient.²

Sincerely,

John N. Irwin³

¹ Source: Department of State, PPS Files: Lot 67 D 548, Algeria. Secret.

² Secretary of Defense Gates requested in a November 29 letter to Herter that Bohlen brief him and the Joint Chiefs of Staff on the U.S. position on U.N. discussion of Algeria. Gates enclosed a November 25 memorandum, JCSM-535-60, on the military implications of the Algerian problem. (*Ibid.*, Central Files, 320/11-2960) Bohlen gave the briefing at the December 9 State-Joint Chiefs of Staff meeting. A memorandum of this discussion is *ibid.*, PPS Files: Lot 67 D 548, State-JCS Meetings.

³ Printed from a copy that bears this typed signature.

320. Letter From Secretary of State Herter to Foreign Minister Couve de Murville¹

Washington, November 15, 1960.

DEAR COUVE: I want to thank you for your prompt and considerate reply to my message of November 5² and to apologize for my delay in answering. As you can understand, we have been somewhat busy here with other matters during the past week.³

I fully agree that a number of the preoccupations which we had in mind in a declaration from the French Government are reflected and indeed covered by President de Gaulle's speech of November 4. There is, however, a difference, I believe, in the effect of this speech on those of us who are aware as I am of the intention of the French Government in the event that the debate on Algeria in the General Assembly passes off in a generally satisfactory manner, and the effect on those representatives in the UN who are not specifically aware of your intentions. We consider President de Gaulle's speech to have been a courageous and constructive statement in a most difficult and delicate situation. According to our preliminary estimates, however, it is by no means clear that its full significance has been grasped by other countries. This is particularly true in regard to the question of timing since there was no reference to any early initiative for the execution of this program in the speech. Our purpose in having these confidential exchanges in regard to the handling of the Algerian debate in the General Assembly is motivated by a desire to examine what we can do together to insure, if possible, that the outcome of the debate in the GA will at best facilitate the putting into effect of your program for the settlement of the Algerian question or at least will raise no obstacles to such action. This has been and remains our purpose. Although we still continue to feel that a more precise declaration of French intentions, particularly as to timing would facilitate the achievement of this purpose, I understand the immense difficulties which the French Government faces in this regard. We still consider that the passage of a moderate resolution might be the best way of achieving our purpose. An absolutely essential element for the success of any moderate resolution, as I am sure you will agree, is the question of its sponsorship. It is our considered judgment based on our latest analysis of the situation

¹ Source: Department of State, Central Files, 325.51S/11-1560. Secret; Eyes Only. Transmitted in telegram 2062 to Paris, November 15, which is the source text. Telegram 2062 was repeated eyes only to Ambassador Whitney in London and Wadsworth at USUN.

² Presumably Herter's November 2 letter, Document 316. Couve de Murville's November 5 reply is printed as Document 317.

³ Reference is presumably to the U.S. Presidential election held November 8.

in New York that sponsors from the French African community are absolutely essential. Without such African sponsors it would be difficult if not impossible to obtain adequate sponsors elsewhere from Africa, from Latin America or Asia and the entire idea of a moderate resolution would seem to be impracticable. If, however, such African sponsors can be obtained, we would of course be prepared to work and work hard to obtain additional sponsors and support for the resolution itself, including the necessary approaches to Tunisia and Morocco at the proper time.

We have had no information concerning the results of the talks of the representative of the Abidjan Conference with President de Gaulle other than the general impression that the talks seem to have been satisfactory. In order that our two Delegations in New York may consider the plan of action in the GA for the Algerian debate now scheduled tentatively for December 5, I would appreciate any information which you might be able to give me as to the attitude of the African community states resulting from the conversation with de Gaulle as to their willingness to sponsor a moderate resolution.⁴

Chris⁵

⁴ Houghton reported in telegram 2017 from Paris, November 18, that he had delivered the letter to Couve de Murville, who agreed with Herter's conclusions about African sponsors, but had not said anything about de Gaulle's talks with Houphouët-Boigny and others. (Department of State, Central Files, 751S.00/11-1860)

⁵ Telegram 2062 bears this typed signature.

321. Editorial Note

On November 17, the 467th meeting of the National Security Council was held in Atlanta, Georgia, where President Eisenhower was on a working vacation. During his report on significant world developments affecting U.S. security, Director of Central Intelligence Allen Dulles stated:

"de Gaulle's decision to hold a plebiscite probably would make the army very unhappy. Developments may be moving during the next two months toward a crisis in the Algerian situation which will bring things to a head. Mr. Dulles believed that de Gaulle's proposal would probably get support in both France and Algeria but it would definitely have the opposition of the *colons* and of the army in Algeria.

"Secretary Herter said that we have information that de Gaulle's attitude has changed radically and that he is now moving toward a realistic solution. However, he will not tell us just what he plans. In

the UN there is a build-up of heavy support for a UN referendum in Algeria but we have not been given the information by de Gaulle which we need to support French plans. Mr. Herter said he was hopeful that before the UN situation comes to a head, we will have better material from the French.

"In answer to the President's question as to why the U.S. delegation to the UN should not make a suggestion for a reasonable solution, Secretary Herter said we were doing this and had sent word about it to Couve de Murville.

"The President said he thought Secretary Herter should try to find a face-saving device in the UN for the French. We should make a shrewd guess and try to suggest a compromise solution and then see if de Gaulle would go along with it. Secretary Herter said that the U.S. has made one proposition which the French generally go along with, except for a proviso which calls for the French to sit down with representatives of the Algerian rebels." (Memorandum of discussion at the 467th Meeting of the National Security Council, November 21; Eisenhower Library, Whitman File, NSC Records)

322. Telegram From the Department of State to the Mission at the United Nations¹

Washington, November 23, 1960—10:50 p.m.

970. Re Algeria. For Ambassador from Secretary. We have worked out with French in discussion here following general procedures for preparing for UNGA debate on Algerian question:

1. Our two delegations in New York should privately and confidentially consider possible text of moderate resolution.
2. French Government through its representatives in capitals of African States of French Community would sound out these governments as to their willingness to sponsor moderate resolution.
3. In event of favorable response from some of these states to this suggestion, US would sound out some Latin American and Asian States in endeavor to assure additional sponsors.

Believe time has now come for discussions with French in New York on specific text of resolution as contemplated point one above. Suggest, therefore, you get together with French Del with view to working out text of resolution. Believe you should use for this purpose French draft resolution contained in Alphand letter to Bohlen (Oct. 16)

¹ Source: Department of State, Central Files, 7515.00/11-2360. Secret; Limit Distribution. Drafted by Cargo; cleared by White, Satterthwaite, Bohlen, and S/S; and initialed by Herter. Repeated to London and Paris.

copy of which given to you in Washington and USUN's draft resolution of November 1.²

Re UN referendum, you should confirm to French, as we have done here, that we are prepared oppose proposal for UN referendum, but that other types of proposals which might be introduced would of course have to be studied before we could reach conclusion about them. We would expect consult with French on any such proposals.

You should, in agreement with French, bring UK Del into picture at appropriate stage.

Herter

² Neither Alphant's letter nor the draft resolution has been found.

323. Telegram From the Department of State to the Mission at the United Nations¹

Washington, November 29, 1960—10:17 a.m.

1002. Re: Algeria, urtel 1530.² Dept's objective on Algerian question in UN is as you described it in last para urtel 1540.³ Emphasis our effort remains as stated in Secretary's Nov 15 letter to Couve de Murville⁴ (i.e. we are motivated by desire insure, if possible, that outcome UNGA debate will facilitate putting into effect de Gaulle's program for settlement Algerian question or at least not raise obstacles to such action; furthermore, that passage moderate resolution is perhaps best way of achieving our purpose). We desire work closely with France and French Community African states to develop such moderate resolution which we strongly hope will not only have broad co-sponsorship but will command wide support and, we would hope, necessary two-thirds majority. In this connection, resolution calling for UN supervised elections Algeria clearly in unacceptable category. We

¹ Source: Department of State, Central Files, 751S.00/11-2560. Confidential; Priority; Limit Distribution. Drafted by Newlin, Cargo, and Sisco on November 28; cleared by McBride and Penfield; approved by Bohlen; and initialed for Dillon by Cargo. Repeated to London and Paris.

² Telegram 1530, November 25, requested clarification of instructions on Algeria. The U.K. and French Delegations thought the U.S. instructions were designed to block a Tunisian draft resolution, while the U.S. Delegation understood it was to work in consultation with Tunisia, France, and the United Kingdom for a moderate resolution. (*Ibid.*)

³ Not found.

⁴ Document 320.

are prepared not only oppose such resolution but at appropriate time let our position be known. We therefore do not see this operation, as we have made clear to French and as you should make clear to Berard, as a limited effort secure blocking one-third on referendum proposal. We are convinced that such a limited approach would not even get one-third. We will make same point again with French Ambassador here.

Before approach to Slim on specifics of a resolution can usefully be made, views of French Community leaders must be more precisely defined. When Nouakchott discussions are completed we should have clearer picture of kind of resolution French Community states are prepared support. Believe it would also be important for USUN carry forward with discussions with French Del on possible text of resolution using both French text and USUN text as base. This connection, French text should not be regarded as "frozen". In discussions thus far, we have been careful to talk in terms of text "along lines of" French text, clearly reserving prospect of changes in res on basis further discussions with French.

While discussions in detail with Slim re res therefore not yet feasible, we do see advantage in early approach to Slim to lay groundwork for subsequent discussions with him in which we hope African states will play predominant role. We suggest you make following principal points to Slim: We would be compelled oppose res calling for UN referendum; US anxious work for and support moderate res which would facilitate solution of problem and we are encouraged at continued evidence Bourguiba thinking along these lines; we understand various African states are considering kind of constructive res which might facilitate negotiations; we hope therefore Slim will seek opportunity take their views into account before proceeding with elaboration of precise proposals; we would like to keep in close touch with Slim as work on Algerian item progresses.

You should advise your British and French colleagues of your intention approach Slim along foregoing lines.⁵

Dillon

⁵ Bohlen informed Dillon in a November 30 memorandum that he had discussed the U.S. position with Alphand, who had agreed with it. (Department of State, Central Files, 751S.00/11-3060) Telegram 1583 from USUN, November 30, reported that the Mission had discussed the U.S. position with the French Delegation (*ibid.*); telegram 1587 from USUN, December 1, reported on Barco's November 30 conversation with Slim. (*ibid.*, 751S.00/12-160)

324. Memorandum From the Acting Secretary of State to the President¹

Washington, December 15, 1960.

SUBJECT

United States Vote in the General Assembly on the Algerian Question

For the past several days, the Political Committee of the United Nations has been debating the Algerian question.² The only resolution before the Committee is sponsored by 22 Afro-Asian states, and is expected to come to a vote Thursday evening, December 15. This resolution (copy attached)³ contains several features which are objectionable: It calls for a United Nations referendum to which the French strongly object on grounds that this constitutes intervention in their own internal affairs; it endorses the concept that only "two parties" (the French and the FLN) are concerned in this dispute, thereby ignoring the interests of all other Moslem and European elements of the Algerian population; and it calls the present situation in Algeria "a threat to international peace and security", thereby opening the door to action in the United Nations under Chapter 7 of the Charter.⁴ There are some other objectionable features in the resolution of a more minor character.

The Department, therefore, recommended to the Secretary that the United States vote against this resolution. A copy of the detailed recommendations of the Department are contained in the attached telegram.⁵ The Secretary has reviewed this telegram in Paris, and this

¹ Source: Eisenhower Library, Whitman File, Dulles-Herter Series. Confidential. The source text bears notations by the President: "approved D.E.," and by Goodpaster: "15 Dec 60 Notified State Dept G."

² These deliberations began December 5; see U.N. Doc. A/4660.

³ U.N. Doc. A/C.1/L.265, not printed. Page 2 bears the following handwritten notation: "If 2 paras checked above should be deleted—we would abstain. DE." Eisenhower had checked the resolution's 9th preambular and 4th operative paragraphs, which stated, respectively: "Taking note of the fact that the two parties concerned have accepted the right of self-determination as the basis for the solution of the Algerian problem," and "4. Decides that a referendum shall be conducted in Algeria, organized, controlled and supervised by the United Nations, whereby the Algerian people shall freely determine the destiny of their entire country."

⁴ Chapter VII of the U.N. Charter addresses action with respect to threats to the peace, breaches of the peace, and acts of aggression.

⁵ Tosec 5 to Paris, December 14, not printed. A copy is also in Department of State, Central Files, 320/12-1460. Herter was in Paris to attend the North Atlantic Council Ministerial meeting, December 16-18.

morning telephoned his approval of the recommended position. The Secretary asked that you be informed.⁶

Loy W. Henderson

⁶ A memorandum of this telephone conversation is *ibid.*, 751S.00/12-1560. The First Committee decided on December 15 to recommend that the General Assembly adopt the draft resolution. A record of these deliberations is in U.N. Doc. A/4660. For text of the U.S. statement on the draft resolution, see *American Foreign Policy: Current Documents, 1960*, pp. 517-520.

325. Memorandum From the Acting Assistant Secretary of State for International Organization Affairs (Bohlen) to the Secretary of State¹

Washington, December 19, 1960.

SUBJECT

Algeria

Discussion:

The Afro-Asian resolution (Tab A),² adopted by the Political Committee of the General Assembly by a vote of 47-20-28, is expected to be considered by the Assembly on Tuesday morning, December 20. As things now stand, we expect that two amendments to operative paragraph 4 will be submitted. The first, an amendment by Senegal (Tab B), would remove specific reference to a United Nations referendum, and provide for an international commission selected by the interested parties to facilitate negotiations. The second, an amendment to be offered by Cyprus with the approval of the FLN (Tab C), recommends a referendum "under the auspices of the United Nations", thus retaining the essence of present paragraph 4 in a form which may be acceptable to a greater number of delegations.

¹ Source: Department of State, Central Files, 751S.00/12-1960. Secret. Drafted by Cargo on December 19, initialed by Bohlen, and sent to Herter through S/S. The source text bears the following handwritten notations by Bohlen: "Secretary confirmed his decision to abstain on both Senegalese amendment and resolution as a whole if Senegalese adopted. He did not agree that we could vote for Senegalese amendment CEB," and "He subsequently authorized US del to vote for 1st paragraph Senegalese amendment & abstain on 2nd CEB."

² None of the tabs is printed. Regarding Tab A, see footnote 3, *supra*. Tabs B and C are U.N. Docs. A/L.334 and A/L.333, respectively. Copies of Tabs D and E are in Department of State, Central Files, 770.00/12-1660 and 751S.00/12-1860, respectively.

While we had hoped (Tosec 25, Tab D) that the French would see advantage of working out a moderate resolution along the lines of the initiative taken by the French Community States in Brazzaville, thus putting us in a position to work for and support such a resolution, it seems evident that the French are not prepared to do this. We therefore will have to determine our voting position on the texts, including the amendments, which will be before the Assembly.

It is clear that we should vote against the Afro-Asian resolution in its present form. It is also clear that we should vote against the Cyprus amendment, which does not improve the text significantly, and also against the resolution as a whole if the Cyprus amendment should be adopted.

The problem is in determining our voting position in relation to the Senegalese amendment. The French find the Senegalese amendment objectionable and obviously would not like to see it adopted. On the other hand, it is difficult for us to take a totally negative attitude toward a sincere effort by the French Community States to be helpful—one of their first major initiatives in the United Nations.

A further complication arises from the fact, even with the adoption of the Senegalese amendment, that reference to "two parties" would be retained in preambular paragraph 9.³ Our position in Committee One was, as you will recall, that we would vote against the resolution if the phrase "two parties" was retained in the preamble. However, a plausible case can be made that the adoption of the Senegalese amendment, which refers throughout to "interested parties", puts the reference to "two parties" in the preamble in a different context. The French Community States take the view that the preambular reference to "two parties" means France and the people of Algeria. Possibilities for dealing with the reference to "two parties" in the preamble therefore include (a) amendment to modify this phrase, which might be initiated for example by a French Community State or by a Latin American, or (b) a statement of interpretation of this phrase at the time of the vote.

A further complicating element is that the Senegalese amendment may be voted upon in two parts, as explained by the General Assembly Delegation (USUN 1811, Tab E). The first part, inviting the interested parties to undertake negotiations, should be tolerable to the French, whereas the second part, which calls for the setting up of an international commission, involves the concept of good offices, which the French do not like at all. USUN has recommended that our delegation be given authority to vote for a resolution incorporating the first part of the Senegalese amendment and to be given latitude to vote for

³ See footnote 3, *supra*.

or abstain on a resolution containing the second part of the amendment as well, the decision to be based on the attitude of the French Delegation and other friends of France.

Recommendations:

1. We should continue our position of voting against the Afro-Asian resolution in its present form.

2. We should instruct the Delegation to vote against the Cyprus amendment and the resolution as a whole, if the amendment is adopted.

3. If the Senegalese amendment is voted on as a whole, we should abstain. If it is voted on in parts, we should vote in favor of the first part and abstain on the second part.

4. If both parts of the Senegalese amendment are adopted, we should abstain on the resolution as a whole.

5. If only the first part of the Senegalese amendment is adopted, the Delegation should be authorized to vote for the resolution as a whole, or to abstain, depending on the positions taken by the United Kingdom and other friends of France and the attitude of the French Delegation.

6. In relation to the Senegalese amendment, the Delegation should deal with the problem posed by the reference to "two parties" in the 9th paragraph of the preamble either by an appropriate statement in explanation of the vote or by arranging for an appropriate amendment of this paragraph.⁴

⁴ Bohlen telephoned Herter, who was on the plane returning to Washington, at 1:45 p.m., December 19, to inform him that the debate on Algeria had been rescheduled for that afternoon. Herter authorized the United States to abstain on the resolution as a whole if the Senegalese amendment were adopted. (Memorandum of telephone conversation; Department of State, Bohlen Files: Lot 74 D 379, Chron File—C.E.B., 1959-1960) Herter reaffirmed this decision later that day when Bohlen discussed the substance of this memorandum with him in the car returning from the airport. (Memorandum to Kohler, Jones, Satterthwaite, and Parsons; *ibid.*)

326. Editorial Note

The U.N. General Assembly considered the question of Algeria on December 19. It first examined two proposed amendments to a draft resolution on Algeria. Regarding the amendments, see footnote 2, *supra*; regarding the draft resolution, see footnote 3, Document 323. The amendment sponsored by Senegal and 10 other French Community states was rejected; the United States voted for the first part and abstained on the second. The United States voted against the Cypriot amendment, which was narrowly defeated. Next, the General Assembly decided not to adopt the fourth operative paragraph of the draft resolution. The text of this paragraph, which the United States voted against, is in footnote 3, Document 324. Finally, the General Assembly adopted the remainder of the draft resolution; the United States abstained during this vote. For text of the resolution as adopted, 1573 (XV), see *American Foreign Policy: Current Documents, 1960*, pages 520-521. For a record of these proceedings, see U.N. Doc. A/PV.956.

In its report to Ambassador Houghton, the Department of State termed these results a "signal victory" over the General Assembly's "more extreme elements." (Telegram 2603 to Paris, December 19; Department of State, Central Files, 320/12-1960) The Mission at the United Nations commented that the Algerian debate satisfied both the French Delegation and the FLN and its supporters, and also created less resentment toward the United States than usual. (Telegram 1838 from USUN, December 23; *ibid.*, 751S.00/12-2360)

327. Memorandum From the Assistant Secretary of State for African Affairs (Satterthwaite) to the Deputy Under Secretary of State for Political Affairs (Hare)¹

Washington, December 22, 1960.

SUBJECT

Contacts with the PGAR

Now that UNGA consideration of Algeria is over I believe it would be wise for us to have another look at the problem of elevating our contacts with the PGAR.

¹ Source: Department of State, Central Files, 751S.00/12-2260. Secret. Drafted by Chase on December 21 and initialed by Satterthwaite. Copies were sent to EUR and NEA.

We assume that shortly after the January 8 referendum de Gaulle intends to move rapidly to resume negotiations looking towards a cease-fire and the setting up of transitional political arrangements in Algeria as a prelude to self-determination. I feel strongly that we should be in a position at that time to urge the PGAR representatives to adopt a constructive attitude towards de Gaulle's proposals. Although I would expect that the main burden of counseling will be carried, at least initially, by the Tunisians and perhaps the Moroccans, I think we can anticipate that a time will come in which our advice will also be helpful. I have in mind in particular the probability that the Algerians will be getting contrary advice from bloc representatives and perhaps from the UAR.

In addition to the assistance we can give to France and the moderate North Africans I also have in mind the advisability of our beginning to lay the ground for a more productive relationship than has been possible in the past with those Algerians who seem bound to play an important role—and probably a preeminent role—in Algeria's future. We should not lose sight of the fact that within the FLN, as in so many similar movements, there is likely to be considerable infighting, [2½ lines of source text not declassified].

If you concur with the above, I suggest that you ask representatives of AF and EUR to meet with you to discuss the timing, location and levels of approaches to representatives of the PGAR. NEA might also have some helpful ideas on this subject.²

²No record of a meeting has been found. A December 30 memorandum from Meyer to Hart, however, recommends that contact with PGAR officials in Cairo be upgraded from the Second Secretary to the Deputy Chief of Mission level. (*Ibid.*, NEA Files: Lot 62 D 435, 1960 Chron—Inter-Office Memos)

LIBYA

U.S. INTEREST IN RETENTION OF BASES AND IN OIL EXPLORATIONS¹

328. Editorial Note

On January 15, 1958, Secretary of State Dulles received a letter from British Foreign Secretary Lloyd expressing concern about the stability of the Libyan Government and the level of aid to Libya. Although the United Kingdom had initially planned to reduce its aid to Libya from £4.25 million to £1.25 million, Lloyd had convinced his government to contribute £2.25 million, provided the United States assumed responsibility for development and military items in the Libyan budget. He expressed the hope that they could proceed on this basis but he thought that, in any event, the United States and the United Kingdom should coordinate their efforts. (Telegram 4988 to London, January 16; Department of State, Presidential Correspondence: Lot 66 D 204)

Dulles' January 21 reply informed Lloyd the United States would do its "best to help the Libyans with their economic development and military needs." He believed the combined U.S.-U.K. aid would meet Libya's requirements, agreed Libya would dislike this arrangement, and felt it "perfectly proper" for the United Kingdom to tell Libya of U.S. intentions during aid discussions. "It would be misleading however to give the Libyans to understand that the US is able to fill any precise gap created by a reduction in the UK subsidy or that we are in a position to offer assurances concerning assistance beyond this fiscal year." Dulles added that a British decision to retain ground troops in Libya after 1959, which Lloyd had also mentioned in his letter, "should help in our common problem there and incidentally should be of benefit to the Libyan economy. The situation in Libya, is of course, a matter of considerable concern to us and I agree with you that it could become serious. I believe it is essential that we continue to work

¹ For previous documentation on U.S. relations with Libya, see *Foreign Relations*, 1955-1957, vol. xviii, pp. 415 ff.

together on the general Libyan problem and agree entirely that our plans should be coordinated in dealing with it." (Telegram 5106 to London, January 21; *ibid.*)

Lloyd wrote Dulles again on March 24, reiterating his concern about Libyan vulnerability to Egyptian expansion and requesting U.S. assistance on U.K.-Libyan aid negotiations, which were in danger of breaking down unless Libya was convinced it would receive funds to cover its economic and military needs. He thought the next week or two would be decisive, and he hoped the United States could give the Libyans the necessary assurances in that time. (Letter attached to memorandum from Rountree to Dulles, April 9; *ibid.*, Central Files, 773.5-MSP/4-958) The Embassy in London reported Lloyd had initiated this message himself. (Telegram 5654 from London, March 25; *ibid.*, 773.5-MSP/3-2558)

"It appears to me," Dulles responded on April 10, "that the time has now come when we should sit down with the Libyans, as you have done, and explain to them the full extent to which the United States will be able to assist them in their financial and military problems." If, as Lloyd had suggested, the United Kingdom would commit itself to providing the Libyan Army with light arms, training, and £2.25 million per year for budget support, Dulles would instruct Ambassador Jones to begin negotiations on U.S. aid with the Libyan Government. (Telegram 7248 to London; *ibid.*, 773.5-MSP/4-1058) Lloyd agreed on April 12. (Letter; *ibid.*, Presidential Correspondence: Lot 66 D 204) Telegram 825 to Tripoli, April 18, instructed Ambassador Jones to begin discussions with Libyan Prime Minister Kubar as soon as possible. (*Ibid.*, Central Files, 773.5-MSP/4-1858)

On April 29, Lloyd wrote Dulles that his own negotiations with Kubar were proving difficult and that he might need to offer Libya more assistance than his April 12 message had indicated. Should this be necessary, he hoped the United States would maintain its previous offer, or the political effect would be lost. (Telegram 7726 to London, April 30; *ibid.*, 773.5-MSP/4-3058) Dulles reaffirmed the U.S. commitment on May 1. (Telegram 7799 to London; *ibid.*, 773.5-MSP/5-158)

Lloyd again noted the difficulty of his conversations with Kubar when he and Dulles met on May 4 in Copenhagen, where they were attending the Ministerial meeting of the North Atlantic Council. He had agreed to give Libya £3.25 million and to provide the Libyan Army with free training and light equipment. He told Dulles that Libya did not want U.S. aid for budgetary reasons. Dulles responded that this was the "best news we had yet heard from anywhere." (Memorandum of conversation, USDel/MC 3; *ibid.*, Secretary's Memoranda of Conversation: Lot 64 D 199)

Documentation on conversations with Libyan officials regarding U.S. aid is *ibid.*, Central File 773.5-MSP.

329. Memorandum on the Substance of Discussion at the Department of State-Joint Chiefs of Staff Meeting, Pentagon, Washington, February 14, 1958, 11:30 a.m.¹

[Here follow a list of participants at the meeting and agenda item 1.]

2. *Libyan Army*

Mr. Murphy said that as a result of considerable negotiation with the British and the Libyans, the British had come up with a proposal by which they would train the Libyan forces and the U.S. would supply equipment. Mr. Murphy described this compromise as not particularly satisfactory. He asked Mr. Nes to describe the background in greater detail.

Mr. Nes explained that the British were meeting difficulties in their current discussions with the Libyans on reductions in their forces in Libya, their financial contribution, and the withdrawal of their military mission. With respect to the latter, the Libyans had reacted violently and had charged the British with a violation of their previous commitments. Both King Idris and the Prime Minister had subsequently expressed to the British their strong desire that the military mission be retained. As a result of this attitude on the part of the Libyans the British had come to us with a view to working out some arrangement for dividing responsibility with respect to the Libyan Army. The British proposal contained in their memorandum of January 23² was not wholly satisfactory, and the Department had devised a compromise formula for consideration by Defense prior to discussing it with the British. The Secretary had been corresponding with the British Foreign Secretary, Selwyn Lloyd,³ on the Libyan problem, as a result of which the British had substantially increased their proposed subsidy to Libya. It would be helpful in the overall interests of US-UK

¹ Source: Department of State, State-JCS Meetings: Lot 61 D 417. Secret. Drafted by Finn and approved by Finn and Nes. The source text bears typewritten notations that it is a Department of State draft not cleared with the Department of Defense and that Murphy did not see it.

² A copy is attached to a February 7 memorandum from Berry to Murphy entitled "The Libyan Army." (*Ibid.*, Central Files, 773.5/2-758)

³ See the editorial note, *supra*.

cooperation in North Africa were we now to be in a position to respond favorably to the British desire to retain their military training mission in Libya.

General Twining said that the position of the Joint Chiefs is that it does not make sense militarily for one country to provide the equipment and another to conduct the training and that we should look forward to a time when we would assume both responsibilities.

General Taylor said that he had found considerable confusion in Libya during his recent visit. The present force of 2500 men has a substantial amount of light equipment provided by the U.S., while there is other equipment provided by the UK and Italy. The plan is to build the force up to approximately 5,000 men which is about right for Libyan requirements. General Taylor expressed the view that the UK should turn over training responsibilities to us.

Mr. Murphy agreed that it would not be a good situation where responsibility would be divided but said that the UK might eventually decide to pull out and permit us to take over. He stressed the political importance of UK cooperation in Libya, an important area in North Africa.

Admiral Burke suggested that the UK might concentrate on those countries where it could do a complete job and let us take over in countries where the UK could not assume full responsibility. Mr. Murphy replied that this was not feasible from a political point of view and that other important considerations apply; for example, it is desirable that the UK make as substantial a contribution to the defense of friendly countries as is possible. Mr. Murphy inquired whether it would be possible to proceed in Libya on the basis of divided responsibility.

General Twining replied that it could be done even though it was not a healthy situation. He stressed the importance of eventual U.S. resumption of complete responsibility.

General Twining wondered whether we could get some concessions out of the UK in other areas such as Iraq if we agreed to the proposed play for Libya. Mr. Murphy replied that he did not think it would be feasible to use the Libya situation as a bargaining counter for other areas. Mr. Irwin commented that we tend to look at these problems on the basis of items or of individual countries and suggested that perhaps we could work out arrangements on a broader basis. Mr. Murphy commented that the British are rather jealous of their position in a number of these areas and that it was doubtful they would agree to bargaining one area as against another.

It was agreed that the compromise proposal suggested by the Department (Deptel 569 of January 24 to Tripoli)⁴ would be adopted

⁴ Not found.

and that the Department in discussions with the UK would suggest the desirability of eventual assumption by the U.S. of training responsibility.

[Here follow the remaining agenda items.]

330. Memorandum of a Conversation Between the President and the Libyan Ambassador (Mansour), White House, Washington, June 23, 1958, 9:56-10:07 a.m.¹

SUBJECT

Presentation of Credentials by the Libyan Ambassador to the President

The President welcomed the Ambassador and, after an exchange of amenities, said that he believed that the various aspects of Libyan-American relations were progressing in a very satisfactory manner. He added that he was confident that continued cooperation by the two countries would successfully forestall the possibilities of Libya falling under communist domination. The Ambassador indicated his concurrence with the President's remarks and emphasized the importance that Libya attaches to close relations with the United States.

The President alluded to oil exploration activity in Libya and asked about the prospects for success. The Ambassador indicated that a large number of American, British and French companies were presently engaged in exploration; that others (principally the Italians) are interested in obtaining concessions; and that some interesting, but as yet unproven, strikes have been discovered. The President emphasized his strong hope that substantial quantities of oil might be found in Libya, noting the great benefit that this would bring, not only to Libya, but to other Western countries by decreasing their present heavy dependence upon vulnerable Middle Eastern supplies.

The President inquired about the King's health. The Ambassador stated that although His Majesty is greatly bothered by arthritis, his health is otherwise good. He added that this arthritic condition constitutes the reason why His Majesty spends so much of his time at Tobruk, where the climate is drier. The Ambassador remarked that, in

¹ Source: Eisenhower Library, Whitman File, International File. Confidential. Drafted by Joseph Palmer 2nd. The time of the meeting is taken from Eisenhower's appointment book. (*Ibid.*, President's Daily Appointments)

a conversation prior to his departure for the United States, the Queen expressed the hope that she would be able to visit the United States sometime when His Majesty's health might permit her absence.

The conversation closed with a further exchange of expressions of mutual esteem and cooperation.

331. Letter From the Deputy Under Secretary of State for Political Affairs (Murphy) to the Assistant Secretary of Defense for International Security Affairs (Sprague)¹

Washington, September 20, 1958.

DEAR MR. SPRAGUE: The Libyan Foreign Minister, Dr. Wahbi al-Buri, during a recent visit to the Department of State² brought up the question of the annual payment of \$4 million which the United States makes to Libya in accordance with the notes exchanged between our two countries on signing the Base Rights Agreement September 9, 1954, and expressed serious concern with the problem posed by the decrease in these payments to \$1 million annually after 1960. The 1954 Agreement provides for annual payments of \$4 million through fiscal year 1960 and \$1 million annually from 1961 through 1971.³ As you know, these payments are made from special funds made available by the Department of the Air Force.

Dr. Buri stressed that Libya attached great importance to these payments since the Libyan public feels they are provided in exchange for something given by Libya and their use is not subject to the procedures involved in the administration of United States aid programs. He made a two-fold request; first, that the payment in fiscal year 1959 be increased above the \$4 million figure and second, that this increase be continued through the duration of the Base Rights Agreement instead of dropping to \$1 million annually after 1960 as provided in the exchange of notes.

¹ Source: Department of State, AF/AFI Files: Lot 62 D 406, Libya. Secret. Drafted on September 8 by Nes and Dayton S. Mak of the Office of Northern African Affairs and cleared with Satterthwaite and in draft with Weiss.

² A memorandum of al-Buri's August 28 conversation with Palmer and Porter is *ibid.*, Central Files, 772.00/8-2858.

³ For text of the agreement relating to military bases in Libya, with memorandum of understanding, signed at Benghazi on September 9 and entered into force October 30, 1954, see 5 UST 2449. For text of the agreement relating to economic aid, effected by an exchange of notes at Benghazi and entered into force September 9, 1954, see 5 UST 2434.

Although I fully realize the difficulties involved in arranging for an increase in the special funds provided Libya by the Air Force I think that you will agree that it is in our best interests to respond without unreasonable delay and as favorably as we can to the Libyan Foreign Minister's request rather than risking a Libyan demand for the renegotiation of the presently highly-favorable terms of our Base Rights Agreement, when the annual payments drop to \$1 million in 1960. It seems inevitable that the Libyans will refuse to accept a reduction at that time and the ensuing controversy could be very damaging to the rights we now enjoy. On the other hand, their acceptance of an offer which we made now would tend to reaffirm the validity of the Agreements for the period after 1960. At the very least, therefore, I feel we must be prepared to continue the \$4 million payment through 1971. It is the intention of the Department of State to attempt to forestall Libyan pressures for an increase above the \$4 million figure by seeking Libyan recognition of the fact that U.S. annual programs of economic, technical and military assistance already take into consideration Libyan needs beyond the annual payment directly associated with the Base Rights Agreement. It is highly unlikely that this approach will be successful, however, unless we are in a position to inform Libya that the special payments will continue at the \$4 million level.

I would be most appreciative if you could give this matter your urgent attention and let us have your views. ⁴

Sincerely yours,

Robert Murphy⁵

⁴ On November 7, Irwin agreed that a favorable U.S. response would reduce the risk of a Libyan demand for renegotiation of the base agreement, but suggested the United States meet Libya's request for increased assistance through the Mutual Security Program. (Letter from Irwin to Murphy; Department of State, Central Files, 711.56373/11-758)

⁵ Printed from a copy that bears this typed signature.

332. Editorial Note

On November 20, Prime Minister Kubar handed Ambassador Jones a note asking the United States to enter into negotiations to revise the 1954 base rights agreement. Dated November 18, the note stated Libya believed the nature of U.S. payments for use of the bases and the value of Libyan services merited review. Specifically, it held that economic assistance was given to Libya unconditionally in return

for use of the bases, and that these payments should be included in the Libyan budget. It also maintained that the Libyan political and security situation would be enhanced if the United States provided "an unconditional allotment of a specific sum for the period of an agreement in return for use of the bases," rather than reducing its payments in 1960, as currently stipulated. (Telegram 254 from Benghazi, November 21; Department of State, Central Files, 773.5-MSP/11-2158)

Jones gave Kubar the U.S. response on January 15, 1959, stating that although the United States felt Libya suffered no economic losses because of the presence of Wheelus Field, it was willing to discuss the points raised in the November 18 note. Kubar agreed the base benefited Libya economically, but noted it was a political liability. (Telegram 333 from Benghazi, January 15; *ibid.*, 773.5-MSP/1-1559) The text of the U.S. note has not been found.

333. Memorandum of Discussion at the 390th Meeting of the National Security Council, Washington, December 11, 1958¹

[Here follow a paragraph listing the participants at the meeting and items 1-3.]

4. U.S. Policy Toward Libya (NSC 5716/1; OCB Report on NSC 5716/1, dated November 5, 1958)²

At the invitation of Mr. Gray, Mr. Harr briefed the Council on the highlights of the OCB Report on Libya, noting among other things that while the government was favorably disposed to the U.S., Nasserism exerted a strong popular appeal and a corresponding lack of popular support for the pro-Western policies of the Libyan Government was apparent.

When Mr. Harr had concluded his remarks, the President turned to Mr. Abbott Washburn, the Acting Director, USIA, and said he wished to discuss what the OCB Report contained about the objections of the Libyan people to the things that the U.S. was doing in Libya. The President said that when we want to provide effective information to influence the Libyans [5 lines of source text not declassified]. The President said that he had urged this concept on every Director of the

¹ Source: Eisenhower Library, Whitman File, NSC Records. Top Secret. Drafted by Gleason.

² For text of NSC 5716/1, "U.S. Policy Toward Libya," June 29, 1957, see *Foreign Relations, 1955-1957*, vol. XVIII, p. 490. A copy of the November 5 OCB report is in Department of State, S/S-NSC Files: Lot 63 D 351, NSC 5716.

USIA. It was exasperating, therefore, to get this kind of a report of the results of his urgings. The President said he was very tired of the matter. Mr. Washburn replied that his agency was trying to meet the President's point while Mr. Harr said he must have given the wrong impression if he had indicated in his remarks that the radio facilities he had referred to had been U.S. facilities. On the contrary they had been Libyan. The President agreed that this was an accurate statement but argued that Mr. Harr had also said that Libyans resented many of the activities the U.S. was carrying on in Libya. He repeated his view that the people of Libya should be given facts and news over the Voice of America but not entertainment programs or propagand broadcasts.

Secretary Anderson spoke encouragingly of beginnings of oil production in Libya. Two wells are producing with results so promising that machinery is being moved from Egypt to Libya. Accordingly, if we could obtain close collaboration between these oil companies and the Government of Libya, we might be able to assure that the Libyan people would profit from these natural resources and not merely the King and a few people around him. The President agreed with Secretary Anderson.

Secretary Herter pointed out that one of our most miserable problems in Libya was constituted by the fact that nearly all school teachers in the country were either Egyptians or Palestinian Arabs both hostile to the U.S. and the West. Mr. Harr agreed that this was a serious problem but pointed out that the number of Egyptian teachers was being cut down considerably and that this was specially true of the most radical variety. [5 lines of source text not declassified]

[Here follows discussion of matters unrelated to Libya.]

*The National Security Council:*³

a. Noted and discussed the reference Progress Report on the subject by the Operations Coordinating Board.

b. Noted the President's reiteration of his belief that official broadcasts of the Voice of America radio should primarily be devoted to providing factual news, whereas broadcasts designed to entertain or engage in propagand or political action should, so far as possible, be the product of indigenous facilities, with U.S. support as appropriate, and of non-U.S.-Government-sponsored activities. The President expressed his gratification that important progress has been made toward achieving this aim.

Note: The action in b above, as approved by the President, subsequently referred to the Operations Coordinating Board.

³ Paragraphs a and b and the Note that follows constitute NSC Action No. 2018. (*Ibid.*, S/S-NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by the National Security Council)

[Here follows a note indicating that the President held a follow-up meeting to consider further the Berlin situation.]

S. Everett Gleason

334. Editorial Note

British Prime Minister Macmillan visited Washington March 19–24, 1959, at President Eisenhower's invitation for informal discussions on the international situation. Foreign Secretary Lloyd accompanied him. The subject of Libya arose briefly during a March 22 conversation on the Middle East:

"Mr. Lloyd observed that Libya could be a stable area if Nasser were not intriguing there. The Prime Minister said that applied to the Sudan as well. The President inquired why we could not get some teachers into Libya where the Egyptians already had so many." (Memorandum of conversation, USDel/MC/26; Eisenhower Library, Whitman File, International File)

335. Memorandum of Discussion at the 406th Meeting of the National Security Council, Washington, May 13, 1959¹

[Here follows a paragraph listing the participants at the meeting.]

1. *Western European Dependence on Middle East Petroleum*

[Here follows discussion of matters unrelated to Libya.]

Secretary Dillon then said he would like to turn to a specific problem for a moment. It seemed probable that substantial reserves of petroleum were ready for development in Libya, but the oil companies were loath to push this development too rapidly and thereby jeopardize their position in the Middle East. If the left-hand version of the draft NSC Action² were adopted and literally interpreted, the U.S. would be compelled to put pressure on the oil companies to develop

¹ Source: Eisenhower Library, Whitman File, NSC Records. Top Secret. Drafted by Gleason.

² Sent to Council members under cover of a May 4 memorandum from Lay. (*Ibid.*)

the Libyan fields immediately. A rapid development of the Libyan fields would have severe repercussions in the Middle East; it would, for example, preclude the purchase of more oil from Iran to compensate Iran for a decline in the price of oil. Secretary Dillon thought that the specific problems he had just mentioned illustrated the enormous complexity of the subject.

[Here follows discussion of matters unrelated to Libya. Returning to the subject of Libya, the President commented:] The Libyan oil fields appeared promising, but the oil industry apparently did not want a crash program for development of the Libyan fields. [Here follows discussion of matters unrelated to Libya.]

The Vice President asked whether the Libyan oil fields were being developed exclusively by U.S. companies. Secretary Dillon said Shell was interested in Libya, but that the big strikes were under the control of U.S. companies. The Vice President said he understood that it was our policy not to push development of the Libyan oil fields. Secretary Dillon said this policy was an oil company policy, not a U.S. Government policy. On the other hand, if we urged the companies to develop the Libyan fields rapidly at this time, the result would be a serious disturbance in the Near East. The Vice President thought the nub of the matter, the immediate problem, was what to do about Libya. We had a great many political problems in Libya. Secretary Dillon said that if the Libyan people were fully cognizant of Libyan oil resources, they would demand their immediate development. Mr. McCone said it would not be long before they were fully informed of these oil resources. The Vice President pointed out that any suggestion that the U.S. oil companies are deliberately retarding the development of the Libyan oil fields would be very unfortunate. The President said the oil companies were not retarding the development of the Libyan fields unduly, inasmuch as they were putting 100 million dollars into these fields at a time when petroleum supplies were adequate.

[Here follows discussion of matters unrelated to Libya.]

S. Everett Gleason

336. Letter From the Acting Secretary of State to the Secretary of Defense (McElroy)¹

Washington, May 22, 1959.

DEAR NEIL: We have been concerned for some time with the problem of insuring continued Libyan acquiescence in the operation of Wheelus Air Force Base at Tripoli. As you may know, there has been considerable private and governmental agitation in Libya for a revision of the terms of the Libyan-American base agreement. The essence of the Libyans' demands, as presented by them in a memorandum on March 18, is that our annual special purpose payment, which comes from Air Force funds pursuant to arrangements concluded in 1954,² be increased from \$4 million to \$45 million, that we recognize the principle that this money is being paid as rent for the use of the air base and that we give a long-term commitment to pay this new amount annually for the duration of the base agreement, i.e., until 1971, instead of allowing the payments to be reduced to \$1 million annually after 1960 as originally agreed.

We have been able to avoid addressing ourselves specifically to these demands for the present by offering the Libyans greater flexibility in the use of funds already obligated for our fiscal 1959 Mutual Security Program³ and by undertaking to permit them unrestricted use of the fiscal 1960 special purpose payment of \$4 million. However, it has become clear to us that we must give serious consideration to the Libyan demands and that we must provide a forthcoming answer to them. It is also apparent that we must do this quickly if we are to retain the use of Wheelus under the present, favorable conditions which we enjoy there. Our reasons for this belief are as follows:

1. In spite of the obvious economic benefits which the presence of the air base confers on Libya, the Libyans consider the air base both a nuisance and a threat to their security. Wheelus averages about one activity, i.e., a landing or take-off, every minute during daylight hours. Most of the planes involved are jet fighters which approach and take-off at a very low level over surrounding populated areas. The consequent noise plus the ever-present threat of accidents is a constant source of irritation to the Libyans. More importantly, they believe, [*less than 1 line of source text not declassified*] that because of the presence of Wheelus, Tripoli would be one of the first targets of a nuclear warhead

¹ Source: Department of State, Central Files, 711.56373/5-2259. Secret. Drafted by Parker on May 14 and concurred in by Satterthwaite.

² A summary of the Libyan memorandum was sent to the Department of State in telegram 460 from Benghazi, March 19. (*Ibid.*, 711.56373/3-1959)

³ For text of this agreement, effected by an exchange of notes at Benghazi and entered into force on May 21, see 10 UST 2017.

in the event of hostilities between the United States and the U.S.S.R. The successive commanding officers at Wheelus have shown themselves seriously concerned with the resulting community relations problem and have displayed both imagination and energy in attempting to alleviate it, but it is clear that public relations activity, however useful, cannot really change the character of Wheelus in Libyan minds.

Finally, the Libyans are concerned with the infringement of their sovereignty which they believe is involved in the base agreement. [2 lines of source text not declassified] We are extremely fortunate in being able to operate Wheelus with almost complete freedom from Libyan interference or obstruction. With the awakening of Arab nationalism in Libya, we do not believe this situation can continue indefinitely. There is a definite risk that Libyan demands will be expanded to include restrictions on our use of Wheelus unless we are able to make an offer regarding future payments acceptable to them.

2. As you may have heard, an important oil strike has recently been made in Cyrenaica by Esso. Although the extent and magnitude of the oil field which this strike revealed have not yet been determined, according to competent professional opinion it is only a matter of time before Libya becomes an oil-producing state with annual revenues far in excess of the aid funds now provided annually. The Libyans do not yet appear to be aware of the importance of this strike but soon will be. We expect their attitude toward the base agreement to become increasingly intransigent when this awareness dawns and they foresee financial independence. It probably will take several years before these petroleum deposits are fully exploited, but the convenience of Libya's location, the accessibility of the deposits, and anticipated Libyan pressure on the oil companies all point to rapid exploitation. Under these circumstances, it is essential that we move quickly, if we are to assure continued operation of Wheelus under existing conditions, before the Libyans feel that prospective oil revenues will permit them to harass our base operations with financial impunity. We are convinced that the only sound course open to us now is to respond as favorably as possible to the Libyan demands in an effort to obtain from them some commitment for continued use of the air base before they become fully aware of their oil potential. While there is no assurance that this will guarantee our indefinite use of Wheelus, we do not see a workable alternative.

I think you will agree that this is a matter of paramount importance and urgency to the Department of Defense and the Air Force and that we should concert our efforts as soon as possible to reach agreement on a response to the Libyans. We believe the first step in this process should be a determination by the Department of Defense as to

how much longer it will require the Wheelus facilities and what measures it is prepared to take to meet the situation created by the Libyan demands.

Sincerely yours,

Douglas Dillon⁴

⁴ Printed from a copy that bears this stamped signature.

337. Memorandum of Discussion at the 422d Meeting of the National Security Council, Washington, October 29, 1959¹

[Here follow a paragraph listing the participants at the meeting and item 1.]

2. Implications of Petroleum Developments on U.S. Operations in Libya
(NSC 5716/1; OCB Special Report on the subject, dated Sept. 23, 1959)²

Mr. Harr summarized the OCB Report pointing out that as a result of the oil discoveries in Libya all U.S. operations there will be affected. A country which had been plagued by poverty was now facing the prospect of being moderately embarrassed with riches. The OCB report dealt only with the implications of this development. While there had been other oil strikes previously, it was not until April of this year that oil had been found in commercially exploitable volume. He noted that ESSO was engineering a port and pipeline and that by 1965 approximately 25,000 barrels a day would be going to Western Europe from the ESSO operation alone. He displayed a chart showing the estimated expansion of Libyan oil production and the anticipated revenues to the Libyan Government. He pointed out that by 1964 it is estimated that ESSO would be producing 100,000 barrels per day and that by 1966 the Libyan Government would be receiving revenues of \$20-\$30 million, which about equals the subsidies it is presently receiving from the U.S. and the U.K. On the basis of conservative estimates of other strikes, it was anticipated that total production by 1965 would be 300,000 barrels per day. It was obvious, he said, that Libyan

¹ Source: Eisenhower Library, Whitman File, NSC Records. Top Secret. Drafted by Johnson.

² Regarding NSC 5716/1, see footnote 2, Document 333. A copy of the September 23 OCB report is in Department of State, OCB Files: Lot 62 D 430.

oil would be in a strong competitive position in Western Europe and ESSO was planning to supply its share of the increasing Western European market from its Libyan production.

Going on to discuss the policy implications of these developments, Mr. Harr stated that we had lost some holds that we had in Libya and gained some new ones. The Libyan Government was beginning to sense already the possibility of elimination of foreign aid and this was affecting its attitude toward our continued presence at the Wheelus Base. The Libyans have tolerated our presence only because of the need for foreign aid. The development of oil production would have political effects within Libya by placing a new premium on economic power and thus affecting central-provincial governmental relations. Petroleum development would also affect international relations. Countries of the area, particularly Egypt, would increase their efforts to control the Libyan Government. All of this would be occurring in a country which was a "weak reed" politically. In sum, this development would improve the economic situation but would considerably complicate the political situation in Libya. As one specific aspect of future problems, Mr. Harr pointed out that the oil companies would be competing for skilled and trainable labor and that it was likely that many foreigners (e.g., Egyptians) would be brought in to handle technical jobs.

The Director of Central Intelligence agreed that development of oil in Libya would affect the policies of other countries of the area. Libya was adjacent to Egypt and it was likely, as had been stated, that Nasser would seek to control it. The President indicated his concurrence in the Director's view and suggested that perhaps we should make a move in the direction of providing technicians and teachers to Libya on a very rapid basis.

*The National Security Council:*³

- a. Noted and discussed the reference OCB Special Report on the subject.
- b. Directed the NSC Planning Board to review NSC 5716/1 ("U.S. Policy Toward Libya") with a view to formulating such policy guidance as may be required in respect to the effect of the recent oil discoveries in Libya on U.S. interests in Libya.

[Here follow discussion of agenda items 3–5. For item 4, see Document 360.]

Robert H. Johnson

³ Paragraphs a and b constitute NSC Action No. 2139. (*Ibid.*, S/S–NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by the National Security Council)

338. Memorandum of Discussion at the 436th Meeting of the National Security Council, Washington, March 10, 1960¹

[Here follow a paragraph listing the participants at the meeting and items 1 and 2.]

3. *U.S. Policy Toward Libya* (NSC 5716/1; OCB Special Report on "Implications of Petroleum Developments on U.S. Operations in Libya", dated September 23, 1959; NSC Action No. 2139; NSC 5911/1; NIE 36.5-60; NSC 6004; Memo for NSC from Executive Secretary, same subject, dated March 7, 1960)²

Mr. Gray presented this subject to the Council. (A copy of Mr. Gray's Briefing Note is filed in the Minutes of the Meeting and another is attached to this Memorandum).³

Mr. Gray reported that the first split in NSC 6004 occurred in Paragraph 22, where Treasury and Budget proposed the insertion of a provision reading as follows: "Seek to achieve a relationship between the total amount of financial support provided to Libya by the U.S. and that provided by the U.K. which will reflect the relative importance to the two nations of their respective strategic interests in Libya."

Secretary Anderson said this proposal was part of a fundamental issue. We had always tried to maintain bases in foreign countries by producing in the country where the base was located a favorable climate of opinion, which was established largely by our aid programs. We were increasingly coming to realize that [4¹/₂ lines of source text not declassified]. \$100 million was to be spent in Libya in the next year in connection with the development of the oil resources. These expenditures plus military expenditures would have a great inflationary effect in Libya. We had announced that we had a balance-of-payments problem. We should ask other countries to help us in that problem; and Britain was in a good position to do so with respect to Libya. Secretary Anderson said the factors he had just summarized constituted the basis for the various differences of opinion in the paper.

¹ Source: Eisenhower Library, Whitman File, NSC Records. Top Secret. Drafted by Boggs on March 14.

² Regarding NSC 5716/1, see footnote 2, Document 333. Regarding the September 23, 1959, OCB report, see footnote 2, *supra*. Regarding NSC Action No. 2139, see footnote 3, *supra*. NSC 5911/1 is printed as Document 268. A copy of NIE 36.5-60, "The Outlook for Libya," January 12, is in Department of State, INR-NIE Files. NSC 6004 is *ibid.*, S/P-NSC Files: Lot 62 D 1. A copy of Lay's March 7 memorandum is *ibid.*

³ Not attached to the source text. The minutes of all National Security Council meetings in the Eisenhower administration are in the National Archives and Records Administration, RG 273, Records of the National Security Council, Official Meeting Minutes File.

Mr. Dillon believed two separate problems were involved. [10½ lines of source text not declassified] Any increase in U.K. assistance to Libya would not lead to a decrease in U.S. assistance, but would, on the contrary, make the Libyans feel that the U.S., as the richest country, should pay even more. In fact, the Libyans had asked that their payments be increased by 2½ times, but they would probably accept about the present payments. Mr. Dillon [11½ lines of source text not declassified] thought no provision in the paper should preclude grant assistance from the Contingency Fund to Libya in an emergency. The Air Force was now paying \$4 million, which after 1960 would fall to \$1 million. Libya had not agreed to this decrease, but instead wanted larger payments. The 1961 program called for an increase from \$15 to \$18 million in grant assistance to compensate for the decrease in the Air Force payment. Libya had asked for a \$45 million payment. The President expressed astonishment, asking whether Libya wanted us to pay ten times what we were paying now. Mr. Dillon said Libya wanted us to pay 2½ times what we were paying now, since actually we were paying about \$19 million for the base in the form of assistance. He agreed that the \$45 million figure was ridiculous. [6 lines of source text not declassified]

Mr. Gray said that two separate issues were being discussed by the Council. He suggested that in Paragraph 22 the second sentence might read: "Continue to encourage the U.K. to provide assistance to Libya reflecting British strategic interests in Libya." Mr. Dillon and Mr. Douglas said this suggestion was acceptable to them. Mr. Stans⁴ felt the sentence should read, "reflecting preponderant British influence." The President asked why it was necessary to say "preponderant British influence" when U.S. companies were developing Libyan oil. Mr. Stans said the British were preponderant in Libya down to 1958 when they began to withdraw. Now the U.K. had reversed its earlier withdrawal and a recent [2½ lines of source text not declassified].

The President recalled we were holding or were about to hold a conference of industrial nations on economic development. He thought all countries should similarly confer. The U.K., the U.S. and France should be interested in consulting together instead of acting unilaterally as they are doing at present. Before a policy such as the one in Paragraph 22 was firmly adopted, we should ask all those countries with strategic interests in underdeveloped regions to discuss the problem and arrive at a decision as to what each should do. All the NATO countries and others interested in defense problems might participate in this consultation. Secretary Anderson felt it would be desirable to select the places in the world in which the U.K. was predomi-

⁴ Maurice H. Stans, Director, Bureau of the Budget.

nantly interested in order that the U.K. might be asked to bear a larger share of the burden in those places. He pointed out that the U.K. now considers Latin America a U.S. preserve.

The President wondered why we did not turn our Libyan base over to the U.K. Secretary Douglas said this base was the only factor in North Africa which enabled us to use military forces in the Middle East. Mr. Dillon said we had already agreed with the U.K. on an increase in the British share of assistance to Jordan. Perhaps we could extend these conversations to cover Libya. The President remarked that he was somewhat annoyed at being told that the U.K. had the predominant strategic interest in North Africa and the Eastern Mediterranean, but that the U.S. must pay the predominant share of the cost. Mr. Dillon felt that without the base in Libya we would be doing very little in that country. If we relinquish the base we would not need to provide much assistance to Libya. The President said of course he did not want just anyone to get the base if we did relinquish it. [1½ lines of source text not declassified] Mr. Stans believed the problem was one of priorities. We had difficulty in getting sufficient money from Congress to cover our world-wide needs. Libya was low in the scale of U.S. priorities as long as the U.K. has great strategic interests there. Mr. Dillon felt Mr. Stans' analysis was not accurate as long as we have possession of our base in Libya. The President agreed with Mr. Dillon. He suggested we might ask the U.K. to take over our facilities in Libya and then the U.K. might ask us to man and operate the base, a procedure which would reflect the fact that we were allies. He repeated his suggestion that we should consult with the British as to the respective U.S. and U.K. strategic interests in Libya. Mr. Dillon said this question could probably be brought up with the British next week when we were holding strategic discussions with them. [14½ lines of source text not declassified]

Mr. Gray proposed the following as the last sentence of Paragraph 22: "Seek to reach an understanding with the U.K. as to the provision of assistance to Libya and as to the maintenance of military facilities there which will reflect British strategic interests in Libya." The President said we could not use the word "predominant" in connection with British strategic interests in Libya because, as Secretary Douglas had said, our base in Libya provides us with the only means of reaching the Middle East with land-based forces. Mr. Gray asked whether the President wanted the overall study on the feasibility of rental payments for bases made. The President approved the study provided it were made by the Departments of State and Defense. [2 lines of source text not declassified]

Mr. Gray then briefed the Council on the split in Paragraph 27, where the majority wished to continue to provide assistance for development projects in Libya, insofar as possible on a gradually declining

basis, shifting as rapidly as possible from grant aid to loans to be repaid from future oil revenues. Treasury wished to make no new commitments for economic assistance after FY 1961 except those required to retain the base. Budget was willing to make loans but not grants for economic assistance. The President thought that Paragraph 27 was related to Paragraphs 22 and 23. Mr. Dillon said it was necessary to continue development assistance to Libya in the form of loans. In view of future Libyan oil revenues, loans could be bankable loans and could be extended through the Export-Import Bank. Secretary Anderson felt assistance to Libya in large amounts in addition to the oil revenues which would be accruing to that country would result in a disruption of the Libyan economy. The President wondered whether the assistance would not help the economy if it were put into capital investments. Secretary Anderson felt the Libyans would not use assistance in this way. Mr. Dillon said we had been trying to induce Libya to hire experts to help with its development program. [5½ lines of source text not declassified] The President wondered whether the majority should not state what our policy is now and eliminate the provision for phasing out. Mr. Stans said he was also concerned with "phasing out" because the Financial Appendix showed no phasing out in future years. Mr. Dillon said a reduction in our assistance to Libya was not possible as long as we have the Wheelus Base, but assistance could be shifted to a loan basis. The President agreed that we must keep Wheelus, that we should shift from grant assistance to loans, and that we want to pay as little as possible for Wheelus. Mr. Gray said that Treasury and Budget felt we should get out of the economic assistance business in view of the prospect that Libya would be receiving increased revenues from its oil. The majority on the other hand felt we should continue to give economic assistance to Libya. Mr. Dillon said the majority wanted to give Libya such assistance as was necessary to retain the base. Mr. Gray asked whether in Paragraph 27 we should tie our assistance to maintenance of the base. The President said that even if we abandon the base we might want to give Libya assistance. We could not just forget Libya even if we did not have a base there.

*The National Security Council.*⁵

a. Discussed the draft statement of policy on the subject contained in NSC 6004; in the light of the views of the Joint Chiefs of Staff thereon, transmitted by the reference memorandum of March 7, 1960.

b. Adopted the statement of policy in NSC 6004, subject to the following amendments:

⁵ Paragraphs a and b and the Note that follows constitute NSC Action No 2192. (Department of State, S/S-NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by the National Security Council)

(1) *Page 17, paragraph 22*: Delete the bracketed sentence and the footnote thereto; and insert the new paragraph below following paragraph 22 (renumbering subsequent paragraphs accordingly):

"Seek to reach an understanding with the United Kingdom as to the provision of assistance to Libya and as to the maintenance of military facilities there which will reflect British strategic interests in Libya."

(2) *Page 17, old paragraph 23*: Delete the bracketed phrase and the footnote thereto, revising the first line of the second footnote to read as follows:

"* The Department of Defense is being directed to undertake promptly, in collaboration with the Department of State, an overall study of the feasibility"

(3) *Page 19, old paragraph 27*: Include the Majority version on the left, and delete the Treasury-Budget version on the right and the footnote thereto.

(4) *Page 19, old paragraph 28*: Delete the bracketed clause and the footnote thereto, in view of the new paragraph added following paragraph 22.

Note: NSC 6004, as amended by the action in b above, subsequently approved by the President; circulated as NSC 6004/1⁶ for implementation by all appropriate Executive departments and agencies of the U.S. Government; and referred to the Operations Coordinating Agency as the coordinating agency. The Directive in the footnote to old paragraph 23 of NSC 6004, as approved by the President, subsequently transmitted to the Secretaries of Defense and State for appropriate implementation.⁷

[Here follow a note about the President's and Dillon's departure from the meeting and item 4.]

Marion W. Boggs

⁶ *Infra.*

⁷ The directive was transmitted in a March 15 memorandum from Lay to Gates and Herter. (Department of State, S/S-NSC Files: Lot 63 D 351)

339. National Security Council Report¹

NSC 6004/1

Washington, March 15, 1960.

STATEMENT OF U.S. POLICY TOWARD LIBYA

General Considerations

1. The underlying situation in Libya, an essentially artificial creation held together chiefly by the institution of the monarchy, is unstable. Because of strong separatist tendencies among the three provinces, uncertainty as to the succession to the throne, and growing republican sentiment in the cities, the death of King Idris may precipitate a chaotic free-for-all which could go so far as to lead to the country's breakup. The competition for influence in Libya between the UAR and Britain, and the prospect of large oil revenues, are further unsettling factors.

2. Because of the extensive U.S. and U.K. military facilities in this strategically located Mediterranean area, and because Libya is becoming a major new source of oil, reducing Europe's dependence on the Middle East, the outcome of this instability is of considerable importance to the United States.

3. King Idris is the main source of power and the principal unifying force in Libya, because only he is able to control both the federal and provincial governments and he is the only figure commanding anything resembling countrywide loyalty. The provincial governments frequently oppose the federal government, and indeed the King often supports them (particularly in Cyrenaica) against the federal authorities. The King's principal following is among rural tribal elements and conservative city politicians. There is little loyalty to him among the younger urban elements who do not now have significant political power but who will have such power in the future. Although there are no overt political parties in Libya, there are a number of loose political factions and interest groups and Pan-Arab nationalism has considerable appeal, particularly to the younger urban elements (including labor leaders). Developments arising out of the country's new oil wealth will almost certainly disturb the relatively stable political equilibrium which King Idris has maintained among these factions and groups. The attitudes of the urban elements will be significantly affected by the government's success in (a) fostering economic development and

¹ Source: Department of State, S/P-NSC Files: Lot 62 D 1. Secret. A cover sheet, a note from Lay to the members of the National Security Council, a table of contents, Annexes A-D, and a Financial Annex are not printed. Approved by the President on March 15, NSC 6004/1 incorporated the Council's revisions pursuant to its March 10 meeting (see *supra*) and superseded NSC 5716/1. Regarding NSC 5716/1, see footnote 2, Document 333.

expanding economic opportunities for individual Libyans, and (b) curbing the temptations to ostentation and graft inherent in large oil revenues.

4. Particularly after King Idris leaves the scene, the status of Western bases in Libya is likely to become precarious. Our military position there derives from a Base Agreement which was signed September 9, 1954, and which is terminable December 24, 1970.² The principal U.S. military facility in Libya is Wheelus Air Base near Tripoli, with its gunnery and target ranges and ancillary installations. Although the requirements for the use of this base in general war are considered to be relatively unimportant, there is (a) an important peacetime military requirement for its use for an indefinite period and certainly through the duration of the present base agreement, and (b) a limited war requirement for its use, along with other associated facilities in Libya, as a possible staging base for operations in the Middle East. The peacetime requirement stems primarily from the fact that our Libyan facilities provide the most suitable available location for live bombing and missile training in the area of CINCEUR's responsibility. In addition there are certain U.S. port, navigational, and communication facilities and rights, which will be of continuing importance to U.S. military operations in the area. We recognize, however, that the Libyans may not permit us to use their territory for staging operations which are directed against, or involve, any other Arab States.

5. Although the full extent of Libyan oil reserves is not yet known, strikes made to date indicate that the country will become a major new source of oil and possibly gas. Fourteen companies from six Western countries³ have concessions in Libya. More than half of these companies are U.S.-controlled.

Libya's Relations with Other Nations

6. The United Kingdom exercises considerable influence over the King and the Libyan Government because of historical associations and because of the British commitments to assist in the defense of the country and to provide military and economic assistance.⁴ Approximately 4,500 British troops are now stationed at various strategic points in Libya, and the United Kingdom is committed to provide (a) an annual economic subsidy of \$9.1 million through 1963 in return for the right to station its troops and use air bases there, and (b) the light equipment and most of the training for a 5,000-man Libyan Federal

² See Annex A for summary of U.S.-Libyan Military Agreements. [Footnote in the source text.]

³ U.S., U.K., West Germany, France, Italy and The Netherlands. [Footnote in the source text.]

⁴ See Annex B for text of U.K.-Libyan Agreements of 1953. [Footnote in the source text.]

Army. The presence of U.K. forces and their potential use in the event of an upheaval contributes to the maintenance of internal security in Libya. In the immediate post-Suez period the United Kingdom was prepared to reduce drastically its stake in Libya and began a phased withdrawal of troops from the country, hoping to evacuate all of them by March 1959. At the same time the British indicated an intent to reduce their annual payment under the Anglo-Libyan treaty from about \$11 to \$3.5 million beginning in 1958. However, following strong Libyan representation in April 1958 they agreed to an annual level of \$9.1 million for five years. Further, after the Iraqi revolution and the Jordanian crisis in the summer of 1958 the British reassessed Libya's value, particularly in view of their loss of base and overflight facilities in Iraq. As a result of this reassessment and in response to a Libyan request, they halted the withdrawal and rebuilt their Libyan garrison to 75 per cent of its pre-Suez strength. The British now consider Libya strategically important because: (a) it is a potential producer of sterling area oil which need not transit the Suez canal or Near Eastern Arab territories, (b) it provides access by air to Africa, and (c) it is a staging area for Middle East military operations. Although they would be reluctant to intervene with force in Libya to maintain a regime favorable to their interests, they would probably do so if it seemed the only way to preserve their position.

7. The United States stepped up its military and economic assistance to Libya in 1958 to coincide with the British withdrawal, and U.S. influence in Libya today is comparable to that of the U.K. Our relations have been considerably smoother in Libya than in other Arab countries. We have in general enjoyed a good degree of cooperation from the Libyan government, which has permitted an unrestricted use of our base facilities, has cooperated readily in security measures to protect our personnel, and has given such support to our international policies as it has felt it could reconcile with its avowed policy of non-engagement in power struggles. For instance, when Libya established diplomatic relations with the USSR in 1956, the then Prime Minister and King Idris gave us assurances that certain facilities and privileges would be denied the Soviet Bloc. To date these assurances have not been violated, although it is not clear that the present government would consider itself bound by them. The Libyans also gave strong support to the American Doctrine for the Middle East in 1957 and, swimming against the Arab tide, established relations with Nationalist China in 1959. More recently difficulties over the amount and terms of our aid and over the privileges of U.S. official personnel in Libya have been a source of considerable friction. The arrival of large numbers of non-official personnel as a result of petroleum development (there are an estimated 2,000 non-official Americans in Libya today) could create further problems.

8. Libya's friendly posture toward us is largely the result of the present King's policy of friendship with the United Kingdom and the United States. This posture is likely to continue as long as King Idris remains on the throne and as long as Libya is reasonably satisfied with Western support, but may be seriously eroded if a more nationalistic regime comes to power.

9. As long as the British consider Libya strategically important, the United States should take British views into consideration in exercising its influence in Libya. The joint capabilities of the United Kingdom and the United States to influence Libya by the provision of financial assistance may be considerably diminished as the Libyan Government begins to receive substantial oil revenues, although the probable necessity to market the oil through Western facilities should serve as a moderating influence on Libyan actions.

10. Egypt has obvious designs on Libya, at a minimum for paramount political influence, and has a demonstrated capability for fomenting trouble there. There are a large number of Egyptian advisors and officials in the Libyan federal and provincial governments and teachers in the Libyan schools, although the number of teachers has been reduced as a result of U.S. efforts. The Egyptian radio, movies and newspapers have considerable popular appeal. The King and, to a somewhat lesser extent, senior officials of the Government are fearful of Egyptian motives but the popular appeal of pan-Arabism limits the extent to which this fear can be reflected in Government policies and actions. While Egyptian influence may increase, it is unlikely that any influential group of Libyans will wish to see their country incorporated into or pass under the control of the UAR. In fact, Libya's present leaders will probably want to preserve some kind of British and Western presence to help counter pressures by the UAR.

11. There is likely to be an active competition for influence in Libya between the UAR and the United Kingdom during the next few years. From time to time, the United States may find itself caught in the middle of a conflict of interest between the United Kingdom and the UAR. Our present policy is to continue to seek British cooperation in achieving U.S. objectives in Libya. However, political conditions in Libya and the surrounding area could, in specific circumstances, make it necessary for the United States to consider disassociating itself from British policy or action.

12. Libya's relations with members of the Arab League other than the UAR are confined largely to contacts at League meetings and international conferences and none of them exerts much influence in Libya, although the Libyan Government has on occasion professed a desire to strengthen relations with its North African neighbors and has

given open support to the Algerian nationalists. It is likely that recent oil discoveries will reduce considerably any Libyan interest in a "North African Federation".

13. Soviet influence in Libya, never very significant, has become even less so since the coolness between the UAR and the Bloc. Although in 1945 the Soviet Union requested a trusteeship over Tripolitania, it was not until 1956 that a Soviet Embassy was established in Tripoli. Soviet offers of military and economic aid in 1956 were rejected by the Libyan Government after the United States extended additional aid to Libya. The Soviet Government has since 1956 periodically offered to equip and staff two hospitals in Libya. The Libyan Government has accepted this offer in principle, but implementation has been postponed by argument over details. Although direct Soviet influence in Libya has remained slight, the Soviets have had some success in cultivating junior officials. The small clandestine Communist Party is not particularly effective, but is infiltrating the Libyan labor movement. Contact with the Soviet Union is likely to increase, particularly if a more nationalist or neutralist regime comes to power.

Military and Police Forces

14. When it became independent in 1951, Libya had no federal army and such armed forces as it had were the constabulary units of the provincial police forces. The police forces have increased considerably since that time (from 5,000 in 1957 to 8,400 in 1959) and continue to have primary responsibility for internal security in the provinces. For this reason they are of considerable political importance and their commanders are among the more important political figures in Libya today. They are paid and equipped by the provincial governments, which have been jealous of their prerogatives in maintaining these forces and have shown no disposition to surrender their functions to the Federal army. In return, the local forces have shown strong loyalties to their respective provinces. Both the United States and United Kingdom have believed that the creation of a Federal army which would be responsible to the central government was a necessary step in creating a sense of national unity in Libya and in overcoming the divisive tendencies of the provinces. We hoped that this step would be accompanied by a reduction in the military functions and in the size of the provincial forces. So far as possible we have directed our military and technical assistance to that end. While we have been able to build up the Federal army to the point where it is comparable to the strongest of the provincial forces (Cyrenaica), there has been no reduction in the size or functions of the provincial forces. However, as the army assumes responsibility for national defense and increases in stature, we expect that the military role of the provincial forces will decrease in importance and that they will be able to devote themselves primarily

to normal police functions. In view of the numbers of Americans now travelling in remote areas of Libya and the prospective investment of American capital in petroleum facilities, we have an increased interest in the performance of those functions.

15. The present size of the Federal army is 4,200 men; the Federal Government is increasing it to 5,000. Such an army could, if it develops a strong national loyalty, provide the Federal Government with effective military backing and contribute significantly to internal security and to the unity of Libya. Government reluctance to create a large army which would perhaps play too important a political role will serve to keep its size modest, at least for the present. Under a U.S.-U.K. understanding⁵ the United Kingdom is providing the light equipment and most of the training for the Libyan army, and the United States is providing the "heavy" equipment (e.g., trucks and recoilless rifles) and limited training. The United Kingdom has to date supported a program looking toward a Libyan army of 5,000 men (including 500 support troops). In the past the U.S. program has been directed at a force goal of 4,500, but it is now planned to expand it to cover the 500 support troops. Most of the vehicles for this increase would be procured in the United Kingdom.

*Economic*⁶

16. Since achievement of independence in 1951, Libya has been basically dependent upon military expenditures of U.S. and U.K. forces and upon grants from foreign governments. Over 90 per cent of Libya's territory is desert and only about one per cent is suitable for settled agriculture. Most of the population lives at subsistence level by nomadic animal husbandry and agriculture and suffers from malnutrition and disease. Recent petroleum discoveries are however already causing a drastic and rapid change in the economic situation. It is currently estimated that the oil companies will spend a total of more than \$100 million on development of Libyan petroleum resources in 1960. This sum is roughly equal to the total gross national product of Libya before the oil explorations begin. However, a portion of this expenditure will be for the companies' overhead costs. From one-third to one-half of the total investment will take the form of imports of oil equipment and supplies into Libya. Roughly one-third of the investment will be in the form of purchases of Libyan labor and supplies, thereby making available foreign exchange which could be used for the financing of non-petroleum imports. When oil exports begin in late 1961 or 1962, these benefits will be supplemented by royalty and tax payments direct to the Libyan Government. Such receipts are likely to

⁵ See Annex C. [Footnote in the source text.]

⁶ See Annex D for financial data. [Footnote in the source text.]

reach 35 to 60 million dollars per year by 1965, depending upon the rate of exploration of Libya's oil resources, which probably will be affected more by world demand for petroleum and its availability from other sources than by any other factor.

17. The discovery and exploitation of oil in Libya is rapidly relieving the country of its almost total dependence on the military expenditures of foreign troops and the financial support of foreign governments, and gives the country for the first time a potential for economic growth. There are many problems which will have to be overcome, however, if this potential growth is to be achieved. An expanding oil industry will have other far-reaching effects, e.g.:

a. There is danger that the availability of funds to Libya from oil, in addition to British and U.S. military expenditures and grants, will outstrip the nation's capacity to put them to use, and will create serious inflation and potential political dissatisfaction.

b. An expanding oil industry will increase the need for Libyan Government administrators, industrial managers and skilled labor and will accentuate the severe shortages in all these categories.

c. The techniques employed by foreign (including U.S.) oil companies in their competition for trainable Libyans could complicate U.S.-Libyan relationships. If, however, U.S. companies establish a high standard in labor-management relationships and in their commercial relations with Libyan nationals, they could contribute considerably to satisfactory U.S.-Libyan relationships and could reduce the possibility of grievances.

d. Oil production will stimulate commercial and industrial activities, which will in turn attract migration to the cities, and thus create fertile ground for political agitation.

18. Under present policy the United States is prepared to offer Libya assistance for FY 60 totaling \$24.6 million,⁷ \$14 million of it in the form of cash grants to the Libyan budget to meet Libyan pressures for increased payments for the use of military facilities. U.S. cash grants to the Libyan budget would thus exceed those of the United Kingdom for the first time.⁸

19. The Libyans have been dissatisfied with the size of the U.S. economic aid program and with the controls involved in its adminis-

⁷ The \$24.6 million includes \$4 million in Air Force Special Purpose Funds under the 1954 Agreement; a \$10 million cash grant from the Mutual Security Program; \$5 million in project assistance; \$2.5 million technical assistance; P.L. 480 programs (Titles II and III) of \$2.5 million; and \$670 thousand in military assistance. [Footnote in the source text. P.L. 480, Agricultural Trade Development and Assistance Act, was enacted July 10, 1954. For text, see 68 Stat. 454.]

⁸ In addition to U.S. and U.K. aid, the U.N. provides technical assistance budgeted at \$620,200 for the current fiscal year and Italy is providing, as war reparations, a credit of \$4.9 million to be spread over three years in addition to a grant of \$2.8 million given in 1958. [Footnote in the source text.]

tration.⁹ The multi-year financial assistance commitment of the U.K. to the Libyan budget in the form of unencumbered cash grants has been accepted by the Libyans as the model for external assistance. They have proposed a revision of the 1954 Libyan-U.S. agreement, which now calls for the annual payment of \$4 million through 1960 and \$1 million thereafter through 1970, the terminable date of the base agreement. They have asked for a new multi-year commitment involving larger annual cash payments as rent for U.S. military facilities in Libya. Failure to satisfy the Libyans on both form and amount could lead in time to serious pressures for evacuation of our military facilities, particularly after Idris leaves the throne. The Libyans also desire greater control over the administration of any additional U.S. aid programs. Further, despite the prospect of oil revenues, it is not likely that Libya will reduce its requests for U.K. and U.S. aid. Libya may even press for greater compensation for maintenance of U.S. and U.K. military bases.

Objectives

20. Continued availability and use of those U.S. and allied military facilities in Libya important to U.S. security.

21. A stable central government in Libya able and willing:

- a. To permit Western access to Libyan oil resources.
- b. To minimize Communist and other anti-Western influence in Libya.
- c. To cooperate generally with the United States and its allies.

Policy Guidance

22. Extend U.S. assistance and make financial payments to Libya at the minimum level necessary to achieve U.S. objectives as set forth in pars. 20 and 21, taking into account new Libyan sources of income and the contributions of other friendly nations.

23. Seek to reach an understanding with the United Kingdom as to the provision of assistance to Libya and as to the maintenance of military facilities there which will reflect British strategic interests in Libya.

24. With the objective of continued availability of our military facilities in Libya, go as far as practicable toward giving the Libyan Government a multi-year commitment for annual cash payments for

⁹ In this connection it may be noted that there is prospect that one significant cause of dissatisfaction, delay in building an adequate road to the Wheelus base, will soon be eliminated. Funds for the road have been appropriated and construction is expected to get under way during the present year. [Footnote in the source text.]

those facilities, bearing in mind the effect such action may have on the cost and tenure of our facilities elsewhere.¹⁰

25. Be prepared to relinquish U.S. rights and facilities if their retention cannot be secured at a cost commensurate with their value to us.

26. Make a major effort to strengthen Libya's ability to utilize effectively the large amounts of capital becoming available from petroleum investments and sales, from foreign military expenditures in Libya, and from foreign aid and the quid pro quo for base rights by promoting (a) rational and well-directed planning for the use of available capital, (b) adoption of fiscal policies which will reduce the danger of inflation and will make available to the Government the revenues required for Government-sponsored development projects, (c) improved levels of technical competence in government, agriculture, health and other fields so as to facilitate more effectively use of Libyan human and natural resources, (d) development of the particular skills required in a petroleum-based economy. To this end, provide U.S. technical assistance, if requested by the Libyans, and encourage the Libyan Government to take vigorous domestic actions, to utilize the services of Free World international financial institutions, and to employ Western specialists and technicians. Also encourage private foundations and other private organizations to assist Libya in planning the effective use of its resources.

27. Provide surplus agricultural commodities under P.L. 480 as may be appropriate.

28. Continue to provide assistance for development projects in so far as possible on a gradually declining basis, shifting as rapidly as possible from grant aid to loans to be repaid from future oil revenues.

29. In cooperation with the United Kingdom continue to provide military assistance for the purpose of developing a Libyan army trained and equipped to maintain internal security. Concurrently, and in cooperation with the United Kingdom, continue to encourage the Libyans as internal security and political conditions permit, to limit the functions and size of the provincial police forces to the level required for performance of normal police duties.

30. Encourage Libya to make the maximum contribution to its own economic development, to take measures to prevent flights of capital, and to look to Free World financial institutions and to other nations with financial interests in Libyan oil developments should the need arise for external capital for development purposes.

¹⁰ The Department of Defense is being directed to undertake promptly, in collaboration with the Department of State, an over-all study of the feasibility and desirability of utilizing direct rental payments as quid pro quo for the maintenance of military rights and facilities in various foreign countries. [Footnote in the source text.]

31. Help promote diversification of the Libyan economy, particularly through private enterprise.

32. a. Though conditions in the area do not now permit practical steps toward some form of broader North African political association, encourage Libya to draw closer politically, culturally and economically to Tunisia and Morocco.

b. Encourage Libya to minimize its involvement in divisive Arab problems and disputes. To the extent compatible with this, encourage Libya to strengthen its ties with pro-Western countries of the area. With respect to the special problem of relations with the UAR, extend appropriate encouragement to the Libyan Government in following a realistic policy vis-à-vis the UAR which would have as its objective the establishment of good neighborly relations on the basis of mutual respect for each country's independence and integrity. At the same time, as necessary to achieve our policy objectives, assist the Libyans in combating excessive Egyptian penetration.

33. Encourage Libya to follow such policies and take such steps as will strengthen Libya's independence, its national cohesiveness, and its cooperation with the Free World. In pursuing these objectives, cooperate with the U.K. and seek to obtain the continued cooperation of the British in the attainment of other U.S. objectives in the area.

34. Identify and discreetly maintain contact through appropriate channels with those groups in Libya which are likely to play a significant role in the event of the King's death.

35. Develop contingency plans regarding action to be taken in the event of a violent upheaval in Libya, and coordinate appropriate aspects of such planning with the U.K.

36. Be prepared to respond to a Libyan request for armed assistance under the American Doctrine for the Middle East and coordinate planning for such assistance with the U.K.'s plans for carrying out its obligations under the U.K.-Libyan treaty of alliance.

37. Encourage U.S. companies with interests in Libya to maintain high standards of conduct in their commercial relations with Libyan nationals. Keep these firms generally advised of U.S. objectives and policies with respect to Libya.

38. Encourage the Free World orientation of Libyan labor organizations with a view to influencing Libya to follow courses of action favorable to U.S. interests and U.S.-Libyan relations.

39. Promote, through information and educational exchange programs and other appropriate means (a) understanding of and friendship with the United States, and (b) appreciation by Libya of the importance and desirability of retaining U.S. military facilities in the area.

340. Letter From the Under Secretary of State (Dillon) to the Acting Secretary of Defense (Douglas)¹

Washington, March 26, 1960.

DEAR JIM: Since early 1959 the Libyans have been pressing us for a large annual rental for our military bases in their country. They have also indicated in recent months a desire to review our military jurisdiction and customs exemptions agreements and the operation of our technical and economic assistance programs.² By insisting on such a review they could hamper seriously our military operations in Libya and damage our position there. However, an agreement on the financial aspects of the base agreement would probably ease Libyan pressures in these other fields.

We have tried to avoid multiyear commitments (beyond that contained in the September 9, 1954 Economic Assistance Agreement) [*less than 1 line of source text not declassified*] by offering the Libyans greater flexibility in the use of funds within our annually negotiated economic aid levels. We were able to secure a year's respite with an \$8 million cash grant last year and were prepared to offer a cash grant of up to \$14 million this year. Unfortunately, it is now clear that this technique will no longer work. The Libyans are insistent on a multiyear commitment and will not agree to continued annual negotiation of cash grants. If we are to retain our Libyan facilities, we see no practicable alternative to giving an additional multiyear commitment. We believe the minimum acceptable to the Libyans would be a five year commitment, reviewable at the end of that period, for an annual cash payment of \$8 million, but it may be necessary to go to \$15 million. In his letter of August 4, 1959 to Mr. Murphy,³ Secretary McElroy stated that "there is an important peacetime military requirement for the use of Wheelus Air Base facilities for an indefinite period and certainly through the duration of the present base agreement." I would appreciate having the views of the Department of Defense as to whether, in view of this requirement, our Libyan facilities have a military importance which would justify cash payments of as much as \$15 million per year for five years. If it is considered judgment that these facilities do have such value (or some lesser value you may indicate), I will

¹ Source: Department of State, Central Files, 773.56311/3-2660. Confidential. Drafted by Parker on March 21 and cleared by Satterthwaite.

² On January 19, Kubar gave Ambassador Jones a lengthy note outlining these points. Its text was sent to the Department of State in despatch 227 from Benghazi, January 23. (*Ibid.*, 773.5-MSP/1-2360)

³ Not found.

proceed to take the steps required by NSC Action 1550⁴ prior to giving such a forward commitment from Mutual Security Program funds.

If we agree to give such a commitment, I would regard \$15 million as the upper limit of United States grant economic assistance to Libya in any year, except for our technical assistance program, and if it became necessary to commit this entire sum as an annual cash grant, I would expect to discontinue our economic assistance program. If the commitment could be held to a level lower than \$15 million, I would agree that economic assistance might be provided in an amount equal to the difference.

We would seek to negotiate this commitment as a simple, upward revision in the schedule of payments under paragraph "C" of the Economic Assistance Agreement of September 9, 1954, without using [*less than 1 line of source text not declassified*] any formula which formally tied the cash grants to our use of Libyan facilities. If it became apparent that no agreement could be reached on this basis, we would consult further with you [*1½ lines of source text not declassified*].

This has become a matter of urgency. The newly elected Libyan parliament is expected to resume its current session on or before April 1. The first order of business is to be a discussion of the budget, which our Ambassador states will certainly involve a public airing of United States aid to Libya. If we have not been responsive to Libyan demands by that time, we must anticipate that this public airing will include the provisions of the base agreement itself. In view of opposition to the base agreement on the part of many members of the parliament, I believe such a discussion would have a most unfortunate effect on our military operations in Libya. Because of these considerations, I would appreciate having your reply to this letter at the earliest possible date.

With best wishes,

Sincerely yours,

Douglas Dillon⁵

⁴ NSC Action No. 1550, approved by the President on May 8, stipulated that no foreign assistance could be offered without determining whether the aid was in accordance with approved policy, whether Congress had approved or appropriated funds, whether the recipient country could support the programs, and what was the probable duration of the assistance. (Department of State, S/S-NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action of the National Security Council)

⁵ Printed from a copy that bears this stamped signature.

341. Memorandum on the Substance of Discussion at the Department of State–Joint Chiefs of Staff Meeting, Pentagon, Washington, April 15, 1960, 11:30 a.m.¹

[Here follow a list of participants at the meeting and agenda items 1 and 2.]

3. Libyan Base Negotiations

Mr. Merchant referred to Mr. Dillon's letter of March 26 to Secretary Douglas regarding the military importance of our Libyan base facilities.² He stated that we are being pushed very hard by the Libyans [*1 line of source text not declassified*]. We could justify a commitment of cash payments to the Libyans of up to \$15 million a year for five years under MSP legislation only if we have a definite statement from Defense that Wheelus is essential. We now have an economic aid program of about \$20–25 million to Libya and, if we were out of Wheelus, we could drop it down to a couple of million. He continued that the base creates real difficulties: for example, there has been debate about it in the Ethiopian Parliament, and that we need a clear-cut statement from Defense as to the essentiality of the base. General Twining commented that this is a lot of money but that the Joint Chiefs feel that they will have a continuing requirement for Wheelus. It is vital to MATS, SAC and USCINCEUR. He added that the more footholds which the U.S. can hold on the African continent the better.

¹ Source: Department of State, State–JCS Meetings: Lot 70 D 328. Top Secret. The source text bears a typewritten notation that it is a Department of State draft not cleared with the Department of Defense.

² *Supra*.

342. Editorial Note

On May 5, during the discussion of significant world developments affecting U.S. security at the 443d National Security Council meeting, Acting Secretary of State Dillon reported "that U.S. and U.K. experts would meet in London on May 16 to prepare a joint analysis of the assistance needed by Jordan and the measures needed to provide such assistance. He wished to mention this meeting since the Council a few weeks ago had discussed the problem of burden-sharing with the U.K. in Africa and the Near East. Mr. Gray asked whether Libya was involved in the London meeting. Mr. Dillon said the British show

a disinclination to talk about Libya. In fact, the British have been saying that they do not have a great deal of strategic interest in Libya. In any event, Mr. Dillon thought that combined U.S.-U.K. assistance to Libya would not be very useful since Libya was inclined to play the U.S. and U.K. against each other." (Memorandum of discussion; Eisenhower Library, Whitman File, NSC Records) For the discussion of U.K. involvement in Libya, see Document 338.

At a May 31 meeting with President Eisenhower, Gordon Gray "reminded the President that in the Council meeting of May 5 in connection with Secretary Dillon's mention of conversation with the British on burden-sharing in Jordan, I had inquired about any similar conversations respecting Libya in the light of the Libyan paper and the President's directive that this matter be explored with the British. Mr. Dillon reported that the U.K. did not desire to talk about Libya and had indicated 'not too much' strategic interest in that country.

"I informed the President that I had then followed up with the State Department through the Planning Board member to find whether the conversations as directed by the President had been earnestly pursued. I reported to the President that I had been told that the British informed us that it would be useless to discuss Libya from the point of view of suggesting that they provide more aid. Commenting on their strategic interest in Libya, the British have said that that country is strategically useful to them and that they will continue to use it at the price they are now paying under an agreement expiring in 1963. However, if Libya requests a higher price upon expiration of the present agreement, the strategic usefulness of Libya to the U.K. will be critically reviewed.

"The President said he wondered whether we were really being tough enough in these matters and asked that I discuss this question with Doug Dillon to ascertain whether in his view we were taking a strong enough line. (Memorandum of meeting with the President, June 1; Eisenhower Library, Project "Clean Up" Records) The "Libyan paper" is NSC 6004/1, Document 339.

Gray telephoned Dillon at 6 p.m. the following evening:

"Gray said he was passing along on a personal basis a request from the President. When the Libyan paper had come up the President had said he wanted some consultations with the British about a possible increase of their interest. Last month when they talked about conversations with the British with respect to another country in the area he had asked whether similar conversations had taken place regarding Libya and Mr. Dillon had said the British had not indicated too much strategic interest. Gray had asked at the Planning Board meeting whether the conversations had taken place. He had wondered whether we had been as firm as we might be with the British on Libya. Mr. Dillon said we did not have any real position with the British in Libya. We had not made this thing on a joint basis. The British have

paid for their rights and we have paid for our rights. If we get the British to pay more the Libyans would say we should pay more for Wheelus. The place to put the pressure on is Jordan where we have a different arrangement. There had been a successful one week meeting in London at which agreement had been reached. The British wanted to check with their Embassy in Amman. He thought we would probably meet in July and try to press them to reach a decision. The British were probably going to propose they do more for good relations. When they do that, that means that ours goes down automatically. Our bargaining was really with the Libyans." (Notes of telephone conversation, June 1; Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199)

343. Editorial Note

The Departments of State and Defense and the International Cooperation Administration notified the Embassy in Tripoli on April 27 that, in accord with NSC Action No. 1550, a determination had been made to commit up to \$15 million a year to the Libyan Government for a maximum of 5 years, beginning with fiscal year 1960. Ambassador Jones was authorized to begin negotiations on the use of bases in Libya. In light of this "extraordinary multiyear commitment," however, the United States would not explicitly acknowledge the payments were in return for use of the bases. The U.S. Government also hoped Libya would accept less than \$15 million a year; Jones was to start the negotiations at \$8 million and to offer no more than \$12 million a year without previous authorization from Washington. (Telegram 973 to Tripoli; Department of State, Central Files, 773.5-MSP/2-2560. Regarding NSC Action No. 1550, see footnote 4, Document 340.

On May 9, Ambassador Jones informed Prime Minister Kubar that he had received instructions allowing him to resume negotiations. These discussions, which Jones hoped would be with the Prime Minister himself, would pertain to the September 9, 1954, U.S.-Libyan financial and economic agreement, not the base agreement itself. They would hopefully end with an exchange of notes and an exchange of letters reaffirming U.S. and Libyan satisfaction with the base agreement. [2 lines of text not declassified] This, Jones reported to the Department of State, did "not augur well for easy negotiations." (Telegram 844 from Tripoli, May 11; Department of State, Central Files, 773.56311/5-1160)

The negotiations began May 16; documentation on the discussions is *ibid.*, 611.737, 773.5-MSP, and 773.56311. At 7:30 p.m. on June 30, Jones and Kubar signed letters amending the economic assistance agreement and a memorandum of understanding relating to problems arising from U.S. military operations in Libya. (Telegram 1006 from Tripoli; *ibid.*, 611.737/6-3060) For texts of the letters, in which the United States agreed to give Libya \$10 million a year in economic assistance from 1960 through 1964, and \$1 million a year from 1965 through 1971, see 11 UST 2148. The text of the memorandum of understanding, which established a joint U.S.-Libyan Committee for settling problems arising from the presence of the bases, is in 11 UST 2627.

MOROCCO

U.S. RELATIONS WITH MOROCCO¹

344. Telegram From the Department of State to the Embassy in Morocco²

Washington, January 16, 1958—1:12 p.m.

672. Subject: Base Negotiations and Economic Aid. To respond GOM request \$50 million made by Bouabid in Washington,³ US availabilities FY 58 comprise: a) \$20 million Defense Support assistance for continuation Morocco's economic development program; b) up to \$600,000 technical cooperation funds as suitable projects developed; c) PL 480⁴ Title I program of \$19.5 million consisting of 150,000 tons wheat, 100,000 tons barley and 10,000 tons edible oil; d) consider applications for Development Loan Fund; e) consider expansion emergency relief program under PL 480 Title II if necessary and continue assistance to Voluntary Relief Agency programs under Title III PL 480; and f) an additional \$10 million Defense Support has now been approved from the Contingency Reserve.

Negotiation Defense Support amendment (Deptel 669)⁵ will inevitably lead to discussion FY 58 aid level. Department believes that in light our past negotiating experience on bases, US should not offer full amount FY 1958 available funds without some indication from GOM that satisfactory arrangement covering bases will be achieved. You therefore authorized approach GOM during Defense Support amendment negotiations with offer encompassing only a), b), c), d) and e) above.

¹ For previous documentation, see *Foreign Relations, 1955-1957*, vol. xviii, pp. 511 ff.

² Source: Department of State, Central Files, 771.5-MSP/1-1658. Secret; Priority. Drafted by Porter and Dolgin; cleared with Palmer and in substance with Barnes, Belcher, WE, E, and DOD; and signed for Dulles by Porter. Repeated to Paris.

³ Abderrahim Bouabid, Moroccan Minister of National Economy, requested the funds during a November 29, 1957, meeting with Dennis FitzGerald. See telegram 527 to Rabat, December 2, 1957, *Foreign Relations, 1955-1957*, vol. xviii, p. 600.

⁴ For text of P.L. 480, see 68 Stat. 454.

⁵ Telegram 669, January 15, authorized the Embassy to negotiate a note rendering Morocco eligible for defense support and transmitted the text of a draft note. (Department of State, Central Files, 771.5-MSP/1-1558)

US also prepared consider additional GOM aid requirements up to \$10 million mentioned f) above, provided satisfactory progress made toward provisional base agreement. We would not, of course, overtly connect aid level with base negotiations. Essential avoid accusations similar those leveled against French of offering aid with strings attached. At outset we should merely indicate US prepared consider additional requirements. Close liaison between groups engaged in base and aid negotiations would, we hope, provide basis for judging extent to which we should go in meeting Moroccan aid request mentioned first paragraph.

In seeking method indicating relationship between two sets of negotiations, Department suggests you may wish in first instance to approach Balafrej with Bouabid present if that can be arranged, and make general statement that US now prepared to move forward with separate negotiations on two principal topics of discussion during King's visit to Washington,⁶ i.e., a provisional base agreement and economic aid. You could add that we believe satisfactory arrangements in both fields can be made and with respect to economic aid you are in position to state we prepared meet Moroccan needs with program of general magnitude put forth by Bouabid during his talks in Washington. Department hopes that preliminary approach along these general lines will serve to make Moroccans aware that US accommodation of their economic need as cited by Bouabid makes generous response desirable on their side with respect to unresolved base matters. However Department wishes leave specific line of approach your discretion, realizing that you can judge best what will fit existing circumstances and atmosphere at Rabat.

If obvious Moroccan reaction unfavorable to offer encompassing a) through e) above, you are authorized to make clear US prepared to consider additional requirements without indicating at this juncture the figure mentioned under f) above.

After Moroccan reaction obtained Paris will be instructed what to tell French.⁷

Dulles

⁶ For documentation on the King's November 25-27, 1957, visit to Washington see *Foreign Relations, 1955-1957*, vol. xviii, pp. 588 ff.

⁷ Telegram 731 from Rabat, January 22, recommended presenting the entire aid package to the Moroccan Government. (Department of State, Central Files, 771.5-MSP/1-2258) The Department of State approved the suggestion on January 24. (Telegram 716 to Rabat; *ibid.*) On January 27, however, Cannon reported he had used the approach the Department originally recommended, and that Balafrej had seemed pleased by the presentation. (Telegram 750 from Rabat; *ibid.*, 771.5-MSP/1-2758)

345. Letter From the Secretary of State to the President¹

January 24, 1958.

DEAR MR. PRESIDENT: I write this a few hours before our arrival in Tehran.²

We had a full and interesting few hours in Marrakech on Thursday. Janet and I had been there some twenty years ago and much enjoyed seeing again the view from the hotel where, I recall, I began work on *War, Peace and Change*.

Although I had hoped it would be a quiet stay, the Moroccan Government made much of it. The Foreign Minister, Balafrej, came down from Rabat and was host at lunch and, acting for the King, at dinner. I gather, too, that the press has been anxious to build up my talks with him as containing considerably more than in fact they did. This may cause repercussions in France and in Spain, although, to the annoyance of the press, I declined to make any political observations to them.

Much of my conversation with Balafrej was general,³ but I took the occasion to deplore the activities of the irregular Moroccan liberation forces in territory now Spanish, and to urge moderation in the Moroccan Government's demands on the Spanish Government to turn over south Morocco. I noted the danger that, if developments draw France and Spain on the one hand, and the North African nations on the other, into opposing blocs, the Soviets would intervene on behalf of North Africa; this would tend to put the United States on the other side, and the result would be a great disaster for all.⁴

I sense, however, that the Moroccans are bent on pushing Spain hard and the problem may become even more troublesome if in response Spain and France coordinate military action in the Sahara area and push north through ill-defined boundaries. I hope and believe my cautions at Marrakech have carried some weight.

Faithfully yours,

Foster⁵

¹ Source: Department of State, Central Files, 110.11-DU/1-2458. Secret; Niact. Transmitted in Dulte 3 from Tehran with the notation "Eyes Only Acting Secretary for President from Secretary." Dulte 3 is the source text. A copy of the letter was sent to the White House under cover of a January 24 memorandum from Howe to Goodpaster. (*Ibid.*, 611.71/1-2458)

² Prior to attending the Baghdad Pact meeting in Ankara, January 27-30, Dulles visited Morocco, January 23, and Iran, January 24-26.

³ Memoranda of these conversations are in Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199.

⁴ Dulles made the same points in a January 19 letter to Balafrej, sent to Rabat in telegram 685. (*Ibid.*, Central Files, 771.022/1-1958)

⁵ Dulte 3 bears this typed signature.

346. Editorial Note

During his report to the National Security Council at its 356th meeting on February 27 on significant world developments affecting U.S. security, Allen Dulles raised the subject of North Africa:

"In dealing with the situation in North Africa, Mr. Allen Dulles said he would not deal with the situation in Tunisia, which was rather well known to the Council, but would concentrate instead on Morocco and the rapid deterioration of the French and the U.S. situation in that country. The Moroccans are now much excited against the French, and are getting into a state of mind comparable to that of the Tunisians. Algeria was also heating up again. We can hardly avoid asking the question as to how far Paris actually controls the actions of the French military forces in North Africa.

"Secretary Dulles commented that we are now facing in North Africa a situation comparable to that we faced a few years ago in Indochina, but more serious, inasmuch as the French are more deeply engaged and enemy forces against the French [are] also more formidable. Secretary Dulles thought the situation likely to evolve in much the same way as had the situation in Indochina. Eventually we may see a leftist government in Paris which will liquidate the Algerian affair. But unfortunately such a leftist government was likely to liquidate NATO as well. Accordingly, we may have soon to make a choice as to whether to continue to support France and Spain in Europe at the expense of losing all of Africa. The State Department needed the help of the Defense Department on this issue."

In NSC Action No. 1867, the Council noted Allen Dulles' presentation and Secretary of State Dulles' statement on the serious policy implications for U.S. security posed by a possible further deterioration of relations between France and Morocco, Tunisia, and Algeria. (Memorandum of discussion, February 28; Eisenhower Library, Whitman File, NSC Records)

347. Telegram From the Department of State to the Embassy in Morocco¹

Washington, March 10, 1958—7:39 p.m.

911. Spanish Ambassador requested urgent appointment Elbrick March 10 to transmit message from Castiella to effect [1 line of source text not declassified] GOM planning infiltrate army units across Dra into Southern Zone in order face Spanish with fait accompli. Preparatory steps have included incorporating AOL units into RMA by device issuance arm bands and removal French officers from RMA units southern Morocco. While both these steps admittedly within discretion GOM Castiella wished make point any military infiltration in advance negotiated arrangements could not but invite armed resistance Spanish garrisons which now limited to coastal area. This would be completely unnecessary since GOS remains ready hand over territorial control by negotiation only insisting that results be formalized by simple written protocol. Under questioning Areilza appeared certain Moroccans had so far made no effort open such negotiations (this appears inconsistent with Rabat's 938).² After extended discussion present Spanish requirements it appeared (if Areilza is fully informed) that Spaniards agree possibility RMA control encouraging and that economic preference conditions are not serious problem. However GOS will insist that GOM agree to specific limits of territory they are taking over. They believe this necessary because present boundary established under protectorate and Moroccans can always disclaim acceptance. Areilza observed agreement on boundary does not require renouncing forever claims to additional territory.

Areilza said all GOS wished prior to withdrawing from Southern Zone was conference which could be brief and signed protocol which could be simple. They would be glad to have US Government participate such discussions. Earnestly hoped however GOM could be dissuaded from taking further rash military adventures.

Elbrick replied US certainly did not desire participate negotiations nor to get involved in anything resembling mediation. Without assuming responsibility however we would of course look into matter and ascertain whether we could by informal representations pave way for pacific settlement.

¹ Source: Department of State, Central Files, 771.022/3-1058. Confidential; Niact. Drafted by Torbert and Jova, cleared by Porter, and approved and signed for Herter by Jandrey. Also sent to Madrid and repeated to Paris, London, Tunis, Algiers, and Dakar.

² Telegram 938, March 6, repeated to Madrid, reported Balafrej had discussed the urgent need for settlement by negotiation with the Spanish Ambassador to Morocco on March 4. (*Ibid.*, 771.022/3-658)

For Rabat: 1. Embassy should approach Balafrej soonest (Madrid 953 rptd Rabat 79)³ stating Spaniards have expressed concern over reports of possible attempt military fait accompli in Southern Zone, and express US hope GOM will refrain from any action which would prejudice peaceful solution. At same time you may state we have repeated assurances from Castiella Spaniards have no intention attack Morocco. Spanish Foreign Ministry has made similar declaration to press. We believe atmosphere would be cleared should GOM give public assurances it has no aggressive intentions. At same time GOM could remove any doubts its position by public offer discuss outstanding problems and by actual commencement discussion modalities Spanish withdrawal Southern Zone. Spanish assure us they prepared proceed such discussions.⁴ We also have reason believe Spaniards susceptible reasonable negotiated compromise re Ifni.

2. We see only greatest dangers for all concerned any resumption hostilities and hope that Morocco may assist in creating atmosphere conducive restoring its relationship with Spain on basis mutual understanding and bilateral discussions. Balafrej should understand that Spain also has public opinion problem in that Spanish consider liberation army was aggressor and until improvement in atmosphere takes place it is difficult return to path of negotiations. In this connection, recent Moroccan statements had been interpreted Madrid as setting forth Moroccan aspirations of such magnitude as not to be conducive to fruitful negotiations.

For Madrid: You should speak to Castiella as follows:

1. Our Ambassador in Morocco last week followed up Secretary's advice⁵ to Balafrej re need controlling irregular forces and again pointed out to GOM equivocal character of AOL and other irregulars; he emphasized that people everywhere take it for granted that irregulars have aid and encouragement GOM. Ambassador again urged that negotiations be undertaken and that GOM currently demonstrate its authority within country and exert restraining influence in adjacent area. In reply Balafrej again indicated to us that notwithstanding general worsening of Moroccan relations with Spain he is still ready to act along lines our previous suggestions.

³ Telegram 953, March 10, reported Castiella had said a joint French-Spanish operation had destroyed AOL troops in the Spanish Sahara, after which Moroccan troops had been sent to the Ifni area. Morocco intended to occupy the Southern Zone without prior negotiation with Spain, which could cause war between the two countries. (*Ibid.*, 771.022/3-1058)

⁴ At this point in the source text, the phrase "with which Spaniards continue assure as they prepared proceed" was deleted and the sentence "Spanish assure us they prepared proceed such discussions" inserted before transmission.

⁵ At this point in the source text, the word "admonition" was deleted and the word "advice" inserted before transmission.

2. As a consequence of Ambassador Areilza's démarche we are now instructing Ambassador Cannon to tell Balafrej that in view Spanish assurances that Spain has no intention attacking Morocco, we believe atmosphere would be cleared by:

A. GOM public assurances it has no aggressive intentions;

B. GOM public offer discuss outstanding problems and by actual discussion with Spain modalities Spanish withdrawal Southern Zone.

3. While we consider Spanish desire written acknowledgement precise border Southern Zone to be taken over by Moroccan Government reasonable, it would appear insistence on formula involving complete renunciation any further Moroccan claims could unreasonably obstruct settlement. Recommend in any discussions Foreign Office Embassy stress importance flexibility this formula and attempt clear up discrepancy between Areilza statements re willingness negotiate and Balafrej assertion first para Rabat's 94 to Madrid.

4. We see only greatest dangers for all concerned in any resumption hostilities, particularly in Ifni, and hope negotiations both sides can avoid this. We recall previous Spanish offer arbitrate Ifni and believe public reiteration willingness arbitrate or negotiate would have useful effect. FYI. Areilza during conversation stressed at length Spanish willingness negotiate reasonable settlement Ifni which would protect Spanish requirements and dignity but satisfy Moroccan sovereignty aspirations. End FYI.⁶

Herter

⁶ Telegram 1131 to Madrid, March 11, sent additional arguments to use with Castiella. (Department of State, Central Files, 771.022/3-1058) Telegram 961 from Rabat, also March 11, reported Balafrej had stated a public declaration would not improve the situation, but had agreed to consider one further; and that he would seek instructions to call in the Spanish Ambassador to try to settle the transfer of southern Morocco. (*Ibid.*, 771.022/3-1158) Telegram 988 from Madrid, March 14, reported the Acting Foreign Minister had said Spain was willing to negotiate a settlement on Ifni, and felt that without a guaranteed southern boundary, Moroccan occupation of the Southern Zone would allow further encroachment of Spanish territory. (*Ibid.*, 771.022/3-1458)

348. **Telegram From the Department of State to the Embassy in Morocco¹**

Washington, March 11, 1958—7:10 p.m.

922. Embtel 904, March 1² has been carefully studied in light Embassy belief that certain aspects our policies and negotiating tactics vis-à-vis Moroccans should be revised. Embassy appears in effect to be advocating liberal aid policy toward Morocco for principal purpose of supporting King and moderate government, with implication that we should not as heretofore expect, in immediate future at least, concrete returns in form of base agreements, etc.

If this correct interpretation Embassy views, question arises what Moroccan attitudes we may expect as to our own interests, i.e. bases and VOA. While we have obvious interest using our aid in manner calculated support moderate elements Morocco, it is of equal importance such elements take our interests into account and provide us some satisfactory assurances re continuation our operations which would permit us justify to Congress extension of aid in this magnitude. In this connection does Embassy believe GOM unable or reluctant, because of Algerian, Saharan and economic difficulties, conclude formal agreement re US interests in reasonably near future? Balafrej strongly implied this in conversation reported Embtel 931.³ If so should we adopt passive attitude toward negotiations, remaining ready to proceed when circumstances appear encouraging and would GOM acquiesce, perhaps tacitly, in such US attitude? Also in such case could our base and VOA operations be expected continue satisfactorily especially if present moderates leave government or succumb to anti-Western pressures? In considering these aspects of matter we have in mind not only Balafrej's comment to you but also continued reiteration by Assembly and Istiqlal Party of theme that evacuation foreign troops must be national aim. While recent Istiqlal resolution⁴ beclouded troop issue somewhat by not specifying "all" foreign troops, this attitude nevertheless raises basic question whether such important groups include US military personnel in their thinking. We realize government

¹ Source: Department of State, Central Files, 611.71/3-158. Secret; Priority. Drafted by Porter; cleared by Dolgin, Rehm, Jova, Barnes, and in substance with Belcher; and approved and signed for Herter by Palmer. Repeated to Paris, Tunis, and Madrid.

² Not printed. (*Ibid.*)

³ Telegram 931, March 5, relayed Balafrej's comment that U.S.-Moroccan negotiations would proceed smoothly were it not for Morocco's deteriorating relations with France and Spain. (*Ibid.*, 511.714/3-558)

⁴ Reference is to a March 2 communiqué issued in Tangier by the Executive Committee of the Istiqlal Party. Telegram 913 from Rabat, March 3, reported its main points. (*Ibid.*, 671.00/3-358)

considerably more cautious than Assembly and Party in this respect but participation of Ministers Foreign Affairs, National Economy and other party chiefs in forming Istiqlal resolution cannot be overlooked.

Hope Embassy will provide Dept promptly with estimate of situation as we desire make realistic assessment our prospects at early date.

We note from Embtel 931 you envisage another conversation with Balafrej to discuss defense support amendment. On that occasion you may state that as evidence our desire to meet Moroccan position on US aid, you authorized propose phraseology re amendment being transmitted separate telegram.

Re \$30 million aid (second recommendation Embtel 904), we expect to instruct you after we have had opportunity appraise situation in light your replies foregoing questions. In interim you of course should continue negotiations on previously offered \$20 millions and PL 480 program.

Before pressing French in sense indicated in your third recommendation we would like additional info as to basis on which French funds now withheld from Morocco. Is this due solely to lack of agreement on establishment convention (Embtel 929)⁵ or is GOF hesitant because of troop and frontier problems as well? Paris comment would be useful this point.

Re your fourth recommendation Dept believes French are aware our desire their authorities in Algeria endeavor avoid incidents on frontiers, Moroccan or other. We would continue on appropriate occasions stress need avoid incidents such as Sakiet, though existing frictions both in Morocco and Tunisia limit our ability effectively to contribute to control this situation.⁶

Herter

⁵ Telegram 929, March 5, reported that France had decided to continue withholding fiscal year 1957 aid from Morocco. (*Ibid.*, 651.71/3-558)

⁶ Telegram 986 from Rabat, March 16, restated the Embassy's assessment that bargaining with U.S. aid would not make the Moroccan Government grant all U.S. wishes, but would only weaken its moderate members. (*Ibid.*, 611.71/3-1658)

349. Editorial Note

At the 367th meeting of the National Security Council on May 29, President Eisenhower's Special Assistant, Karl G. Harr, Jr., reviewed an Operations Coordinating Board Report on Spain. He commented briefly on Spanish-Moroccan relations:

"With respect to Northwest Africa, a secret meeting on April 1 in Portugal produced an agreement between Spain and Morocco concerning turnover of control of the Southern Zone of Morocco to Morocco and the stationing of Spanish troops in Morocco, which appeared to solve one of the worst problems between them. However, other tensions, such as those which have led to serious fighting between Spanish garrisons and armed bands of Moroccans in Ifni, as well as in Spanish Sahara, remain." (Briefing note attached to the memorandum of discussion; Eisenhower Library, Whitman File, NSC Records)

The Council noted the report in NSC Action No. 1919, but took no further action on it. Dated April 30, a copy of the OCB Report is in Department of State, OCB Files: Lot 61 D 385.

350. Memorandum From the Secretary of State to the President¹

Washington, June 27, 1958.

SUBJECT

Reply to the King of Morocco's Message to you of March 14, 1958

You will recall that on March 14 the King of Morocco sent a message to you² [*less than 1 line of source text not declassified*]. He was informed that a reply would be made in due course. In view of the complexity and variety of the subjects raised by the King, and the need for secret handling of his message, the Department sent a representative to Rabat to clarify certain points with the Ambassador and discuss directly with him the best way to deal with this matter. It has been necessary to clear the proposed replies in various agencies of the

¹ Source: Eisenhower Library, Whitman File, International File. Secret. The source text bears the following handwritten notations by the President and Goodpaster: "June 28. Approved. D.E." and "(State Dept notified—28 June) G". Another copy of the memorandum shows Bovey drafted it on June 24. (Department of State, Central Files, 771.11/6-2758)

² Not found.

government, to revise them several times in the light of the rapidly changing situation in North Africa, and to work out at length with the Department of Defense a proposed exchange of notes with the Moroccan Government which would constitute a satisfactory new approach to the problem of the status of our forces and the conduct of our operations in Morocco. All this has taken considerable time, but we are now ready to issue detailed instructions to the Embassy in Rabat if you approve the general line proposed herein.

Since the King has apparently not informed his ministers of the existence of his message to you, the Ambassador would not specifically mention it in their presence unless the King referred to it, or other circumstances made it desirable for him to do so.

The Ambassador would be instructed to explain our point of view with regard to the air bases and to submit an exchange of notes which, if acceptable to the King, would constitute a provisional agreement. This agreement would permit us to continue our operations and ensure satisfactory conditions for our personnel pending a more definitive agreement which we would hope to conclude after Morocco has arrived at new defense relationships with France and Spain, most of whose forces the King wishes withdrawn in due course.

Although the subject was not raised in the King's message, I think it would also be opportune for the Ambassador to stress our desire to reach an agreement covering the Voice of America relay base at Tangier. The Ambassador would further be allowed discretion to reply on your behalf to various points made in the King's message. On Algeria he would be authorized to indicate that we have in the past few months made diplomatic efforts with regard to the conflict but that while we continue to follow the situation closely, we do not wish at this time to prejudice the efforts of the de Gaulle Government in dealing with this matter.

The Ambassador would also be authorized, as appropriate, (1) to attempt to delay Moroccan requests for military equipment, (2) to offer United States consideration of help with Morocco's internal security needs, (3) to explain our policies and procedures on economic aid, (4) to recall our interest in helping Spain and Morocco to maintain good relations, (5) to express our hope that all the parties concerned will be able to work out a satisfactory settlement regarding the Sahara areas, and (6) to refer to our efforts to assist in resolving the Franco-Tunisian conflict.

Since this mission is most important to our position and interests in Morocco and North Africa, I think its chances of success will be greatly enhanced if the Ambassador is authorized to tell the King that you have given general approval to the views which he is covering.

351. **Memorandum of Discussion at the 378th Meeting of the National Security Council, Washington, August 27, 1958**¹

[Here follow a paragraph listing the participants at the meeting and items 1-4.]

5. *U.S. Bases in Morocco* [here follows a list of references]

Mr. Gray presented this subject to the Council. (A copy of Mr. Gray's briefing note is filed in the minutes of the meeting, and another is attached to this memorandum.)² Mr. Gray's briefing ended with the suggestion that the Council might discuss the problem of U.S. bases in Morocco, possibly with a view to giving the U.S. negotiators guidance on the matter of accepting the principle of evacuation in order to buy time for continued use of the bases.

The President said the Department of State must arrive at a political decision on the principle of evacuation. He thought that if the United States attempted to maintain its occupation of the Moroccan bases by force, we would find that we had embarked on a losing venture.

Mr. Gray said the issue was whether we could concede something so that the King and the Prime Minister of Morocco would be able to point out that they had obtained recognition of the principle of evacuation and that we were occupying the bases temporarily. Mr. Gray understood that the military services felt the bases would be needed for another five years. General Twining said the United States would need the bases for at least five years longer.

Secretary Herter pointed out that the prospect of U.S. economic aid to Morocco had been completely unsuccessful as a quid pro quo to induce the Moroccans to agree to the maintenance of U.S. bases. In negotiations with the Moroccan Government we faced three main problems:

(1) The principle of evacuation, with the Moroccans insisting that we state clearly our willingness and intention to evacuate the bases.

(2) The period of time during which we can continue to occupy the bases before final evacuation. Secretary Herter thought we should try to obtain Moroccan agreement to a five-year occupation, but believed the Moroccans might well insist upon a maximum of three years. The President, interrupting, said if we wished to use the bases for five more years, we had better start negotiations by asking for seven more years, so that we could come down to five years.

¹ Source: Eisenhower Library, Whitman File, NSC Records. Top Secret. Drafted by Boggs on August 28.

² Not printed. The minutes of all National Security Council meetings are in National Archives and Records Administration, RG 273, Records of National Security Council, Official Meeting Minutes File.

(3) Continuing, Secretary Herter said the final problem was the question of criminal jurisdiction over U.S. forces in Morocco. He pointed out that under existing policy we are required to obtain criminal jurisdiction arrangements with all countries in which U.S. forces are stationed, at least as favorable as those in the NATO Status of Forces Agreement, unless the Secretaries of State and Defense recommend the waiver of such a requirement in the case of a particular country. So far, the United States had been able to operate in Morocco without a NATO-type status of forces agreement. Secretary Herter felt that if the existing criminal jurisdiction situation in Morocco were not disturbed, we would be in a better bargaining position with respect to the continued occupation of the bases.

General Twining asked why we should not negotiate directly with the Moroccans on these matters rather than through the French. Secretary Herter said we were dealing directly with the Moroccan Government.

[4 paragraphs (11 lines of source text) not declassified]

Secretary Herter said the United States had been pressing the Moroccans on the base question, and had now come up against a stone wall in the negotiations. If we put sufficient pressure on the Moroccan Government to force it to sign a base agreement, it would fall.

Secretary Herter said the French were pressing us to act in concert with them in Morocco. Secretary McElroy said we had status of forces agreements on the NATO model all around the world. The President said most of our status of forces agreements had been concluded with nations that had been sovereign for a long time. New nations, which had just achieved sovereignty, were more difficult to deal with and were more sensitive about their sovereignty. The Moroccans were a sensitive, proud, emotional people. Even if we concluded a NATO-type status of forces agreement with the present Moroccan Government, we might be dealing with a new government the next day. Secretary McElroy observed that he would prefer no status of forces agreement with Morocco (i.e., a continuation of the present situation) to a sub-standard status of forces agreement.

Secretary Herter said we had experienced no status-of-forces difficulties in Morocco.

The President said we must agree to the principle of evacuation and offer this and other quid pro quos for continued occupation of the bases. Certainly we could not use force and get ourselves into a guerilla war, which would be an interminable operation. We ought to conclude with Morocco the type of agreement which would stand up in the future, and we should start out by asking for seven more years of U.S. occupation.

The President said we could not use force to maintain the bases and thus get ourselves into the predicament of the French in Algeria.

Mr. Gray recalled that when he was an official in the Department of Defense, debate on the Moroccan bases had centered about the quid pro quo and base rentals. It now appeared that a quid pro quo was no longer an effective factor in the negotiations.

Secretary Herter said he hoped this discussion would produce additional guidance on the problem.

The President said we must agree to the principle of evacuation in the hope that the time thus bought would enable us to develop a weapons system which would render the Moroccan bases of no great use either to the United States or to the USSR by the time we had to evacuate them.

Secretary McElroy remarked that within five years the USSR may be such an obvious threat to North Africa that the Moroccans will want us to continue in occupation of the bases.

Mr. McCone asked why we could not phase out of one base at a time. Secretary McElroy pointed out that, as stated in the JCS views,³ we were ready to abandon one base now—Boulhaut Air Force Base. He added that the naval communications facility at Port Lyautey, however, is very important, and there should be no thought of singling it out for early abandonment. Secretary Herter agreed.

The President thought we should be very careful in our negotiations about indicating what bases we are willing to give up in advance of other bases.

Mr. Gray asked whether the Record of Action should show that (1) the United States was prepared to accept the principle of evacuation in order to buy maximum time for continued U.S. occupation of the Moroccan bases; (2) the United States should press the French to get out of U.S.-Moroccan negotiating channels; and (3) the United States would not press for a NATO-type status of forces agreement with Morocco.

Mr. Allen said that negotiations with respect to a Voice of America relay base in Morocco were waiting on military base negotiations. In connection with the VOA relay base, we had become tied up with the French, so that the Moroccans made no distinction between the United States and France. He felt we must divorce ourselves from the French in negotiating with Morocco. The President agreed. Mr. Allen added that he hoped we would accept the principle of evacuation of Moroccan bases even if the French did not.

³ Expressed in an August 15 memorandum from Twining to the Secretary of Defense. (Attachment to a memorandum from Gleason to the National Security Council, August 19; Department of State, Central Files, 771.56311/8-1958)

*The National Security Council:*⁴

a. Discussed the subject in the light of the memorandum from the Deputy Secretary of Defense and the attached views of the Joint Chiefs of Staff (transmitted by the reference memorandum of August 19, 1958), and of an oral statement by the Special Assistant to the President for National Security Affairs.

b. Agreed that:

(1) The United States should negotiate directly with the Moroccan Government regarding the maintenance of the U.S. bases in Morocco; and should press for the elimination of the intermediary role of the French with respect to base security, procurement and contracts, hire of labor, surplus disposal, etc.

(2) In negotiations with the Moroccan Government, the United States should recognize the principle of eventual evacuation of U.S. bases in Morocco; but should, in return therefor, attempt to secure continued occupation of such bases for the maximum feasible time up to seven years.

(3) The United States, while maintaining a flexible position in its negotiations with the Moroccan Government for an agreement respecting the status of U.S. forces in Morocco, should continue to seek agreement based on the NATO-Netherlands formula; however, in the event that this is unacceptable to the Government of Morocco, the United States should strive for an agreement at least on the substance of the so-called NATO formula. If agreement on the NATO formula is impossible, it is preferable to continue the present arrangements without formalizing them in an agreement.

Note: The action in b above, as approved by the President, subsequently transmitted to the Secretary of State for appropriate implementation in consultation with the Secretary of Defense.⁵

[Here follow the remaining items.]

Marion W. Boggs

⁴ Paragraphs a and b and the Note that follows constitute NSC Action No. 1982. (*Ibid.*, S/S-NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by the National Security Council)

⁵ Lay's September 2 memorandum to Dulles is *ibid.*, S/P-NSC Files: Lot 62 D 1. Ambassador Yost presented the U.S. position to Balafrej on September 10 and, at the Prime Minister's request, gave him a letter on September 11 recounting the essential points. (Telegrams 374 and 389 from Rabat; *ibid.*, Central Files, 711.56371/9-1058 and 711.56371/9-1158, respectively)

352. Letter From Secretary of State Dulles to Prime Minister Balafrej¹

Washington, September 20, 1958.

DEAR MR. PRIME MINISTER: Ambassador Yost has of course kept the President and me closely informed of his conversations with you in recent weeks on various ways in which U.S.-Moroccan relations could be consolidated and bring to realization the bright promise which was evident during the visit of His Majesty and yourself to Washington last November. I assure you that this remains a central objective of the U.S. Government, as illustrated by the U.S. offer for a provisional base agreement, pending withdrawal of U.S. forces, which Ambassador Yost presented to you recently. This offer represents of course a strenuous effort on the part of the U.S. to meet the desires of the Moroccan Government.

I know that your Government is anxious to approach this matter in a similar spirit of comprehension and flexibility. I therefore wish to take this opportunity to explain frankly to you certain problems regarding the functions of the bases which bear on your current discussions with Ambassador Yost. In this connection I was disturbed to learn that you are considering new conditions regarding the use of the bases during the interim period of the agreement. I profoundly hope that this matter will receive your most serious attention. The U.S. operated bases in Morocco play a vital role in the preservation of peace through deterrence of aggression.

Quite aside from the serious threat to the peace that could result from nullification of the bases in Morocco, I am sure that you realize the grave repercussions this would have on [the attitude of the U.S. Congress, as well as]² public opinion in the U.S. and other areas of the free world.

I am of course fully aware of the justified preoccupation of the Moroccan Government that its territory never be used for aggressive purposes, and I solemnly assure you that the U.S. will not utilize its facilities in Morocco for aggression against any state. Naturally, reciprocal confidence and conviction of good faith on the part of friendly

¹ Source: Department of State, Central Files, 711.56371/9-1758. Secret. Sent Niact to Rabat in telegram 320. Yost had suggested Dulles send Balafrej a personal message reiterating the U.S. position on Moroccan bases in order to emphasize the seriousness with which the United States viewed the negotiations. (Telegram 426 from Rabat, September 17; *ibid.*)

² Brackets in the source text. Telegram 320 instructed Yost to decide whether to retain this phrase in the letter.

neighbors is a key to effective relationships and cooperation, and I believe that the peaceful reputation and record of the United States justify such confidence on the part of Morocco.

Accordingly, I trust that these assurances will meet the reservations which you have expressed to Amb Yost about the use of these bases during the period of the interim agreement. He is of course ready to consult with you to arrive at a suitable expression of those assurances which may meet most effectively the desires of the Moroccan Government.³

Sincerely yours⁴

³ Yost gave the letter to Balafrej on September 23. The Prime Minister said he doubted agreement could be reached along the lines Dulles outlined, but promised to discuss the message with King Mohamed and the Cabinet. Yost did not indicate in his report to the Department of State whether he retained the bracketed phrase in the text he gave to Balafrej. (Telegram 470; Department of State, Central Files, 711.56371/9-2358)

⁴ Printed from an unsigned copy.

353. Memorandum on the Substance of Discussion at the Department of State-Joint Chiefs of Staff Meeting, Pentagon, Washington, November 21, 1958, 11:30 a.m.¹

[Here follow a list of participants at the meeting and agenda item 1.]

2. Moroccan Bases

General Twining indicated that the JCS was greatly concerned with the situation regarding the Moroccan bases. We must not be pushed out of Morocco. A great threat is posed to our defense posture if these bases are lost. They are still a vital element in the U.S. strategic concept. There would be a slippage in our whole position in Africa if we were forced out and there would be a corresponding increase in our problems in Spain. It appeared to him that much of our current deteriorating position was the result of Soviet pressure on Morocco following the establishment of diplomatic relations with the USSR and the resulting large Soviet mission to Morocco.

¹ Source: Department of State, State-JCS Meetings: Lot 61 D 417. Top Secret. Drafted by Porter and cleared by NEA and INR. The source text bears a typewritten notation that it was a Department of State draft not cleared with the Department of Defense.

Mr. Murphy asked if we now required all of the Moroccan bases in the complex. General LeMay responded that all were needed except Boulhaut which was built as a fighter base and could not be converted to bomber use. He added that the bases were not significant enough for our strategic operations to justify submitting to blackmail, but he felt that to give in to Moroccan demands would adversely affect our position concerning retention of base rights elsewhere. The issue was therefore more than the essentiality of the Moroccan bases. He felt that even a 7-year limit for retention of the Moroccan bases might not be adequate. He suggested that perhaps the best U.S. move at the moment was to delay any further talks with the Moroccans at least on the big questions of evacuation and utilization, and to hope that by stalling we can keep the situation from freezing now in a manner which would be detrimental to U.S. objectives. He was in favor of further economic and other assistance to the Moroccans but opposed to "blackmail" which was his view of the most recent developments. He opined that the latest pronouncement of the King² may have been aimed primarily at the French and the Spanish but that it was necessary to lump the U.S. into the same category for internal political purposes. Our past relations with Morocco had been good.

Mr. Murphy indicated that he, too, felt that the primary Moroccan concern was the evacuation of the French. He felt it was unfortunate that the Moroccan Government had been led to believe that the U.S. attached such importance to the Moroccan bases that they, as a result, could attach a higher value to them for bargaining purposes. General LeMay suggested, as another possible approach, that we propose that the Moroccans buy the bases, in which case we would move out. This started a chain of discussion about the original cost of the bases, during the course of which Admiral Russell indicated that the total cost was around \$463 million which did not include \$100 million spent by the Navy on its facilities. He also indicated that the U.S. forces were annually injecting about \$36 million into the Moroccan economy in the form of salaries, local contracts and expenditures of U.S. personnel.

Admiral Russell³ discussed the importance of Port Lyautey. He indicated that the communications facilities in particular were essential to the operation of the Sixth Fleet as well as a relay point to the entire Middle East. The Port itself is good for shallow draft vessels and the airfield is an important installation. Lyautey from the Navy point of view provides logistic support for the Mediterranean area. [1 line of source text not declassified]

² Not further identified.

³ Admiral J.S. Russell, Vice Chief of Naval Operations.

General Twining discussed briefly the Spanish concern over loss of all Moroccan bases, primarily over the aspect of their availability for use by unfriendly powers. He said that he had received a very strong reaction from the Spanish Defense Minister on this point as well as from Ambassador Lodge. Mr. Murphy indicated that the Department was aware of this understandable reaction on the part of the Spanish Government.

Mr. Murphy returned to General LeMay's suggestion on the advisability of suspending talks for the time being. General Twining commented that it would be a good idea "if we can get away with it". He then raised the question of economic help to Morocco to which Mr. Murphy responded that approximately \$45 million was earmarked from the regular MSP program for economic aid and that we were proposing an additional \$10 million to be provided from Defense funds as an incentive to a more cooperative Moroccan attitude. He speculated as to whether this might have a positive or negative effect but indicated that the Ambassador has recommended that the \$10 million be made available as a help to him in the event negotiations continue.

General Lemnitzer asked whether there was evidence of direct Soviet influence or pressure from the Soviet Embassy on the Moroccan Government in this case. Mr. Murphy gave a brief exposition of the current political situation in Morocco including the role of the King and the Istiqlal party, of which the so-called "left wing" elements are most vocal in demands for U.S. evacuation. He felt that this element particularly was sensitive to ideas and propaganda emanating from the USSR as well as Cairo but that the Soviet Embassy had barely been opened and there was no proof that the current Moroccan line was Soviet-dictated. Mr. Penfield elaborated on the political aspects. He pointed out that the basic problem is the resolution of the country's internal troubles. There will shortly be a Cabinet reorganization which will reflect the increased strength of the extremist groups. There is no question that the King is a moderating influence and a good friend of the U.S., but reports from Rabat indicate that he feels he must be committed to a policy of evacuation of all foreign forces including those of the U.S. [1½ lines of source text not declassified]

Mr. Murphy then commented on General LeMay's proposal to stall negotiations. He felt that this might be an effective short-term move but that we will have to accept that there will be a formal demand on the part of the Moroccans which must be faced up to at some point. Mr. Penfield added that there seemed to be recent evidence that even the economic distress caused by loss of employment by Moroccan labor as a result of the shutting down of certain U.S. operations was not building up pressure for the maintenance of U.S. forces. On the contrary, it was being accepted as a necessary concomi-

tant to the evacuation of all foreign forces and was a manifestation of the strength of the nationalist feeling. Mr. Irwin wondered how long this point of view would be held in the face of continued unemployment.

There followed a general discussion in which Mr. Murphy raised the question as to whether or not we should take a more firm position in negotiations; we had not yet "talked tough", because of our Embassy's view that this would not be productive. General Twining suggested that this should be done as a last resort. There was also discussion of the status of U.S. forces, particularly jurisdiction, in which Mr. Irwin suggested that this was a less important aspect of the negotiations and there would be no profit in detailed discussion at this meeting in light of the larger issues involved.

Mr. Irwin asked the status of the proposed \$45 million aid program, wondering whether it had been held up. Mr. Bovey responded that Ambassador Yost had been authorized to discuss with the GOM a figure of \$40 million some time ago; that he has been authorized to offer the full amount but has not yet done so. Mr. Irwin indicated that although he had no quarrel with the amount of \$45 million, he wished to point out that any instructions authorizing Ambassador Yost to discuss this amount with the Moroccans had not been cleared with Defense. Mr. Murphy responded that we expected to look carefully into the question of aid levels and, until we had agreed on a plan of action, we should not communicate our proposals to the Moroccan Government. (It was later ascertained that the Department's instructions were cleared with Defense.)

There followed a discussion of the duration of the U.S. need for the Moroccan bases in which General LeMay indicated that he was extremely worried about a two-three year limitation on use. General Twining pointed out that the NSC decision affirmed the period as one extending up to seven years. In response to Mr. Murphy's query concerning the possibility that weapons development may make the SAC bases of less value, General LeMay indicated that they would still be important for the 7-year period but that they were needed for many other reasons than just the strategic one. There was then further general discussion on the Spanish situation as it would be affected by our evacuation of Morocco.

Mr. Irwin commented that the seven year limit developed in NSC considerations, not as a magic figure based on missile availabilities, but on the consideration that this would be the maximum that we could secure in negotiations with Morocco. It was implicit that we might wish to prolong our use of Moroccan bases beyond that time and that intervening developments might improve the possibility of

success in future negotiations. Admiral Russell stated that from the Navy point of view there is no time limit on the desirability of retaining Port Lyautey.

The discussion was concluded with the agreement that the matter would be taken up at the next State–JCS meeting for further discussion.⁴

[Here follows agenda item 3.]

⁴ No record of this discussion has been found. On December 1, however, Nes and Porter participated with Department of Defense personnel in a meeting on Moroccan bases. (Memorandum for the files; Department of State, AF/AFN Files: Lot 63 D 250, M–12, Base Negotiations)

354. Editorial Note

During the 395th meeting of the National Security Council on January 29, 1959, Allen Dulles reported on significant world developments affecting U.S. security in part as follows:

“Turning to Morocco and Tunisia, Mr. Dulles pointed out that the friction in the Istiqlal Party had come to a head in Morocco and the position of the present government was very shaky.

“Secretary Quarles reported that in the course of his recent visit to Europe he had observed among French, Spanish, and Portuguese officials very great concern about current developments in North Africa and especially in Morocco. Secretary Quarles explained that these officials feared the total collapse of the Moroccan Government [*1½ lines of source text not declassified*]. They also felt that the leadership of the Leftists in Morocco was taking its advice from the Soviet Embassy.

“The President commented that Morocco seemed to have been a most critical geographical corner ever since he became involved in the area in 1942. Our policy in Morocco might be a policy which we should look at carefully as often as every three months. Mr. Gray assured the President that this would be done.”

In NSC Action No. 2043, the Council noted Dulles' presentation, as well as Quarles' report on the serious concern of the Governments of France, Spain, and Portugal over developments in North Africa, especially Morocco, and agreed that existing policy on Morocco should be reviewed frequently. (Memorandum of discussion, January 29; Eisenhower Library, Whitman File, NSC Records)

355. Memorandum of Discussion at the 407th Meeting of the National Security Council, Washington, May 21, 1959¹

[Here follow a paragraph listing the participants at the meeting and items 1-4.]

4. Tunisia, Morocco, Algeria (NSC 5614/1; OCB Report, dated April 22, 1959, on NSC 5614/1)²

When Mr. Harr had finished his analysis of the OCB Report on the North African countries, particularly with respect to Moroccan bases, Mr. Gray turned to Secretary Dillon and inquired about the situation with respect to the U.S. proposal to relinquish the Boulhaut Airfield to the Moroccans. Mr. Gray said he realized that we had informed the French of our intentions but wondered what would happen if the French were adamant in their opposition to the transfer. Would we, inquired Mr. Gray, go ahead and make the transfer anyhow?

In reply Secretary Dillon said actually two U.S. bases in Morocco were involved. In addition to Boulhaut Airfield we also propose to give up our air control center at Rabat and transfer the facilities there to our base at Sidi-Slimane. Such a move, thought Secretary Dillon, would save the U.S. Government a million dollars a year.

On Monday last we had indicated our intentions to make these changes to the French. Thus far we had had no answer from the French. The matter was extremely serious and in fact we did not know precisely what we would do if the French were adamant in opposing these concessions to the Moroccans. If necessary, we would recall Ambassador Yost from Morocco for consultations. Secretary Dillon thought it essential for us to bear in mind that while the U.S. owned the installations at the two bases which it was proposed to turn over to the Moroccans, the French still hold title to the land on which the bases were built. The French had bought and paid for this land back in 1950. Accordingly, there would remain a problem between the French and the Moroccans even if the U.S. got out of these two bases.

The President inquired whether Secretary Dillon meant that the French had sovereignty over these two bases. Secretary Dillon replied that the French did not possess sovereignty but they held title and ownership of the land on which the installations were built.

¹ Source: Eisenhower Library, Whitman File, NSC Records. Top Secret. Drafted by Gleason.

² NSC 5614/1, "Tunisia, Morocco, and Algeria," October 3, 1956, is printed in *Foreign Relations, 1955-1957*, vol. xviii, pp. 138-144. The OCB report is in Department of State, OCB Files: Lot 61 D 385.

Secretary Dillon said that he had one more point to add to Mr. Harr's comments. The French, he said, had been conducting in Algeria over the last six or eight months much more aggressive and effective military action against the Algerian rebels. There had been some pretty rugged fighting. It was quite possible that there would be further trouble between France and Tunisia as the Algerian rebels took refuge on Tunisian soil in the face of French military pressure. Meanwhile, we informed Prime Minister Bourguiba yesterday that we had extended some 2.25 million dollars worth of aid assistance in the way of small arms, vehicles, etc.³

The President said that Tunisia seemed to him to be one place where one might expect the French to provide the necessary arms. Secretary Dillon replied that the French had at least said they had no objection to our supplying these arms to the Tunisians.

Mr. Gray informed the National Security Council that both the policy papers on France⁴ and on Tunisia, Morocco and Algeria would be reviewed by the NSC Planning Board in accordance with the recommendation of the OCB.

*The National Security Council:*⁵

a. Noted and discussed the reference Report on the subject by the Operations Coordinating Board.

b. Noted that the NSC Planning Board would review U.S. policy on Tunisia, Morocco, Algeria (NSC 5614/1).

[Here follow items 5-7.]

S. Everett Gleason

³ See Document 405.

⁴ NSC 5721/1, "U.S. Policy on France," October 19, 1957, is in Department of State, OCB Files: Lot 61 D 385, France.

⁵ Paragraphs a and b constitute NSC Action No. 2088. (*Ibid.*, S/S-NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by the National Security Council)

356. **Memorandum on the Substance of Discussion at the Department of State-Joint Chiefs of Staff Meeting, Pentagon, Washington, June 12, 1959, 11:30 a.m.**¹

[Here follows a list of participants at the meeting.]

1. *The Moroccan Base Question*

Admiral Burke emphasized, in opening the discussion, the high degree of importance of the Moroccan bases to U.S. security. He felt there would be a continuing need in the foreseeable future for these bases.

Ambassador Yost then reviewed the current situation in Morocco. He described as his mission the retention of the bases for the longest possible time. The only question to be discussed was that of tactics. There was no difference between the two Departments on objectives. He described the job of retaining our base rights as a very difficult one. There is a profound emotional feeling among the few thousand Moroccans who count in opposition to the presence of foreign troops. This is largely a hangover from the period of French rule and applies more to the French and Spanish than to the U.S., but feeling is strong against any and all foreign troops. In addition, the Moroccans are trying to stay out of the cold and hot wars. They are sincerely worried about nuclear attack and believe it is possible to follow a course of non-intervention. These strongly-felt feelings will result in continuing heavy pressure on us to withdraw from Morocco.

He indicated that there is no outward hostility as yet to the American presence but this could change. The extreme leftist political factions have come out for a six months' limit for U.S. base retention. [4½ lines of source text not declassified] There is no question that the government would like to have us leave under conditions that will preserve our friendship and economic aid. But the desire for our friendship and continued aid cannot be counted on to bottle up the motivation leading to the request for withdrawal.

Among other factors at work in Morocco are the propaganda influences of the Chinese Communists and Soviets, both of whom now have embassies. Egyptian propaganda has also added to the neutralist point of view.

Ambassador Yost proposed that in his view the best approach to the problem is to make conciliatory gestures to the Moroccans that do not cause us to lose any of our *vital* base facilities. We must give the King and our other friends sufficient political ammunition to stave off

¹ Source: Department of State, State-JCS Meetings: Lot 61 D 417. Top Secret. The source text bears a typewritten notation that it is a Department of State draft not cleared with the Department of Defense.

the pressures pushing for our departure. Even then he said he is not sure we can get commitments on which we can depend, but this course represents the best chance of success. [*3½ lines of source text not declassified*] The GOM has resisted up to this point making public demands or criticism of us. If it should change its policy and go all out in this regard, our position would be extremely difficult. In addition to taking a public posture directed against us, it could place in effect such very restrictive steps which would add to the pressure as the rigid enforcement of the customs and taxation laws and comparable measures of harassment. Not only would this affect us in Morocco, but the knowledge of our unwillingness to leave an area where we were not wanted (plus the concessions that might be wrung from us in the process), would have a strongly adverse effect upon our posture around the world in other countries where our base position is important.

He discussed the French and Spanish problems in Morocco. Both are under heavy pressure to leave. The French have not revealed their next step. But the King is to meet with DeGaulle early in August and there are strong indications that the French might make a gesture towards further withdrawal at that time. They have already withdrawn from numerous installations and have reduced their troops to about 20,000 (the Spanish total is now about 11,000). The French now hold ten facilities. They have proposed to the GOM that they reduce to four, if they can get permanent base rights for the four. The French are obviously concerned that we do not take any bilateral actions with the GOM until after the DeGaulle-King meeting, their concern being that we might weaken their position. Ambassador Yost felt that if the Executive Branch could agree on further steps for him to take, it might be best for him to announce them quietly to the Moroccans on his return. This could lead in turn to prolonged negotiations with a withholding of public announcement until after the King-DeGaulle meeting.

With reference to Spain and Ambassador Lodge's suggestion that the Spanish and French be persuaded to withdraw from Morocco in return for a firm agreement for retention of U.S. base rights,² Ambassador Yost commented that the French would not accede to such a suggestion even though the Spaniards might. Admiral Burke also felt the Spaniards might agree but Mr. Murphy suggested that General DeGaulle's negative reaction could be rather specifically predicted.

[*11 lines of source text not declassified*] Ambassador Yost closed his comments by referring to the recent statement of Prime Minister

² Transmitted in telegram 1387 from Madrid, May 31. (*Ibid.*, Central Files, 711.56371/5-3159)

Ibrahaim³ to the effect that we had already agreed to the principle of evacuation of Moroccan bases. He thought this was simply another pressure tactic to keep the heat on the U.S. to reach early agreement on the matter.

[2½ lines of source text not declassified] Our friends are not in a position to oppose the government on this particular issue; they remember the object lesson of the developments in Iraq last summer.⁴ General LeMay wondered as a question of tactics whether or not we couldn't request Morocco to pay for our evacuated bases. He pointed out that we had made a tremendous financial investment and our rights were based on agreement with the then existing government. If the present government would not accept these obligations, then it should be held financially responsible. [2 lines of source text not declassified] Mr. Murphy indicated that the Moroccans say they were never consulted by the French when the U.S. base complex was established and that they never agreed to the establishment of our bases. We had thought that the French did consult and we are now in a situation where we are "holding the bag." [3½ lines of source text not declassified]

General Pate⁵ inquired as to the nature of the "bones which could be dropped" to the Moroccans. Ambassador Yost answered: (1) a public declaration of evacuation and (2) the giving back of certain facilities. He said the Moroccans wished a public, not private, declaration on point 1. With reference to point 2, we were fortunately in a position to give up some facilities we don't need or want, i.e., the Boulhaut fighter strip and also the Y-11 facility. We have not yet formally made an offer to evacuate these two facilities, however. Mr. Murphy added that there was another factor which might apply, namely, the amount and nature of U.S. economic aid, now at the level of \$45 million per year. We have tried to impress on the Moroccans the significance of this aid together with other dollar revenues deriving to the country from the presence of U.S. forces. Ambassador Yost agreed that this was an important consideration but not decisive.

Admiral Burke felt we would always be under heavy pressure. "The bones we drop will stop only the wolf that gets that particular bone." Mr. Murphy commented that the basic question was that of time. If we are playing for time, the small concessions we make may enable us to hold on to the significant installations over a substantial period. If we expect to stay indefinitely we should not expect such concessions to accomplish this latter objective. He referred to the NSC

³ Not further identified.

⁴ Reference is to a July 14, 1958, coup d'état during which King Faisal, Crown Prince Abdul Ilah, and Prime Minister Nuri el-Said were assassinated and a republican government established under General Qassim.

⁵ General Randolph McC. Pate, Commandant of the Marine Corps.

decision of 29 August 1958⁶ in which it was agreed and approved by the President that we should endeavor to hold onto the bases for up to a maximum period of seven years. Several members of the Joint Chiefs professed ignorance of this decision. Admiral Burke commented that there was a military need for beyond seven years. Commenting on the naval communications facilities at Port Lyautey he said it would be impossible to build duplicate facilities in Rota before 1964 if work were started now. Ambassador Yost thought it would be much easier to negotiate for the retention of the communications facilities than for the strategic bases in Morocco.

Admiral Burke stated that if we negotiated for a seven year period the Moroccans will force us to compromise at a much shorter period. They will always ask less than our goal. They will be unhappy until we pull out of the country and then they will be dissatisfied at the decrease of income which would result. He wondered if they were indulging in blackmail of the U.S. Ambassador Yost did not believe they were. He stated he would be prepared not to give an inch if he thought blackmail were the objective. [4 lines of source text not declassified]

Admiral Burke referred to Ambassador Lodge's comments. He agreed that evidences of weakness on our part in Morocco will make Spain increasingly nervous and our base position in Spain will be weakened as a result. If our position is eroded in Morocco the repercussions will be felt not only in Spain but, for example, in the Philippines, Libya and Japan as well. These repercussions are even more serious than the actual loss in Morocco itself. In response to a question from Admiral Burke, Mr. Murphy indicated that the Department was not advocating a specific time period for evacuation in our relations with the Moroccans. We had proposed to use the phrase "as soon as they can be spared" in our negotiations without mentioning a specific period. He pointed out that it had been clearly stated on past occasions by the Secretary of State that we do not propose to stay in countries where we are not welcome or where our national security no longer requires our presence. He reminded the group of the arguments we used with the UK during the negotiations leading to the evacuation of the Suez bases when similar British arguments were used for retention of the bases.

Mr. Knight discussed the "snowball" effect of the concessions in one section of the world which promptly stimulate politicians in other countries to ask for as much or more. If we should make a public announcement on the subject of the principle of evacuation there would be a demand for even more concessions—eventually the public gets carried away by the emotional issue to the point where the politi-

⁶ See footnote 4, Document 351.

cal leaders cannot resist the pressure. He thought that somehow or other a policy would have to be hit upon that would make it attractive politically to retain American bases rather than to clamor to get rid of them. In response to Mr. Murphy's request for this magic formula he added that he had no specific ideas in mind. Mr. Murphy commented that we have had these problems very much in mind over the last several years. The Nash Report⁷ was intended to improve our posture with regard to overseas bases. It is clear that there is no neat formula which will apply to all situations or be acceptable to all peoples or political leaders. In any case, he said we have a practical political problem in Morocco facing us now and the solution will not wait for long-range thinking. He asked for the specific comments of the Joint Chiefs on the desirability of making the proposed public announcement. Admiral Burke responded by referring to an "inadequate" paper which represented the Joint Chiefs position on Moroccan bases at this time. He said it did not apply to the short-term problems (he then passed a copy of the paper to Mr. Murphy—see attached).⁸ Specifically, Admiral Burke thought that a public statement would not ease the pressure on us or do much good. Mr. Murphy said our choices appear to be limited. We have dragged out the economic aid offer in the hope this would have some effect. [2 lines of source text not declassified] In this situation Ambassador Yost has reported that none of these appears to be valuable as a method to adjust the situation in our behalf.

General LeMay then wondered if we could offer to pay Morocco for the bases, to which Ambassador Yost replied that no political leader could admit that he would take money for this purpose. Admiral Burke wondered whether the leaders didn't really want us to stay but were being pressured by the masses. Mr. Murphy thought this was not necessarily a sound assumption. General Lemnitzer wondered if the Moroccans were under the illusion that we would continue economic aid if they forced us to evacuate the bases. Ambassador Yost answered that he presumed that the leaders were aware that there would be a substantial decrease in the economic benefits now received by Morocco but they would hope that some aid would be continued. Mr. Murphy added that this was a very competitive situation with the

⁷ Reference is to *United States Overseas Military Bases: Report to the President*, December 1957, prepared by former Assistant Secretary of Defense for International Security Affairs Frank C. Nash.

⁸ Not printed; it advocated using all feasible means to retain the bases, stated the United States should not leave them in a condition to be used by potential enemies, and noted a U.S. withdrawal from the Moroccan bases would exacerbate problems concerning U.S. bases in France, the Philippines, and Libya.

Soviets and ChiComs urging that the Moroccans accept aid from them, which would be given without strings or conditions. He mentioned that arms are already being purchased from the Czechs.

The discussion then shifted to whether we should evacuate Boulhaut and Site Y-11. Admiral Burke thought we could give up these bases since they are apparently not needed. Ambassador Yost said that the relinquishment of these two installations would help and this is indeed the Department's first proposal. However, the King [*less than 1 line of source text not declassified*] wants a public declaration. We could only hope that our evacuation of the two bases would serve as a demonstration of our good intent. Admiral Burke felt that the American people would find it difficult to understand that friendship does not work both ways. If we are forced out it would be extremely difficult to maintain friendly relations with Morocco, particularly since we are under the terms of agreements entered into in good faith. He wondered whether the Moroccan leaders were aware of the potential reaction in this country. Ambassador Yost said he had referred to this line of argument many times but that it apparently did not influence Moroccan thinking.

General LeMay commented that a new situation would develop if aid were accepted from the Soviets by Morocco. The U.S. could not stand for such a development in his opinion.

General Lemnitzer thought that the proposed public announcement would do us a great deal of harm. Much harm has already been done by the statement of the Prime Minister which indicated that we accepted the principle of evacuation. He thought the Philippines particularly would take advantage of this in their base negotiations with us. Mr. Murphy pointed out that the proposals on the principle of evacuation were not induced by the U.S.—they were at the request of the King of Morocco. Ambassador Yost replied that the King was under heavy pressure. He was genuinely trying to prolong our stay in the country. He wanted us to hold on and not be required to give up anything of value to our national security. He felt that this was the least harmful request he could make of us. Mr. Murphy added that the King could not help but be emotionally motivated. He was a little fearful both for his person and his position. The chances of assassination were very real. Ambassador Yost said it would be very easy for the Government of Morocco to stir up the public rather than to keep it quiet as it was now doing. If the U.S. were faced with adverse public opinion in Morocco the repercussions in other areas of the world would be much worse. Mr. Murphy endorsed this point of view.

Admiral Burke suggested that returning Boulhaut and Y-11 without a public declaration might be the best solution. Mr. Knight further suggested that during the course of the turn-back of these two bases

we could give the King the opportunity to make a statement on the principles of evacuation in which he could cite these two examples without a statement by a U.S. spokesman.

Mr. Murphy summed up the discussion by requesting further thought by the Joint Chiefs on the question. We had to face up to the practical facts of the situation in Morocco. He asked specifically if there was any JCS objection to our telling the French that we proposed to notify the Moroccans that we were going to evacuate Boulhaut and Y-11. We had already informed the French confidentially of our intention to do so but the French were dragging their feet and had not responded in almost four weeks. There was no objection expressed to moving ahead with such notification.

Admiral Burke concluded by reiterating that the JCS paper would not be helpful in this connection. He added that it was invalid in one regard since it did not reflect the JCS [NSC] decision establishing the seven year maximum on evacuation. He repeated that there would be a requirement for the bases for more than seven years.

357. Memorandum of Discussion at the 417th Meeting of the National Security Council, Washington, August 18, 1959¹

[Here follow a paragraph listing the participants at the meeting and item 1.]

2. Significant World Developments Affecting U.S. Security

[Here follows discussion of the Soviet ballistic missiles program, Laos, and Communist China.]

Turning to Morocco, Mr. Dulles stated that the King's abrupt return to Morocco from Paris on August 4 was probably dictated by the crisis in Morocco. It is also possible that the King was advised by the Moroccan Government not to see De Gaulle so shortly before the UN General Assembly debate on Algeria. Morocco was facing a financial crisis. The French had put the squeeze on Moroccan operating accounts in French banks, and were pressing Morocco to devalue the Moroccan franc. Morocco would like to leave the franc zone and was consulting with Tunisia, which was having trouble with France on the same issue. There was a reliable report that the Soviets had offered Morocco a non-interest-bearing loan of perhaps as much as \$100 mil-

¹ Source: Eisenhower Library, Whitman File, NSC Records. Top Secret. Drafted by Johnson on August 26.

lion. Some negotiations certainly were going on. Secretary Dillon pointed out that there had been a newspaper account yesterday of a possible Soviet loan offer of \$37.5 million. Mr. Dulles said, however, that CIA had had a good report that the first offer was probably \$100 million. He went on to note the difficulties created by the violation of Moroccan territory by French forces and the kidnapping by the Algerian rebels of the group investigating this violation. He thought it likely that the King would reshuffle or replace the present Ibrahim government. The King continues to want a broadly-based non-political government. Mr. Dulles said that there has been no progress in the base negotiations, and pointed out that Ambassador Yost believes we should try for a 4-year agreement. Morocco has made a request for U.S. military equipment, and has accepted a U.S. military survey team.

*The National Security Council.*²

Noted and discussed an oral briefing by the Director of Central Intelligence on the subject, with specific reference to recent developments in the Soviet ballistic missiles program; the situations in Laos and Morocco; and recent developments in Communist China.

[Here follow items 3 and 4.]

5. *Tunisia, Morocco, Algeria* [here follows a list of references]

Mr. Gray began his briefing by saying he would concentrate on the question of Moroccan bases. He noted the proposal, in the formal JCS views, for revision of paragraph 21 of NSC 5911;³ he referred to the split on the bases in the objectives (paragraph 24); and then directed the Council's attention to the split in paragraph 31. Following Mr. Gray's presentation, the President expressed surprise that public acknowledgement of the principle of evacuation had not yet been made.

Secretary Dillon pointed out that we have discussed this matter with the Moroccans, but that the French had requested that we put off any announcement until after De Gaulle's meeting with the King. That meeting had of course never come off. The Secretary referred to Ambassador Yost's recent message⁴ on the bases which had been previously mentioned by Mr. Dulles. He suggested that the difference of opinion here was less a difference of policy than a difference of evaluation of the situation in Morocco. Our alternatives were not, in his

² The paragraph that follows constitutes NSC Action No. 2119. (Department of State, S/S-NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by the National Security Council)

³ The JCS views were distributed under cover of an August 13 memorandum from the Acting Executive Secretary to the National Security Council. (Eisenhower Library, Whitman File, NSC Records) Regarding NSC 5911, see footnote 1, Document 268.

⁴ Telegram 274 from Rabat, August 17. (Department of State, Central Files, 711.56371/8-1759)

view, to stay four years or longer. One real alternative was agreement within the next few months on a maximum term of four years with, perhaps, some months after that for actual evacuation. If we do that, we might get agreement from the Moroccans for a longer stay in the communications facilities which are quite important to us. If, alternatively, we did not reach agreement on this basis, Morocco would attempt to rally public opinion to force us out and take action at the UN against our "illegal" occupation. Morocco would probably also harass deliveries of supplies and would perhaps engage in a mass blockade of the bases. In such a situation our alternatives would be to stay through the use of force, which was unthinkable, or to get thrown out in 18 months or so.

Secretary McElroy said that he realized we couldn't stay in these bases longer than feasible, but he had feared that what was feasible could be interpreted as being as little as one year. The President suggested that the language "as long as required" and "as feasible" be combined.

Mr. Gray suggested that Defense, JCS and OCDM were not blinded to the facts of life in this matter.

Secretary McElroy reiterated that if we start out on the basis of "feasibility", the term might be interpreted more weakly than was indicated by this discussion.

The President stated that we should, as a matter of urgency, try to reach an agreement. He also felt that we should publicly announce our acceptance of the principle of evacuation; to do so, he felt, would let a lot of the steam out of the kettle.

Secretary McElroy concluded the discussion by stating that if the United States gets a 4-year deal, we should determine after two and a half or three years whether we still required the bases and then possibly re-open the question.

*The National Security Council:*⁵

a. Discussed the draft statement of policy on the subject contained in NSC 5911; in the light of the views of the Joint Chiefs of Staff thereon, transmitted by the reference memorandum of August 13, 1959.

b. Tentatively adopted the following amendments in NSC 5911:

(1) *Pages 16-17, paragraph 22:* Include the Majority version and delete the JCS-OCDM version.

(2) *Page 22, paragraph 35:* Delete the bracketed language and the footnote thereto.

⁵ Paragraphs a-d and the Note that follows constitute NSC Action No. 2122. (*Ibid.*, S/S-NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by the National Security Council)

(3) *Page 22, paragraph 35-a, -b and -c*: Include the Majority version and delete the JCS-OCDM version.

c. Adopted paragraphs 24 and 31 of NSC 5911, subject to the following amendments:

(1) *Page 18, paragraph 24*: Delete the paragraph and the footnotes thereto, and substitute therefor the following:

"24. Within the limits of feasibility, maintenance of U.S. bases in Morocco for as long as they are required."

(2) *Page 20, paragraph 31*: Delete both versions of the paragraph, and substitute therefor the following:

"31. Endeavor, within the limits of feasibility, to maintain access to U.S. bases in Morocco for as long as they are required, being prepared to this end to offer reasonable quid pro quos, to reach satisfactory agreement regarding tenure, and to conclude such other arrangements with Morocco as may be deemed appropriate and essential to the retention of the bases, including public acknowledgement of the principle of eventual evacuation and the relinquishment of non-essential facilities."

d. Referred NSC 5911 to the NSC Planning Board for review and revision in the light of the discussion at the meeting and of the President's forthcoming meeting with President de Gaulle.

Note: Paragraphs 24 and 31 of NSC 5911, as amended by the action in c above, subsequently approved by the President; circulated for implementation by all appropriate Executive departments and agencies of the U.S. Government; and referred to the Operations Coordinating Board as the coordinating agency designated by the President.

[Here follows item 6.]

Robert H. Johnson

358. Memorandum From the Acting Secretary of State to the President¹

Washington, September 22, 1959.

SUBJECT

Determination under Section 451(a) of the Mutual Security Act of 1954, as amended,² permitting the use of funds in order to furnish military assistance to Morocco

The Moroccan Government has formally asked the United States for military assistance. Because of internal political difficulties which they feared a refusal on our part would worsen, the Moroccan authorities had previously sought and obtained our agreement in principle to the acquisition of arms from the United States although no commitment was made as to the financial terms (sale or grant) by which such arms would be provided.

Our decision to permit the acquisition of arms from the United States was guided principally by these considerations:

1. The United States is entering a particularly critical phase of its efforts to secure Moroccan agreement to continued operation of important American air and naval bases in that country, or at least to avoid interference with these activities. Fulfillment of the request by Morocco for a limited military program would be of substantial help in these base discussions and would be an important first step in building a community of interest in the military sphere.

2. It is believed that the Moroccan Government has before it an offer from the Soviet bloc for a grant of arms on generous financial terms, with few if any other conditions. Moreover, a fairly sizeable shipment of Czech arms was landed in Casablanca last year. It is important to avoid further Moroccan involvement with Communist bloc arms, with its obvious consequence of Moroccan dependence upon spare parts, ammunition, and training from this source.

3. The Moroccan Army, directly responsible to the King as Commander-in-Chief, is believed to be primarily loyal to the throne and to be the principal stabilizing influence in a turbulent internal political situation. An increase in Army prestige, through the acquisition of modern weapons, would therefore tend to reinforce the power of the King. [1 line of source text not declassified].

The Moroccan government accepted a United States survey team to examine the country's military establishments and to make recommendations concerning the ultimate character and quantity of the equipment to be furnished by the United States. The team's prelimi-

¹ Source: Eisenhower Library, White House Central Files, Confidential File. Secret.

² For text of the Mutual Security Act of 1954, P.L. 83-665, August 26, 1954, see 68 Stat. 832. Section 451 (a), as amended, defined the President's special authority under the Act.

nary recommendation for assistance in the amount of about \$2.3 million annually for five years has been received. When the team's final report³ is received, it will be carefully considered with a view to recommending the complete program of United States military assistance to Morocco which would be necessary and desirable.

In the meantime, the Moroccan authorities have requested that the United States furnish urgently a token quantity of equipment for display in their Independence Day parade, November 17. This equipment, with associated services, is valued at not more than \$500,000, and would consist of a small number of guns of various calibers and a limited number of vehicles.

It is believed that a grant of the requested equipment would have maximum political effect as a gesture of good will. Even though merely token quantities are involved, this initial step would tend to remove the most immediate pressure for implementation of the basic military assistance program. When the Moroccan Prime Minister on July 14 formally advanced his country's general request for military assistance from the United States, he said he hoped the first deliveries could arrive as soon as possible, preferably by mid-August. The token shipment recommended herein would thus serve as a useful stop-gap. It would, moreover, provide an improved climate for the discussions the United States is having with the Moroccan government on a number of current problems, including difficult questions about the movement of military supplies and jurisdiction over United States servicemen.

The French Government has expressed its agreement to our plan to fulfill the Moroccan request for a token shipment of arms.

The cost of furnishing the proposed military assistance to Morocco on a grant basis would be met by the use of funds made available for military assistance purposes under the Mutual Security Act of 1954, as amended (hereinafter referred to as "the Act"), by the Mutual Security Appropriation Act, 1960,⁴ upon its entry into force. In order to use such funds for grant military assistance Morocco must, in the absence of a Presidential waiver under Section 451(a) of the Act, agree to the assurances required by the second sentence of Section 141, Section 142(a), and Section 511(c)⁵ of the Act concerning the use and disposition of the military assistance. We are considering the feasibility of obtaining the required assurances from the Moroccan Government.

³ Not found.

⁴ P.L. 86-383, September 28; for text, see 73 Stat. 717.

⁵ Section 141 of the Mutual Security Act of 1954, as amended, defined conditions of eligibility for assistance under the Act. Section 142 (a), as amended, listed agreements required of nations receiving such assistance. Section 511 (c), as amended, addressed disposition of equipment or materials provided under the Act once they were no longer needed.

However, in view of the present political climate in Morocco, the negotiation may prove difficult and prompt acceptance by Morocco cannot be expected. It is believed that it would not be in the interests of the United States to delay the token shipment pending negotiation of the agreement with Morocco embodying these assurances and that the requirements therefor should be waived under Section 451(a) of the Act.

It is, accordingly, recommended that you sign the enclosed memorandum⁶ which contains the determination required by Section 451(a) of the Act in order to carry out the proposed program.

The Secretary of Defense and the Director of the Bureau of the Budget concur in this recommendation.⁷

Douglas Dillon

⁶ Not printed.

⁷ Eisenhower signed the memorandum, Presidential Determination No. 60-3, on September 23.

**359. Memorandum of a Conversation, White House,
Washington, October 15, 1959, 11:30 a.m.¹**

SUBJECT

The President's Meeting With the Prime Minister of Morocco

PARTICIPANTS

The President
Moroccan Prime Minister Ibrahim
Moroccan Ambassador Ben Aboud
Assistant Secretary of State Satterthwaite (AF)
Colonel Walters (Interpreter)

The Prime Minister received a sincere welcome from the President and the conversation between the two gentlemen lasted for half an hour. The Prime Minister transmitted a message to the President from King Mohamed² recalling the long friendship between our two countries and the warm reception he had received in the United States in

¹ Source: Eisenhower Library, Whitman File, Eisenhower Diaries. Confidential. Drafted by Satterthwaite. Ibrahim was in the United States to attend the 14th Session of the U.N. General Assembly.

² Not found.

1957. The President in turn asked the Prime Minister to convey his personal greeting to King Mohamed and to tell him that he also had happy memories of King Mohamed's visit.

Two matters of substance were discussed, first the bases, and, at the close of the conversation, Algeria. On the bases the President stated that he knew there were a number of problems between us and understood that the Prime Minister would be seeing the Secretary of State at luncheon, at which time the problem could be discussed in detail. The Prime Minister made the point that even between the best of friends there are often problems which have to be solved and said that he believed it was in the interest of common friendship to solve such problems. The President agreed.

On the problem of Algeria the Prime Minister said that while General de Gaulle had made a positive contribution to the solution of this problem, he had surrounded his offer of free elections with so many conditions that he was afraid it would be difficult to find a solution.³ The President in reply made the point that President de Gaulle was the first French leader who had had the courage and strength to offer the Algerians the possibility of deciding their own fate. He mentioned the long friendship between France and the United States arising from the historical fact that France had been our first ally and helped us to gain our independence. But, he added, we also have great friendship for the people on the south shore of the Mediterranean. He strongly recommended that the two sides should make every effort to minimize the differences remaining in order that a just solution might be found. The President said he thought it very important that the free world should settle disputes of this kind among themselves in order to show a united front against the dangers from the East.

During the course of the conversation the President also asked a number of questions about agricultural and mineral developments in Morocco. He was especially interested to learn from the Prime Minister that the Moroccan Government has instituted a program of plowing land for the small land owners in order to help the farmers to improve their agricultural methods. He also expressed interest in and asked a number of questions about the Arabic language and the extent to which it is used in the world.

At the conclusion of the conversation the President invited the photographers to come in to take a few photographs, to the pleasure of the Prime Minister. The latter also appeared pleased to find a number of correspondents waiting to interview him on his departure. He answered their questions deftly, emphasizing that his conversation with

³ For text of de Gaulle's September 16 address on the future of Algeria, see *American Foreign Policy: Current Documents, 1959*, pp. 1096-1099.

the President had been exceptionally cordial. When asked whether he had discussed the question of the bases with the President, he said that he could only say that there had been a general exchange of views.⁴

⁴ Ibrahim and Herter discussed Algeria and U.S. bases in Morocco during a working luncheon at the Department of State. A memorandum of their conversation on Algeria is in Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199. A memorandum of their conversation on the bases is *ibid.*, Central Files, 711.56371/10-1559. Following the luncheon, Ibrahim continued discussing the bases with Satterthwaite; a memorandum of their conversation is *ibid.*

360. Memorandum of Discussion at the 422d Meeting of the National Security Council, Washington, October 29, 1959¹

[Here follow a paragraph listing the participants at the meeting and items 1-3. For item 2, see Document 337.]

4. Tunisia, Morocco, Algeria [here follows a list of references]

Mr. Gray briefly discussed the proposed policy (see attached briefing note) calling the Council's particular attention to the fact that the Council had adopted and the President had approved paragraphs (nos. 24 and 31) on the Moroccan bases at the meeting in August.² He stated that subsequent developments had not indicated any requirement to re-examine these paragraphs. However, he asked the Secretary of State whether he would care to comment on the visit of the Prime Minister of Morocco and its relationship to the base question.

In response, Secretary Herter said that Prime Minister Ibrahim had talked with the President and him and that he had been staying on in the U.S. hoping to get some resolution of the base problem. A satisfactory resolution of this problem was important to his political position in Morocco. The Secretary noted that there had recently been further talks in New York as a result of which a statement had been drafted with which the Prime Minister was apparently satisfied. Ibrahim had wanted public recognition of the principle of evacuation. Instead the statement would only recognize Moroccan sovereignty over the bases. The Secretary said that the statement had been given to Defense for clearance and that it would be issued on Friday at the

¹ Source: Eisenhower Library, Whitman File, NSC Records. Top Secret. Drafted by Johnson.

² The proposed policy is NSC 5911; see footnote 1, Document 268. The briefing note is not printed. Regarding the August 18 NSC meeting, see Document 357.

time of the departure of the Prime Minister.³ The Secretary then read the full text of the proposed statement which, in addition to recognizing Moroccan sovereignty over the bases, contained a general statement to the effect that discussions, including discussion of the base problem, had taken place during the Prime Minister's visit and that they would continue in Rabat. The Secretary said that the Prime Minister had tried to pin the U.S. down to a two-year term. We, however, had stuck with a five-year term while recognizing that a year and a month had gone by since we had originally proposed such a period. The Prime Minister had not balked too much at the U.S. position and we were still hoping for an agreement on the basis of a four-year term. The Secretary stated that we had advised the French that we contemplated issuing a statement along the lines indicated and that the French were resigned to it.

Secretary Gates suggested that it was important in the negotiations with Morocco to distinguish between the communications facilities and the bases. Secretary Herter said that we had never raised the question of communications facilities but had made a distinction in the discussions with respect to the two bases that we were prepared to evacuate very soon. The communications facilities, however, were being treated as a separate thing.

*The National Security Council:*⁴

a. Discussed further the draft statement of policy on the subject contained in NSC 5911; in the light of the revisions circulated by the reference memorandum of October 19, 1959, and the views of the Joint Chiefs of Staff thereon, transmitted by the reference memorandum of October 27, 1959.⁵

b. Adopted NSC 5911, as revised by the reference memorandum of October 19, 1959.

c. Noted and discussed an oral report by the Secretary of State on recent discussions with Prime Minister Ibrahim of Morocco, and the text of a statement proposed for issuance on the departure of the Prime Minister from the United States.

Note: NSC 5911, as adopted by the action in b above, subsequently approved by the President; circulated as NSC 5911/1⁶ for

³ A memorandum of Porter's October 27–30 discussions with Ibrahim, who had returned to New York to attend the U.N. General Assembly, is in Department of State, Central Files, 711.56371/10–3059. For text of the statement, issued simultaneously in Washington and Rabat on October 30, see *American Foreign Policy: Current Documents, 1959*, p. 1106.

⁴ Paragraphs a–c and the Note that follows constitute NSC Action No. 2141. (Department of State, S/S–NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by the National Security Council)

⁵ Copies of the October 19 and 27 memoranda are *ibid.*, OCB Files: Lot 61 D 385, NSC 5911.

⁶ Document 268.

implementation by all appropriate Executive departments and agencies of the U.S. Government; and referred to the Operations Coordinating Board as the coordinating agency designated by the President.

[Here follow items 4 and 5.]

Robert H. Johnson

361. Editorial Note

President Eisenhower announced on November 4 that he intended to visit Italy, Turkey, Pakistan, Afghanistan, India, Iran, Greece, France, and Morocco in December. For text of his statement, see *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1959*, page 766. A week later, the White House added Spain and Tunisia to the President's itinerary; for text of this November 11 announcement, see Department of State *Bulletin*, December 7, 1959, page 823.

Immediately prior to leaving Washington on December 3, Eisenhower delivered a radio and television address outlining the purposes and goals of his journey. For text, see *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1959*, pages 795-799. On the morning of December 22, the President and his party breakfasted with Spanish Head of State Franco and three other Spanish officials. The subject of Morocco rose in the conversation that followed; Franco encouraged the United States to retain its bases there and elsewhere in North Africa. A memorandum of this conversation, US/MC/26, is in Washington National Records Center, RG 59, Conference Files: FRC 83-0068, CF 1527.

Eisenhower and his party arrived a Nouasseur Air Force Base, Casablanca, at 11:19 a.m. and were greeted by King Mohamed V, Crown Prince Moulay Hassan, Prime Minister Ibrahim, the Moroccan Cabinet, members of the diplomatic corps, and Ambassador Yost. They proceeded to the King's palace in Casablanca, where they attended a luncheon given in the President's honor. For texts of Eisenhower's arrival statement and his remarks at the luncheon, see *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1959*, pages 876-877. After the luncheon, Eisenhower met with the King; see *infra*. For text of the joint communiqué issued at Casablanca after the meeting, see *American Foreign Policy: Current Documents, 1959*, pages 1107-1108.

The President and his party left Casablanca at 6:07 p.m. Further documentation on Eisenhower's visit is in Department of State, Central File 711.11-EI, and Washington National Records Center, RG 59, Conference Files: FRC 83-0068, CF 1544.

362. Memorandum of a Conference With the President, Palais Royal, Casablanca, December 22, 1959, 3:50 p.m.¹

OTHERS PRESENT

His Majesty King Mohammed V, Morocco
Crown Prince Moulay Hassan
Mr. Murphy (for communiqué)
Ambassador Mehdi Aboud
Prince Abdullah
Mr. Camille Nowfel
Major Eisenhower

The King opened by expressing warm approbation of the President's entire trip, terming him as a "messenger of peace." He said that certain problems of Africa richly merit the consideration of America, dedicated as she is to leadership for peace. These are first of all the desires of people of Africa to follow a normal political evolution, which means the first step should be self-rule; second, that having attained freedom these nations then need social and economic help. The King said he realizes the United States understands this.

The King mentioned Algeria, which is important to Morocco not only because of its proximity but also because the difficulties which that country is undergoing affect the entire Arab and Moslem world. The King expressed approbation of De Gaulle's speech of 16 September² and he hopes that Algerian independence "will be fostered and helped." He hopes this can be done on the concept of self-determination. Morocco and Tunisia have worked together to try to promote understanding between Algeria and the French. Morocco is always willing to act as a peace maker. The King summarized by saying that the independence of Algeria "would bring back stability" and help Africa.

¹ Source: Eisenhower Library, Staff Secretary Records, International Series. Secret. Drafted by John S.D. Eisenhower on December 23. For President Eisenhower's account of this conversation, see Eisenhower, *The White House Years: Waging Peace, 1956-1961* (New York: Doubleday, 1965), pp. 510-511.

² See footnote 3, Document 359.

The King said that some of the so-called independent countries of the world are still being exploited by former colonial powers. As examples he cited border difficulties between France and Morocco in the South, and utilization of newly discovered minerals in the Sahara Desert. Although Morocco is willing to be understanding in such matters, even with the French, it is important that the United States help Morocco to put an end to such exploitation. Soon Morocco will begin conversations with the French "on an equal and friendly basis." The King said this is given only for the President's general information.

The King expressed concern over Palestine. He emphasized that this concern has no racial basis but rather a humanitarian basis. Specifically, the Moslems and particularly the Arabs feel that the Palestine refugees have a right to repatriation. He urged that current aid programs to these Arab refugees, under the UN, be continued.

The King then mentioned the problem of United States bases in Morocco. He said negotiations had been started when he visited the United States in 1957 and since then have been continued in diplomatic channels. The base question is important because of its impact on Moroccan public opinion. Particularly it is important to show that base negotiations are a "friendly undertaking based on equality." Hence the King would welcome a solution to this problem, including the question of duration of tenure.

The King requested the President to encourage private investment. Morocco is prepared to provide incentives to this private investment. The Moroccans realize that no independence can have reality without economic independence.

The King had a final word of thanks to the United States for its help in the past. Specifically, he cited an economic crisis which Morocco had undergone a few months back brought about by the relations with the French. The King expressed appreciation for the Ambassador's attitude and helpfulness, realizing the Ambassador was acting under instructions. The United States had given Morocco economic and financial assistance and Morocco is proud of the United States' action, and our way of implementing it.

The President said he would answer the King in order.

Regarding the whole of Africa, the King can be assured that the United States will give the help he requests. The President introduced one caution. It is essential that no atmosphere be created which would place the free world in competition with the USSR. The USSR, an atheistic dictatorship, uses aid as a stepping stone to domination. Outsiders should help underdeveloped countries but not try to dominate them.

Regarding Algeria, the President said he hopes a friendly solution will be reached, fair to both sides. He had talked personally with De

Gaulle and Bourguiba.⁴ The facts he ascertained from them have undoubtedly been presented to the King. Regarding De Gaulle's September 16th declaration, the President considered it sincere and generous. De Gaulle told him that when elections can be held, he will accept the results. De Gaulle hopes that Algeria will decide to keep some connection with the French but will accept the verdict.

Regarding bases, the free world has established a common determination to counter the USSR military threat. The President accepted the King's viewpoint on the bases, however, and negotiations have been underway. The President understands that one base will be evacuated by the end of this coming March, others will be evacuated gradually with the action completed by the end of 1963. The King reaffirmed this schedule. The President then said we can announce this arrangement any time you are ready, today if you wish. The King said he agreed in principle and is willing to announce this agreement today. However, since so many millions of dollars have been spent on these bases, he hopes they will not be merely abandoned and let go to waste. Specifically, he requested that the United States train Moroccans to make use of these bases. The President said he understands and certainly he would recommend that one of them be transferred into a first class Civil Air Terminal. These matters are under negotiation. He assured the King that the United States will be sympathetic in working with Morocco to see what can be done. We will not abandon Morocco simply because of their viewpoint on the bases; on the contrary, we will aid Morocco in making the best use of these bases. We will not act like people with feelings hurt. The King said the details can be taken care of by the lower echelons of diplomacy. The ties between Morocco and the United States will be strengthened because of our constructive attitude in this base question.

In connection with the base negotiations, the President mentioned our interest in maintaining certain communications centers in Morocco. These are very important to the United States and we hope that negotiations on this issue will proceed in the same cooperative vein as on those regarding bases. The King said that negotiations have already been started.

Regarding private investment, the President said the United States will continue to try to help Morocco as a government. In addition, it will try to encourage private investment. However, he warned that private capital fears political instability, particularly the danger of confiscation without proper compensation. The President said he

⁴ A memorandum of Eisenhower's December 19 conversation with de Gaulle is scheduled for publication in volume VII. Regarding Eisenhower's December 17 conversation with Bourguiba, see Document 414.

would honor the King's word relative to encouragement of private investment and promised to emphasize to American business that Morocco is safe for such activities.

The King said that encouragement of private investment would of course be subject to some conditions. Morocco will have laws to guarantee property ownership and to provide for repatriation of capital if such become necessary. Conditions might dictate that the capital remain in Morocco for at least two years or might require assurances that after seven years some benefit would begin to accrue to the population. The President agreed that conditions are always essential and said it is incumbent upon the private investor to evaluate those conditions before making his decision. He reiterated that his only interest is that any government live up to the conditions as laid down with private investors. The King gave vehement assurances that such would be the case and said again that details in these matters can be worked out at lower echelons.

At this time Mr. Murphy brought in a new draft communiqué,⁵ in which reference had been made to the Palestine problem. The President told the King that he agreed the Palestine refugee problem is serious. He said we have done more than our share to alleviate it. However, he does not believe the communiqué should mention such items as Palestine or other African nations. Communiqués should not deal with problems where U.S. and Morocco have no influence or occasion to express their views. These views should be reserved for the floor of the UN.

Mr. Murphy and the Crown Prince then retired to work out a text of the communiqué which proved acceptable to both the King and the President. The President recommended to the King that he indicate to the press after the President leaves those matters which he had brought up for discussion with the President. This would serve the purpose of placing the King on record without implicating the President.

Some discussion continued on the subject of self-determination. The President said that even if the two had the power to instantaneously liberate all peoples, such would be a bad thing. He pointed out that Morocco and Tunisia possessed the advantage of having an existing government a long time before attaining full independence. Such is not the case with Algeria; indeed it is questionable as to which group represents the rebel elements in Algeria itself. He asked the King what percent of the population of Algeria is sympathetic with the rebels. The King said that the great majority desires independence, a condition which is only natural. The President cited the instance of the

⁵ Text of this communiqué was sent to the Department of State in telegram 1319 from Rabat, December 23. (Department of State, Central Files, 711.56371/12-2359)

Algerian woman in Paris who had personally told him otherwise. He also cited the case of the United States and Puerto Rico, in which the Puerto Ricans have, for economic reasons, steadfastly refused independence. If Puerto Rico were forced to pay U.S. tariffs on their goods, they would face economic disaster. The King said he visualized that close cooperation would exist between Algeria and France after Algerian independence. In answer to the King's question, the President said he had told De Gaulle not to be too rigid in his dealings with the Algerians but he himself agrees with De Gaulle that an election cannot be held while the shooting is still going on. He summarized by saying that free elections comprise the key to the problem.

The King requested the President to discourage private investment in disputed territory. The President repeated his former statements concerning the requirement for political stability. The King cited an instance where a U.S. bank granted a loan to a French company working in disputed territory. The President promised, on receipt of the details of this transaction, to warn that bank that they are operating completely at their own risk.

John S.D. Eisenhower⁶

⁶ Printed from a copy that bears this typed signature.

363. Memorandum From the Acting Secretary of State to the President¹

Washington, March 4, 1960.

SUBJECT

Determination under Section 451 (a) of the Mutual Security Act of 1954, as amended, permitting the use of funds to furnish military assistance to Morocco

The purpose of this memorandum is to recommend that you make the requisite determination under Section 451 (a) of the Mutual Security Act of 1954, as amended (hereinafter referred to as "the Act"), permitting the furnishing of military assistance to Morocco as set forth in the attached annex.²

On September 23, 1959, you determined that up to \$500,000 of funds available for military assistance purposes might be used to provide grant military assistance to Morocco, without regard to certain requirements of the Act. The memorandum to you of September 22, 1959,³ proposing this assistance referred to the preliminary recommendations of a United States survey team concerning a five-year program of military assistance which would be in addition to the initial grant of up to \$500,000. The military assistance program for Morocco proposed in this memorandum of \$2,800,000 for fiscal year 1960 is intended to be the first-year portion of the total program recommended in the survey team's final report.

In recommending a military assistance program of \$2,800,000 for Morocco in fiscal year 1960, we are guided by essentially the same considerations outlined in the memorandum of September 22, 1959, which led to our decision to permit the acquisition of arms from the United States. The attached annex reviews these considerations, provides further details on the proposed assistance and discusses the procedure proposed for presenting the program to Morocco.

It is considered that the furnishing of the proposed assistance and the use of funds available therefor under the Act are in furtherance of the purposes of the Act and are important to the security of the United States.

It is, accordingly, recommended that you sign the attached memorandum⁴ which contains the determination required by the Act in order to carry out the first year portion of the proposed military assistance program.

¹ Source: Eisenhower Library, White House Central Files, Confidential File. Secret.

² Not found attached to the source text. A copy is in Department of State, Central Files, 771.5-MSP/3-460.

³ Document 358.

⁴ Not printed.

The Secretary of Defense and the Director of the Bureau of the Budget concur in this recommendation.⁵

Douglas Dillon

⁵ Eisenhower signed the memorandum, Presidential Determination No. 60-12, on March 11.

364. Memorandum From the Secretary of State to the President¹

Washington, March 24, 1960.

SUBJECT

Proposed Letter to King of Morocco

To capitalize on the good will produced in Morocco by your agreement with King Mohamed at Casablanca last December to withdraw U.S. forces by the end of 1963, and to pursue certain important matters resulting from your conversation with him,² I recommend that you send him a personal letter and enclose a suggested text. The Department of Defense and our Ambassador at Rabat concur.

The letter will be an entirely natural sequel to your visit and will avoid certain difficulties entailed in using the normal diplomatic channels. It will not go into the details of any arrangements but will play a vital part in setting the stage for further action on matters of urgent interest to us—specifically, separate arrangements on communications facilities (as mentioned by you to the King); denial of hostile third party use of our bases when we withdraw; and a satisfactory status of forces understanding for the period remaining until their withdrawal.

The letter will also recall your undertaking to give sympathetic consideration to the King's request for U.S. training assistance to help the Moroccans take over the bases and ask for any suggestions Morocco might now have. The Department of Defense believes the letter will be of the utmost value in pursuing current Joint Chiefs of Staff objectives.

¹ Source: Eisenhower Library, Staff Secretary Records, International Series. Secret. Although the source text bears no drafting information, another copy of the memorandum indicates it was drafted by Root on March 21, and cleared with Bronez and L. Dean Brown. (Department of State, Central Files, 771.11/6-2460)

² See Document 362.

If you approve the letter, I recommend that the Department send it by telegram to our Embassy at Rabat for delivery.

Christian A. Herter³

Enclosure 1

BACKGROUND PAPER⁴

The Moroccan Government and public are pleased with the agreement you reached with the King in Casablanca about the withdrawal of United States forces by the end of 1963. However, certain aspects of these talks, not mentioned in the communiqué, evidently warrant further attention:

1. *The special status of United States communications centers.* At the time of your visit the King agreed to discuss separate arrangements for these facilities. It seems desirable to ascertain how far he is prepared now to enter into this matter. The present state of Moroccan public opinion may not permit the Government to announce, or even to conclude, detailed arrangements providing for U.S. tenure at the communication centers beyond 1963, since this might be taken to interfere with Moroccan plans to seek the evacuation of French and Spanish forces. It might also be taken by anti-Palace opinion in Morocco and by Arab opinion abroad as indicating that a secret arrangement, vitiating the United States withdrawal agreement, had been accepted by the King. (Remarks to the King's party on its recent trip to the Middle East confirmed the existence of such suspicion.) It is considered highly useful, however, to refer to the understanding that exceptional arrangements are to be reached in this case, to indicate our readiness to negotiate detailed arrangements at any time, and to elicit the King's views as to what time would be suitable.

2. *The King's appeal to you for United States assistance in training Moroccan personnel to utilize bases released by the United States.* It is desirable to meet this request, so as to have a better chance of eventually obtaining Moroccan approval of United States access to these bases after 1963 in the event of wartime necessity. Further, our willingness to train Moroccan personnel in the operation and maintenance of these bases justifies our seeking assurance that Morocco will not allow hostile third powers to use these installations, considering their evident implications for United States security.

The foregoing steps would serve certain general military objectives in Morocco recently recommended by the Joint Chiefs of Staff. These are: (a) retention of certain communications facilities for an

³ Printed from a copy that bears this stamped signature.

⁴ Secret. Drafted by Root and Stokes on March 21.

indefinite period beyond 1963; (b) non-utilization of released air bases by third powers unfriendly to the United States; and (c) re-entry upon released air bases if this should be required by future developments. It appears possible now to approach the first two points directly. We doubt that the King or any other responsible political figure in Morocco could safely commit himself now on the last point (re-entry rights), which appears to depend largely on our ability to develop the appropriate political atmosphere in Morocco.

I believe that our present objectives can best be attained by a letter from you to the King, along the lines of the attached proposal. Prime Minister Ibrahim and his cabinet have an uncertain future, he was not present at your talks with the King, and we are not confident that he would be as receptive as His Majesty on these points. Accordingly, diplomatic channels, which do not normally provide access to the King, are not likely to be effective. Moreover, an exchange of letters at the chief of state level would reduce the risk of awkward counter-proposals from the Moroccan side, such as for a timetable of United States evacuation or early Moroccan assumption of supervisory functions at United States bases.

3. *Prime Minister Ibrahim's Letter to Me.*⁵ On February 14 Prime Minister Ibrahim wrote a short letter to me in which he expressed his "complete personal satisfaction and that of the Moroccan people" over the base evacuation agreement. He went on to say that the solution of this problem and the way in which it has been achieved "are a striking example of the sincere cooperation existing between our two peoples." It is to this letter with its expression of satisfaction over the agreement that reference is made in the second sentence of the first paragraph on the second page of the enclosed suggested message.

Enclosure 2

SUGGESTED LETTER⁶

YOUR MAJESTY: Events of great consequence have occurred since my memorable meeting with Your Majesty in Casablanca last December. Our hearts are heavy at the thought of the terrible ordeal which Morocco has undergone in the disaster at Agadir.⁷ The rapidity with which the Moroccan authorities, under the direction of Your Majesty

⁵ Not printed. (Department of State, Central Files, 771.56311/2-1460)

⁶ Secret. Although the source text bears no drafting information, another copy of the letter indicates Root and Stokes drafted it and that it was cleared with Satterthwaite on March 21. (*Ibid.*, 771.11/6-2460)

⁷ On February 29, an earthquake destroyed Agadir, a seaport and tourist resort in southern Morocco.

and the Crown Prince, have organized relief efforts has mercifully spared further suffering and brought consolation to the unfortunate victims.

On a happier note, I trust that your historic tour of the Arab world, with its high promise of greater international understanding, has fully met your expectations. In this regard, my own visit to South America,⁸ I am glad to say, was very gratifying. I believe that the opportunity to meet friendly chiefs of state personally, and to discuss problems frankly with them, contributes significantly to the pursuit of peace and mutually advantageous relations between states.

Certainly our meeting in Casablanca, of which I retain very pleasant memories indeed, was an unusually important event in this respect. Secretary Herter has informed me of the letter he received from your Prime Minister expressing particular satisfaction with our agreement about the bases operated by the United States in Morocco, as an example of the sincere cooperation which exists between our two countries. I assure you that the United States shares this feeling. It is in this spirit that I now feel it desirable to write to Your Majesty about certain matters left in suspense by our conversation.

I recall Your Majesty's request that the United States assist in training Moroccan personnel to utilize the bases from which United States forces are to be withdrawn by the end of 1963, and my own assurances that the United States would give this matter sympathetic consideration. In connection with the recent withdrawal from Ben Slimane, I wish to confirm that the United States would be happy to provide such training assistance as may be agreed upon by our two Governments and would be pleased to receive suggestions from your Government in this regard.

I am, of course, confident I can count on Your Majesty's assurance that bases constructed by the United States will not be made accessible to any third power whose policies contain a threat to the security of my country. I feel free to anticipate Your Majesty's confirmation of this point because it seems an inevitable corollary of Moroccan-American friendship and entirely consistent with the principles of Moroccan policy which Your Majesty has expressed to me.

As for our reference to separate arrangements for certain communications facilities, I have asked the appropriate United States authorities to be prepared to discuss our needs for the period following 1963, and would be glad to learn Your Majesty's wishes concerning the negotiations we envisaged.

⁸ Eisenhower visited Puerto Rico, Brazil, Argentina, Chile, and Uruguay February 22-March 7.

Finally, I trust that any necessary clarifications of the status of United States military forces during the remaining period of their presence in Morocco can be worked out to our mutual satisfaction by our respective representatives directly concerned.

With my warmest personal good wishes, and with the highest respects,⁹

Sincerely,

⁹ Telegram 1756, March 31, transmitted the letter to Rabat for delivery to the King. Dated March 30, the text contained minor editorial changes in the first paragraph. (Department of State, Central Files, 771.11/3-3160) Yost delivered the letter at 4:30 p.m., April 4. The King read it, promised to reply in the near future, commented that he was gratified U.S.-Moroccan relations were improving, and asked about the status of Morocco's request for U.S. arms. (Telegram 2109 from Rabat; *ibid.*, 771.11/4-460)

365. Editorial Note

King Mohamed V called in Ambassador Yost on April 11 and asked him to clarify the reference to arrangements for communications facilities in President Eisenhower's March 30 letter, stating that he wished to respond promptly to the message but needed to know which installations Eisenhower meant. (Telegram 2172 from Rabat, April 11; Department of State, Central Files, 771.11/4-1160) The following day, Prime Minister Ibrahim also discussed this issue with Yost. Yost suggested the King not make any final decision on the communications facilities, but merely agree to open discussions about them. (Telegram 2181 from Rabat, April 12; *ibid.*, 771.11/4-1260) The Department of State endorsed this approach on April 15. (Telegram 1867 to Rabat; April 15; *ibid.*, 771.56311/4-1560)

The King's April 16 reply assured Eisenhower that Morocco would never allow a hostile third party to occupy bases the United States had built and evacuated there, accepted the President's offer to train Moroccans to operate these bases, and noted the Moroccan Foreign Minister had been instructed to negotiate the status of remaining U.S. forces in Morocco. Regarding the communications facilities, it stated that the Foreign Minister would approach Yost for further information, since the Moroccans did not recall any previous discussion of the subject. (Telegram 2290 from Rabat, April 23; Eisenhower Library, Whitman File, International File)

On April 22, King Mohamed sent a second letter to the President, urging the United States to intercede with France to end the war in Algeria. (Telegram 2301 from Rabat, April 24; *ibid.*) Acting Secretary

Dillon recommended Eisenhower respond to this letter and the April 16 message together. The former merited "a reply at some length in view of the King's personal involvement in this problem and the particular danger which it poses to his regime," while the latter merely required simple acknowledgement. (Memorandum for the President, May 4; Department of State, Central Files, 751S.00/5-460)

Eisenhower's May 5 reply assured the King that the United States would do what it could to bring the Algerian war to a conclusion, and noted President de Gaulle had affirmed his offer of Algerian self-determination during his April visit to Washington. Regarding the King's April 16 letter, Eisenhower stated Ambassador Yost had been instructed "to cooperate fully in the discussions which are envisaged." (Telegram 2001 to Rabat, May 5; *ibid.*, 751S.00/5-560) Regarding de Gaulle's visit, see Document 309.

The President's letter was delivered to the King at noon on May 9. After noting prompt action was needed before the situation in Algeria deteriorated further, the King stated he would instruct the Foreign Ministry to establish a commission to review base problems and to carry out negotiations with the United States. (Telegram 2417 from Rabat, May 9; Department of State, Central Files, 751S.00/5-960)

366. Editorial Note

In the first quarter of 1960, U.S., French, and Moroccan officials in Washington, Paris, and Rabat held numerous discussions about the evacuation of U.S. bases in Morocco. Documentation on these conversations is in Department of State, Central File 771.56311. On April 23, the Embassy in Rabat received an undated note from the Moroccan Government protesting the transfer of the radar site at Saidia from U.S. to French authorities. Observing that the United States had previously transferred another base directly to Morocco, it stated the special procedures used for Saidia were unacceptable and in violation of U.S.-Moroccan agreements. Morocco did not recognize base agreements the United States had made with France before Moroccan independence, and was sure the United States would reconsider the manner in which it had relinquished Saidia. (Telegram 2295 from Rabat, April 24; *ibid.*, 611.717/4-2460)

Ambassador Yost delivered the U.S. response to Prime Minister Ibrahim on April 29. Explaining that France and the United States had jointly occupied all radar and control sites in the air defense complex, the note held that the withdrawal of U.S. forces from Saidia and

Mechra Bel Ksiri was in accord with U.S.-Moroccan agreements. The United States was convinced that, upon further examination, Morocco would agree it was not obligated to turn these bases over and that it could not transfer bases still occupied by French forces. (Telegram 2350 from Rabat, April 29; *ibid.*, 771.56311/4-2960) Although Ibrahim continued to disagree with the procedure, the meeting was cordial, and Yost reported he believed the incident was over. (Telegram 2349 from Rabat, April 29; *ibid.*)

367. Memorandum of a Conversation, Waldorf Towers, New York, September 27, 1960, 2:05-2:45 p.m.¹

SecDel MC/84

SUBJECT

U.S.-Moroccan Relations

PARTICIPANTS

U.S.

The President
Secretary of State Herter
J.C. Satterthwaite
Colonel John Eisenhower
Edmund S. Glenn (Interpreter)

H.R.H. Moulay Hassan, Crown Prince
and Deputy Prime Minister
H.E. M'hamedi, Foreign Minister
Mr. Ahmed Guedira, Chef de Cabinet

The President opened the conversation by inquiring after the health of the Prince's father, Mohamed V. The Prince replied that it was fine and that his father had sent his greetings to the President. He said he was also personally grateful to the President for receiving him.

The President in turn sent his warm greetings to Mohamed V. He said also that he wanted the Prince and his father to know what fine reports he had received of the conduct of the Moroccan General in the Congo (Kettani) who had demonstrated that he was an outstanding leader. In reply the Prince stated that the President was obviously aware of the difficulties facing all chiefs of mission in the Congo. He hoped that ways would be found of overcoming these difficulties.

¹ Source: Department of State, Central Files, 611.71/9-2760. Confidential; Eyes Only. Drafted by Satterthwaite and approved by S on October 5 and by the White House on October 7. Prince Moulay Hassan was in New York as head of Morocco's Delegation to the 15th U.N. General Assembly. For Eisenhower's brief account of this conversation, see *The White House Years: Waging Peace, 1956-1961*, p. 582.

The Prince then continued that he had a number of concerns which he would like to place before the President. Africa, he said, is in its formative stage. Most of the newly independent countries are underdeveloped [*1½ lines of source text not declassified*]. There is much turmoil with some countries following one path and others another. The path they follow is of the highest importance. Morocco does not want to mix in the affairs of other countries but Guinea unfortunately seems to be following the wrong path, that of totalitarianism. Other countries such as Morocco are following the path of democracy. King Mohamed is insisting on this as demonstrated by the free municipal elections which were recently held and by his plans for instituting a constitution which will be submitted to a popular referendum before the end of 1962.

The Prince then asked, what is the future of Africa? First, he said, let's look at North Africa, Tunisia for example. What would happen to that country should Bourguiba disappear? While Algeria, he continued, would one day be free, it would be highly desirable if it could be free soon. The leaders of this country who have become militarily minded will probably lead that country in the path of centralization. He is fearful of Soudan (Mali) because of Guinea's influence there and because of the authoritarian tendencies of the RDA party. We can be sure, however, that Morocco will continue to be a democracy whatever happens.

The Prince continued that, as we know, Sekou Toure has just returned from a trip to the Soviet Union and China where he is reliably reported to have raised the question of military aid for Guinea. Some of this military assistance, including aviation material, has, according to information reaching the Prince, actually been delivered.

But more important to the future of Africa than the problem of armaments is that of a great need for social development and the necessary economic infrastructure. Morocco has such an infrastructure, fortunately, and the King believes that improvement along all these lines is the best way of defending its democratic future, not only militarily but against hunger and poverty. To accomplish this, the Prince continued, we need the help of free countries thinking as we do.

Because of the democratic attitude in many of the new African countries, the Prince continued, [*2 lines of source text not declassified*]. The foregoing, he said, are general questions in which we of Morocco have a great concern. He would be interested, he said, in the President's reaction.

The President replied that the United States wants to help any country which wants to work along democratic lines. By this he meant countries which are not autocratic, respect the rights of the individual,

are responsive to the will of the people and educate their people. We would like to see governments of this type develop all over Africa as this would bring stability to that continent.

We would like, the President continued, to keep the cold war out of Africa if at all possible. It is for this reason that he has recommended that the African countries endeavor to form an organization for their mutual protection as a means of avoiding the necessity of arming themselves and insuring that all their resources can be used for economic and social development.

As a country starts to develop along these desirable lines, the President said, it can be sure of our help, the details of which should be worked out by experts. The problem involved is, however, much vaster than that of Morocco itself—it is a problem for all the newly independent countries. It is for this reason that he has urged that, by and large, economic assistance be given through the UN. He does not, however, exclude the desirability of bilateral assistance as such to Morocco. He has countries in the heart of Africa particularly in mind but even here some bilateral assistance may be necessary.

[7½ lines of source text not declassified] In general, however, he wished to emphasize that the United States wishes to act openly and through the UN in rendering assistance to African countries.

The Prince thanked the President for his words of friendship to Morocco. But, he continued, to some underdeveloped countries the UN serves as a nurse maid. Morocco has passed that stage. It is indeed suitable for Morocco to receive assistance from some of the UN agencies, such as WHO or FAO, but in general in order effectively to assist progress in Morocco it should be direct. [5½ lines of source text not declassified] When we ask our friends for help it is not for the purpose of aligning ourselves with one bloc against another, he said, but in order to put ourselves in a position of helping to maintain peace. A good government must help its country to progress. If Morocco, which is the cornerstone of Africa, can improve its lot, so the rest of Africa will improve. In this connection he mentioned the Moslem religion of Mohamed V, who, he said, because of his stature as a religious leader respected by hundreds of millions of African Moslems, has been the backbone of order and progress throughout Moslem Africa.

In reply and as he drew the interview to an end, the President said that the United States is all for helping people who help themselves. He wished the Prince to assure King Mohamed that in his efforts to improve the lot of his people he will have the sympathetic ear of the United States. The details would, however, have to be presented before the appropriate people in Washington.

The Prince then quickly mentioned the conversation which his father had held with the President in Casablanca last December² and the plea which his father had made that the President should encourage private investment in Morocco. The Prince indicated that the President had spoken of the need for some kind of legal protection for such investments. He hoped the President would indeed encourage American private investment since his father, "who rules," can be trusted to find a way to protect the investments.

On taking his leave the Prince extended the thanks of his father, Mohamed V, for the President's warm words, following which photographs were taken of the Prince and the President. The Prince also invited the President to visit Marrakech after his retirement where, he assured the President, he would find both good golf and good hunting.

² See Document 362.

368. Telegram From the Department of State to the Embassy in Morocco¹

Washington, October 13, 1960—8:40 p.m.

515. Following based on uncleared memcons with Moroccan Crown Prince State Department and Pentagon yesterday:²

In morning meeting with Penfield and subsequently with Secretary of Defense Gates in afternoon Crown Prince was told of (1) our desire carry out orderly evacuation bases by end 1963 as promised by President; (2) our willingness consider feasible suggestions for training Moroccans make eventual good use of base facilities for military or civil purposes; (3) US hope, as mentioned by President to King, of retaining certain communications facilities in Kenitra area (including Sidi Slimane) after 1963. Navy representatives explained in some detail role these facilities played in communications with 6th Fleet and other operational units Mediterranean-Red Sea area. Prince was as-

¹ Source: Department of State, Central Files, 771.56311/10-1360. Secret. Drafted by Root, cleared in substance with the Office of the Secretary of Defense, and approved and signed for Herter by Witman. Repeated to Paris, USCINCEUR, EUCOM, CINCNELM, COMSIXFLT, and CINCUSAFE.

² A memorandum of the Prince's conversation with Acting Secretary Dillon and other Department of State officials is *ibid.*, 751S.00/10-1260. A memorandum of his conversation with Gates and other Department of Defense officials is *ibid.*, 771.11/10-1260.

sured these were purely relay (and not originating) facilities and that we were quite willing to examine means of playing down military character through, for example, use of personnel in civilian clothes and to extent feasible civilian contracting services and Moroccan employees.

Prince asked that we submit subsequently to his Foreign Minister detailed proposals this regard so Moroccans would understand precisely and fully what was involved and he promised that these proposals would be given most careful consideration. He said he could make no definite commitment now but that we could be certain he personally would go as far as possible to accommodate us. He said because of current political climate, which US diplomatic representatives would appreciate, we should not present him with formal request at this time and should await more propitious political moment before expecting definitive Moroccan answer. (On questioning he indicated outlook should be "much clearer" by next March.) He reminded us that any "reconversion" of installations should appear fully compatible with our commitment to military evacuation by end of 1963.

As result foregoing, we plan present to Foreign Minister M'hammedi, while still in U.S., memorandum³ setting forth requirements in detail; paper would not require immediate reply.

Herter

³ Not found.

369. Memorandum From the Secretary of State to the President¹

Washington, December 6, 1960.

SUBJECT

Request for Oral Presidential Waiver Under Section 451(a) of the Mutual Security Act Permitting Military Assistance to the Kingdom of Morocco

¹ Source: Department of State, Central Files, 771.5-MSP/12-660. Confidential. Drafted by Stephen H. McClintic, Officer in Charge of Moroccan Affairs, on December 5 and Bell on December 6, and cleared by Penfield. The source text bears the typewritten notations: "Approved by White House 12/7/60" and "Telegram to Rabat Niact dispatched." The telegram under reference is 771 to Rabat, December 7. (*Ibid.*, 771.5622/11-2960)

I wish to request an oral determination pursuant to Section 451(a) of the Mutual Security Act of 1954, as amended (hereinafter referred to as the Act), that Sections 141 (second sentence), 142(a) and 511(c) of the Act and the requirements of the Mutual Defense Assistance Control Act of 1951 (known as the Battle Act),² be waived with respect to the provision of up to \$6,767,868 of military assistance to Morocco. This assistance consists of jet aircraft (T-33 trainers and F-86 fighters), pilot training, spares and related items for the Royal Moroccan Air Force. It would be offered in exchange for assurances [*less than 1 line of source text not declassified*] that a recent offer of jet aircraft from the Soviet Union will not result in the introduction of Soviet pilots and technicians along with the Soviet aircraft in Morocco.

The Joint Chiefs of Staff consider that the arrival of Soviet pilots and technicians would entail excessive risks to our own SAC bases and could virtually neutralize them.

The King and the Crown Prince have assured Ambassador Yost that the acceptance of the Soviet offer entails no change in Morocco's good relations with the United States. Both seemed impressed at Ambassador Yost's warnings of the risks involved in the acceptance of these Soviet planes, and especially at the prospect of Soviet instructors and technicians coming to Morocco. [*3 1/2 lines of source text not declassified*]

The Ambassador would have to be prepared to act immediately. Accordingly, he has urgently requested stand-by authority to make such an offer to the Crown Prince early this week, if the course of his conversation seems to indicate the likelihood of success.

The Department of Defense and the Joint Chiefs of Staff, while disliking as do we the element of direct competition with the Russians, nevertheless consider that the security aspects of our bases in Morocco and the danger of Soviet intrusion in an area on NATO's flank warrant such a counter-offer. They urge that as small a squadron as the Ambassador thinks practicable be offered the Crown Prince.

Costs vary with the number of aircraft it may be necessary to offer. In an effort to achieve minimum cost to the United States, details of numbers and types of aircraft would not be discussed initially.

It is necessary to waive the above-mentioned requirements of the Act in the absence of a military assistance agreement satisfying these requirements. It is necessary to waive the requirements of the Battle Act with respect to this assistance because the Moroccan Government has permitted some shipments of cobalt to the Soviet bloc contrary to the controls required under the Battle Act.

² For text of P.L. 82-213, approved October 26, 1951, which provided for suspension of U.S. economic aid to nations supplying strategic materials to Communist countries, see 65 Stat. 644.

Informal inquiry of the Bureau of the Budget indicates that there would be no objection on the part of the Bureau to the waiving of these requirements for the purposes stated.

If you concur, the completed papers necessary for a formal confirmation of your waiver will be sent to you as soon as possible.

Christian A. Herter³

³ Printed from a copy that bears this stamped signature.

370. Memorandum of a Conversation, Pentagon, Washington, December 21, 1960, 11:40 a.m.¹

SUBJECT

Call of Ambassador Yost on Mr. Knight

PARTICIPANTS

Ambassador Charles W. Yost, U.S. Ambassador to Morocco
Mr. Stephen McClintic, Moroccan Desk Officer, Department of State
Mr. Robert H. Knight, Deputy ASD/ISA
RAdm E. B. Grantham, Jr., Dir/NESA/ISA
Mr. William E. Lang, Dir/FMR/ISA
Mr. Ray W. Bronez, Deputy Dir/FMR/ISA
Capt William B. Wideman, J-5, Jt. Staff
Lt Col M.J.L. Greene, Asst for African Affairs/NESA/ISA

Conversation was held in Mr. Knight's office at the Pentagon beginning at 1140, 21 December 1960.

Ambassador Yost opened the conversation by stating that he was back in this country on two months home leave and wanted to take this opportunity to bring certain factors of the Moroccan scene to the attention of the Department of Defense. He drew attention to certain recent cables from the Chargé d'Affaires in Rabat which indicate development of potentially serious situation as Soviet arms arrive in Morocco; presumably for FLN (Algerian Nationalists) but the Royal Moroccan Army may hold some. The Ambassador added that we should be prepared to approach the Crown Prince shortly about the next phase of the military assistance program for Morocco. He as-

¹ Source: Department of State, AF/AFN Files: Lot 63 D 250, Jets 1961. Secret. Drafted by Greene on December 23.

sumed that it would be similar to the FY 61 program but that he would like to be able to add the jet aircraft and indicate to the Moroccans that we are prepared to discuss this subject with them.

Ambassador Yost then discussed the developments since the Soviet offer of jet aircraft to Morocco. He said he presumed the Soviet aircraft will be delivered on schedule but that he had received firm assurances from the King and the Crown Prince that Soviet instructors and technicians would not come into Morocco. However, the Ambassador cautioned that the views of the King and the Crown Prince could change. Mr. Yost indicated the Moroccans are considering two courses: (1) storage of Soviet aircraft unused; or (2) training of Moroccan pilots in UAR or some other place thus avoiding direct reliance on Soviet Union. The Ambassador said that standby authority to offer U.S. jet aircraft would be helpful and he may not have to make offer at this time. There then followed a general discussion of the Moroccan capability to fly the Soviet jet aircraft.

Mr. Knight as a preliminary to discussion of the military assistance program for Morocco, stated that the U.S. does not seem to be getting much support from Morocco in return for such assistance. He noted that in the recently concluded session of the UN General Assembly, Morocco had supported the USSR on six issues and the U.S. on none. Ambassador Yost said that these UN votes are misleading; it would be more correct to say that the USSR was supporting the independent African states in order to embarrass the Western alliance. In this case the quarrel is between the Africans and the former colonial powers, rather than an East-West issue. Mr. Yost said the Moroccan Government is not pro-Soviet but is becoming more and more neutralist primarily because of (1) sensitivity to the opposition charge that they are U.S. stooges; and (2) the Algerian situation which overshadows everything. In this regard he stated that a positive solution of the Algerian crisis is needed without much further delay and for the foreseeable future, the U.S. can continue to expect the Moroccans to follow a non-dependence line.

In reply to a question from Mr. Knight, Ambassador Yost indicated that the Crown Prince is apparently agreeable to our continued utilization of the communications facilities after 1963 depending upon developments in the Algerian crisis. [*1 1/2 lines of source text not declassified*] Thus the U.S. will probably get nowhere on this item until the Algerian problem is resolved.

Ambassador Yost indicated that the French military forces seem to be leaving on schedule. The departure of civil servants from positions in the Moroccan Government is slow.

In a general discussion of the military assistance program for Morocco, the Ambassador said that he would like to be able to present our program as soon as possible, preferably before February. Mr.

Knight and Admiral Grantham emphasized that we will have problems with Congress in light of the Moroccan acceptance of Soviet aircraft and their general failure to support the U.S. Admiral Grantham reiterated and the Ambassador agreed that our need for military assistance to Morocco is primarily a political one. Admiral Grantham also noted that the aircraft offer would be over and above the rest of the program. Mr. Knight, while noting the main purpose of our program is preemptive, wondered whether we were really getting anything from the Moroccans and that Morocco, as so many other countries, now seems to be trying to play both sides in an effort to get more assistance. Mr. Knight said that we need to review our overall plan and determine in each case how much preemptive aid we should dispense. The Ambassador said that under present circumstances we must continue the assistance program and he urged more flexibility.

In response to a question raised by Mr. Lang, Ambassador Yost indicated that the base question is quiet these days, probably because the Moroccans are devoting their attention to the evacuation of the French bases. He urged closer study of the long-range problem of utilization of the bases after our withdrawal. While aware of the JCS concern about the possibility of bases falling into Soviet hands he believed we should follow up on his earlier recommendations for Moroccan use of the bases in the future (Embtel 500 from Rabat 15 Sep 60). Mr. Lang noted that this problem had been discussed with the Crown Prince during his recent visit in the Pentagon.² He was asked to consider emergency reentry rights for the U.S. subject to Moroccan agreement at the time. We would be prepared to share runway maintenance costs on an agreed and equitable basis.

The Ambassador indicated that the recent ruling pertaining to the return of dependents from overseas³ would create no significant problem in Morocco. In response to a query by Mr. Knight as to the impact in Morocco of the new procurement policy, the Ambassador indicated that he has submitted a caveat. Mr. Knight told the Ambassador that we would look into this problem and the other matters that he had raised in hopes that we could have some answers for him before he returns to Morocco.

M.J.L. Greene⁴

² A copy of telegram 500 from Rabat is *ibid.*, Central Files, 771.56311/9-1560. Regarding the Crown Prince's October 12 visit to the Pentagon, see Document 368.

³ Not further identified.

⁴ Printed from a copy that bears this typed signature.

TUNISIA

U.S.-U.K. GOOD OFFICES MISSION; TUNISIAN REQUESTS FOR U.S. ARMS; U.S. ECONOMIC ASSISTANCE TO TUNISIA; AND PRESIDENT EISENHOWER'S VISIT TO TUNISIA¹

371. Telegram From the Department of State to the Embassy in France²

Washington, January 15, 1958—7:09 p.m.

2580. Department greatly concerned over deadlock apparently fast developing in Franco-Tunisian negotiations³ and attempts part of Bourguiba to draw US (and UK) into middle dispute (Tunis 728 and 732)⁴ as well as French pressure obtain US recognition "special position" France North Africa.⁵ If deadlock continues on troop and base issue entirely possible we will be faced with heavy military and economic demands from GOT we not in position fulfill and offers re Bizerte, refusal of which would be embarrassing and acceptance disastrous to Franco-US relations. Similarly appeals for US support from French would also present great problems in terms of our interests and position North Africa. Although we do not wish be drawn into dispute with both parties we believe we may have to exert what influence we have both Paris and Tunis to get matters back on track and reduce pressures from both sides.

¹ For previous documentation on U.S. relations with Tunisia, see *Foreign Relations, 1955-1957*, vol. xviii, pp. 648 ff.

² Source: Department of State, Central Files, 651.72/1-1558. Secret. Drafted by Palmer and Bovey, cleared by Elbrick and Rountree, and initialed for Dulles by Murphy. Also sent to Tunis and repeated to London, Rabat, and Algiers.

³ France and Tunisia were engaged in discussions to settle outstanding differences between them. Despatch 404 from Tunis, January 9, outlined the Embassy's recommendations for the U.S. stance during these negotiations. (*Ibid.*, 651.72/1-958)

⁴ Telegram 728, January 9, reported a conversation between Gorse and Bourguiba and noted, "Gorse has commented to Paris that important element in Bourguiba's position is his conviction that he will be understood and supported in London and Washington." (*Ibid.*) Telegram 732, January 10, reported that Hourani would arrive in Washington January 12 to discuss strengthening U.S.-Tunisian cooperation. (*Ibid.*, 033.7211/1-1058) Documentation on these discussions is *ibid.*, 772.5-MSP/1-2458.

⁵ During a January 7 meeting with Dulles, Alphand had asked that Eisenhower make a statement acknowledging France's position in North Africa. (*Ibid.*, Secretary's Memoranda of Conversation: Lot 64 D 199)

For Tunis. We believe effects Bourguiba's alleged remarks to Gorse re "US-UK understanding" and tone his last speech (Tunis 731)⁶ highly unfortunate in terms Franco-Tunisian rapprochement, whatever provocation El Khangua incident.⁷ Embassy should therefore tell him frankly we not in position inject US directly into question status Bizerte in which we have only secondary interest and that our ability exercise helpful influence on French will be reduced to zero if public impression created France we have somehow arrived at understanding with GOT on this and other matters. Speaking as friend Tunisia we would therefore recommend utmost discretion re timing and content broadcasts and public reference matters under negotiation and particularly to US views thereon. Moreover while we entirely understand Tunisian preoccupation with GOT responsibilities for internal security we hope Bourguiba will show maximum flexibility in reaching arrangements with GOF since abrupt solutions present real problem for GOF in terms parliamentary opinion. We do not consider Tunisia as tied to any sphere influence and intend treat with her as independent nation but we would consider rupture of natural and historic relationship with France as tragic set-back to free world. We will of course also exercise best influence we can in Paris but our effectiveness depends on Bourguiba's maximum discretion in referring to US attitudes.

For Paris. You may express frankly at high level FonOff our concern over Bourguiba's recent utterances, assuring French we have not given him any grounds for encouragement re US support for Tunisian position either on Bizerte or other French installations Tunisia and have no understanding whatever with GOT thereon. On contrary, we have been urging utmost flexibility and moderation on Bourguiba this matter. (At same time you might at your discretion indicate along lines final paragraph Tunis 728 to Department desirability from point of view France and West if France were to accept promptly Bourguiba's offer Bizerte and work out mutually satisfactory gradual phase-out French security responsibilities on other bases.)

In any case you should make clear we recognize French withdrawal from South presents political problems calling for courageous decisions but we believe permanent arrangements on Bizerte could perhaps override dissatisfaction with details re other bases if presented for what they are: An extraordinary manifestation of French reservoir good will in independent Arab state and possibility cooperate with it. In giving this advice we have no thought urging on French actions

⁶ Telegram 731, January 10, relayed the substance of Bourguiba's January 9 radio broadcast, which questioned the nature of French intentions toward Tunisia and asked if France would respect Tunisian independence. (*Ibid.*, Central Files, 651.72/1-1058)

⁷ On January 2, French troops surrounded and searched the Tunisian village of Fom El Khangua. Three Tunisians were killed, four wounded, and several taken prisoner during the incident.

which run counter their own best judgments, but in wider Western interests we seriously apprehensive over breakdown in current negotiations and grave and perhaps irreparable consequences for France and Tunisia as well as Western position North Africa.

Tunis and Paris should also reiterate our concern re recrudescence incidents along Tunisian-Algerian border and our hope these may be satisfactorily resolved and future ones avoided.

FYI Department informing British Embassy our views this matter but will express opinion British *démarche* Paris would probably be unwise this time. End FYI.⁸

Dulles

⁸ A memorandum of Bovey's January 17 conversation with Willie Morris of the British Embassy is in Department of State, Central Files, 651.72/1-1758. Telegram 765 from Tunis, January 16, reported that Bourguiba agreed with the U.S. position and realized good French-Tunisian relations would make it easier for the United States to help Tunisia. (*Ibid.*, 651.72/1-1658) Telegram 3364 from Paris, also January 16, reported that France realized the United States would not support Tunisia's position on Bizerte or other French installations in Tunisia. France had suspended negotiations and suggested Bourguiba define his position toward the Algerian rebellion and France. (*Ibid.*)

372. Telegram From the Department of State to the Embassy in France¹

Washington, February 1, 1958—5:09 p.m.

2794. Department considerably concerned by impasse French-Tunisian negotiations and particularly by present tension along Algerian-Tunisian border which could reach crisis proportions resulting in Tunisian decision resort to Security Council with all that implies.

It is realized that current sentiment French Parliament greatly inhibits Government from sending Gorse back Tunis to resume negotiations.² However, obvious that if long outstanding issues remain un-

¹ Source: Department of State, Central Files, 651.72/2-158. Confidential. Drafted by Looram on January 3, cleared by Elbrick and Palmer, and approved and signed for Herter by Murphy. Also sent to Tunis and repeated to Rabat, London, and Algiers.

² On January 10, rebels attacked a French patrol in Algeria, killing several soldiers and capturing four. Charging that the Tunisian National Guard had aided the rebels and that the prisoners were being held in Tunisia, France suspended military negotiations with Tunisia. Gaillard recalled Gorse when Bourguiba refused to meet with French emissaries to discuss the incident; Gorse and the envoys returned to Paris January 17.

resolved, they will constitute areas of grave friction. Side issue of arms supply is but one of matters that must be resolved if same situation as existed last fall not to arise again which we certainly wish avoid.

More immediate concern is present tension along border which may worsen as FLN continues build up its forces Tunisia. As rebel activities Eastern Algeria increase and should FLN concentrate forces along Tunisia-Algeria border preparatory new military offensive there will be strong temptation on part local French military commanders Algeria to carry out more extensive "hot pursuit" policy and attempt break up FLN formations in so-called "privileged sanctuary."

Department realizes French-Tunisian relations bound continue uncertain at best as long Algerian conflict continues given diametrically opposed policies respective governments. Moreover questionable that Bourguiba even if he wanted could drastically restrict FLN activities Tunisia. Seems also unlikely at this juncture that any formula for patrolling frontier would be acceptable both parties or realistic given length and terrain of border. Despite foregoing and fact US not directly involved believe US should strongly urge resumption talks and at least try prevent dangerous crisis arising in French-Tunisian relations.

Embassy Paris should accordingly convey US thinking at high level not only Foreign Office but also if feasible Prime Minister or his office and Defense Minister on earliest appropriate occasion along following lines:

1. US Government deeply concerned by growing tension along Tunisian-Algerian frontier. We fully appreciate provocation inherent in FLN operations directed against French forces in Algeria from Tunisia. Moreover, French-Tunisian relations primarily matter between two parties concerned. Obvious, however, that present tension could erupt at any time with grave consequences for West.³ It is therefore hoped that border incidents may be avoided or kept to minimum. We are similarly concerned by possibility local French military authorities might decide take action against Tunisian territory which would have unpredictable repercussions throughout North Africa. Apart from immediate tension we are hopeful French Government may find it possible resume talks with Tunisian Government with view restoring close French-Tunisian relationship. Should situation continue worsen there is possibility Tunisian Government might again turn for assistance to US with resultant misunderstandings in US-French relations or otherwise might be induced to reorient its policies along Egyptian-Syrian lines.

2. Inform French substance US démarche below to be made Tunis.

Embassy Tunis should similarly approach Bourguiba and Tunisian authorities along following lines:

³ At this point in the source text, the phrase "all of NATO" was deleted and the word "West" substituted before transmission.

1. US greatly concerned by growing tension along Tunisian-Algerian border and trusts Tunisian Government will continue exercise moderation. We particularly preoccupied by provocation to French forces Algeria inherent in reported FLN military build-up Tunisia. Urge that Tunisian Government use utmost influence FLN prevent its territory being used as base for military activities against Algeria.

2. Inform Tunisians that approach being made French Government urging avoidance military incidents along frontier and resumption talks. Accordingly express hope Bourguiba will continue moderate line publicly vis-à-vis French in order permit French Government in face Parliamentary difficulties resume negotiations.⁴

Herter

⁴ Foreign Minister Pineau told Ambassador Houghton on February 3 that France questioned whether Tunisia could secure the Algerian-Tunisian frontier, had decided against actions across the Tunisian border except "local action" arising from individual incidents, and intended to negotiate with Tunisia on civil aviation, maritime security, and Bank of Issue. (Telegram 3619 from Paris, February 4; Department of State, Central Files, 651.72/2-458) Telegram 860 from Tunis, February 4, reported that Ladgham had stated the rumors of an FLN military build-up in Tunisia were false and that Tunisia had several "pressing" problems with France which had to be resolved. (*Ibid.*)

373. Memorandum of a Telephone Conversation Between the Secretary of State and the President, Washington, February 9, 1958, 12:40 p.m.¹

SUBJECT

Conversation with the President on the North African Situation

On February 9, the Secretary talked by telephone with the President regarding the French operations in Tunisia.²

The Secretary said that, if the President approved, he would see French Ambassador Alphand that afternoon about the incident in Tunisia. He noted that the bombing of an open town on market day was a pretty bad business. He said he did not see where we would go from here; that the French were proving incapable of dealing with the

¹ Source: Department of State, PPS Files: Lot 67 D 548, Tunisia. Confidential. Drafted by David E. Boster on February 10. The time is taken from another memorandum of this conversation. (Eisenhower Library, Dulles Papers, White House Telephone Conversations)

² On February 8, French military aircraft bombed and strafed the Tunisian border village of Sakiet Sidi Youssef in reprisal for the shooting down of a French plane over Algerian territory by anti-aircraft fire from the Tunisian side of the Algerian-Tunisian border.

North African situation. He said that we started out with people in Morocco and Tunisia who wanted to be with the West but that they were being driven into the other camp.

The Secretary said that the situation was now getting out of French control; the Algerian sentiment was spreading into Tunisia and, if the conflict could not be settled, we would probably lose Tunisia, Libya and Morocco—the whole northern tier. It was a question of trying to save that or trying to save NATO. He said that he was going to tell Ambassador Caccia what we had in mind in seeing Alphand.

The Secretary said that Senator Mansfield had just made a good, sober report on North Africa,³ highlighting the dangers. He said that we were liable to lose control of the situation in Congress, noting that there was criticism of our trying to pull France out of its financial hole without doing anything for North Africa. He noted that the French have such a weak government that they do not dare to be bold and liberal.

The Secretary said that he would like to say to Alphand that he was talking to him with the knowledge and approval of the President.

In a later conversation,⁴ the President said that we should tell Alphand that they should disavow the action in Tunisia and offer to pay reparations. He said that we should indicate to the French that we could not carry out our fiscal aid policies regarding France without, in the last analysis, having Congressional support and we were in danger of losing that.⁵

D.E. Boster⁶

³ Reference is to United States Senate, *North Africa and the Western Mediterranean: Report of Senator Mike Mansfield to the Committee on Foreign Relations* (Washington: U.S. Government Printing Office, 1958).

⁴ A memorandum of this 12:59 p.m. telephone conversation is in Eisenhower Library, Dulles Papers, White House Telephone Conversations.

⁵ A memorandum of Dulles' conversation with Alphand, which proceeded along the lines outlined above, is in Department of State, Central Files, 7515.00/2-958. Its substance was sent to Paris in telegram 2883, February 9. (*Ibid.*, 110.11-DU/2-958) For text of the statement released by the Department of State after the meeting, see *American Foreign Policy: Current Documents, 1958*, p. 1086.

⁶ Printed from a copy that bears this typed signature.

374. Editorial Note

During a 10 a.m., February 10, meeting at the White House, Secretary Dulles briefed President Eisenhower on his conversation the previous evening with Ambassador Alphand:

The President spoke of the Tunisian incident. I reported on the talk I had had with Alphand. The President asked whether I had referred to the impact this might have on our French financial assistance operation. I said I had alluded to this. The President expressed himself as very discouraged over the French attitude. [5½ lines of source text not declassified] (Memorandum of conversation with the President; Eisenhower Library, Dulles Papers, Meetings With the President)

Regarding the French raid on Sakiet Sidi Youssef, see footnote 2, *supra*. Regarding Dulles' conversation with Alphand, see footnote 5, *supra*. Dulles also discussed the incident at his press conference the following day. For text of his comments, see *American Foreign Policy: Current Documents, 1958*, pages 1086–1088.

At the February 13 National Security Council meeting, Director of Central Intelligence Allen Dulles reported:

"Events in Tunisia have been pretty largely reported in the press. At present the Tunisians had clamped a virtual siege on all French troops and naval vessels. Bourguiba, hard pushed by public opinion, had decided to take the case to the United Nations. Gaillard had admitted that the bombing had been done without the authority of the Government in Paris, which, however, felt compelled to assume the responsibility. Both sides were now attempting to avoid incidents, and had been successful so far. Tunisia hopes the United States will intervene." (Memorandum of discussion at the 355th meeting of the National Security Council, February 14; Eisenhower Library, Whitman File, NSC Records)

That afternoon, Acting Secretary Herter informed Secretary Dulles, who was vacationing in Atlantic City, New Jersey, as follows:

"A number of conferences on the Tunisian question had been held with the Tunisian and French ambassadors. He said he felt that the boarding up of the French garrisons might lead to an incident at any time. It is possible that the French consulates may be closed. The French are taking a very strong position and would like the US to support this position, which CAH will not agree to. CAH believed there were no legal grounds to have French troops in Tunisia, but Alphand took the opposite stand. CAH felt the French should make some sort of gesture, such as withdrawing French troops from the south. No request had yet been made for an SC meeting but this will probably be done today or tomorrow. CAH felt that Tunisia's demand for withdrawal of troops would be favorably received by other nations, particularly in South America. The Secretary said he felt we should be very careful about tying ourselves up with the French. CAH said all

conversations were being reported to Amb. Houghton. At a press conference this morning Linc White had been asked what we planned to do about the situation. He replied that our good offices were always available, if requested. A Bourguiba statement had just come over the ticker to the effect that the US would be asked to mediate. Alphanth is shying away from this. The Secretary said he did not think the French would accept us in this role. CAH said it was a very difficult situation since one thing was being said in private and another in public." (Memorandum of a telephone conversation; Eisenhower Library, Herter Papers, Telephone Conversations; neither the press conference nor Bourguiba's statement has been further identified)

Documentation on the conversations with Alphanth and Tunisian Ambassador Slim is in Department of State, Central File 651.72. Numerous discussions were also held with British Ambassador Caccia; documentation on these conversations is *ibid.*

375. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, February 12, 1958—6:51 p.m.

557. As you no doubt realize Department most gravely concerned by critical situation Tunisia and its effects throughout North Africa. Now appears Tunisia's relations with France compromised for long time to come and her attitude toward West and US hanging in balance with greatly increased susceptibility Soviet and Egyptian support both political and economic which we do not doubt will be pressed upon Tunisians. Current Tunisian plans (such as those indicated your 918)² for Security Council action will prove acute embarrassment to US view mixed juridical aspects case and obvious likelihood Soviet will capitalize on matter to drive wedge between France and West and North Africa. Franco-Spanish operations Sahara and Ifni with MAP equipment if they materialize further serious adverse factor.

¹ Source: Department of State, Central Files, 651.72/2-1258. Secret. Drafted by Bovey; cleared by Torbert, Barnes, Dolgin, Belcher, and John H. Ohly, Deputy Director for Program and Planning, International Cooperation Administration and approved and signed for Herter by Palmer. Also sent to Paris and Rabat.

² Telegram 918, February 12, reported Bourguiba planned to have Slim ask the U.N. Security Council to order all French troops to leave Tunisian soil. An appeal to the Security Council could be avoided only if the French Government consented on its own initiative to evacuate its troops from Tunisia. (*Ibid.*)

We bending every effort arrive at some possibility shoring up internal situation Tunisia while we work out new approach to Algerian question which is at root of general crisis in North Africa. This connection USOM will by now have received authorization respond favorably to GOT request for US contribution through PL-480³ public works program under certain conditions we hope will not prove onerous. (FYI. We also have additional \$5 million earmarked from FY 1958 Special Assistance Funds for possible later use, if necessary. End FYI)

We realize great delicacy involved these offers if we hope avoid imputation trying "buy off" Tunisians on questions principle where our ability to support them tactically in UN or other public forum inhibited and will leave you maximum discretion as to timing and approach on aid question. In discussing PL 480 program or additional Special Assistance Funds (which you not yet authorized to offer) suggest you make clear by whatever means you deem best we offering aid solely in hope providing disinterested assistance and easing economic and social pressures on GOT, that we deeply sympathetic its various preoccupations and have no desire suggest such aid can fob off other fundamental political problems for whose solution we will continue work with renewed energy and in spirit friendship for Tunisia.

Herter

³ The authorization under reference has not been found. P.L. 480, Agricultural Trade Development and Assistance Act, was enacted July 10, 1954. (68 Stat. 454)

376. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, February 13, 1958—4:31 p.m.

560. One of Department's major concerns at this point in French-Tunisian crisis is personal position of Bourguiba himself. Careful examination of the Tunisian scene makes it clear that were he to relinquish office or be forced out because of popular dissatisfaction with Western action most of present governing group who have similar

¹ Source: Department of State, Central Files, 651.72/2-1358. Secret. Drafted by Porter; cleared by Sisco, Elizabeth A. Brown, and Loram; and approved and signed for Herter by Porter. Repeated to Paris, London, Rabat, and USUN.

ideas would leave with him. In such event either younger hotheads of Neo-Destour would take over or, even worse, Cairo-oriented Youssefist elements would do so.

Any wavering of Tunisia's Western orientation would have considerable effect on Libya and would greatly complicate our problems there. It would also have marked effect on FLN movement itself because, despite French-Tunisian differences emanating from Tunisia's contact with FLN, we believe Bourguiba's influence on leadership of that movement may be of critical importance in preventing sharper FLN turn towards Cairo and the Soviets.

Department therefore desires your appraisal of Bourguiba's present position internal pressures on him and probable effect Security Council action on Sakiet incident. You will be in position gauge current US approach Security Council consideration problem after receiving following telegram which reviews present instructions to USUN.² Repeat your comments to USUN and other addressees this telegram.³

Herter

² Telegram 561 to Tunis, February 13, reported the Department of State had instructed USUN to impress upon Slim the need to frame the Security Council agenda item as neutrally as possible, to consult with the British and French U.N. Delegations, and to provide the Japanese and Canadians with the text of a U.S. draft resolution on Sakiet Sidi Youssef. (*Ibid.*)

³ Telegram 949 from Tunis, February 14, noted that U.N. Security Council action on Sakiet Sidi Youssef was the "acid test" of Bourguiba's pro-West policy, but he intended to remain allied with the West and to oppose Communism. If he did not receive support in the Security Council, however, Bourguiba would probably resign. (*Ibid.*, 651.72/2-1458)

377. Memorandum of a Telephone Conversation Between the President and the Acting Secretary of State, Washington, February 16, 1958, 8:30 p.m.¹

I called the President to advise him of the discussions which had been held on the three previous days in Paris, Tunis, and Washington with respect to the possibility of the United States tendering its good offices to help in the solution of the French-Tunisian problem.² I advised the President that we now had assurances from both France

¹ Source: Department of State, Central Files, 651.72/2-1658. Secret. Drafted by Herter.

² Documentation on these discussions is *ibid.*, 651.72.

and Tunisia that our good offices would be accepted and that they might well lead to a postponement of any United Nations discussion on the subject.

The President seemed very pleased with the progress made and inquired as to whether we are concerting our activities with the British. I told him that the British were planning a similar move and he expressed satisfaction that we were moving together.

I then read to him the suggested statement³ which was going to both Tunis and Paris and he expressed the hope that our position could be made public just as soon as possible.

He sounded cheerful and again expressed real satisfaction on progress made with respect to the tendering of our good offices.⁴

C.A.H.

³ Sent to Tunis in telegram 585 and repeated to Paris as telegram 2974, February 16; it reads:

"Responsive to the inquiries of the French and Tunisian Governments, we have been glad to make available our good offices in order to assist the Governments of France and Tunisia to settle the outstanding problems between them. In so doing, it is of course clearly understood that the rendering of such assistance would not preclude the U.S. Government from offering affirmative suggestions. It is assumed that while our good offices are being exercised, any adversary proceedings at the United Nations would be suspended." (*Ibid.*)

⁴ The Department of State announced on February 17 that the United States had offered its good offices in conjunction with the United Kingdom; for text, see Department of State *Bulletin*, March 10, 1958, p. 372. On February 18, the U.N. Security Council adopted without debate a motion to adjourn. For a record of these proceedings, see U.N. Doc. S/PV.811.

378. Memorandum From the Deputy Under Secretary of State for Political Affairs (Murphy) to the Secretary of State¹

Washington, February 19, 1958.

SUBJECT

Tunisian Good Offices

I met with the senior officers concerned with this problem and we tentatively agreed on the following approach:

¹ Source: Department of State, Central Files, 651.72/2-1958. Secret. Drafted by Murphy, sent to the Secretary through S/S, and initialed by Murphy and Fisher Howe. Copies were sent to Elbrick and Palmer.

1. An announcement has been drafted and is attached for issuance this afternoon subject to your approval.²
2. Ambassadors Caccia and Alphanand should be asked in this afternoon. Mr. Elbrick and I will indicate your decision and the line we propose to follow.³
3. Mr. Palmer is seeing Ambassador Slim this afternoon and will confidentially advise him.⁴
4. If you agree, I propose to leave for London on Friday and would touch base in New York before departure with Wadsworth and possibly SYG. We would notify SYG today of this appointment. In London I would meet Harold Macmillan and Selwyn Lloyd to organize a program and procedure. We all feel that while it may not be necessary in all instances for the U.S. and U.K. representatives to act together, there must be prior agreement on positions to be taken vis-à-vis the French and Tunisians.
5. One position would probably call initially for withdrawal of all French forces from southern Tunisia. We agreed there must be some affirmative movement by the French promptly if the situation in Tunisia is not to deteriorate further.
6. With Becker concurring we feel it best at this stage not to seek agreed terms of reference with the French regarding our activity. If, however, the French impose impossible conditions, we could consider withdrawal from the good offices operation.
7. After coordination in London, if successful, I would proceed to Paris, then to Tunis, for consultation with governments. We considered that there would be no advantage in establishing a place such as Rome to center operations. Five places are already involved and we would urge that Washington be considered the principal locus. No matter what we do or say, the London–Paris axis no doubt will operate.⁵

² See footnote 4, *supra*.

³ Memoranda of these conversations are in Department of State, Central Files, 651.72/2–1958.

⁴ A memorandum of this conversation is *ibid*.

⁵ Dulles initialed his approval on the source text. Murphy left Washington for New York February 21; a summary of his conversation with Hammarskjöld is in telegram 908 from New York, February 21. (*Ibid.*, 651.72/2–2158) Arriving in London February 22, Murphy shuttled between London, Paris, and Tunis until his return to Washington April 20. Documentation on his travels is *ibid.*, 110.13–MU; documentation on his discussions with Tunisian, French, and British officials is *ibid.*, 651.72. For Murphy's account of his mission, see *Diplomat Among Warriors*, pp. 394–396.

379. **Telegram From the Department of State to the Embassy in Tunisia¹**

Washington, February 19, 1958—8:41 p.m.

603. Department deeply disturbed by events reported Tunis's 991, 995, and 998² which indicate dangerously stiffening attitudes on both sides. Unless both French and Tunisians exercise restraint and moderation and desist, whatever real or fancied provocations, from actions which can only make situation worse, we are fearful that our exercise of good offices will at best be complicated and at worst frustrated.

Both Tunis and Paris should immediately make known our concern along foregoing lines to GOT and GOF at highest levels. They should continue make this clear in crucial days ahead. They should emphasize that Department has moved with all possible speed to designate high-ranking official (see separate telegram re Murphy's designation)³ and that he is concerning himself with substance of problem on urgent basis. Meanwhile, we earnestly urge both parties refrain from actions which might worsen situation.

For Paris: We have just emphasized to Alphand necessity French Govt make immediate gesture toward GOT and stated we of opinion prompt regrouping of French forces from bases other than Bizerte essential in this connection.⁴ Latter was announced last Saturday⁵ by Claparede and to our knowledge, no steps have yet been taken implement this decision. You should stress foregoing immediately to Pineau and request info re GOF's present intentions.

For Tunis: You may inform Bourguiba of this approach to GOF, at same time emphasizing need for secrecy. Would obviously be impossible GOF take this step if it appeared done so under U.S. pressure.⁶

Dulles

¹ Source: Department of State, Central Files, 651.72/2-1958. Secret; Niact. Drafted by Palmer, cleared by Elbrick, and approved and signed for Dulles by Murphy. Also sent to Paris and repeated to London and USUN.

² Telegrams 991 and 995, both February 18, and telegram 998, February 19, reported Tunisian anger that the French were trying to antagonize and provoke them. (*Ibid.*, 651.72/2-1858 and 651.72/2-1958)

³ Telegram 601 to Tunis, February 19. (*Ibid.*, 110.13-MU/2-1958)

⁴ See footnote 3, *supra*.

⁵ February 15.

⁶ Telegram 1005 from Tunis, February 20, reported that Ambassador Jones had spoken with Foreign Minister Mokaddem, who had responded constructively to his comments. (Department of State, Central Files, 651.72/2-2058)

380. Editorial Note

President Eisenhower spoke of the U.S.-U.K. good offices mission at a February 25 legislative leadership meeting held at the White House:

"After noting that this was on the agenda at Sen. Saltonstall's request, the President outlined the problem created by French difficulties with Algerian rebels, charges of Tunisian aid to the rebels, and French incursions on Tunisian territory. The President said we are working hard to keep this flareup moderated, especially because there would be pressure on Bourguiba to turn to the East for help if he couldn't get it settled by the West. So Mr. Murphy was being sent out to provide his good offices to both Bourguiba and the French. The President felt a settlement would not be easy, for the French Government is so politically weak that it doesn't dare make anything that would be a sound proposal regarding Algeria. Hence Mr. Murphy's job is to try to get the French to understand they have to accept a sensible proposal for the Tunisian situation. Mr. Herter said Mr. Murphy has one such proposal to discuss, namely, that there be a half-mile no-man's land on the Algerian side of the Tunisian border, that the French would be permitted to fly over it, and that no rebels would be allowed in it. Mr. Herter added that the Tunisians wanted to get the French out of the Bizerte Naval Base, but they were willing to allow some time for a change to be made—or perhaps Bizerte could be put under NATO auspices rather than French." (Eisenhower Library, Whitman File, Eisenhower Diaries)

The following day, Murphy discussed North Africa's future and its relationship to France with Defense Secretary Ladgham and Foreign Minister Mokaddem. Tunisia, Ladgham stated, wanted to live as an independent nation with close relations to France and a Western-oriented foreign policy. A military solution to the Algerian problem was not possible; it could only be solved by negotiation involving France, the United States, the United Kingdom, Morocco, Tunisia, and the Algerian rebels. These negotiations would produce Algerian independence in the context of a Franco-North African group. Ladgham assured Murphy that Morocco shared Tunisia's position on this problem and that they were working together to solve it. He concluded by questioning whether France could maintain its strength if the status quo continued.

Murphy reported on this conversation separately from his updates on the good offices mission, specifying it was not to be repeated to London or Paris. (Telegram 1071 from Tunis, February 26; Department of State, Central Files, 651.51S/2-2658) On March 3, Eisenhower sent the following personal note to Secretary Dulles:

"The sentiments expressed by Ladgham, which are reported by Murphy in his cable of February 27th, coincide almost item by item with my own views. The trick is—how do we get the French to see a little sense?" (Eisenhower Library, Whitman File, Eisenhower Diaries)

The text of this note was sent by telegram to Murphy, priority and eyes only. (Telegram 6172 to London, March 3; Department of State, Central Files, 110.12-MU/3-358)

On February 28, Ambassador Slim delivered to the Department of State a letter from President Bourguiba to President Eisenhower appealing to the United States to prevent France from creating a "no-man's land" along the Tunisian-Algerian border. (*Ibid.*, Presidential Correspondence: Lot 64 D 174) An official translation of the letter was sent to the White House on March 5. On March 9, Acting Secretary Herter sent the President a suggested reply, noting it incorporated suggestions from Murphy and others in the field. If Eisenhower approved the text, Ambassador Jones would deliver it to Bourguiba, requesting it be given no publicity because of the good offices mission. Jones would also be authorized to tell Bourguiba that France had indicated the "displacements may not occur on the scale which he originally feared but that we understand his concern and stand ready to help him with the refugee problem in Tunisia." (Memorandum for the President; Eisenhower Library, Whitman File, International File)

Eisenhower signed the letter on March 10. Noting that "we have had somewhat conflicting reports as to the situation in this area, which I hope will not lead to consequences of the proportions you fear," it stated: "The United States cannot, of course, be indifferent to any situation which extracts a toll in lives and human misery." The letter assured Bourguiba the United States would continue its assistance to civilian refugees in Tunisia and would "do what we can further to alleviate the suffering which causes you and us so much concern." (*Ibid.*) The text was transmitted to Tunis that evening in telegram 691. (Department of State, Presidential Correspondence: Lot 64 D 174)

381. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, March 1, 1958—6:02 p.m.

648. Good Offices. For Murphy from the Secretary.

I agree with your analysis of situation as set forth 1081 from Tunis and authorize you proceed along lines recommended telegram 1082. With respect to numbered paragraph 15 of 1082,² you may wish to take into account following information covering future US activity this matter.

I think you should know that I have activated a group including Departmental and Defense representatives under Julius Holmes to survey the North African problem in both its short and long term aspects and to recommend courses of action based upon various contingencies. Precise steps to follow your Good Offices Mission of course cannot be determined at this juncture. My action in forming group is in no way intended to prejudge outcome your mission but rather to provide adequate follow-up on overall problem.

If results your present efforts should be substantial improvement in immediate French-Tunisian aspects of problem, timing and method subsequent approach will be materially affected. In any event, however, it appears likely that further high level approach to French will be necessary with respect to basic problem of Algeria. In this event, provisional thinking is approach to French would be made by US official acting as President's special envoy carrying brief letter to Gailard indicating bearer will state President's views to which President hopes French Government will give most earnest consideration. Envoy would then inform French orally that our recent efforts and examination of Tunisian problem and North African situation generally have convinced us we must make supreme effort avoid consideration by Security Council and General Assembly. Envoy would also state that since in our view internationalization of Algerian problem inevitable as result impending UN consideration, we believe France can take

¹ Source: Department of State, Central Files, 651.72/2-2858. Secret; Niact; Limit Distribution. Drafted by Porter; cleared by Rountree, Jandrey, and S/S; and approved and signed by Dulles. Also sent to Paris and London.

² Telegram 1081, February 28, transmitted Murphy's analysis of the Tunisian political and economic situation and the factors affecting France's relationship with Tunisia. (*Ibid.*) Telegram 1082, also February 28, recommended that the United States and United Kingdom propose that France withdraw its military personnel from Tunisia, except Bizerte, so that French-Tunisian talks could resume; that neutral U.N. observers be placed at five airports in Tunisia, after which the good offices mission would cease; that the future disposition of Bizerte be left to "friendly negotiations" between France and Tunisia; and that France and Tunisia return their Ambassadors to Tunis and Paris. Paragraph 15 suggested the United States and United Kingdom continue cooperating with France and Tunisia through regular diplomatic channels. (*Ibid.*)

initiative to narrow scope of internationalization by announcing she prepared confer with US, UK, Morocco, Tunisia and possibly Libya on North African subjects. Elaboration of our views would probably follow general course cited in Holmes' memorandum to me of February 20, 1958,³ with which you are familiar. We will be in contact with you shortly on this point. It is essential Good Offices Mission continue to function, including British assumption of initiative, until our position is firm on subject of subsequent approach concerning which we would probably have to inform Tunisians in strict confidence and without detail in order to avoid their having recourse to UNSC should they conclude good offices effort terminated or unproductive.

I hope you will provide me as soon as possible presumably after your next conversation with French with your views as to suggested timing and desirability such approach. Also, I would like your estimate as to whether you believe it would be appropriate for you, as a projection of your Good Offices Mission and in light existing atmosphere, to assume function of the President's Special Envoy for this purpose. Also require your views with respect to disclosing our intentions to British and endeavoring enlist their support. You will appreciate that course of action outlined herein is suggested only because I am increasingly concerned that very great danger may result from full discussion by the UN of the Algerian and Tunisian problems with highly dangerous implications for our relations with France and with emerging nations of Africa.

FYI. President meeting with Elbrick and me this afternoon approved the general lines of your 1082 and also observed that in his opinion the implications of the North African situation as regards NATO and Western Europe were so serious that he did not see how we could indefinitely delay making this a matter for NATO consideration.⁴

Dulles

³ Document 269.

⁴ Dulles added the last sentence after discussing the telegram with Holmes. (Memorandum of telephone conversation; Eisenhower Library, Dulles Papers, General Telephone Conversations) A memorandum of Dulles' and Elbrick's 3:30 p.m. conversation with Eisenhower is in Department of State, Central Files, 651.72/3-158.

In telegram 4103 from Paris, March 6, Murphy stated that the British were considering a similar approach to the French Government, but noted it might prevent accomplishment of U.S. goals in North Africa. The French National Assembly would defeat any government responding sympathetically to such an approach. He therefore suggested that the United States begin discussing the idea with the British and consider the question of a special envoy later. (*Ibid.*, 651.72/3-658)

382. Memorandum From the Assistant Secretary of State for European Affairs (Elbrick) to the Acting Secretary of State¹

Washington, March 12, 1958.

SUBJECT

French Use MDAP Equipment in Bombing of Sakiet

On February 18 the French Embassy confirmed to the Department that aircraft provided to France under MDAP were used in the bombing of Tunisia on February 8.² There was then prepared, and cleared with Mr. Becker, a note of protest to the French Government³ indicating that the U.S. could not condone the use of this equipment in a hostile act against another friendly country, and requesting assurances that steps would be taken to preclude any recurrence. Before leaving for Europe, Mr. Murphy indicated that he would prefer to handle this matter himself during the trip. The Secretary subsequently indicated these developments before the House Foreign Affairs Committee. He said that the matter would be discussed informally by Mr. Murphy rather than as a formal presentation. His testimony on this point was deleted from the printed record. Subsequently, the Secretary signed a telegram to Mr. Murphy (Tab A)⁴ seeking his views about telling the French that we "reserve the right to take the matter up further with them". Mr. Murphy said that he had no objection to the Department informing the French to this effect. Houghton concurred.

I believe that such an evasive approach to the French would actually run greater risk of offense than making a positive protest (which in fact has already been raised informally on the working level here and publicly by Mr. Dillon at the Johnston Conference).⁵ I also think that it will strengthen our position with Congress to be able to say we have done it officially. It may be even less opportune to say anything in the future. We would, of course, wish to obtain Mr. Murphy's prior concurrence and have accordingly drafted the telegram at

¹ Source: Department of State, Central Files, 651.72/3-1258. Confidential. Drafted by Torbert, sent to Herter through S/S, initialed by Elbrick, and concurred in by Palmer.

² No record of this conversation has been found.

³ Not found.

⁴ Telegram 6178 to London, March 3. In addition to requesting Murphy's opinion on how to approach the French, it transmitted the text of Dulles' statement before the House Foreign Affairs Committee. (Department of State, Central Files, 651.72/3-358)

⁵ While participating in a February 25 discussion panel, Dillon was asked about the use of MDAP equipment in the attack on Sakiet Sidi Youssef. He confirmed that France had used some U.S. equipment and that the U.S. Government intended to ensure that France never used U.S. military aid for such purposes again. Telegram 630 to Tunis, February 25, informed Murphy of Dillon's statements and noted they had been quoted by the Associated Press. (*Ibid.*, 651.72/2-2558)

Tab B.⁶ Since this is not precisely the action which the Secretary advised the House Committee on Foreign Affairs we were taking, we have prepared the telegram for your signature.

Recommendation:

That you sign the attached telegram (Tab B).

⁶ Telegram 3361 to Paris, March 13. (*Ibid.*, 651.72/3-558)

383. Editorial Note

Allen Dulles reported to the National Security Council at its 358th meeting on March 13 on significant world developments affecting U.S. security as follows:

"In North Africa, Mr. Dulles said, the situation was somewhat more tense than last week. He indicated he would not go into the story of Mr. Murphy's mission, but said that Bourguiba had apparently been vastly irritated by the French note to him indicating the French belief that an agreement made several years ago was still in effect and therefore supported French control of Tunisia's foreign affairs and defense. Secretary Herter said that the State Department could find no legal basis for this French claim of treaty rights.

"Mr. Dulles went on to state that Bourguiba had, according to a recent report in the press, given the French a seven-day ultimatum to withdraw their troops from all of Tunisia. There had also been reports of conversations between Tunisia and Morocco with a view to proclaiming some sort of loose union between the two states. Such a union would be anti-Nasser and, accordingly, advantageous to the United States if it were consummated." (Memorandum of discussion, March 14; Eisenhower Library, Whitman File, NSC Records)

384. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, March 13, 1958—4:16 p.m.

711. Ref: Deptel 557.² Tunisian Ambassador Slim called on Department to introduce Economic Counselor el Goulli.³ Used occasion to review U.S. economic assistance to Tunisia and made following points:

1) He understood level FY 58 aid now settled at \$9 million and details being worked out Tunis. Emphasized need for rapid decisions and said this sum would prove insufficient in view Tunisian needs and total suspension French assistance.

2) GOT therefore hoped obtain DLF loans. He would have further discussions with DLF regarding specific project requests and that ensemble these projects would shortly be presented here.

3) He understood agreement between GOT and U.S. now reached as to need for 50,000 tons Title II wheat for unemployment relief projects.⁴

4) Said he has now been instructed request U.S. help for serious position GOT treasury with respect projects already committed and for which no French payments forthcoming. Recalled that U.S. aid based on policy supplementing French assistance and that Bourguiba recognized this in discussions with U.S. officials here. GOT now forced face fact French assistance would probably be reduced to zero. No French payments received since 56-57 except for moratoria on debts. Equipment budget now in red in amount 13 billion francs. GOT needed U.S. help with this problem in some form.

In reply to four points raised by Slim Department officer answered as follows:

1) Agreed Ambassador's understanding regarding \$9 million regular program was correct and further explained an additional amount of up to \$1 million in technical assistance also under discussion.

2) Regarding Development Loan Fund we would, as Dillon informed Hourani,⁵ be glad consider specific request and most urgent submit projects quickly because requests already received by Fund far in excess amount appropriated.

¹ Source: Department of State, Central Files, 772.5-MSP/3-1358. Confidential; Priority. Drafted by Dolgin; cleared by Porter, Buckle, Belcher, and Van Dyke; and approved and signed for Herter by Palmer. Repeated to Paris.

² Document 375.

³ A memorandum of this March 5 conversation is in Department of State, Central Files, 772.5-MSP/3-558.

⁴ The United States announced on April 10 that it was granting up to 20,000 tons of U.S. wheat to Tunisia for Tunisian relief projects. For text of the announcement, see Department of State *Bulletin*, April 28, 1958, p. 691.

⁵ A memorandum of this January 24 conversation is in Department of State, Central Files, 772.5-MSP/1-2458.

3) Re emergency wheat program, progress being made and instructions shortly being sent Tunis to begin discussions.

4) Before responding Ambassador's last point Department officer recapitulated history U.S. policy furnishing aid to Tunisia. U.S. had hoped be able supplement French aid. U.S. aware Tunisia's needs and anxious help but had followed supplementary policy because Tunisian economy so closely and naturally tied with French and because our own availabilities so limited we must look to others to share burdens. Continue believe it important work for situation which will permit France resume assistance and Tunisia accept it.

Ambassador Slim appreciated U.S. understanding and good will toward GOT which product of comprehension Tunisia's needs as well as common political views. Said he understood our limitations and our desire tap all sources aid including France. GOT would like receive French assistance but it no longer reasonable count on it. Felt that even if climate better France will continue have financial troubles and recalled recent U.S. financial support to GOF and while this might redound to benefit of Tunisia it not acceptable GOT receive aid through third party arrangements. GOT could not be pressured into change policy because of treasury difficulties.

In order prevent embarrassment either party Ambassador indicated fourth request would not be presented formally until we had explored situation. He added entire problem agonizing for GOT and that credit worthiness of new Federal Bank of Issue gravely prejudiced if GOT unable honor financial engagements. Department officer agreed study matter but emphasized we must take into account limited availability U.S. funds and heavy demands on them.

Slim made brief reference police assistance and asked if survey team report⁶ completed. Department officer replied report now complete and matter under study.

Department would appreciate Embassy/USOM comments on Slim's fourth point. Also your current judgment regarding appropriateness and timing of additional FY 1958 Special Assistance Funds now earmarked for Tunisia in context Deptel 557.

Herter

⁶ Not found.

385. Editorial Note

Telegram 1181 from Tunis, March 15, reported that President Bourguiba had approved the text of an agreement with France. Its first phase provided for replacement of French military personnel at four Tunisian airfields with neutral observers who would ensure the fields were used for peaceful purposes, withdrawal of all French military personnel outside Bizerte's perimeter, extension of the jurisdiction of existing French consulates in Tunisia to incorporate areas of recently closed consulates, and examination of individual cases to determine whether French nationals expelled from their Tunisian farms could return. The second phase would comprise discussions on control over Bizerte. (Department of State, Central Files, 651.72/3-1558)

Secretary Dulles reported on the proposed agreement at the 359th National Security Council meeting on March 20:

"Secretary Dulles commented that it looked as though Under Secretary Murphy, and Beeley, his British counterpart, had worked out the basis of a temporary solution between Gaillard and Bourguiba. However, it also looked as though Gaillard did not have the parliamentary strength to put this solution through. If he tried to do so, this would be the signal for his overthrow in the Chamber. Murphy had done a wonderful job, and the situation was tragic." (Memorandum of discussion, March 21; Eisenhower Library, Whitman File, NSC Records)

Dulles was asked about the agreement at a March 25 press conference; for the transcript, see *American Foreign Policy: Current Documents, 1958*, page 1091.

386. Memorandum for the Record of a Meeting, Department of State, Washington, April 2, 1958, 3:30 p.m.¹

A meeting was held in the Secretary's office at 3:30 p.m. on April 2, 1958 to discuss the subject of Franco-Tunisian relations and the Good Offices mission. Present were: The Secretary, Mr. Rountree, Mr. Becker, Mr. Holmes, Mr. Palmer, Mr. Jandrey and Mr. Porter.

Mr. Rountree opened the discussion by referring to the French demand for the establishment of a border commission. He noted that Bourguiba has stated that he would accept such a commission if all

¹ Source: Department of State, Central Files, 651.72/4-258. Secret. Drafted by Herman T. Skofield.

French troops were withdrawn from Tunisia, including Bizerte, but that otherwise he could not accept this frontier control. Mr. Rountree said the problem was whether we should press Bourguiba to accept such frontier control. He indicated that NEA thought it would be politically impossible for Bourguiba to accept such a commission without complete evacuation of French troops. If Bourguiba attempted to do so, he would probably fall. His fall would result in the fall of Libya and would jeopardize the entire Western position in North Africa.

The Secretary remarked that Tunisia was, in a sense, attempting to equate its unneutrality, which was a unique and anomalous position. They, on the one hand, countenanced rebel border traffic, and, on the other hand, accepted French bases in Tunisia.

The Secretary remarked that the discussion could be divided into two parts, a legal and a practical. He thought the French could make a good public relations case that their settlement proposals were designed to establish a correct neutral position for Tunisia. The Secretary thought there would be a good deal of sympathy in this country for the French position. If, however, the Secretary added, Bourguiba cannot accept such frontier control, then there is no point in arguing the legal aspects.

Some discussion then ensued concerning the legal position of the French in Bizerte. Mr. Becker indicated that he thought the French had an arguable position but that the Tunisian legal position was stronger. Subsequently during the meeting, he showed the Secretary a memorandum on the legal aspects of the French right to be in Bizerte.²

There was also some discussion concerning what would happen if the Tunisian complaint was brought back again to the Security Council. The Secretary considered the present membership of the Security Council and then expressed the opinion that neither side could get seven affirmative votes on the Franco-Tunisian issue.

There was some discussion during the meeting concerning the possible fall of the French Government and damage to our entire position in Europe and in NATO if the French were pressed too hard. There was also some discussion concerning the Gaillard suggestion for a Western Mediterranean Pact³ and the North African political efforts toward Maghrebian union.

Mr. Rountree said that he did not believe we could press Bourguiba any further. He queried whether we could go back and press the French further on this subject. Mr. Becker observed that, if Bourguiba falls, it is almost certain that North Africa would change its

² Presumably reference is to a March 14 memorandum from Becker to Herter regarding "Legal Position of French Forces in Tunisia." This memorandum was also sent on March 14 to the President, who initialed it. (Eisenhower Library, Whitman File, Dulles-Herter Series)

³ See Document 270.

alignment. He noted that, if we exert more pressure on the French, it is less certain that they would leave NATO. Under these circumstances he thought our answer was to put more pressure on the French.

The Secretary asked if we knew what Mr. Murphy's thinking was. Mr. Rountree indicated that we had not heard from Mr. Murphy since receipt of the latest telegram on the subject from Tunis. (I believe this was a two-section telegram reporting a discussion that Ambassador Jones had with Ladgham—probably Tunis 1272.)⁴ The Secretary said that presumably Mr. Murphy would let us know if he thought we could be helpful in terms of a Presidential message or some such measure.

Mr. Rountree then quoted instructions sent to Mr. Murphy on March 15 concerning the method for terminating the Good Offices effort if it became necessary to do so.⁵

The Secretary said that he thought, from what Mr. Rountree had said, that it was futile to try to put any more pressure on Bourguiba. However, he said that he did not think this thing should blow up without at least trying a letter from the President to Gaillard or Coty. Mr. Jandrey asked whether it would do any good to call Mr. Murphy and inquire what we could usefully do at this end. At this point the Secretary put in a call to Mr. Murphy in Paris and the meeting broke up.⁶

HTS

⁴ Telegram 1272, April 1, reported that Ladgham had responded vehemently to the suggestion that Murphy and Beeley return to Tunis to discuss border controls. It also noted that Bourguiba would probably also be opposed to such a meeting. (Department of State, Central Files, 651.72/4–158)

⁵ Sent in telegram 727 to Tunis. (*Ibid.*, 651.72/3–1558)

⁶ Dulles spoke with Murphy at 4:57 p.m. Murphy stated he was going to Tunis the following morning and suggested Eisenhower wait until he returned to Paris before sending a letter to the French Government. Gaillard would be the proper person to receive the letter. (Eisenhower Library, Dulles Papers, General Telephone Conversations)

387. Editorial Note

At 5:30 p.m. on April 2, Ambassador Jones called on Foreign Minister Mokaddem at the Foreign Minister's request. Mokaddem gave him a communication from President Bourguiba and asked that it be sent promptly to Secretary Dulles. The message explained Tunisia's refusal to accede to French demands for controls at the Algerian-

Tunisian border and noted Bourguiba remained convinced the United States would continue its efforts to resolve problems in North Africa. (Telegram 1284 from Tunis; Department of State, Central Files, 651.72/4-258)

Dulles showed Bourguiba's message to President Eisenhower the following morning. Eisenhower "indicated a good deal of sympathy with Bourguiba's position and much concern about the French attitude. He said that indeed the state of France causes him almost more worry than any other problem in the world today. He saw no solution to the North African problem except a political settlement which would give Algeria a chance for independence, and on the basis of which friendly relations could be continued with Tunisia and Morocco. He indicated that he thought we should accept considerable risks as far as France's role in NATO was concerned in an effort to try to get France to take such a position."

In response to a question from the President, Dulles stated Murphy felt a letter from Eisenhower to the French Government should be addressed to Prime Minister Gaillard. Dulles thought Murphy should determine the timing of such a letter. (Memorandum of conversation with the President; Eisenhower Library, Dulles Papers, Meetings With the President)

That afternoon, Dulles cabled Murphy the text of a response to Bourguiba, instructing him to deliver it if he thought it would be useful. The letter declared Dulles had given Bourguiba's message his "most careful attention," thanked him for his cooperation with the good offices mission, and assured him of Dulles' "continuing desire to work together with you to solve the many serious problems which are of such concern to us both." (Telegram 791 to Tunis; Department of State, Central Files, 651.72/4-358) Murphy advised the Department on April 4 that the message had arrived in time for his talk with Bourguiba, who "had received it with evident pleasure and it was obviously helpful." (Telegram 1297 from Tunis; *ibid.*, 651.72/4-458)

On April 10, the Department sent Murphy, who had returned to Paris, the text of a letter from Eisenhower to Gaillard. The letter observed: "France faces the question of whether or not it is consistent with France's own vital interests to accept the practical limits which seemed to be imposed upon the Tunisian government by sentimental and even emotional ties, as well as geographical factors, which inescapably lead the people of Tunisia to sympathize with the aspirations of the Moslem nationalist elements in Algeria. May it not be that to take these practical factors into account is not only consistent with French interests, but indeed a way to promote them?"

Failure to achieve even a limited relationship with Tunisia would probably lead to violence, whereas overcoming the immediate crisis could provide “an opportunity to deal constructively with the larger aspects of the problem.” (Telegram 3782 to Paris; Eisenhower Library, Whitman File, International File)

The Department instructed Murphy to arrange for the letter’s delivery, noting the British preferred that Ambassador Houghton deliver it. (Telegram 3783 to Paris, April 10; Department of State, Central Files, 651.51S/4–1058) Murphy reported on April 11 that he and Houghton had given the message to Gaillard at 12:15 Paris time. Foreign Minister Pineau had been with him. (Telegram 4668 from Paris; *ibid.*, 651.51S/4–1158) They had read the letter with “no detectable resentment but sort of grave preoccupations.” (Memorandum of telephone conversation, April 11, 10:22 a.m.; Eisenhower Library, Dulles Papers, General Telephone Conversations) Dulles reported this to the President at 10:30 a.m. (Memorandum of conversation with the President; Department of State, Secretary’s Memoranda of Conversation: Lot 64 D 199)

At the April 14 National Security Council meeting, Allen Dulles stated: “the news from this area was somewhat more encouraging as a result of the acceptance by the French Government of the recommendations of the US–UK Good Offices team. The big question now was whether the Gaillard regime would be able to weather the storm which it will encounter in the Chamber of Deputies next Tuesday. There was a distinct possibility Gaillard and his government would survive, because his opponents do not want to overthrow Gaillard at least until after the Easter recess. It was nevertheless a gamble. Mr. Dulles added that the President’s message to Gaillard had apparently been decisive in inducing the Paris government to agree to the Good Offices recommendations. The matter was of particular importance because at the moment the Algerian rebels (FLN) have been planning to set up a government-in-exile located probably in Cairo. Bourguiba was strongly opposed to such a move, and it was possible that the rise in his prestige attendant upon the acceptance of the Good Offices recommendations would be sufficient to prevent it. Nevertheless, some such government-in-exile was likely to be formed over the next few months.” (Eisenhower Library, Whitman File, NSC Records) Documentation on the French decision to accept the good offices proposals is in Department of State, Central File 651.72.

At his April 15 press conference, Secretary Dulles spoke of this development in the good offices mission and of French fears that the United States wished to usurp France’s position in North Africa. For the transcript, see Department of State *Bulletin*, May 5, 1958, page 719, or *American Foreign Policy: Current Documents, 1958*, pages 1091–1092.

388. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, April 22, 1958—7:44 p.m.

864. Re Embtel 1403.² Department believes private talk mentioned reftel will provide useful opportunity to put across to Bourguiba certain ideas we have with respect to Tunisian-French relations in particular and North Africa generally. Accordingly you may convey following comments to him as representing our current thinking after talks with Murphy:

1. *Tunisian-French Relations.* This is period which calls for steady nerves and patience. The position in France is such that while there is reason to hope for a solution of the present crisis which will be beneficial to Tunisian-French relations, it is nevertheless so fragile a situation that a word or an incident could shatter it with consequences disastrous to our efforts to encourage the restoration of peace and stability in the area. We know that Bourguiba is personally sensitive to this danger and that his people are responsive to his desire to avoid incidents. We hope that his influence can be extended to the FLN in this respect also.

2. *Algeria.* Bourguiba may rest assured that the United States remains preoccupied with the need for an early end to hostilities there and, as Mr. Murphy intimated, will do what it can to encourage that objective. We have ever before us the devastating effect of the conflict on Algeria itself and the great dangers it presents for future North African stability and cooperation with the West, including France. Our examination of various courses of action continues and while the effect of our thinking and our efforts is not always publicly apparent, he and others interested may be assured that our interest will be maintained until a practical solution is found. We believe that increasing and critical self-examination is taking place in France on this question and we believe our own attitudes and postures are contributing to this healthy development. There will continue to be a premium on patience, imagination and moderation if this trend is to be encouraged.

3. *Libya.* Despite Tunisian preoccupation with Algeria for understandable reasons, we hope Bourguiba will find time to strengthen his already good relations with the King and Government of Libya. It is essential in our view that Libya be oriented toward the Maghreb, and Bourguiba is in a good position to help encourage this. Such Libyan

¹ Source: Department of State, Central Files, 651.72/4-2158. Secret; Priority. Drafted by Porter, cleared by Torbert and Palmer, and approved and signed for Herter by Murphy. Repeated to Paris.

² Telegram 1403, April 21, reported that Ambassador Jones was scheduled to see Bourguiba privately on either April 23 or 24. (*Ibid.*)

orientation will however require active efforts in view of the existence of other influences which tend to draw Libya toward the East rather than the West. We have high hopes that Bourguiba's contribution in this field will be an important one.³

Herter

³ Telegram 4888 from Paris, April 23, suggested some points Ambassador Jones might consider before he spoke with Bourguiba. (*Ibid.*, 651.72/4-2358)

389. Memorandum From the Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Rountree) to the Deputy Under Secretary of State for Economic Affairs (Dillon)¹

Washington, May 13, 1958.

SUBJECT

Increase in Special Economic Assistance for Tunisia

Discussion:

For Fiscal Year 1958 \$10 million was allocated to Tunisia as Special Economic Assistance. In view of the lack of French payments of any of the substantial aid promised for 1957 (12.5 billion francs) prior to the Sakiet incident and the increased strain we knew would be placed on French-Tunisian relations as a result of that incident, \$5 million additional was earmarked in February 1958, to be utilized if required. The Embassy was notified of this action in Deptel 557 of February 12 (Tab A).²

It is now apparent that the additional \$5 million will be required. A cable from Ambassador Jones on May 8, 1958 (Tab B)³ points out that the worsening of French-Tunisian relations since Sakiet has resulted in the continued withholding of anticipated money credits. The Government of Tunisia is now faced with a \$30 million deficit in its

¹ Source: Department of State, Central Files, 772.5-MSP/5-1358. Confidential. Drafted by Buckle; initialed by Bovey, Rountree, and Dolgin; and concurred in by Palmer, Barnes, and Van Dyke. The source text bears the handwritten notations by Barnes and Dillon: "This will formalize your earlier oral agreement to this action. RGB"; and "Approved CDD".

² Document 375.

³ Telegram 1490 from Tunis, May 8. (Department of State, Central Files, 772.5-MSP/5-758)

development budget. Since a good portion of the work under that budget has already been started, the government is rapidly approaching a situation where it will not be able to pay its bills. The effect on the Tunisian public's confidence in its government and the soundness of the Tunisian economy would be most serious if this should happen. Since it is in our interest to help maintain the present moderate, pro-U.S. government of President Bourguiba, we should do whatever we can to prevent such a situation from occurring.

Recommendation:

That you approve an increase in the Special Economic Assistance firm requirement for Tunisia from \$10 to \$15 million.⁴

⁴ Icato 374 to Tunis, May 15, informed the Embassy and Operations Mission that the additional funds were available for Tunisia. (*Ibid.*)

390. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, May 31, 1958—1:49 p.m.

1036. Embtels 1692 and 1694.² Department hopeful French protocol mentioned reftels offers basis negotiations and even though final Tunisian reaction not yet known seems possible it might lead to solution. It is our view in any case French proposals should be examined adequately. With this in mind we question anew advisability Tunisian hasty recourse to SC.³ We have in mind fact that Bourguiba unwilling approach SC while negots in process (Embtel 1694) and we therefore hope he might be susceptible to suggestion that, pending development of negotiations, SC action at this point would be undesirable.

¹ Source: Department of State, Central Files, 651.72/5-3058. Secret; Niact. Drafted by Rountree and Porter, cleared by Wilcox and Elbrick, and approved and signed for Herter by Murphy. Repeated to Paris and USUN.

² Telegram 1692, May 30, reported that Berard had received the protocol, which provided a timetable for the withdrawal of French troops from Tunisia and stated negotiations on the future of Bizerte would be completed by July 1. (*Ibid.*) Telegram 1694, also May 30, reported that Berard had given Bourguiba the protocol. (*Ibid.*)

³ On May 29, Tunisia asked the U.N. Security Council to consider its complaint against French military action since May 19. (U.N. Doc. S/4013) Murphy had recommended against this action during a May 27 conversation with Slim. (Telegram 1006 to Tunis; Department of State, Central Files, 651.72/5-2758) On May 29, France filed a counter-complaint against Tunisia. (U.N. Doc. S/4015)

Impending investiture of DeGaulle,⁴ now estimated as likely June 1, is of course prominent factor in our thinking. GOT aware that he approved present French proposals. GOT action at moment investiture might irretrievably damage relations with DeGaulle personally.

In light of these factors we would like to put to Bourguiba possibility of postponing action until later than June 2 on basis that it is most unlikely that satisfactory solution to problem would emerge from quick recourse to SC, whereas more time might enhance prospects of reasonable solution stemming from French offer reflected in protocol.

Unless there have been developments which render this course inadvisable, request you approach Bourguiba immediately and state USG puts forward these comments and suggestions in earnest belief they represent best course in present circumstances. If he nevertheless insists on pursuing SC action we will not object.⁵

Herter

⁴ Prime Minister Pflimlin submitted his resignation on May 28. President Coty announced on May 29 that he had asked de Gaulle to form a government. De Gaulle became Prime Minister on June 1.

⁵ On June 4, French Representative Georges-Picot proposed that the Security Council adjourn for 2 weeks in order for direct negotiations between France and Tunisia to take place. Tunisian Representative Slim suggested that the Council adjourn specifically until June 18, which the Security Council adopted. For a record of these proceedings, see U.N. Doc. S/PV.821.

391. Telegram From the Department of State to the Embassy in France¹

Washington, June 11, 1958—12:12 p.m.

4633. Paris's 5806.² FYI Dept encouraged by indications GOF and GOT may be making progress in resolving outstanding problems and hopes Paris will accept Tunisian counter-proposals re Bizerte (Tunis

¹ Source: Department of State, Central Files, 651.72/6–1158. Confidential. Drafted by Palmer and William T. Nunley, U.N. Adviser, Bureau of European Affairs; cleared by Sisco, Elbrick, and Torbert; initialed by Cargo; and signed for Dulles by Murphy. Also sent to Tunis and repeated to London and USUN.

² Telegram 5806, June 7, reported that France was ready to agree to evacuate all troops from Tunisia except those at Bizerte, but required free circulation at Bizerte and an engagement in principle to negotiate French rights there. (*Ibid.*, 651.72/6–758)

1742)³ as recommended by French Embassy Tunis. However Dept wishes at this critical juncture avoid action which French might interpret as interference or which by provoking adverse reaction result in setback to present favorable trend. Therefore believe we should not, for time being at least, take any new initiative of substantive nature such as urging return to good offices proposals as suggested ref tel. At same time do not believe it desirable leave GOF or GOT with impression we have bowed out entirely and lost interest in constructive solution responsive to requirements situation. Paris and Tunis should therefore continue follow negotiations closely in manner which will convey such interest without appearance "butting in". Among other things Dept would appreciate fuller explanation meaning of "engagement de principe" mentioned Paris 5811⁴ and appraisal extent to which new French or Tunisian proposals differ from March 15 proposals.⁵ End FYI.

Paris should also as necessary make clear to GOF (Joxe or Daridan if possible) we are deeply concerned re effects failure reach agreement with consequent resumption SC debate June 18. Believe highly doubtful substantive debate could be further deferred unless there is significant progress in French-Tunisian negotiations before June 18, and do not feel further US efforts with GOT in this sense likely produce results in absence such progress. Convinced substantive debate would involve serious political and tactical problems for all concerned and might cause irretrievable loss of opportunity for productive bilateral negotiations.⁶

Dulles

³ Telegram 1742, June 9, reported that Tunisia had proposed starting provisional negotiations on Bizerte prior to October 1 and allowing French troop movement between French installations once evacuation had begun. (*Ibid.*, 651.72/6-958)

⁴ Telegram 5811, June 7, reported that Berard would be sent instructions to obtain an understanding in principle from the Tunisian Government confirming its intention to leave Bizerte at French disposal and to allow base functions to return to normal. (*Ibid.*, 651.72/6-758)

⁵ See Document 385.

⁶ Telegram 6011 from Paris, June 17, reported that France had reached agreement with Tunisia. All French troops except those at Bizerte would withdraw from Tunisia, negotiations for a provisional agreement on Bizerte would begin immediately, and simultaneous negotiations would be held on other outstanding problems. (Department of State, Central Files, 651.72/6-1758) Georges-Picot and Slim announced the agreement at the June 18 U.N. Security Council meeting. For texts of their statements, see U.N. Doc. S/PV.826.

392. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, June 27, 1958—7:52 p.m.

1119. Following based on unclassified memorandum of conversation between Secretary and Tunisian Ambassador June 27:²

Slim asked to see Secretary because he wished mention number of problems prior to Secretary's meeting with de Gaulle.³ He felt there would be difficulties in Bizerte base negotiations with France because GOF insistence on keeping base exclusively French while Tunisia would prefer other Free World forces share in its use. Also, Tunisia would find it difficult permit French use of Bizerte for support of operations in Algeria.

On subject Algeria, Slim said Tunisians had hopes de Gaulle would find solution but his declarations about integration⁴ not cause for optimism. Integration idea, Slim added, was not new and Algerians will not accept it. Tunisians were worried whether de Gaulle can take constructive steps in Algeria in face of elements which had brought him to power.

Slim informed Secretary Tunisians and Moroccans seeking North African grouping within "Free World concept." This could not happen until Algeria free, but if North African grouping eventually emerged it could be fitted into larger Western Mediterranean grouping provided North Africans treated as equal partners. Slim told Secretary certain FLN leaders expressing fear that Secretary's meeting with de Gaulle will affect US policy in manner detrimental to interests of North Africans, and to ultimate best interests of US.

Secretary expressing appreciation Slim's presentation stated he fully agreed re importance of problems on which he understood Slim did not expect immediate reply. Secretary stated this French Government had made more progress in North African problems than its two predecessors and that though he not informed as to de Gaulle's further intentions it likely remaining problems will be dealt with in stronger fashion than previously. Secretary added Slim could assure his Government he would do nothing at Paris contrary to US-Tunisian friendship. Though US-Tunisian views may not always coincide, Secretary

¹ Source: Department of State, Central Files, 651.72/6-2758. Secret. Drafted by Porter, cleared by Jova and McAuliffe, and approved and signed for Dulles by Porter. Repeated to Paris and Rabat.

² Not printed. (*Ibid.*, 772.00/6-2758)

³ Dulles visited Paris, July 3–6, for consultations with the de Gaulle government.

⁴ For text of de Gaulle's June 13 address on his policy aims, see *Major Addresses, Statements and Press Conferences of General Charles de Gaulle, May 19, 1958–January 31, 1964*, pp. 9–10.

said, nothing would be done which would adversely affect independence of Tunisia or just solutions for problems of North Africa area.⁵

Dulles

⁵ Dulles referred to his conversation with Slim when he met with Couve de Murville on July 5. Couve de Murville felt Bizerte should be kept on a bilateral basis, noting it would be difficult to achieve a permanent agreement until the Algerian problem was resolved. The United States and France should continue to cooperate regarding arms and economic assistance for Tunisia. (Memorandum of conversation; Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199)

393. Editorial Note

On July 22, President Eisenhower sent President Bourguiba a letter explaining the U.S. decision to send Marines to Lebanon. The text of the letter was sent to Tunis in telegram 62, which noted it should not be made public. (Department of State, Central Files, 772.11/7-2258) Telegram 96 from Tunis, July 24, reported that Bourguiba had read the French translation of Eisenhower's letter "with great interest and attention," and had stated he realized the United States could not always act according to its principles because it had to consider the views of its NATO allies. Bourguiba's response was reported to the President. (Eisenhower Library, Staff Secretary Records, International Series)

Bourguiba endorsed the U.S. action in Lebanon and reaffirmed Tunisia's commitment to the West, particularly the United States, in a July 25 address commemorating Tunisian independence. (Telegram 107 from Tunis, July 26; *ibid.*, Herter Papers) Ambassador Jones reported he felt Eisenhower's letter had "contributed greatly" to the tone and content of this speech. (Telegram 108 from Tunis, July 26; *ibid.*, Staff Secretary Records, International Series) In an August 2 memorandum to the President, Secretary Dulles described Bourguiba's statement as a major policy address "which I feel constitutes important support for the basic orientation of United States foreign policy, and in the light of recent developments in the Middle East is a most courageous action." He recommended Eisenhower send Bourguiba a letter of appreciation, but advised it not be published "since it could increase Bourguiba's difficulties with other Arab leaders" and because his address had criticized France. (*Ibid.*)

The letter, sent to Tunis in telegram 96, August 2, referred to Bourguiba's "courageous and forthright speech" and noted that "in these trying times when the fate of freedom and the rule of law hang in the balance, it is indeed gratifying to hear such responsible voices as yours speak out clearly on the side of justice." (Department of State, Central Files, 611.72/8-258) Telegram 102 to Tunis, August 4, informed the Embassy the Department of State preferred no publicity be given the letter, but authorized its release at the Tunisian Government's request. (*Ibid.*, 611.72/8-458)

394. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, August 5, 1958—7:23 p.m.

105. Department impressed with importance moving as quickly as possible with coordinated arms program which will meet genuine internal security, as well political, requirements of Bourguiba and his government. Department concerned that present complicated pattern of consultations which US relationships with France presently require may give rise to misunderstandings both with France and Tunisia and result inadequate action in Tunisia. In these circumstances, Department is considering whether interests of France, Tunisia and US might be effectively reconciled through US grant military assistance program to Tunisia utilizing off-shore procurement France for whatever part of immediate Tunisian arms needs it may be decided US should supply.

If such program appeared practical we envisage following advantages would flow from it:

1) *For France:* a) standardization arms with Tunisia with implications of assurance against over-supply; b) demonstration to French public of fact of supply French arms; c) badly needed dollar exchange.

2) *For Tunisia:* a) coordinated program for systematic buildup of army with no equipment cost to Tunisian budget; b) although arms would be French, Bourguiba would be under no obligations whatsoever to France for their supply but to US which purchased them and gave them with no unacceptable political strings attached; c) firm demonstration of US support for Tunisia.

¹ Source: Department of State, Central Files, 772.56/8-558. Secret; Priority. Drafted by Palmer on August 4; cleared by Dolgin, Barnes, Rountree, Jandrey, FitzGerald, and the Department of Defense; and approved and signed for Herter by Palmer. Also sent priority to Paris.

3) *For US*: a) strengthening of courageous and friendly pro-Western voice; b) relief of inevitable pressure which will otherwise exist for military assistance program involving US equipment. Past experience has demonstrated that in analogous circumstances provision of US equipment to forces primarily equipped with arms of other manufacture results in supply, logistics and other problems frequently necessitating extensive re-equipping at significant cost to the US; c) serves US objective of close Franco-Tunisian cooperation by encouraging Tunisians continue to look to France for military training, doctrine, as well as future needs arms and spare parts, etc.

While we recognize that advantages cited for France may also constitute disadvantages for Tunisia and vice versa, we nevertheless believe that there are sufficient overriding common advantages in arrangement of this kind as to warrant its urgent exploration. We believe for maximum effect, program of this kind should be suggested against background of demonstrated US willingness meet police requirements with US-type weapons and demonstrate availability US commercial market to Tunisian purchases which we would still hope minimize. Moreover, we believe that US military assistance program for army should be sufficiently flexible permit us furnish certain specialized types of US equipment where standardization not a basic consideration.

Without discussing with either government, Department desires your urgent comments re foregoing. Department of Defense has suggested possibility of utilizing Franc receipts resulting from Dillon-Monnet agreement.² While we are skeptical objectives cited above, particularly those relating to French agreement in our proposal, could be accomplished without dollar OSP, your comments solicited.³

Herter

² In this January 1958 agreement, the United States agreed to extend to France certain financial facilities amounting to \$274 million; see Department of State *Bulletin*, February 17, 1958, pp. 269-274.

³ Telegram 164 from Tunis, August 7, listed the conditions the Tunisians would probably apply to a plan for offshore procurement, and suggested how it could be presented to the Tunisian Government. (Department of State, Central Files, 772.56/8-758) Telegram 512 from Paris, August 8, reported the Embassy found the idea impractical. (*Ibid.*, 772.56/8-858)

395. **Telegram From the Department of State to the Embassy in Tunisia**¹

Washington, August 6, 1958—3:27 p.m.

108. Joint State ICA. Viewed in context events Near East, Bourguiba's courageous defense of US in recent speech greatly appreciated here (Embtels 107, 110).² His forthright refusal espouse position of non-alignment, given precarious economic position Tunisia as well as internal difficulties with FLN and pro-Nasser elements, makes it all the more important that US make an overt and timely gesture strengthen Bourguiba's hand. Agree with Rabat's 26 to Tunis³ that "given slippage in our position in Morocco, a stable westward-turned Tunisia is more than ever essential to keep North Africa from being drawn into Nasser orbit". While Mutual Security appropriation legislation FY 59 not yet passed and now clear world-wide availability funds will be below requested amount, Department and ICA authorize you offer in your discretion immediate economic assistance to Bourguiba at same time you discuss police carbines and other arms (Deptel 106).⁴ Suggest your approach be along following lines:

In spite reduced availability aid funds FY 59, increased requirements Middle East, and policy against committing major amount of assistance prior to completion legislation US wishes inform Tunisia that US prepared exceptionally offer \$10,000,000 immediately order assist continued financing Tunisia's most pressing economic development needs. Prepared obligate such funds as quickly as agreement can be reached uses dollars and local currency, subject provisions Section 517 and normal MSP procedures.

This offer being made as further demonstration US intention stand beside Tunisia and assist her attain position of independence and stability in economic field comparable to that now held in political.

FYI. If necessary US prepared obligate funds offered under continuing resolution in advance precise knowledge level of final appropriations. While we consider preferable reserve some funds for later urgent

¹ Source: Department of State, Central Files, 672.00/7-2658. Confidential; Niact. Drafted by Dolgin and Buckle on August 1; cleared by Palmer, Jova, Bovey, Barnes, FitzGerald, and Van Dyke; and approved and signed for Herter by Dillon. Repeated priority to Paris and Rabat.

² Regarding telegram 107 from Tunis, see Document 393. Telegram 110 from Tunis, July 26, reported Tunisian public opinion that the United States must respond to Bourguiba's July 25 address. (Department of State, Central Files, 672.00/7-2658)

³ Dated July 30 and repeated to the Department of State as telegram 130, this telegram commented on the value of Bourguiba's friendship with the West. (*Ibid.*, 611.72/7-3058)

⁴ Telegram 106, August 5, authorized the Embassy to inform Mokaddem that the U.S. market was now open to Tunisia. (*Ibid.*, 772.56/8-558)

needs (e.g. additional police equipment), if Bourguiba nevertheless able present compelling case for entire \$14.5 million presently planned for FY 59 and Embassy/USOM believe higher political and economic dividends could be obtained through such procedure, Department/ICA willing reconsider current position.

Recognize original FY 59 \$14.5 million estimate based on optimistic assumptions re quantity, timing French assistance which currently invalid. Possibility remains that French will be forthcoming next few months. In any event impossible at this time program FY 59 economic aid funds beyond level in Congressional presentation particularly in view increased pressures resulting other impacts Middle East situation and prospect reduced appropriation which would make it difficult for US to increase aid appreciably. Under circumstances believe early and forthright offer could go long way toward meeting political necessity current situation Tunisia. End FYI.⁵

Herter

⁵ Telegram 161 from Tunis, August 7, requested clarification of the kind of "overt gesture" the Department envisioned. (*Ibid.*, 772.5-MSP/8-758) Telegram 126 to Tunis, August 12, replied that the offer of funds to Tunisia before completion of U.S. legislation and fiscal year 1959 aid programs was intended to be the "overt gesture." (*Ibid.*) Telegram 216 from Tunisia, August 15, reported that Mokaddem found this gesture "significant." (*Ibid.*, 772.5-MSP/8-1558)

396. Memorandum From the Acting Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Berry) to the Acting Secretary of State¹

Washington, August 15, 1958.

SUBJECT

Equipment for the Tunisian Army

Discussion:

As you know, the French Government has replied to the presentation envisaged in Tab B,² on the subject of Tunisia's urgent arms requirements, by stating that it has no desire to exercise an arms monopoly in Tunisia, though it does wish to maximize standardization. The reply also stated that France desires shipments from Western sources other than France be held to "quasi-symbolic" levels and wishes to be consulted in all cases (Tab C).³ We thereupon instructed our Ambassador at Tunis to inform the Tunisian Government that the United States arms market is now open for reasonable purchases on terms similar to those offered last November, including guarantees against transfer and aggressive use. (We expect to remain within the \$3.5 million program envisaged at that time.)

In response to our offer, the Tunisian Government specified its most urgent need from the United States as arms to equip two battalions (1,200 men) of the Tunisian Army which, though presently in uniform and partially trained, are without weapons. An itemized list of requirements is attached (Tab D).⁴ Tunisia has also asked the United Kingdom to arm another two battalions in similar circumstances.

Tunisia adamantly refuses to accept arms from France before it has demonstrated its access to other sources of supply because of concern that such an arrangement with France would be interpreted

¹ Source: Department of State, Central Files, 772.56/8-1558. Secret. Drafted by Stokes on August 14 and concurred in by Jandrey, Palmer, Barnes, Van Dyke, and OSD/ISA. Sent to Murphy through S/S, initialed by Palmer for Berry, and initialed by Murphy. A note attached to the source text reads:

"ICA (Van Dyke) clearance granted if following note brought to Acting Secretary's attention:

"ICA feels that if Tunisia is to acquire arms in the U.S., it should be in the form of military assistance rather than purchase, in view of Tunisia's weak economic position. Any purchase of arms would add to Tunisia's budget deficit, which is already acute, and thus increase Tunisian requests for economic assistance from the U.S.'"

² Memorandum from Rountree to Dulles, July 25. (*Ibid.*, 772.5/7-2558)

³ Telegram 106 to Tunis; see footnote 4, *supra*.

⁴ Attached to another copy of the memorandum in Department of State, AF/AFN Files: Lot 63 D 304, Request for Arms, 10/31/58.

by the North African public as involving secret conditions disloyal to Maghrebian unity, and that the FLN would be thereby impelled to align its policy with that of Cairo. Meanwhile, the dispute between Bourguiba and the FLN over Tunisian agreement with France for construction of a pipeline from Algeria across Tunisia has become more acute. An FLN representative has told us that the FLN is determined to prevent Bourguiba from "drifting further toward a pro-French policy." Bourguiba's pro-Western attitude also has recently been criticized openly by Moroccan political leaders.

In these circumstances Bourguiba is in serious danger of becoming politically isolated in North Africa. Bourguiba of course is almost unique as a popular Arab government leader outspokenly friendly to United States policy, and his importance to us in the United Nations and other global contexts is very great indeed, as indicated by President Eisenhower's recent message (Tab E)⁵ of appreciation to Bourguiba for the latter's pro-Western speech of July 25. Moreover, Bourguiba's influence with the FLN and his support for moderate leaders in Morocco is a vital political asset for the West in blocking efforts by the UAR or the USSR to capture North African nationalism and eliminate Western interests there. If he is to retain these vital positions, and to speak with persuasion in our behalf, Bourguiba clearly needs concrete assistance from the West in a number of fields, and most urgently in assuring the physical security of himself and his government.

The British share with us this sense of urgency, and appear prepared to supply at least some arms to Tunisia promptly.

Recommendations:

1. That you authorize me to make a presentation to the French along the following lines:

A. We are gravely concerned at the evident deterioration of internal security in Tunisia since our last conversation on this subject, particularly in view of the grave lack of arms available to the Tunisian security forces. If Tunisia were to be subverted by Nasser, we do not believe the government in Libya (where the United States and the United Kingdom have vital interests) could long survive. Similarly, we are convinced that control by Nasser of Libya and Tunisia would deal a mortal blow to French interests in Algeria. The example of Iraq is fresh in our minds, [*1½ lines of source text not declassified*].

B. In this situation, the Western powers must act decisively. As the French Government is aware, we are engaged in a program of equipping and modernizing the police and the gendarme forces, but have delayed the difficult aspect of lethal items until we could be sure

⁵ Eisenhower's August 2 message to Bourguiba; see Document 393.

of their minimum requirements. The police arms which we intend to begin shipping by August 25 are listed in Tab A. ⁶ No allowance in this list is made for the gendarmérie.

C. Meanwhile, we and the British each have been asked by Tunisia to equip two battalions (1,200 men) of the Tunisian Army which are as yet wholly without arms. The Tunisians have made plain to us that they cannot accept French arms until some arms have been obtained from other sources, in order to obviate charges of disloyalty to Maghreb unity and to prevent the political isolation of Bourguiba in North Africa. We continue to be most reluctant to enter the military equipment field, and agree with French views about the value of standardization, but realize that something must be done to catalyze Franco-Tunisian military cooperation. Accordingly, we have in mind to inform Bourguiba that we will fulfill his request to us for light arms for 1,200 men on the understanding that:

a. These arms would be transferred to the gendarmérie, under the U.S. police equipment program, when deliveries for the Army from France have been effected, so as to maintain a homogeneous arms pattern on the French model in the Tunisian military establishment;

b. Such outworn weapons as may be displaced in the gendarmérie by this eventual transfer would be subject to the same guarantees against transfer or diversion that apply to the United States arms delivered under this program.

D. We hope and expect that these deliveries would smooth the way for Tunisian acceptance of French arms. If the idea commended itself to France and Tunisia, we would be prepared to consider helping finance such military purchases in France through an Off-Shore Procurement program. ⁷

2. That you authorize me to concert our action in this matter with the British. ⁸

⁶ Attached to another copy of the memorandum; see footnote 4 above.

⁷ Palmer spoke with Lucet on August 18. Lucet asked that the United States issue a communiqué announcing the quantity of arms shipped to Tunisia, noting that France would issue the statement if the United States did not. Palmer requested that the French Government reconsider this decision and examine the proposals outlined. (Memorandum of conversation; Department of State, Central Files, 772.56/8-1858)

⁸ Murphy initialed his approval on August 15. Bovey discussed the proposed U.S. approach to the French with Roger Jackling of the British Embassy on August 16. (Memorandum of conversation; *ibid.*, 772.56/8-1658) Jackling reported on August 18 that the British Government found the approach generally correct. (Memorandum of conversation; *ibid.*, 772.56/8-1858)

397. Editorial Note

On August 25, Foreign Minister Mokaddem gave Ambassador Jones a response to President Eisenhower's July 22 and August 2 letters to President Bourguiba, noting that Bourguiba had drafted the message personally. (Despatch 173 from Tunis, August 29; Department of State, Central Files, 711.11-EI/8-2958) Regarding Eisenhower's letters, see Document 393.

Stating he wrote as one who embraced Western values and wished to see them endure, Bourguiba addressed Soviet influence in the Near East, attributing its increase to vestiges of Franco-Anglo colonialism in the region. The United States had too often appeared to share these imperialist views, had responded too slowly to the Soviet challenge, and had scattered efforts to combat it among too many countries. The West could still defeat Soviet domination, but a purely military response was no longer sufficient. Bourguiba suggested Western leaders meet periodically to consider a unified response to the psychological and political situations they faced. He ended his letter by requesting Western support for Algerian independence. (Despatch 173 from Tunis)

An informal translation of Bourguiba's letter was sent to the White House on September 3. (Memorandum from Howe to Goodpaster; Eisenhower Library, Whitman File, International File) On September 13, Satterthwaite sent Herter a suggested reply to the letter, stating it had "been drafted with a view to being as friendly and responsive as possible" but "without conceding the validity of his arguments on the first two points. With regard to Algeria, it is hoped that the comments made will enable President Bourguiba to reinforce his counsels of moderation to the Algerian National Liberation Front." (Department of State, Central Files, 611.72/9-1358) Herter sent the suggested response and a formal translation of Bourguiba's letter to Eisenhower on September 18. (Eisenhower Library, Whitman File, International File)

Eisenhower's September 22 letter to Bourguiba agreed that "one of the most important tasks facing us all is to make clear the moral values and principles on which our free institutions are based." Concentrating U.S. aid in a few countries would have required neglecting "other countries whose needs were equally great." Although "most interesting," Bourguiba's suggestion for regular meetings to discuss political and psychological strategies might "undermine important existing means of international cooperation." The United States would continue to do everything it could to contribute to the solution of the Algerian problem, but would be less able to influence further developments if it took "a partisan position" on the issue. Eisenhower thanked

Bourguiba for his letter, praising "the moderate, constructive and helpful role you and your country are playing in these troubled times." (*Ibid.*)

Ambassador Jones delivered the letter on October 3. After reading its French translation, Bourguiba said, "I am pleased and proud to receive this letter. You will note he had studied my letter and that he answered all my main points. I greatly value this correspondence." (Telegram 478 from Tunis, October 3; *ibid.*, Staff Secretary Records, International Series)

398. Editorial Note

Under Secretary of State for Economic Affairs Dillon left the United States on September 19 to confer with U.S. officials in 11 countries about major economic problems and operations under the Mutual Security Program, as well as to meet with senior members of the host governments. In Tunisia, the second nation on his itinerary, Dillon discussed Tunisia's political and economic problems, U.S. aid, and U.S. technical assistance with Acting Foreign Minister Ladgham on September 22. (Telegram 414 from Tunis, September 23; Department of State, Central Files, 772.5-MSP/9-2358) The following day, he met with President Bourguiba, who stressed Tunisia's need for the U.S. military equipment it had requested, noting it was impossible for his country to accept French arms. Bourguiba emphasized he needed a prompt answer; "half measures" and "symbolic efforts were no longer enough."

In reporting Bourguiba's comments to the Department of State, Dillon recommended:

"I feel time has come to make up our mind on this question and it appears to me that it is in overall interest of the West to strengthen Bourguiba's position vis-à-vis FLN by seeing that he gets the military equipment which he has requested for 2 battalions. I agreed that under present circumstances it would be impossible for him to accept French equipment even if it was furnished by US through offshore procurement. Important thing is the origin of equipment. Suggest Department review matter urgently so as to be able reach decision shortly after my return. This military aid is the one way in which US can clearly show its confidence in Bourguiba at present and therefore is of paramount importance."

Bourguiba next outlined his views on Tunisian economic development: the United States, he suggested, should give Tunisia preference because of her Western orientation and her ability to influence Arab thinking. Regarding these statements, Dillon observed he "was particularly struck by two things in Tunisia. First, the importance of increasing to extent possible the number of American technicians working on specific projects. The goodwill toward Americans shown by the whole population was remarkable. As we drove through countryside the local populace stopped and cheered time and again when they saw American flag. It is helpful for us to associate ourselves as closely as possible with Tunisian development through the presence of American technicians. Tunisians are also receiving technical assistance from France and Germany and the use of European technicians in our program would dilute their understanding of the amount of American assistance. I was also particularly struck by excellent work being accomplished through PL-480 Title II work relief projects. I visited one of the main projects at Le Kef, a large scale reforestation enterprise where some 3,000 people were working diligently and effectively terracing the mountainside in anticipation of replanting trees later this fall."

Dillon and Bourguiba then discussed Algerian and world problems in general. Dillon concluded his report by noting that he "was surprised and impressed throughout Tunisia by the warm feeling towards US which was manifested both through the courtesies shown me by Tunisian Government and also by enthusiastic response of populace to American flag. Ambassador Jones tells me that he has had similar responses to flag during his visits throughout Tunisia." (Telegram 825 from Athens, September 24; *ibid.*, 611.72/9-2458)

399. Telegram From the Department of State to the Embassy in France¹

Washington, September 29, 1958—7:38 p.m.

1098. Elbrick today saw Alphanon on subject arms for Tunisia. Informed him we had consulted with GOT on OSP question and had received negative reaction from Bourguiba on arms coming from

¹ Source: Department of State, Central Files, 772.56/9-2958. Secret. Drafted by L. Dean Brown, cleared by Bovey, and approved and signed for Dulles by McBride. Repeated to Tunis, Rabat, and London.

France, no matter how procured.² Told him in view our desire strengthen Bourguiba and provide him with arms believed necessary maintain order and prevent subversion, we felt we must go ahead with deliveries from US sources of arms for 2400 men. Stated we had no precise date in mind for shipments but we are hopeful being able inform Bourguiba in relatively near future that shipments would be made.

Alphand confined remarks basically to his intention inform his Govt of conversation.

No discussion Tunisian request to UK.

Dulles

² Alphand had informed Elbrick on September 9 that France agreed to offshore procurement of arms for Tunisia. (Memorandum of conversation; *ibid.*, 772.56/9-958)

400. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, October 4, 1958—5 p.m.

346. Eyes only for Ambassador from Murphy. You will appreciate that in agreeing to ask you to coordinate with Gorse approach to Bourguiba on OSP (Deptel 347)² I was motivated by factors in French-American relations which extend beyond Tunisia and particularly by our recent difficulties with France on North African questions.

I hope therefore that you can arrange a joint approach to Bourguiba but believe you should contact latter in advance and explain frankly position we find ourselves in and request his cooperation in listening to joint presentation of OSP procedure.³ Please tell him

¹ Source: Department of State, Central Files, 611.72/10-458. Top Secret; Niact. Drafted by Porter, cleared by Satterthwaite and S/S, and approved and signed for Herter by Murphy.

² Telegram 347, October 4, reported that Alphand had informed Murphy the French Government was disturbed by Bourguiba's refusal to accept French arms through offshore procurement and believed he did not understand the proposal. Alphand wished Jones to join Gorse in again presenting the idea to Bourguiba. Murphy had consented in order to cooperate with France. (*Ibid.*, 772.56/10-458)

³ At this point in the source text, Murphy deleted the following sentence before transmission: "You may further state that if he takes position that he cannot accept supply of arms from France even under that procedure, US will proceed promptly to make available arms he has requested."

that Department regrets⁴ extra few days delay involved but nature of our problems with French makes this exercise necessary. If you deem it useful, also express hope that he will deal with Gorse during interview in manner calculated avoid arousing French opposition⁵ on subject of arms.⁶

Herter

⁴ At this point in the source text, Murphy deleted the words "I personally regret" and substituted "Department regrets" before transmission.

⁵ At this point in the source text, Murphy deleted the word "further" and substituted "opposition" before transmission.

⁶ Telegram 495 from Tunis, October 6, reported that Jones had spoken with Bourguiba, who had agreed to cooperate fully with the joint démarche. (Department of State, Central Files, 611.72/10-658) Telegram 512 from Tunis, October 8, reported that Gorse and Jones had met with Bourguiba who still refused to accept French arms from any source, including offshore procurement. (*Ibid.*, 772.56/10-858) Jones recommended in telegrams 511 from Tunis, October 8 (*ibid.*), 517 from Tunis, October 9 (*ibid.*, 772.56/10-958), and 542 from Tunis, October 14 (*ibid.*, 611.72/10-1458), that the Department of State quickly reach a decision regarding Tunisia's request for arms.

401. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, October 15, 1958—7:41 p.m.

380. Alhand saw Murphy today and stated French Government agrees US should supply arms for 2400 men to GOT.²

You may inform Bourguiba US taking steps now meet arms requirements for above number men, on same basis 500 rifles previously supplied. There are of course a number of details to be worked out and you will be fully informed. This is preliminary info having in mind Bourguiba's Thursday speech.

¹ Source: Department of State, Central Files, 772.56/10-1558. Secret; Niact. Drafted by Porter, cleared by L. Dean Brown, and approved and signed for Dulles by Murphy. Repeated to Paris and Rome.

² A memorandum of this conversation is *ibid.*; its substance was sent to Tunis in telegram 390, October 16. (*Ibid.*, 772.56/10-1658)

You should stress our desire avoid publicity in view effect this on US-French relations and because we particularly desire avoid any appearance connection between supply of arms and GOT-UAR dispute.³

Dulles

³ Reference is to an incident at the October 11 Arab League meeting, when the Tunisian Delegate accused the United Arab Republic of trying to dominate the League, whereupon the UAR Delegation walked out of the meeting.

Ambassador Jones informed Mokaddem early on October 16 that the United States would supply arms to Tunisia. Later that day, Mokaddem stated Bourguiba was "highly pleased" by this decision and that it would not be publicized; the Tunisian Government understood that the arms purchase should not be linked to the Tunisian-UAR dispute. (Telegram 563 from Tunis; *ibid.*) In an October 16 address, Bourguiba explained the reasons behind Tunisia's break with the United Arab Republic and his own pro-Western orientation, but did not mention arms sales. (Telegrams 570 and 573 from Tunis, October 17 and 18, respectively; *ibid.*, 672.86B/10-1758 and 772.11/10-1858)

402. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, November 14, 1958—5:56 p.m.

525. Murphy asked Slim call today and expressed our perplexity and disappointment at Bourguiba's public statement on arms.² We had after long and careful planning and discussion submitted US-UK arms list Nov eighth³ and could not understand why, on basis press leaks "of foreign origin" Pres Bourguiba, who knows so well our problems with Paris, should choose this moment to create public controversy re offer still under confidential discussion with US and UK. We found particularly hard understand why Communist Bloc source (Czechs) should have been singled out for mention and we thought this would not be well received here.

¹ Source: Department of State, Central Files, 772.56/11-1458. Secret; Noform Except UK. Drafted by Bovey, cleared by Penfield, and approved and signed for Dulles by Murphy. Repeated to Paris, London, and Rabat.

² A memorandum of Murphy's conversation with Slim is *ibid.* In his November 13 radio address, Bourguiba described his attempts to get arms from the West, including the United States, and expressed his disappointment at being unable to do so. (Telegram 737 from Tunis, November 14; *ibid.*)

³ A copy of the note outlining the offer was enclosed in despatch 363 from Tunis, November 17. (*Ibid.*, 772.56/11-1758)

Slim who was without instructions reiterated several times his certainty Bourguiba speech represented no departure from established pro-West Tunisian policy. Said he thought sentiment helplessness, which had been aroused by renewal border incidents, and humiliating nature press stories on arms had convinced Bourguiba Tunisia must make demonstration her independence. This did not mean fundamental change and Slim saw no indication in speech US-UK offer had been refused.

Murphy said he hoped this was tactical rather than strategic maneuver and that matter could be straightened out, but impression created was none the less unhappy. Meanwhile US offer still awaiting reply.⁴

Dulles

⁴ On November 19, Bourguiba informed Satterthwaite, who was visiting Tunisia as part of an official tour of several African nations, that Tunisia accepted the U.S. offer. (Telegram 773 from Tunis, November 19; *ibid.*, 772.56/11-1958) Tunisia accepted the offer formally in a November 25 note addressed to the Secretary of State. (*Ibid.*, 772.56/11-2558)

403. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, January 24, 1959—2:38 p.m.

698. Department January 23 replied as follows to Slim query January 7 re arms:²

1. We confirmed our intention abide by commitment already made, i.e., US market was still open for Tunisian purchase needed arms in reasonable quantities.

2. However view US and UK shipments now in progress and economic uncertainties we would recommend postponement presentation new list or, if this not possible, presentation minimum list.

¹ Source: Department of State, Central Files, 772.56/1-2459. Secret. Drafted by Bovey, cleared by Looram, and approved and signed for Dulles by Satterthwaite. Repeated to Paris, London, Rabat, and Algiers.

² Slim asked Satterthwaite on January 7 if Tunisia could purchase additional U.S. arms. (Memorandum of conversation; *ibid.*, 772.56/1-759) He also requested economic assistance, including credit to back the new Tunisian currency. (Memorandum of conversation; *ibid.*, 772.5-MSP/1-759) A memorandum of their January 23 conversation is *ibid.*, 772.56/1-2359.

3. We urged GOT analyze arms needs realistically and closely in light economic impact, absorptive capacity, recruitment plans and prospects for shipments from other sources. Without wishing impose our views, we hoped GOT would accept help our military attaché³ and Embassy who would be glad examine these and other factors with GOT in hope working out logical and realistic role for US arms.

4. We asked GOT again consider seriously possibility accepting arms from France view improved relations and said this possibility would greatly reduce well known difficulties with France.

5. In order avoid any misunderstanding, we intended inform French Tunisia had told US she had further arms needs and we would confirm to French US would continue fulfill commitment to Tunisia as indicated Para one above.

Slim replied he was glad have reply in principle before presenting specific request and understood our preoccupations this field. He stated categorically there was no possibility whatever accepting arms from France so long as problems of Algeria and Bizerte remained unsettled. In response query he did not know if GOT might be seeking arms other sources than US, UK and Yugoslavia.

Embassy Tunis may convey above points to GOT. Pending discussion with French Embassy here early next week, no action should be taken vis-à-vis French.⁴

Dulles

³ Telegram 299 to Tunis, September 23, 1958, reported the Department of State had no further objections to the assignment of an Army attaché to Tunis. (*Ibid.*, 120.162172/9-2358)

⁴ On January 26, Bovey informed Jacques Leprette, Counselor of the French Embassy, that the Tunisian Government had asked to buy additional U.S. arms and had stated it would not accept French arms. (Memorandum of conversation; *ibid.*, 772.56/1-2659) The substance of this conversation was sent to Tunis in telegram 701, January 26. (*Ibid.*) Telegram 1059 from Tunis, January 29, reported that Ambassador Jones and Mokaddem had discussed the topic the previous day and that Jones had used the arguments in paragraphs 2 and 3 of telegram 698 to forestall Tunisian action. (*Ibid.*, 772.56/1-2959)

404. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, April 14, 1959—7:23 p.m.

926. Tunis 1298 and 1334.² You may respond to Ladgham's inquiry reported in reftel along following lines:

1. As requested by Ladgham US is prepared work with GOT for purpose exploring suitable terms for assisting GOT in acquiring military equipment. In doing so, however, it will be necessary determine at outset the general order of magnitude and time phasing of such requirements since ability of US to agree to a specific arrangement regarding the terms and conditions of military loan transactions is directly related and in large measure dependent upon the likely availability of funds for this purpose from the limited resources appropriated to meet worldwide requirements of military assistance programs. It will not be possible to obtain agreement within US Government concerning extent of financial assistance which can be offered nor the manner and time period of repayment of loan transactions without first being in a position to advise the interested agencies of the magnitude and timing of the financial requirements involved.

2. In view foregoing, determination exact nature credit terms USG can offer impossible in absence following information:

a. The equipment which GOT wishes acquire from US under a deferred payment arrangement, in terms of major types or categories and in amounts desired.

b. An indication of desired delivery dates in terms of the specific items of equipment involved.

c. An indication from the GOT of the amount it is in a position to have available annually over what period of time for the purpose of defraying cost of the desired purchases.

¹ Source: Department of State, Central Files, 772.56/3-3159. Secret. Drafted by Athol H. Ellis, Office of the Special Assistant for Mutual Security Coordination; cleared by Nes, L. Dean Brown, Weiss, Bell, and OSD/ISA; and approved and signed for Herter by Porter. Repeated to London and Paris.

² Telegram 1298, March 31, reported Ladgham had clarified several points regarding Tunisia's desire to obtain arms and equipment for an army of 20,000 men and to acquire these arms on credit paid in dinars over 10 years. (*Ibid.*) Telegram 1334, April 10, noted Ladgham's remarks did not mean Tunisia accepted a U.S. survey team; Ambassador Jones felt there could be no survey team unless the United States gave Tunisia favorable credit terms. It also reported that Tunisia was obtaining arms from Yugoslavia, the United Kingdom, and the Federal Republic of Germany. (*Ibid.*, 772.56/4-1059)

3. In addition soliciting above information you should suggest in spirit of friendliness that in long-range interest of GOT and thus in mutual interest of US and GOT, it would seem highly advisable keep request as limited in size as it deems consistent with meeting its highest priority requirements. Experience has demonstrated that large military establishments can create significant drain on limited economic resources and given GOT aspirations for economic development obviously undesirable to take action inconsistent with that long-range objective.

4. FYI. Until some order of magnitude and time phasing of the financial requirement and US ability to meet it are determined considered extremely dangerous from standpoint of long-term relations with GOT to agree in principle that credit assistance of an unknown amount will be possible. If it develops that amounts required to meet GOT desires are in minor order of magnitude (e.g., FY 59 program \$1.3 million) it should be possible accede to terms more liberal than three years previously offered. However, agreement to credit terms now only to find later that GOT has in mind much larger and more ambitious program with which US unable comply would be highly undesirable. You should be aware that there is no funding provision in FY 59 for possible GOT requirement and extreme shortage in FY 60 will make it difficult to adjust worldwide to cover even small amounts. It is recognized that at this point in time it may prove difficult for GOT to reach judgments with respect to items 2.a. and 2.b. above and assistance in the form of a small US survey team along lines described Tunis 1334 would seem highly desirable. We nevertheless agree with your concern paragraph one item (A) Embtel 1334 and believe you should convey in manner you deem most appropriate sense of limitations on any US effort which may subsequently be forthcoming, along lines of immediately preceding sentences.³

Herter

³ Telegram 1364 from Tunis, April 20, reported Ambassador Jones conveyed this information to Ladgham on April 17 and gave him an informal memorandum outlining the principal points. (*Ibid.*, 772.56/4-2059) On April 21, Ladgham gave Jones a memorandum requesting that three U.S. technicians fluent in French come to Tunis to examine the kinds of matériel the Tunisian Army required and the methods Tunisia could use to pay for it. These conversations would receive no publicity. He also gave Jones two lists of arms and vehicles needed. (Telegram 1372 from Tunis, April 22; *ibid.*, 772.56/4-2959) Copies of the memorandum and lists were enclosed with despatch 774 from Tunis, April 23. (*Ibid.*, 772.56/4-2359)

405. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, May 20, 1959—6:53 p.m.

1041. Re Embtels 1460, 1465 and 1472, USG willing sell small arms and vehicle package consisting categories weapons and vehicles recommended paragraphs 5 and 6 Embtel 1460.² Terms would be identical to those for last year's four-battalion package namely repayment in Tunisian currency in three annual installments with interest at 4%.

Defense urgently ascertaining availability cost and delivery data which should be ready next few days. Although you may wish inform President Bourguiba re above immediately and are authorized do so would obviously be tidier await Defense figures so firm and detailed package could be offered.

If you choose to approach Bourguiba, make it clear that precise numbers of items we can furnish in various categories depend on results availability study here.

(FYI. It is important not to make commitment regarding specific numbers since entire program including handling and transportation must be carried out within \$2.2 million. In this regard, if there is any indication Bourguiba will pressure for air delivery, advise immediately so transportation cost factor can be adjusted. We would plan inform French this transaction when GOT acceptance our firm offer received.³ End FYI)

Dillon

¹ Source: Department of State, Central Files, 772.56/5-1959. Secret; Niact. Drafted by Nes on May 19; cleared by Satterthwaite, Porter, Bell, L. Dean Brown, and Grant-ham; and approved and signed for Dillon by Murphy. Repeated to Paris.

² Telegram 1460, May 14, reported Bourguiba was "profoundly gloomy" about Algeria and distressed by delays in the delivery of U.S. arms, and had instructed Ladgham to purchase arms at any cost wherever possible, even from Czechoslovakia. Paragraphs 5 and 6 recommended the United States sell Tunisia certain light arms and vehicles. (*Ibid.*, 772.56/5-1459) Telegram 1465, May 18, reported Army Attaché Harkins endorsed the recommendations in telegram 1460. (*Ibid.*, 772.56/5-1859) Telegram 1472, May 19, reported Bourguiba had, through Hourani, requested an update on the Tunisian arms request. (*Ibid.*, 772.56/5-1959) Dillon and Murphy decided on May 18 that the United States should respond to Bourguiba's appeal. (Record of the Acting Secretary's Staff Meeting; *ibid.*, Secretary's Staff Meetings: Lot 63 D 75)

³ Telegram 1508 from Tunis, May 25, reported Tunisian agreement to the package. (*Ibid.*, 772.56/5-2559) The transaction was discussed with French Embassy officials on June 19 and July 6. (Memoranda of conversation; *ibid.*, 772.56/6-1959 and 772.56/7-659)

406. **Telegram From the Department of State to the Embassy in France**¹

Washington, July 24, 1959—1:34 p.m.

385. Embtel 279.² Following is for your use with French; also attempts answer questions you have asked.

1. Dept does not understand Amanrich question whether Ambassador has further information for Debré on Tunisian arms. According Embtel 233³ Debre raised two "new" elements: evidence US ammo in hands rebels and Tunisian silence re Norwegian purchase. First item was to be handled in meeting Spaak's office.⁴ That meeting now cancelled by French and will be replaced by bilateral meeting whose purpose is to give French opportunity present "evidence" on leakage. Not seen possible here how US can be expected provide further information to Debre on its planned arms deliveries to Tunisia until two elements Debre raised have been dealt with.

2. On second point "fact Tunisians had remained mum re Norwegian purchase" it becoming increasingly clear that this is highly complicated matter of which we just beginning see outlines. Embassy Paris has been receiving of course all information on this subject available to Dept.

3. Fact that knowledge of order has become public as result Norwegian press story (Oslo's 89)⁵ complicates situation. Story notes that identity purchaser is in question. In view this story now seems appropriate tell French that we have been extensively checking this matter and it by no means certain that Tunisians behind order and that in fact Tunisian Govt not only denies any govt orders placed in Norway but welcomes all available info in order to get to root of matter. Reference could also be made to press story that Norwegian Govt considers it necessary to investigate circumstances more clearly. Moreover French

¹ Source: Department of State, Central Files, 772.56/7-2159. Secret; Priority. Drafted by L. Dean Brown; cleared by White, Calhoun, Bovey, Fessenden, and BNA; and approved and signed for Dillon by Murphy. Repeated to Tunis, London, Oslo, Rabat, and to Herter in Geneva.

² Telegram 279, July 21, requested clarification of Tunisian Government denials of having ordered arms in Norway and asked for further details about Tunisian arms purchases in Yugoslavia. (*Ibid.*)

³ Telegram 233, July 17, reported on Houghton's presentation to Debré regarding the Norwegian arms order and U.S.-French discussions about Tunisia's desire to buy U.S. arms. Alleging that U.S. arms sent to Tunisia were being diverted to Algerian rebels, Debré urged the United States to discontinue arms shipments to Tunisia until these charges were investigated. (*Ibid.*, 772.56/7-1759)

⁴ Polto 136 from Paris, July 17, reported that France had requested a meeting with Spaak and the United States regarding diversion of U.S. arms from Tunisia to the Algerian rebels. (*Ibid.*)

⁵ Dated July 22. (*Ibid.*, 472.578/7-2259)

Chargé stated today recent info "cleared" Tunisian Govt.⁶ Admittedly French reply may be that this information increases necessity for study of procurement by FLN. World-wide procurement arms by FLN or other intermediaries for account of FLN is basically French problem in which it virtually impossible for US to become embroiled, especially as result might be attempt involve US in French activities aimed at preventing such deals or delivery arms to FLN. US can of course take steps prevent US arms and ammo going to FLN. As French have been assured on several occasions, it does just that. US export controls prevent such shipments; US arms agreements with sovereign nations such as Tunisia contain clauses guaranteeing non-diversion and non-transferability of arms supplied.

4. Embassy will recall US Government suit against United Auto Parts Company as example of rigor with which we police surplus arms sales. This particular case involved sale in 1956 of 350 armored cars by company to French Government for use in Algeria in which company failed to demilitarize equipment as required by law.

5. French have suggested that US suspend shipments until there has been "thorough investigation as to whether rebels are getting US arms and how". US cannot accept this. Investigation would obviously be lengthy and inconclusive affair inasmuch as FLN sources supply varied and not completely known. It would be another matter of course if there were valid proof that Tunisian govt had violated guarantees on non-transferability which it has given us. No evidence available to US that such has happened.

6. We cannot dispute fact that FLN has equipment and ammo of US origin. This presumably available to FLN through variety of sources including US arms captured North Korea or obtained by Chinese Communists in China. We are unaware however whether FLN negotiations with Chinese Communists have culminated in any actual deliveries to FLN in North Africa and would be interested in any positive evidence French might have on this question. US arms have of course been supplied many countries under aid programs. France has been a major recipient. France additionally has purchased for dollars considerable quantity arms in US for use in Algeria. (See Deptel 327 on 57 mm recoilless rifles)⁷ FLN has stated and probably accurately that French forces in Algeria are a major source of supply

⁶ Telegrams 66 and 68 from Tunis, July 18 and 19, respectively, reported Ladgham's July 18 denial of any official Tunisian efforts to buy Norwegian arms. (*Ibid.*, 772.56/7-1859 and 772.56/7-1959) Mokaddem reiterated Ladgham's statements July 23. (Telegram 97 from Tunis; *ibid.*, 772.56/7-2359) No record of the conversation with the French Chargé has been found.

⁷ Telegram 327, July 21, transmitted the text of a memorandum stating that, contrary to French allegations, the United States had never sold weapons or ammunition of this caliber to either Tunisia or Iraq, but had sold and given such ammunition to France. (*Ibid.*, 772.56/7-2159)

for FLN. In recent years French have not discussed with US matter of losses to FLN. In January 1957 French military mission headed by Brigadier General Michel Gouraud, commander of 27th Alpine Division and including Col. Paul Ducournau came to Washington to give official briefing on military situation in Algeria to US authorities. During briefing here General Gouraud stated that up to June 17, 1956 French had lost to FLN 4,000 weapons including 50 machine guns and 4 mortars. During any French presentation French evidence on diversion arms to FLN, Embassy should make point that official French mission gave above-cited facts to US in 1957 and that US would be interested in knowing of similar losses in three succeeding years particularly since MAP equipment may be included in losses.

7. Dept realizes it may be awkward tell French their forces in Algeria rather than US Govt responsible to certain degree for armament in hands of FLN. Therefore in addition making point noted in 6 above, Embassy should re-emphasize US policy which is one of maintaining tightest possible control on movement of arms, ammunition and explosives from US abroad. While always ready strengthen controls, US convinced they serving to prevent arms or ammo going from US to FLN, directly or indirectly. US does not believe US arms and ammo in hands FLN have come from Tunisian Govt and, instead believes Tunisia has honored its commitments on non-transferability. Relative weakness of Tunisian forces confronted by FLN bands on own territory reinforces our belief there no reason Tunisians would divert to FLN from their own very limited stores. Furthermore it is our belief Bourguiba would not menace his position with US or UK, to whom he looks for international support, by diverting arms to FLN, knowledge of which action he must know would eventually come to attention US and UK. Also quite doubtful Bourguiba would serve as intermediary between Iraq and FLN, as implied by Debre, because there no need for him do so. Iraqi support of FLN seems direct one, as noted Tunis 85.⁸ Believe it essential Embassy emphasize above evaluation in discussion with French. Embassy should also suggest it obviously impossible for US to make survey of armaments of rebel forces as proposed by Debre (para 10 Embtel 233) since US not only does not recognize FLN but at request of Debre is avoiding contact with FLN.

8. Embtel 279 raises question other sources of arms open to Tunisia. So far as Yugoslav shipments concerned French are aware such purchases have been made in past. To be recalled that in November 1958 Bourguiba made public speech stating Tunisia seeking arms from Yugoslavia, Czechoslovakia and Finland in view difficulties obtaining needed arms elsewhere. This speech presumably carried by AFP and

⁸ Telegram 85, July 21, analyzed sources of arms and ammunition for the Algerian rebels. (*Ibid.*)

certainly reported by French Embassy Tunis. (See also Tunis 734) Other Tunis messages on this subject are 980 of January 15 and 1078 of February 3.⁹ Latter notes arrival ship with Yugoslav arms in Tunisia of which French undoubtedly aware. Debre should therefore be fully aware of fact Tunisia sought arms elsewhere at certain period in arms history and that Yugoslav shipment arrived. Unavailable at this moment are precise details Yugoslav shipment but it was modest and consisted World War II type of equipment. In view wide extent French intelligence activities in Tunisia French undoubtedly have complete details. Dept will provide you with further information on subject soonest.

9. Finally we are convinced that there are considerable dangers in course of action which French are currently pursuing. In this analysis we tend concur with assessment French Ambassador to Tunisia (Deptel 278).¹⁰ We believe Embassy Paris should point out to French possible dangers for both US and French interests in North Africa of leaks, unilateral declarations and possible public controversy. As we see it, public discussion of French contention that Tunisian Govt acting as intermediary for FLN or diverting to FLN arms purchased under guarantees from US or UK could only lead to very adverse reaction by Tunisian govt. Bizerte may well become intertwined. Although French appear be determined hold on to Bizerte no matter what, Tunisian complaint to UNGA would make their task most complicated one. Such a complaint would present other members UN with dilemma. It is not inconceivable that Tunisian demand in UN that foreign troops leave its soil could generate something similar from Morocco. This is possibility we would not want to face. We earnestly hope therefore that France will not oppose US shipments to Tunisia which will take place in accordance with signed contract (although ammunition portion of that contract will be phased in time) in the same spirit in which French concurred delivery last year when, as Embassy will recall, Louis Joxe said Bourguiba should be strengthened.

10. FYI. We realize that all of above is rather hard line. We believe this is only course to take. In Geneva French do not seem too emo-

⁹ Regarding Bourguiba's November 13, 1958, radio address, see footnote 2, Document 402. Telegram 734, November 13, 1958, reported highlights of the speech. (Department of State, Central Files, 772.56/11-1358) Telegram 980 reported Bourguiba had told Radio Luxembourg the Yugoslav arms contract could not be cancelled. (*Ibid.*, 772.56/1-1559) Telegram 1078 noted Tunisian newspaper reports of the arrival of a Yugoslav ship with arms and ammunition. (*Ibid.*, 772.56/2-359)

¹⁰ Telegram 278, July 17, reported the French Counselor had read a telegram from Gorse to Couve de Murville emphasizing the danger public knowledge of the U.S.-French disagreement over Tunisian arms would pose to French-Tunisian relations. (*Ibid.*, 772.56/7-1759)

tional on this subject;¹¹ temperature in Paris appears considerably higher. Important therefore take direct action in Paris, attempting keep record straight and meet in advance new points raised by Debre and others. Only way to do this is to face squarely up to allegations made and refute them. It does not seem advisable to leave French with any impression that we will not carry out commitments to Tunisia so long as French continue merely to introduce new charges or “evidence”, unrelated or only faintly related to matter at issue. End FYI.

11. Embassy should use with French paras 3, 4, and 5, appropriate sections of paras 6 and 7, para 8 only if raised by French and para 9.

Dillon

¹¹ Herter discussed Tunisian arms with Couve de Murville and Alphand on July 21. (Memorandum of conversation; *ibid.*, Secretary’s Memoranda of Conversation: Lot 64 D 199)

407. Telegram From the Department of State to the Embassy in France¹

Washington, July 25, 1959—5:27 p.m.

408. Paris 334 and 329.²

1. Department concerned French have wrong impression re our recent intentions. We believe Embassy should emphasize following point with French, preferably during broader presentation authorized Deptel 385: We have arranged for phasing ammo as per Murphy’s statements to Alphand.³ We do not intend suspend shipments until October, and July 23 renewed assurances Tunisians in response their query here that our present intention to fulfill agreement and that first

¹ Source: Department of State, Central Files, 772.56/7–2359. Secret. Drafted by Bovey and L. Dean Brown, cleared by S/S, and approved and signed for Dillon by Murphy. Repeated to London, Tunis, Algiers, and Geneva.

² Telegram 334, July 23, reported the memorandum outlined in telegram 327 to Paris (see footnote 7, *supra*) had been given to the French Foreign Ministry at the same time it was delivered to Amanrich. (Department of State, Central Files, 772.56/7–2359) Telegram 329, also July 23, reported that Cecil Lyon, Minister at the Embassy in Paris, had given Amanrich the memorandum. Amanrich had stated French hope that the United States would stretch out delivery of equipment to Tunisia as long as possible and would give France the serial numbers of weapons sent to Tunisia. (*Ibid.*)

³ Telegram 385 to Paris is *supra*. A memorandum of Murphy’s July 7 conversation with Alphand is in Department of State, Central Files, 772.56/7–759.

shipment will arrive during August.⁴ FYI. First shipment departs August 2; we will, of course, notify French shortly in advance. End FYI.

2. It is of utmost importance we not divulge opinions survey team which based on information given us in strictest confidence by Tunisian Government and which still being considered by team prior USG review.⁵ Danger of leak to Tunisians by French and consequences thereof evident. You should avoid being drawn out on this subject, perhaps stating that report not yet drawn up or submitted and you, therefore, unable discuss possible findings at this time.

Dillon

⁴ No record of this conversation has been found.

⁵ See Document 410.

408. Editorial Note

Between late July and mid-September, French and U.S. officials in Washington and Paris held a series of conversations regarding deliveries of U.S. arms and ammunition to Tunisia. On July 29, Cecil Lyon, Minister at the Embassy in Paris, presented to Amanrich the points outlined in telegram 408 to Paris, *supra*, supporting them with arguments from telegram 385 to Paris, Document 406. Amanrich stated the U.S. presentation would not satisfy Debré, noting the French Chargé in Washington had been instructed to propose that French and U.S. military experts discuss Tunisian arms. (Telegram 425 from Paris, July 29; Department of State, Central Files, 772.56/7-2959) That day, the Chargé called at the Department of State and requested that the United States suspend arms shipments to Tunisia until October and allow a French military expert to compare French and U.S. estimates of Tunisian arms stocks. The Department denied both requests, noting particularly that the latter was difficult because U.S. estimates were based on information given "in strictest confidence." (Telegram 140 to Tunis; *ibid.*)

Following further discussion in Washington and Paris, the French Foreign Ministry on August 5 gave the Embassy an aide-mémoire on the subject. Dated August 4, it stated the French Government's concern about recent deliveries of U.S. arms to Tunisia and noted that although France had been informed about the latest Tunisian order, it had not been consulted about its volume. The note maintained the new shipments risked being diverted to the Algerian rebels, and sug-

gested a study comparing French and U.S. estimates of Tunisian military needs be prepared. France hoped the United States would suspend arms and munitions shipments to Tunis and proposed bilateral consultations in October. The aide-mémoire also warned against the consequences that announcement of the arms deliveries would have on French public opinion. (Telegram 535 from Paris; *ibid.*, 772.56/8-559)

Conversations continued in both capitals. On September 16, the Department instructed the Embassy to inform the French Foreign Ministry that the United States was willing to participate in talks with the British and French on arms and economic aid to Morocco and Tunisia and that it was seeking U.K. reaction to this suggestion. (Telegram 1196; *ibid.*, 772.56/9-1659) The tripartite discussions, held at the Department of State, October 8 and 9, noted improvements in the Moroccan and Tunisian Armies and the need to supply them from Western sources, and examined training, replacement of equipment, and economic and financial aid to the two countries. The participants agreed they should make every effort to maintain Tunisia's and Morocco's pro-Western orientation, acknowledged that France's participation was essential to achieve this goal, and agreed to consult periodically. (Summary sent to Paris in telegram 1618, October 14; *ibid.*, 770.00/10-1459) Details of the talks were reported to Paris in telegram 1544, October 8, and telegrams 1562 and 1567, October 9. (*Ibid.*, 770.00/10-859 and 770.00/10-959)

409. Editorial Note

Secretary Herter met with Foreign Minister Mokaddem at the Waldorf-Astoria Hotel in New York at noon, September 18. Both were in New York to head their countries' delegations to the 14th Session of the U.N. General Assembly. They discussed Algeria, U.S. aid to Tunisia, and other topics of concern to the Tunisian Government. A memorandum of their comments on U.S. aid to Tunisia is in Department of State, Central Files, 772.5-MSP/9-1859. A memorandum of their discussion of various Tunisian questions is *ibid.*, Secretary's Memoranda of Conversation: Lot 64 D 199. A memorandum of their conversation about Algeria is in Washington National Records Center, RG 59, Conference Files: FRC 83-0068, CF 1476. The substance of the first two memoranda of conversation was sent to the Department of State in Secto 1 from USUN, September 19. (Department of State, Central Files, 611.72/9-1959)

On October 5, Mokaddem discussed Algeria and U.S. economic aid to Tunisia with Under Secretary Dillon at the Department of State. Memoranda of conversation on the two topics are *ibid.*, 751S.00/10-559 and 772.5-MSP/10-559, respectively.

410. Memorandum From the Assistant Secretary of State for African Affairs (Satterthwaite) to the Under Secretary of State for Political Affairs (Murphy)¹

Washington, October 3, 1959.

SUBJECT

Tunisian Arms: Implementation of U.S. Survey Team's Report²

As you know the United States military survey team which visited Tunisia early this summer has completed its report. In brief the team recommends a program designed to enable the Tunisian Army to carry out its necessary functions without requiring any increase in its present numbers. The team found that the army, as presently equipped, was seriously deficient in firepower, mobility and communications and has recommended the supply over a three year period of approximately \$11.5 million worth of transportation and communications equipment, tanks, armored cars and artillery (but no small arms) to remedy these deficiencies.

The following is the status of our plans for implementing the team's report:

1. We intend to discuss the general scope of the program with the French, probably in the context of the forthcoming bilateral and tripartite talks.
2. We are suggesting to the British the desirability of a joint supply program as in the case of previous arms transactions with Tunisia.
3. We are taking steps to obtain agreement within the U.S. Government as to the proper financing of the program.
4. The sanitized version of the team's report would then be transmitted to the Tunisian Government; but of course we would seek your explicit approval prior to taking this step.

¹ Source: Department of State, Central Files, 772.56/10-359. Secret. Drafted by Chase, cleared by L. Dean Brown, and initialed by Satterthwaite and Murphy. Sent to Murphy through S/S and distributed to U/MSC. Murphy wrote "OK" over his initials.

² Not found.

Naturally, the foregoing program can only be preliminary at this stage, but because of the political considerations involved I wanted to be sure that you were fully informed of the tenor of our present thinking.

411. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, November 2, 1959—6:02 p.m.

563. Joint State/ICA. Embtel 577.² FYI. We agree proposed 10% cut SA unfortunate and could create considerable friction in US-Tunisian relations. However Bourguiba is realist and conceivably might accept persuasive presentation US rationale behind SA decrease. Furthermore decision has not yet been reached on Oued Nebana. Should it be approved, such action would more than offset SA reduction and total US assistance could then be presented as vivid demonstration our support staunch political ally. In any event US assistance was given Tunisia in two slices FY 1959. Should Tunisians be especially concerned after receiving \$18 million and should Oued Nebana not be approved, Dept will re-examine situation at that time. End FYI.

You authorized proceed with notifying GOT of \$18 million SA proposed for FY 1960. Know you will make best case possible for this figure. Hope you can keep aid level discussion from becoming public issue pending assessment GOT reaction. We await your impressions and further recommendations following your discussion.³

Herter

¹ Source: Department of State, Central Files, 772.5-MSP/10-2259. Confidential. Drafted by Buckle on October 30; cleared by Dolgin, Bell, ICA, and DLF; and approved and signed for Herter by Satterthwaite.

² Telegram 577, October 22, recommended against proposed reductions in U.S. aid to Tunisia, citing Tunisian belief that the United States had promised not to allow aid to Tunisia to drop below the fiscal year 1959 level and indications that Tunisia would turn to the Soviet bloc if denied Western aid. It urged that Tunisia's application for a loan to build a dam in the Oued Nebana region be approved if U.S. aid was reduced. (*Ibid.*)

³ Telegram 625 from Tunis, November 4, reported it was advisable to wait until after the November 8 Tunisian elections to inform the government of the aid cuts, reiterated arguments opposing the reductions, and urged again that the loan for Oued Nebana be approved if the cuts were upheld. (*Ibid.*, 772.5-MSP/11-459)

412. Telegram From the Embassy in Tunisia to the Department of State¹

Tunis, November 11, 1959—7 p.m.

665. Joint Embassy/USOM Message. Reference: Deptel 584.² Have not yet informed GOT proposed aid level and strongly reiterate previously expressed recommendations:

1. That single announcement give full SA level for year. Alternative of announcing \$18 million level with promise "sympathetic review" et cetera, amounts at best to commitment additional aid later; at worst becomes source bitterness if no action taken.

2. Still believe announcement should be for \$20 million. A retrogression in Tunisian SA aid level this year will lead to situations in this uniquely friendly Arab country that can only be harmful to our general positions on North African issues.

3. That if Washington should decide lower figure mandatory, announcement must be coupled with DLF Oued Nebana approval. It would be foolhardy to bring up Oued Nebana while eventual approval doubtful. This explosive subject in Tunisia. DLF representatives now Tunisia indicate unless overriding Department political decision taken technical recommendation Nebana is negative.³ Aid \$18 million level with no Oued Nebana might well prove politically disastrous and even a \$20 million with no Nebana will prove politically difficult.

Note that reference to FY-1959 aid given "in slices" was to exceptional gesture announcing immediate availability \$10 million before final congressional action taken on MSP bill in recognition certain Bourguiba pronouncements. Can see no parallel present situation.⁴

Walmsley

¹ Source: Department of State, Central Files, 772.5-MSP/11-1159. Confidential.

² Telegram 584, November 6, left to the Embassy's discretion the timing of aid discussions with the Tunisian Government. (*Ibid.*, 772.5-MSP/11-459)

³ Telegram 604 to Tunis, November 10, reported that the Department of State intended to inform Tunisia that the United States could not help finance the Oued Nebana project. (*Ibid.*, 772.5-MSP/11-1059)

⁴ Telegram 615 to Tunis, November 12, authorized the Embassy to negotiate Special Assistance aid for fiscal year 1960 at \$20 million. (*Ibid.*, 772.5-MSP/11-1259)

413. Editorial Note

On November 13, Ambassador Slim met with Under Secretary Dillon to discuss the U.S. decision not to grant Tunisia a loan for the Oued Nebana project. Dillon assured Slim the United States had not made a final decision and was reevaluating the project in light of new information. He also explained the technical and legal difficulties it presented. A memorandum of this conversation is in Department of State, Central Files, 772.5-MSP/11-1659. Its substance was sent to Tunis in telegram 633, November 16. (*Ibid.*)

Clarence Randall, Chairman of the Council on Foreign Economic Policy, arrived in Tunis on December 7, where he and his party were briefed on the Tunisian economic situation, December 7-8, by the Embassy staff. Reports on his trip are in Eisenhower Library, CFEP Records, Office of the Chairman, and in a Special Staff Note, January 12; *ibid.*, Whitman File, Eisenhower Diaries.

414. Editorial Note

President Eisenhower announced on November 4 that he intended to leave Washington December 4 for a trip to Italy, Turkey, Pakistan, Afghanistan, India, Iran, Greece, France, and Morocco. Following discussions in Washington and Tunis, the White House on November 11 added Tunisia to the President's itinerary. Documentation on these discussions is in Department of State, Central Files, 711.11-EI/11-559.

Eisenhower left Washington on December 3. Immediately prior to his departure, he delivered a radio and television address outlining the purposes and goals of his journey. Excerpts of this statement are printed in *American Foreign Policy: Current Documents, 1959*, pages 36-39. On December 17, the President arrived at President Bourguiba's Palace at La Marsa at 8 a.m. Accompanied only by Eisenhower's interpreter, Lieutenant Colonel Walters, the two Presidents began a private breakfast at 8:15 a.m.; a record of their conversation is *infra*. Meanwhile, Under Secretary Murphy and other members of Eisenhower's party discussed the Tunisian economy, U.S. aid to underdeveloped countries, and a joint communiqué about the President's visit with members of the Tunisian Government. Murphy reported to Secretary Herter that he had used this opportunity to encourage Tunisia to create a "favorable climate for private investment" and that the

subject of Algeria had arisen. (Murto 25, December 17; Department of State, Central Files, 811.05172/12-1759) A memorandum of this conversation is in Washington National Records Center, RG 59, Conference Files: FRC 83-0068, CF 1543.

At 10:30 a.m., Eisenhower, Bourguiba, and their parties left the Palace to drive to El Aouina Airport. A copy of the White House press release containing the texts of Eisenhower's departure statement and Bourguiba's response is *ibid.* At 1 p.m., the Department of State released a joint communiqué on the President's visit; for text, see *American Foreign Policy: Current Documents, 1959*, page 1108.

Eisenhower informed Congressional leaders on January 11, 1960, that he had been "impressed" with Bourguiba. (Memorandum of conference with the President, February 3; Eisenhower Library, Whitman File, Eisenhower Diaries) Documentation on the preparations for Eisenhower's stop in Tunis and further reaction to it is in Department of State, Central File 711.11-EI, and Washington National Records Center, RG 59, Conference Files: FRC 83-0068, CF 1521-1545.

415. Telegram From the Secretary of State to the Department of State¹

Paris, December 19, 1959—8 p.m.

Cahto 8. Tunis: Eyes Only For Ambassador. There follows an account prepared by Lt. Colonel Walters of the private conversations between President and Bourguiba at La Marsa on December 17:²

President Bourguiba said that he wished to speak to President alone in order confide to him some of his concerns and worries.

From very beginning of independence Tunisia had chosen to side with West but he was extremely concerned by fact that they stood alone in Continent which was in state of ferment and ebullition. He felt that this ferment was sparked by desire for freedom and dignity. Because some of countries of West still entertained colonial policies, this made his task extremely difficult in resisting both Commies and Pan Arabists sparked by Cairo Radio. For this reason many of these nations who received U.S. aid, spoke against U.S. or else failed to acknowledge help they had received. He said that he had spoken out

¹ Source: Department of State, Central Files, 711.11-EI/12-1959. Secret. Repeated to Tunis.

² For Eisenhower's account of the conversation, see *The White House Years: Waging Peace, 1956-1961*, pp. 507-508. For Walters' account, see *Silent Missions*, p. 303.

quite plainly to express his gratitude for America's help. President said that President Ayub Khan of Pakistan has also been forthright in acknowledging America's assistance. India was neutral but they had also acknowledged U.S. help and Turks were proud of assistance rendered to them by U.S. The President asked whether reference to Western nations still entertaining colonial policies pertained to France and President Bourguiba said this was correct. Once Britain granted independence they did not make further difficulties for country that had been former colony. This was not true of French who created all sorts of difficulties. He himself was very close to French by education, by family connections and by culture and he greatly regretted this need to "haggle" with them. He had been willing to accept France-North African community, "the Maghreb", in some sort of Commonwealth relationship but French insisted that between Tunisia and Morocco there was province of Metropolitan France. This was patently fiction and made his position very difficult. He was pro-West but it was hard for him to commit his country to West when next door French were killing and torturing people in effort to force them to remain French. In Africa some governments were favorable to U.S., but Tunisia was only country where people were wholeheartedly behind government in this respect. They were grateful and had confidence in leaders who had won independence for them.

President then asked whether President Bourguiba felt that General De Gaulle's offer of September 16³ had been a good step. He himself had felt it had and had said so publicly. General De Gaulle had offered an opportunity to people of Algeria to express their desires in free election. President Bourguiba replied that he too thought that this had been constructive step forward and has said so publicly but there were powerful forces in French Government and army which did not want General De Gaulle to implement this offer. They were determined to remain in Algeria at all costs and would accept nothing short of victory in crushing rebellion. French Commander in Algeria General Challe had made speech shortly after General De Gaulle's offer and had indicated that, come what may, French armed forces would remain in Algeria. It was difficult to see how free election could be held with 500,000 French troops present. In answer to question by President he indicated he thought that French army would attempt to influence result of any election in Algeria. He said there had been a precedent in Sudan when Britain had offered Sudan choice between independence, Commonwealth status or union with Egypt. President then asked Bourguiba, if free elections could be held with UN observers and that even if French army stayed presence of those observers would guarantee free elections. Bourguiba said he thought this could

³ See Document 299.

be done but again said that these powerful forces in France and in French army were determined to obstruct implementation of General De Gaulle's offer and he could not make peace in Algeria at cost of civil war in France. He himself had hoped De Gaulle would come to power because he felt that only De Gaulle would have authority to make liberal offer of this kind.

President said trouble with French was that since 1940 they had been suffering from inferiority complex which sometimes led them to do irrational things. President said he was grieved when he heard reference to U.S. as being colonial power. We had led Philippines to freedom and in fact had through special treatment and subsidies practically sustained them since then. Some years ago Russians had charged in UN that U.S. was practicing colonialism in Puerto Rico. He had telephoned Lodge, our Ambassador to UN, and instructed him to propose in UN independence for Puerto Rico if Puerto Rican Legislature so requested. He himself would have supported request to Congress. Following day Puerto Ricans had sent up delegation headed by Governor Munoz Marin to state they wanted no part of independence from U.S. He was expecting difficult time in Paris with French and with General De Gaulle. They were very irritated at him because our UN delegation had abstained in UN.⁴ He himself was perhaps only person whom General De Gaulle considered an equal because he was President of large and powerful country. General De Gaulle was man who was difficult to approach. He felt that France should occupy position which she had occupied during reign of Louis XIV. However, he had made offer of free election in Algeria. President Bourguiba again expressed doubt that such an election could be held with 500,000 men of French army present and said he was baffled as to how to reach solution. He said French argument that rebellion was being continued by small minority was not true. If this were case war could not have gone on for five years. Each year French kept expecting victory during following year. When he had visited President three years ago,⁵ they had discussed Algeria and same problem still faced them today. Irony was that elsewhere in Africa French were moving in right direction in community and towards self-determination. But in Algeria they were adamant it must remain province of Metropolitan France. General De Gaulle had not made same offer to Algerians that he had made to other parts of French community. President said that after De Gaulle made his offer he had gone down to Algeria and had talked to army and apparently obtained their agreement. Bourguiba

⁴ See Document 306.

⁵ Regarding Bourguiba's November 21, 1956, meeting with Eisenhower at the White House, see *Foreign Relations, 1955-1957*, vol. xviii, p.656.

said that there were those strong forces in French Army and government who were opposed to implementation of General De Gaulle's offer.

President said this was difficult problem because he could not break up Atlantic Alliance. Geography had placed France in such position that U.S. could not help other European countries. If France withdrew or drifted away from Alliance and NATO were to collapse, countries of Europe would probably initially go neutralist and eventually be taken over by Soviets. We could not afford to let vast pool of skill and know-how and economic production of Western Europe fall into Soviet hands. If Soviets rule from Normandy to Vladivostok survival of freedom would be almost impossible. We would of course resist any attack by this Bloc but odds would be against us and therefore it was essential to maintain Alliance. President Bourguiba said he fully agreed with this view of President.

President then asked if he knew Mr. Pinay. He felt he was an intelligent reasonable man. President Bourguiba said he did know him and that he had granted independence to Morocco. President then said French felt no one could claim to speak for whole Algerian people. While in Paris⁶ he had talked to a woman member of De Gaulle's government. She had said no one could make claim but that if elections were held leaders would appear. Bourguiba said that French had said same thing about Sultan of Morocco and about himself but they eventually had to negotiate with both. President then asked President Bourguiba what he thought of idea of offer by Algerian rebels to cease fire for 90 days? This would not mean an indefinite truce nor require them to demobilize their forces and would put French in position where they would have to do something. Bourguiba replied that it might be good idea but difficulty lay in fact there was no central commander of rebels and it would be difficult to get all rebel groups to agree. President said De Gaulle was angry with us because of our abstention in UN and that in 1957 we had made shipment of arms to Tunisia and this had greatly aroused French who alleged these weapons were going into hands of Algerian rebels. Bourguiba said he recalled incident but they had needed arms to protect themselves against subversion in Tunisia by Algerian rebels instigated by "Voice of Arabs" in Cairo. President said he expected difficult time in Paris in holding Alliance together.

President said in economic matters he hoped he would be able to do something in connection with Tunisian request for wheat under PL 480. He had authority in emergency cases and had used it in preceding years on grounds of presence of large numbers of Algerian refugees in

⁶ Eisenhower visited Paris, September 2-4, as part of his trip to Europe to consult with Western allies.

Tunisia. He also would give consideration to matter of defense equipment requested by Tunisians. A joint Tunisian-American committee was studying this matter. They had been slow in submitting their report. However, this report was expected very shortly. President Bourguiba said all arms which Tunisia has obtained from U.S. thus far had been paid for and that defense expenditures represented a staggering burden for country. They had appropriated and set aside money to pay for most recent purchases of U.S. weapons but U.S. had not yet asked for payment. If U.S. could make gesture toward allowing some of this money to be used in Tunisia for developmental purposes it would have tremendous effect.

President said that he would look into this matter and we would like to help Tunisians. We were grateful for pro-Western attitude they had taken but we had responsibilities all around world which prevented us from always doing things we would like to do. We would like to make Tunis a model. Model for other people of Africa. President Bourguiba said that this would be magnificent idea, that Tunisia had great resources but needed help in developing them. They had received \$20 million but this was only drop of water compared to needs for dams, for public housing and for agriculture. They had plans for five dams for which they would like to receive assistance. One in particular, Oued Nebana Dam, would be of great benefit to whole of central Tunisia. In reply to question by President he indicated they wanted to build these dams to provide drinking water, to irrigate farm land, and to furnish hydro-electric power. They needed drills to drill wells, 150 to 200 tractors for agriculture. President asked whether Bourguiba had talked to Eugene Black of World Bank about these projects. He had splendid engineering staff that was well-qualified to pass on feasibility of projects such as these. Bourguiba replied he had not yet seen Black who was too busy in Cairo with Colonel Nasser. He would be grateful if he could get 1/10 of attention Black was giving to Egypt. He asked President to send Black to see him. President laughed and said he could not send him because Black was head of world organization but he could and would urge him to come. Black had available very large volume of credit.

Bourguiba said Tunisia could be made example for all nations of Africa of benefits arising from friendship with West. It was not large country and would not, therefore, require large sums of money. He hoped over-all effect of these projects would be assessed along with other features. In reply to questions by President, Bourguiba said there were about six million people in Tunisia and some one million in city of Tunis. President smiling said it would be better to have more on farms. President Bourguiba replied they could put more people on land if they could irrigate it. They had great resources in phosphates, potassium, high grade iron ore which was in great demand since U.S.

steel strike, and they might, perhaps, have oil. They had good administrators and whole country was working with will in effort to better itself. They had schoolteachers but could use more. They did need help to develop country. They needed technicians and engineers, they needed financing for public housing, but they had labor and cement. President said that his grandfather had built his own house with his own hands and that if people had material and could be shown how to build, this type of thing could be done without great expenditures. In any case he would give sympathetic consideration to problems that Tunisian President had put before him and would see what could be done in matter of PL 480 and development aspects. Bourguiba said he had received 40,000 tons of wheat and would like to receive another 80 or 90,000 tons. President then said he felt that other nations of Western Europe who were now economically strong should help contribute to less developed nations and Bourguiba said thanks to U.S. aid these nations were now rich.

Bourguiba said more France tried to pull people to them more they are determined to pull away. Now French were making difficulties for him over Bizerte and over southern border of Tunisia where they had added whole Tunisian Sahara region and whole Moroccan Saharan region to Algeria. He said they were allowing French to bring oil out by pipeline through Adjele. President said when he had been in Paris in September he had talked to Prime Ministers of French community who after all did represent their peoples and were not puppets. Bourguiba agreed they did represent their peoples and were not puppets. President said some of these Prime Ministers had indicated they, at some later time, might push for independence. Bourguiba said he believed some might do so in January 1960. President said these Prime Ministers had told him they felt Sekou Toure had made mistake in taking Guinea out of French community. They needed technical help and felt they could obtain it better through association in French community. Situation in Black Africa was not same as in Morocco, Algeria and Tunisia which were much more highly developed. Bourguiba said he agreed with this, that he had frequently expressed to French his willingness to go along with France-North African community but they for reasons of prestige insisted on keeping French flag flying over Bizerte. They had some 10,000 ground troops in Bizerte allegedly to defend air and naval bases. He had offered to let them keep air and naval bases and have Tunisian troops guard these bases. This would make his situation infinitely easier and make him less of target for Cairo Radio. He had told French they could return in case of war. President said in this era of nuclear weapons value of base such as this was greatly diminished. President then asked Bourguiba if he had ever met General De Gaulle and Tunisian leader said he had not. President asked whether President Bourguiba would have any objec-

tions to his telling De Gaulle how Tunisian leader felt and maybe a suggestion to De Gaulle that he see Bourguiba. Bourguiba said he would have no objection to this whatsoever. He again reiterated that powerful forces in France and in French Army were opposed to any other solution of Algerian problem than complete integration of Algeria with France. President said we would always treat Tunisia as sovereign nation. Bourguiba said if French were successful in putting down rebellion in Algeria they would move to recover their position in Tunisia and Morocco. President assured Bourguiba this would not happen [*less than 1 line of source text not declassified*]. Tunisia and Morocco had been recognized as free and independent nations. He had made special point of coming to Tunisia and to Morocco to attest to fact U.S. was just as interested in future and progress of people of Africa as it was in peoples of any other part of world. Bourguiba said Sultan of Morocco felt exactly as he did. He was intelligent and practical but that he was insecure at home whereas he himself had whole people of Tunisia behind him. He repeated that any weapons Tunisia received would be used exclusively for their own defense and not by Algerian rebels who had made one attempt at subversion, instigated by Cairo, but that this had been put down. President said he felt very much same way as Tunisian President had described his sentiments and that he would give sympathetic consideration to Tunisian requests. He asked whether test salt water conversion plant had been set up in Tunisia and was informed it had not.

President then said he hoped if ever any difficulty arose on staff level that President Bourguiba would feel perfectly free to write him personal letter and he could send it to his Ambassador in Washington or hand it to U.S. Ambassador in Tunis for delivery. This direct access would be available to him in addition to normal diplomatic channels. Finally, he said in cases where large nations were dealing with small nations they should always be generous. Bourguiba then thanked President for giving him this opportunity to discuss these problems with him and meeting of two Presidents concluded.⁷

Herter

⁷ Eisenhower related the substance of this conversation to Debre, December 21; a memorandum of their conversation, US/MC/21, is in Department of State, PPS Files: Lot 67 D 548, France. He also discussed it briefly with de Gaulle on December 21; a memorandum of this conversation is scheduled for publication in volume VII.

Telegram 938 from Tunis, January 6, reported that Bourguiba concurred with the U.S. record of his conversation with Eisenhower, although he "was a little embarrassed by his unresponsiveness" to the President's inquiry about the salt water conversion plant. He had since learned the plant had been functioning at the time of their meeting. (Department of State, Central Files, 711.11-EI/1-660)

416. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, January 20, 1960—6:19 p.m.

914. Joint message. While Dept and ICA fully sympathetic problems Tun unemployment and pressing political, economic and social issues these present GOT, proposals contained Embtel 950² cause us serious concern from standpoint their financial implications. This change also most unfortunate in light Executive Branch decision (contained Icato 391)³ seek legislation to broaden Title II to allow its use for economic development.

Unilateral GOT decision re program this magnitude in light already high level U.S. assistance and requests here by Ambassador Slim finance \$3.6 million in Tunisian university construction "outside" regular aid level leads us to believe Tunisians have commenced major push to increase U.S. aid level and subject U.S. to intense pressures in near future.

Approve your manner dealing with Ladgham's presentation Tun request additional assistance, particularly point 4.⁴ We realize Bourguiba's tendency become frustrated when confronted delays in achieving objectives in shortest possible time. Therefore, believe raising detailed reservations work relief proposal with him would be counterproductive this time. Instead believe you should use occasion your meeting with Bourguiba raise issue of general direction GOT's political, social and economic planning. We would also hope that you could obtain information as to role Bourguiba intends other foreign powers to play in assisting GOT in economic field.

If Bourguiba makes specific request for assistance, we believe you should for time being take line similar to that taken with Ladgham bearing in mind FY 60 contingency funds extremely limited and highly unlikely any additional sum over present \$20 million SA will be available.

¹ Source: Department of State, Central Files, 611.72/1-960. Confidential; Priority. Drafted by Porter and Donald MacPhail, Assistant Deputy Director for Operations, ICA, and approved and signed for Herter by Porter.

² Telegram 950, January 9, reported that Ladgham had requested U.S. assistance in financing a new program to relieve unemployment. Walmsley noted that Bourguiba intended to discuss these plans with him, and requested any Department of State observations on them in advance of their meeting. (*Ibid.*)

³ Not found.

⁴ Telegram 950 reported that the Embassy "followed a line of inquiry rather than argument in the discussion" of the proposed unemployment program. Point 4 asked whether the Tunisian Government had considered reshuffling its resources and economic plans.

In summary, believe best strategy in your discussions with Bourguiba to avoid detailed comments or commitments, but attempt explore broad course GOT proposes follow in meeting its increasing requirements for foreign assistance. At same time you can indicate willingness U.S. study expanded work relief program in cooperation with appropriate Tun ministries and in context present U.S. and other outside resources available GOT.

Separate message containing detailed comments expanded work relief program follows for guidance lower level discussions relative expanded program.⁵

FYI—USOM airgram promised reftel not yet received. End FYI.

Herter

⁵ Not found.

417. Memorandum From the Assistant Secretary of State for African Affairs (Satterthwaite) to the Secretary of State¹

Washington, February 10, 1960.

SUBJECT

Your Appointment with Tunisian Ambassador Slim, February 11, 11:30 A.M.

Ambassador Slim has been recalled to Tunis for consultations. It is probable that President Bourguiba intends to review with him and with Tunisia's Ambassadors to other NATO countries the best means of proceeding towards the resolution of Franco-Tunisian problems of which the most important is that of Bizerte. The Ambassador wishes to inform President Bourguiba of current U.S. thinking with regard to Bizerte and to discuss North African matters generally especially in light of recent Algerian developments. Mr. Porter of AFN will accompany Ambassador Slim.

¹ Source: Department of State, Central Files, 772.56351/2-960. Confidential. Drafted by Chase, concurred in by Cameron and Smith, sent to Herter through S/S, and initialed by Satterthwaite and Herter.

*Bizerte**Discussion*

On January 25 Bourguiba declared that in the absence of an agreement prior to February 8, certain unspecified measures would be taken to bring about the evacuation of French forces from Bizerte. His decision was probably motivated by an assessment of French policy towards Algeria which led him to believe that there would be no progress towards a solution in the foreseeable future, by his irritation over the French refusal to negotiate their "rights" in Bizerte, and by a desire to justify himself in the eyes of African nationalists meeting in Tunis for the Second All Africa Peoples Conference.²

Recent events in Algiers, and especially de Gaulle's strong action against opponents of self-determination for Algeria³ appear to have caused Bourguiba to reassess the desirability of forcing the Bizerte issue at this time. In a speech on February 8 (Tab A)⁴ he concluded that it was "inopportune to start the battle of Bizerte today." Instead, discussions would be continued in the hope of reaching a negotiated settlement. However, Bourguiba specifically reserved the right to use force but only after exhausting all opportunities for an amicable solution.

Bourguiba's decision may cause him considerable loss of prestige in African nationalist circles and such an abrupt reversal of position is not likely to increase his popularity within Tunisia itself. He undoubtedly feels the need of moral support from countries such as the United States and probably hopes that we will ease his burden by exerting pressure on France to conclude a satisfactory accord.

Recommendation

I recommend that you express to Ambassador Slim our admiration that Bourguiba has once again shown great political courage and willingness to be guided by the highest concepts of national interest. You may wish to say that we share his apparent belief that so long as de Gaulle continues to demonstrate that he is moving rapidly toward implementation of the principle of Algerian self-determination, nothing should be done with regard to collateral issues which might divert him from this task. We do not, of course, consider that the collapse of the insurgent movement in Algiers has removed all obstacles to prog-

² These developments were reported to the White House in a January 29 memorandum from McElhiney to Goodpaster, which bears a handwritten notation that the President read it. (Eisenhower Library, Staff Secretary Records, International Series)

³ Presumably reference is to de Gaulle's January 29 address on Algerian policy. For text, see *Major Addresses, Statements, and Press Conferences of General Charles de Gaulle, May 19, 1958-January 31, 1964*, pp. 71-74.

⁴ Not attached to the source text; a copy is in Department of State, Central Files, 772.56531/2-960.

ress towards a real solution. However, de Gaulle's reaction to the challenge of the insurgents is heartening evidence that he is both willing and able to enforce obedience to his Algerian policy. We are, therefore, more encouraged with regard to prospects for an Algerian settlement on terms which should help to ease tensions in the area as a whole.

As far as Bizerte, itself, is concerned, you may wish to say that the United States is naturally not in a position to comment on the merits of the dispute. However, we believe that differences of this nature between our friends can certainly be solved through the process of negotiation. You may also wish to suggest to the Ambassador that perhaps a formal agreement on Bizerte will come more easily as a sequel to resolution of the Algerian question. If this is so, Tunisia may feel that it can continue to deal with Bizerte through diplomatic channels so long as real progress towards self-determination in Algeria remains apparent.

Other Subjects

Discussion

Ambassador Slim may wish to be informed as to the status of current matters in Tunisian-U.S. relations, particularly in the economic field. In particular, he may ask whether we have additional information as to the prospects of U.S. financing of the Oued Nebana project (a large dam to which the Tunisians have long attached great importance).

Recommendation

You may wish to reply that we are awaiting the engineers' report on the sufficiency of water, which is expected shortly by the Development Loan Fund.⁵

⁵ A previous draft of this paragraph reads:

"You may wish to reply that we understand that latest information with regard to water availability for the Oued Nebana is encouraging and that we expect to be talking with the Tunisians on this subject in the very near future." (Attached to the source text)

A memorandum of Herter's conversation with Slim, which focused on Bizerte and proceeded along the lines outlined, is in Department of State, Central Files, 772.56311/2-1160. Its substance was sent to Tunis in telegram 1043, February 11. (*Ibid.*) Conversations with French, U.K., and Tunisian officials about Bizerte continued through mid-March. On March 15, the issue was raised at the Political Advisers' meeting in Paris. Documentation on these conversations and preparations for the Paris meeting is *ibid.*, 772.56351 and 772.56311.

418. Telegram From the Embassy in Tunisia to the Department of State¹

Tunis, February 16, 1960—5 p.m.

1178. 1. I believe time has arrived for us do some major stock taking of our economic policy toward Tunisia.

2. Bourguiba has reached critical juncture in his thinking. His major political objectives of decolonialization (with the exceptions of Bizerte and French owned farmlands) have been attained. He has succeeded in "cutting the apron strings", but in doing so he has also tightened French purse strings re Tunisia; and he is now actively searching for other sources of help meet heavy demands of economic-social problems. Such problems are now top priority. And in this complex [*context?*] Bourguiba feels himself obliged stress the social, if he is to get on with building nation in modern sense. [*1½ lines of source text not declassified*]

3. His first step is put everyone to work, including hard core 100,000–150,000 of total of 350,000 chronically under and unemployed, who know only state of inactivity and accept it as natural. Plan, at an annual cost of about 20 million dollars, is place unemployed on relief projects which, while in our economy would be given low production rating, have proved in Tunisia be not only socially stabilizing factor, but actually cheap and efficient way of getting work done. These projects will contribute to the economy: Roads, water and erosion control, land recovery and improvement, and possibly housing. At the same time massive effort is gaining momentum eliminate illiteracy.

4. GOT meanwhile will not abandon productive enterprises that will become earners in few years and country team will continue push for them actively; but Bourguiba avers they cannot now provide jobs to absorb fully both mass of existing non workers plus annual increment to labor pool of some 20,000. In this judgment country team must in all honesty concur. Presumably at some time in future Bourguiba envisages a Tunisia in which increased agricultural production and limited industrialization will absorb labor surplus.

5. That identifies problem and objectives: Work, education and higher standards of living. How does GOT envisage financing them? In usual routine, GOT officials increase their requests to US to finance projects from extrabudgetary sources. Bourguiba philosophy, however, is revealed in his speech of January 25 to the AAPC (Embtel 1034).² It is, he declared, humanitarian duty "have" states to help "have nots".

¹ Source: Department of State, Central Files, 772.5–MSP/2–1660. Confidential.

² Dated January 25. (*Ibid.*, 770.00/1–2560)

That help must be regarded as permanent; it cannot proceed intermittently nor be offered from some vague charitable intentions. It ends only when no longer "a minority in the world lives in comfort and wealth and a majority is disinherited". Bourguiba tells the wealthy and powerful states that in doing their humanitarian duty they are not to be moved by political opportunism and strategic consideration (which makes it nice for recipients). Thus, when judgment day comes for Africans of the AAPC, they will have to testify in Bourguiba's favor for launching, on theme of piety, demand for massive aid to fledgling nations of continent.

6. In this philosophy we discern strains of both frustration and opportunism of his own. There is frustration because he feels his open espousal of Western cause and his postures and gestures of sympathy have not earned their just rewards. He may be entertaining doubts about validity of moderation as political tenet. He has rejected (partly for his own purposes) eastern Arab leadership without acquiring countervailing support and recognition at least not in sufficient measure. Elsewhere he claims to see churlishness and factiousness rewarded, while his own uprightness is taken for granted. There may be opportunism in tenacity with which Bourguiba has seized upon rhetorical observation by President Eisenhower December 17³ to effect that since US cannot do everywhere everything that we would like to do, perhaps Tunisia could be made model for rest of Africa. "This would be a magnificent idea", interpreter records Bourguiba to have said, to no one's surprise. And Bourguiba will not forget offer of direct channel of correspondence made him. Ladgham referred to it when new dimensions of Tunisian social program were presented to us January 9 (Embtel 950).⁴

7. USOM has now acted upon instructions received in response to our reports on request for work relief assistance (Icato 547, Toica 591).⁵ Whatever points however Tunisians may find practicable to adopt, US will not have been responsive to their appeals to us. Even so I doubt that Bourguiba will turn or cut back his program beyond some light trim. How then will he manage? Turn east?

8. It is not in budgetary subsidies of foreign exchange relief that Soviet ruble can be used; rather Soviet resources are best applied through easy equipment credits, technicians for self-liquidating productive projects and acceptance of otherwise unmarketable commodities against industrial deliveries. Therefore, if GOT, while sticking to expanded work relief program, as Bourguiba has proclaimed (Embtel

³ See Document 415.

⁴ See footnotes 2 and 4, Document 416.

⁵ Neither found.

1126),⁶ starts accepting aid “from wherever it can get it”, we can only see it diverting large sums from its investment budget, to which we now contribute at least 60 percent, with Soviets perhaps filling in lacuna so created. (It is difficult to be precise on this since Tunisians have never let us see development budget.) Soviets take the high roads; we take the low. Or at least every cutback GOT may make in work relief will be attributed to our heart [garble].

9. Am therefore led ask what are our real political objectives in this country, are they valid, and what price do we set upon their attainment? Is it in our interest make Tunisia model of Africa? Would necessary efforts to this end assure permanence of friendly, stable expanding economy in Tunisia? Would such a Tunisia lead to ultimate formation of friendly Maghrebian association? What would impact be on our relations with France? And even assuming answers to all these questions were favorable would we succeed in excluding Soviet influence?

10. To these questions we venture some tentative answers.

A. Practically alone among emerging African countries, Tunisia has strong, stable but popularly based government; dedicated elite, basic infra-structure, including educational facilities capable of expansion which give it potential of being one of most successful of new countries. Added to this is general friendliness towards West and Chief of State with moderate leaning and international standing.

B. We do not propose Tunisia become so closely associated with US that in Afro-Asian eyes it is regarded as another Vietnam, Korea or Thailand. Bourguiba’s moderate policies have already isolated him from Near Eastern Arabs and to certain extent from Maghrebian brothers. Our best bet would be work tactfully and unostentatiously in helping Bourguiba acquire standing and influence especially among states south of Sahara. This will require aid in excess of present level.

C. In practical terms we propose:

(1) Review sympathetically Bourguiba’s request for help in expanding work relief. Even relatively modest contribution, such as \$4 million increase in FY 1960 aid level, would indicate US not unresponsive to very real problems he faces.

(2) Raise special assistance to \$30 million fiscal year 1961 aid level which justified now more than ever (Toica 520).⁷ If this not possible for budgetary reasons, strongly urge figure sufficiently in excess of final fiscal year 1960 amount to represent practical demonstration United States interest Tunisia.

(3) Give sympathetic, expeditious treatment DLF applications with particular attention to possibility financing local currency well as foreign exchange components.

⁶ Telegram 1126, February 5, summarized Bourguiba’s February 5 speech to Tunisian Government leaders and national organizations. (Department of State, Central Files, 872.06/2-560)

⁷ Not found.

(4) Encourage Western European interest, investment and assistance to Tunisia and receptiveness to Tunisian overtures towards trade affiliation with West such as Tunisian approach to EEC (Embassy airgram 260).⁷ Care must however be taken that such overtures do not evoke body [bogy?] of neo-colonialism.

11. Even if all these steps are followed we would still anticipate Tunisian acceptance of some Soviet bloc aid if proffered but above program will, we believe, reduce opportunities for massive bloc aid. It is probable that in Bourguiba's position he needs some tangible showing that he is not lackey of the West. Token bloc aid will serve this purpose and we are not convinced that this would be against the United States national interest if Tunisia is to have influence with newly independent African states.

12. Would repeat therefore that we are shortly to face major decisions—not simply because of issues coming to head in this minuscule part of new galaxy of countries, but because of broad implications Tunisian questions will have. I should hope that not only researchers and planners, but also those burdened by responsibilities of decision, are directing their thinking toward these emerging issues before we are hurried into improvisations.

McKillop

⁷ Not found.

419. Memorandum From the Acting Secretary of State to the President¹

Washington, March 4, 1960.

SUBJECT

Determinations under Sections 105(a), 141, and 451(a) of the Mutual Security Act of 1954, as amended,² permitting the furnishing of military assistance to Tunisia

¹ Source: Eisenhower Library, White House Central Files. Secret. Another copy of the memorandum shows that it was drafted by Jean R. Tartter, Office of the Deputy Mutual Security Coordinator. (Department of State, Central Files, 772.5-MSP/3-460)

² For text, see 68 Stat. 832. Regarding amendments of Sections 141 and 451(a), see 70 Stat. 556, 72 Stat. 268, and 72 Stat. 270. Section 105(a) had not been amended at the time the memorandum was written.

The purpose of this memorandum is to recommend that you make the requisite determinations under Sections 105(a), 141, and 451(a) of the Mutual Security Act of 1954, as amended (hereinafter referred to as "the Act"), permitting the furnishing of military assistance to Tunisia as set forth in the attached paper.³

The proposed military assistance to Tunisia is intended to demonstrate United States support for Tunisia as it pursues moderate, Western-oriented policies and to assist Tunisia in meeting its internal security problem. The proposed one-year program of military assistance of \$3,500,000 is the first portion of a three-year matériel program and a four-year training program recommended by a United States survey team. A detailed discussion of the background and justification for this program and of the means proposed for presenting it to Tunisia are set out in the attached Annex.³

It is considered that the furnishing of the proposed assistance and the use of funds available therefor under the Act are in furtherance of the purposes of the Act and are important to the security of the United States.

It is, accordingly, recommended that you sign the attached memorandum which contains the determinations required by the Act in order to carry out the proposed military assistance program.

The Secretary of Defense and the Director of the Bureau of the Budget concur in this recommendation.⁴

Douglas Dillon

³ Not printed.

⁴ Eisenhower signed the memorandum, Presidential Determination No. 60-11, on March 15. A copy is in Eisenhower Library, White House Central Files.

420. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, April 5, 1960—3:53 p.m.

1281. Joint State-Defense Message. Deptel 1277.² This message outlines terms on which U.S. prepared furnish agreed items of equipment and training within framework Team's recommendations. Embassy's and CINCEUR's comments invited:

A. Department recognizes advantages making clear to Tunisians that we strongly favor adoption three-year phased program which Team recommended. At same time we cannot offer terms with regard payment or prices beyond current year. However, Embassy may in its discretion provide assurances to Tunisians as outlined below with respect financing program as a whole. In its discussions Embassy should avoid any form of commitment beyond that explicitly set forth herein.

1. U.S. is willing provide entire multiyear program on a cash dollar sales basis, under usual conditions U.S. law. This would mean that Tunisia can acquire from U.S. such matériel as it needs at favorable prices, as established by U.S. military services on basis age and condition, with price advantages accruing from inclusion in large-scale procurements and without any prorated surcharge for design, development, etc. These prices would, however, be set on same basis as for other countries eligible to make such purchases.

2. Since funds are appropriated on one-year basis and because of other considerations (of which Embassy is aware), not possible commit ourselves provide any portion program beyond the first year except on straight cash dollar sales basis per "1" above. However, with respect to first year portion, we willing provide first year training at no cost to Tunisia and first year increment matériel on local currency credit basis and at a price reduced sharply even from favorable cash price at which Embassy would be authorized offer remainder of multiyear program under paragraph "1" above.

3. Embassy could in addition, if circumstances warrant, affirm U.S. interest in assisting Tunisia carry out Team's recommendations and could state its expectation that, when question is reviewed each year, U.S. would be disposed make it possible for Tunisia obtain on more favorable terms than straight cash purchase for dollars equipment needed implement Team's recommendations.

¹ Source: Department of State, Central Files, 772.5-MSP/4-560. Secret. Drafted by Chase on March 31; cleared by Porter, Wilson, and the Department of Defense; and approved and signed for Herter by Satterthwaite. Also sent to CINCEUR. The source text incorporated many of the measures recommended in the Annex to Dillon's memorandum to Eisenhower; see footnote 4, *supra*.

² Telegram 1277, April 4, authorized the Embassy to give the Tunisian Government French translations of sections of the survey team report. (Department of State, Central Files, 772.5/4-460) The report has not been found.

B. A total of \$3.5 million is available from FY 60 funds pending agreement as to items and quantities which will be supplied to Tunisia under FY 1960 portion of program, representing estimated cost of equipment, handling charges and training recommended by Team as first increment of three-year program. To permit obligation procedures be completed here it imperative that GOT agreement to definitive FY 60 program be received prior June 1. Embassy would therefore seek early agreement on first year increment to be furnished. Modifications should be avoided or reduced to an absolute minimum. If after reviewing report GOT indicates desire purchase first year portion of three-year program as listed in report or with only minor changes, Embassy should request from Washington cost and availability data which will be furnished as rapidly as possible but without breakdown of cost of individual items. Embassy would then be able negotiate necessary sales agreement at an over-all price of not less than approximately 50 per cent of over-all cost figure in return for local currency payable over five years with interest (not to exceed 4 per cent) or with waiver of interest. In this negotiation Embassy would seek to obtain maximum repayment terms consistent with our over-all objectives in Tunisia. The Tunisian Government should understand that the conditions set forth in the exchange of notes of November, 1957³ will apply to this transaction.

Embassy will note that it will be able to agree after negotiation on terms which represent a substantial price concession to Tunisia. President Bourguiba's proposal with regard to waiving of payment sums due for previous transactions has been carefully studied. These sales were made under provisions requiring deposits of proceeds to miscellaneous receipts of U.S. Treasury from which they could not be withdrawn without charge to appropriations. Even if it were desirable to seek retroactively a Presidential determination permitting renegotiation of sales contracts or to waive debts owing to USG there is considerable doubt as to legality such measures. However, it would seem possible to depict concessions we are prepared to make on present transaction as being responsive to President Bourguiba's request. Defense records show total sales of \$3,390,274; billings in Oct. 1958 of 62,580 and in Feb. 1960 of 522,819.02; no payments.

Herter

³ Texts of the notes are in despatch 241 from Tunis, November 7, 1957. (*Ibid.*, 772.56/11-757)

421. Telegram From the Department of State to the Embassy in Tunisia¹

Washington, April 11, 1960—9:25 p.m.

1314. Embtel 1416.² In call on Dillon April 8 Slim requested general increase U.S. economic assistance stating that olive and wheat crop failures this year would cause serious problems.³ Dillon said we would study and explained Brand (DLF) planned arrive Tunis shortly to consult with GOT and USOM in effort develop projects acceptable DLF which principal area in which U.S. assistance might be increased. Dillon also outlined present U.S. thinking re development ground-water along lines Deptel 1238,⁴ but Slim replied that GOT, concerned over danger salinity from overpumping, was not interested in U.S. proposal and had decided continue its efforts find funds finance Oued Nebana dam.

Would seem preferable discourage visit Mestiri and Rasaa pending thorough GOT discussion with Brand of specific projects (e.g. airport) which might permit DLF make immediate contribution to situation described reftel. Brand will of course be prepared explain in further detail U.S. proposal on Oued Nebana and we would hope that GOT would be willing take opportunity his presence for thorough discussion all aspects this project.

While many demands on SA contingency fund exist, might be possible allocate some additional FY60 funds if country team considers that crop failures justify additional FY60 funds and can without mentioning to GOT recommend suitable activities for financing from this source.

Herter

¹ Source: Department of State, Central Files, 772.5-MSP/4-660. Confidential. Drafted by Dillon and Chase, cleared by McElhiney, and approved and signed for Herter by Dillon.

² Telegram 1416, April 6, reported that Ladgham had asked if the United States would send a group to Tunis to discuss Tunisia's overall economic program, and also discussed perceptions that the United States had been unresponsive to Tunisian requests. (*Ibid.*)

³ A memorandum of this conversation is *ibid.*, 772.5-MSP/4-860.

⁴ Telegram 1238, March 26, discussed an alternative to the Oued Nebana Dam. (*Ibid.*, 872.2614/3-2660)

422. Editorial Note

On April 12, President Bourguiba gave Ambassador Walmsley an oral message for President Eisenhower. The two sides in the Algerian conflict were hardening, he felt, and he hoped Eisenhower would discuss this development during upcoming talks with President de Gaulle. (Telegram 1454 from Tunis; Department of State, Central Files, 751S.00/4–1260) Secretary Herter sent Eisenhower a summary of Bourguiba's message and a suggested reply on April 15. (Memorandum for the President; Eisenhower Library, Staff Secretary Records, International Series)

Telegram 1351 to Tunis, April 20, instructed Walmsley to inform Foreign Minister Mokaddem that Bourguiba's comments had been conveyed to the President who appreciated receiving his assessment. Although the talks with de Gaulle would focus on plans for an East-West summit, they would probably also include a general review of the international situation, including Algeria. Eisenhower would keep Bourguiba's views in mind during any discussion of Algeria. (Department of State, Central Files, 751S.00/4–1260)

On May 9, the Department of State transmitted to Tunis a message from Eisenhower to Bourguiba. The President was "gratified" by his conversation with de Gaulle, who had confirmed in response to Eisenhower's direct query that France stood by its offer of self-determination to Algeria. The Department instructed Walmsley to deliver this message orally to Bourguiba and, if the opportunity arose, "to draw him out on Algerian problems," particularly the frontier situation. (Telegram 1423 to Tunis; Eisenhower Library, Staff Secretary Records, International Series) Regarding de Gaulle's visit and his conversations with Eisenhower, see Document 309.

Walmsley reported on May 11 that he had delivered the message and that Bourguiba had been "quick to acknowledge his gratitude to the President for the knowledge of his discussion of Algeria with de Gaulle and for the confirmation of the security 'assurances' he said the President had given him last December." In response to Walmsley's inquiry, Bourguiba stated he was not really worried about a French invasion or a threat to Tunisian sovereignty, although he was concerned about the manner in which French troops were evacuating the installations around Bizerte. (Telegram 1638 from Tunis; Department of State, Central Files, 751S.00/5–1160)

423. **Telegram From the Department of State to the Embassy in Tunisia¹**

Washington, April 19, 1960—6:29 p.m.

1347. Paris for USRO, Thurston and Embassy. Polto 2057 rptd info Tunis Polto 16.² French are apparently seeking implied NATO endorsement for their retention of Bizerte by pushing (1) claim for reimbursement for past construction at Bizerte and (2) retention of some infrastructure funds for possible future construction there. We prefer that matter not be brought to head in order to avoid friction between France on one hand and NATO military authorities, US, other NATO allies and Tunisia on other. Under circumstances appears preferable not to precipitate action on French request for reimbursement but to string out process as is now being done. On other hand foregoing Bizerte infrastructure matters may be linked by French to Eleventh Slice decisions, about which there may be some urgency. In any event it is probable that for one reason or another foregoing aspects of Bizerte infrastructure will eventually come up for discussion in NAC. We are considering position along following lines:

1. Agree to pay French a portion of their reimbursement claim, perhaps one half, on ex gratia basis.

2. State that projects were firm military requirements when construction started but that circumstances since have changed and there is no justification for retaining funds for further construction. (If necessary so state, changed circumstances are withdrawal of French Mediterranean Fleet and Tunisian independence.)

3. Agree that infrastructure funds still programmed for future construction at Bizerte be released for reprogramming.

4. State, if necessary that Bizerte naturally of interest to West but that NATO has no military requirements there.

Request early comments.

In any event it is not contemplated take any decisive action on this matter until after de Gaulle visit to US.³

Herter

¹ Source: Department of State, Central Files, 772.5-MSP/4-960. Secret. Drafted by John Y. Millar, Office of European Regional Affairs; cleared by Root, McBride, L. Dean Brown, OSD/ISA, and Fessenden; and approved and signed for Herter by White. Also sent to Paris.

² Polto 2057, April 9, reported on the French position regarding the infrastructure at Bizerte. (*Ibid.*)

³ Discussions about retaining Bizerte in the NATO infrastructure continued through the end of 1960; documentation is in Department of State, Central File 772.56351.

424. Telegram From the Embassy in Tunisia to the Department of State¹

Tunis, August 30, 1960—5 p.m.

274. For Satterthwaite and Riddleberger. Re Embtel 151.² I can imagine that special pleading at this season, coinciding with appropriation cut-backs in the face of burgeoning demands and requirements, does not receive a hearty welcome in Washington; and I readily understand the attitude. I can appreciate also that the zing and drive that the Tunisians are maintaining right through the summer months, a sustained effort as phenomenal as the abolition of polygamy, may be regarded as applied to programs somewhat weighted, for the tastes of some of us, on the social side. However, the work relief programs which continue to go full blast in these 95–120 degree summer temperatures have gone a long way toward eliminating unemployment in Tunisia, as well as constituting an important step toward the elimination of illiteracy and the provision of on the job training.

The tripod on which an expanding Tunisian economy can be solidly built are (A) plentiful water, (B) plentiful energy, and (C) professional cadres. Private investment in industrial production until water, energy and human talent are in generous supply, cannot compete with pick and shovel projects to create new jobs sufficient to end unemployment, and to lead to self-sustained growth of the economy.

Seen in this light the goals the Tunisians have set themselves are realistic: first an upgrading of the population through work and simultaneously the creation of some of the minimum, and I mean minimum, amenities—decent if primitive dwellings, rudimentary sanitary facilities, schools, water for fields, cattle and homes—without which ambition and the desire for progress can hardly be expected to take root. It is this kind of upgrading, physical and moral, on which the creation of any sort of expanding private enterprise economy ultimately depends.

The financial resources for the task in hand are pitifully small and on the whole carefully husbanded. The fact is that Tunisia's own fiscal resources, now being brought fully into play, are strained to the limit and US grant aid quite clearly spells the difference between a measure of success for their program and the possibility that they might falter for lack of funds—and the moral support which financial aid implies—at the critical time.

Therefore, any reduction, in fact any cutback from an expanded level of some \$25 million in special assistance in FY 61, is going to discourage the ultimate creation of a receptive atmosphere for private

¹ Source: Department of State, Central Files, 772.5-MSP/8-3060. Confidential.

² Not found.

investment and enterprise. Moreover, such cutback would coincide with the timing of the entry upon his mission of the first Soviet Ambassador to Tunisia who presents letter September 7.

I do not in this instance think that we should get into an auction with the Soviets; what I ask is, should we not throw more good money after good money in a country where we have nursed and built a valuable stake, and not let some adroitly timed and publicized help from Soviet come-latelies obscure our good record.

It would be fatuous to attribute to our aid programs direct credit for the splendid Tunisian record on such issues as Lebanon, Congo, et cetera; on the other hand it does not strengthen Bourguiba's policy of moderation and "objectivity" if his detractors can deprecate the value of American support and aid.

I acknowledge that the answer to a request for more aid is that Tunisia should be considered lucky having what it has. But if there is a new or underdeveloped country in Africa, or for that matter, almost anywhere, that has a better record of sound initiatives, economic and social, and firm, steady and honest work, I am unfamiliar with it. What Tunisia can say to these newly emerging and often tragically unsophisticated countries, of Africa especially, about the value of moderation and the importance of American cooperation can in large part determine, without the exercise of much imagination, the destiny of this continent.

Walmsley

**425. Memorandum of a Conversation, White House,
Washington, October 3, 1960, 11:30 a.m.¹**

SUBJECT

United States-Tunisian Relations

PARTICIPANTS

United States:
The President

Tunisia:
Mongi Slim, Ambassador to the United
States

¹ Source: Eisenhower Library, Staff Secretary Records, International Series. Confidential; Limit Distribution. Drafted by Satterthwaite. Another copy of the memorandum notes that the White House approved it on October 6. (Department of State, Central Files, 611.72/10-560)

J.C. Satterthwaite, Assistant Secretary
of State for African Affairs

Habib Bourguiba, Jr., Ambassador to
France

Ambassador Slim opened the conversation by recalling that the President during his visit to Tunis suggested that President Bourguiba might write him directly any time he had any problem he would like to take up with him. President Bourguiba now had such a problem and was sending him a letter by his son, Ambassador Bourguiba. The latter thereupon handed the President a long note in French, with English translation attached.²

After studying the note carefully, the President replied that this was the first notice he had had that our present assistance to Tunisia was insufficient. He could assure his father, however, that his letter would be studied carefully and urgently by the State Department, particularly by Under Secretary Dillon, in order to see what we can do, and that he would receive a prompt reply.

The President went on to say that he had difficulty in making Congress see the importance of assisting countries who think as we do since Congress is inclined to look at foreign assistance as charity of some kind. He wanted his visitors to know nevertheless that we do indeed wish to help Tunisia.

The President asked Ambassador Bourguiba to convey his greetings to President Bourguiba, to thank him for letting him know his problem and to assure him we would do what we could. He also wanted President Bourguiba to know that the horse which he had given him was at Gettysburg, that it was in fine shape and that his grandchildren loved it.

On taking his leave, Ambassador Slim remarked that this was the first opportunity he had had to congratulate the President on his speech to the United Nations.³ It contained a great many excellent proposals, he added, especially those relating to assistance to the newly independent African countries. The President thanked him and said that it was important that these new countries should remain free. Some of the African leaders seem to think it is safe to receive Soviet assistance without understanding the dangers. Ambassador Slim replied that he thought there were only a few of these leaders, as most of them had had their eyes opened by the situation in the Congo. Both he and Ambassador Bourguiba had been there and had seen it themselves. The President asked how many troops Tunisia had sent to the Congo. Ambassador Bourguiba replied that there were 3,000 Tunisian troops who had been serving in Kasai, the most difficult area of all.

² A copy of the English translation is in Eisenhower Library, Whitman File, International File. It bears Eisenhower's notation: "Unofficial Translation. Original to State for study & to advise me. DE." No copy of the French text has been found.

³ Eisenhower's September 22 address before the U.N. General Assembly is printed in *American Foreign Policy: Current Documents, 1960*, p. 60.

Ambassador Slim commented that these 3,000 Tunisian troops had been sent in spite of the fact that they were badly needed on the Algerian frontier.

The President asked if the situation had not improved along the border and the reply was that it had not. Ambassador Bourguiba remarked that it was a shame, since France had such great values to offer with its presence in Algeria, that it was determined on following its present course. In this connection the President remarked that he had told a former French Government that he thought it would be much better off if it reached an economic agreement with Algeria and let it have its political independence.

Reverting to the question of African leaders the President asked his visitors if they were acquainted with President Olympio. He had made a most excellent impression on him as a leader who is not consumed by his own ambitions and who is determined to lead his country along the right path. Ambassador Slim and Ambassador Bourguiba replied that they did indeed know President Olympio and held him in highest regard.

Note: After leaving the President, Ambassador Slim was asked if he would have anything to say to the press. He replied "not a word" since they had come simply to deliver a message from President Bourguiba to President Eisenhower.

426. Letter From President Eisenhower to President Bourguiba¹

Washington, October 15, 1960.

DEAR MR. PRESIDENT: Thank you for bringing to my attention, in the letter brought to me by Ambassador Bourguiba on October third,² your feeling that the assistance we have been furnishing your country is insufficient to enable you and your courageous people to achieve the economic goals which you have set for yourselves. I had assumed that the \$20 million in Special Assistance, plus the substantial Development Loan Fund loans and very large wheat shipments which we have provided over the last twelve months, combined with the spirit and

¹ Source: Eisenhower Library, Whitman File, International File. Confidential; Priority. Transmitted to Tunis in telegram 431, October 17, which is the source text. Following President Eisenhower's typed signature, telegram 431 concludes: "Signed original follows by pouch. White House does not desire release above message."

² See *supra*.

industry of your people and the large supplemental expenditures by your own government, were sufficient to ensure a major degree of progress toward those goals. If this is not so, I agree that we both must take another look at the problem and see what can be done to enable Tunisia to succeed.

I asked Under Secretary Dillon to give close personal attention to your problem as soon as I received your message, and he advises me that the first step both of our governments might find useful would be a review at a relatively high level of the nature and dimensions of the problems you face and the most effective means by which they may be met. If you agree, our people will be available to meet with yours in Tunis whenever you desire.

I realize planning takes time even with the very best intentions on both sides. In order that the planning required will not be unduly hurried, and in order to insure that the current progress of your country is not slowed down, I am instructing Ambassador Walmsley to make available immediately to your government \$10 million in cash out of the \$20 million we had planned to provide in Fiscal Year 1961. If, after the planners have arrived at relatively firm conclusions, it seems that more economic assistance will be required, I will do my best to meet the situation insofar as it is possible to do so.

We shall, of course, continue to make available sufficient wheat and other surplus commodities to enable you to continue your present work relief and child feeding programs. I also understand our Development Loan Fund has under active consideration a loan request for your agricultural development bank which I hope can be agreed upon soon.

Before closing, Mr. President, permit me to take this opportunity to thank you and your country's excellent Ambassador, Mongi Slim, for the leadership you have displayed both in the work of the United Nations and in other councils outside of that organization. I know it is the hope of both of us that some way be found towards a lasting peace, and I also know both of us believe the United Nations, as presently operated, is the best forum so far devised in which our objective might be obtained. By continuing to offer your country's wise counsel, especially in helping younger African nations to understand the differences between the Free World and the Communist bloc both as to their goals and as to the means used to attain them, you will have performed a great service for all humanity.

I am quite certain the experts of our two countries will be able to arrive at mutually satisfactory conclusions regarding the economic problems of Tunisia and how they can be best solved. If for any reason

it appears to you that sufficient progress is not being made in the next few weeks, do not hesitate to write me again.³

With warm regard,
Sincerely,

Dwight D. Eisenhower⁴

³ Telegram 499 from Tunis, October 20, reported that Walmsley and USOM Director Lavergne delivered the letter to Bourguiba at 11 that morning. Bourguiba had reacted favorably to the idea of a joint study. (Department of State, Central Files, 611.72/10-2060)

⁴ Telegram 431 bears this typed signature.

427. Telegram From the Embassy in Tunisia to the Department of State¹

Tunis, November 24, 1960—6 p.m.

648. Fact that has come out most clearly in meetings between Deputy Assistant Secretary African Economic Affairs Tasca and Tunisian officials² is that massive effort to utilize labor resources is conceived and executed as economic development program. Projects in this program are designed to build and bequeath economic assets to the Tunisian economy and to improve and increase production and distribution.

Tunisian emphasis in the selection of projects has been on (1) identifying and harnessing sources of water, (2) land drainage, (3) irrigation, (4) flood control, (5) erosion control, (6) maintenance and expansion of transportation system, and (7) reforestation and orchard planting. As projects completed, and workers become trained, they are placed on improved lands to produce under the guidance and with the encouragement of people on the foreman and county agent level.

¹ Source: Department of State, Central Files, 110.15-TA/11-2460. Confidential.

² The Department of State proposed in late October appointing Tasca head of a group of experts to arrive in Tunis at the end of November to study Tunisia's economic problems. (Telegram 477 to Tunis; *ibid.*, 110/15-TA/10-2860) Eisenhower had suggested such a study in his letter to Bourguiba, *supra*. Walmsley, however, had recommended postponing the review. (Telegram 556 from Tunis, November 1; Department of State, Central Files, 772.5-MSP/11-160) On November 4, the Department informed him it had decided to put off the review and that Tasca would instead visit Tunis informally around November 21-24 for general orientation. (Telegram 510 to Tunis; *ibid.*)

In addition the men on these jobs learn to read and write and are taught a basic skill. It is intensified labor utilization to supplement scarcity of investment capital. Vocational training programs at various technical levels up to agronomical engineer accompany the on-the-job training and teaching of workers.

It happens that in the first uncertain days when the French military and bureaucracy were withdrawing, experimental projects that could be identified as "work relief" were launched as emergency measures to help bridge severe crisis and hardship and were tailored to conform to emergency relief provisions of our own legislation. Those programs provided occasional work on a rotational basis to a limited number of discharged personnel. Last winter, however, and following the discussion of the subject between President Eisenhower and President Bourguiba in December 1959,³ Department-ICA sought and obtained authority from Congress to permit such PL 480 contributions to economic development beyond the end of the emergency;⁴ thus Congress made it possible for that valuable help to be a regular complement to Tunisia's own battle against underdevelopment.

Today a peak of some 160,000 men are employed on such projects, but the figure varies seasonally with the rhythm of farm labor requirements, for example in plowing and harvesting periods.

Administratively the program is coordinated in the direction of the plan as economic development. As there is no specific independent budget (comparable to the Tunisian Title II or equipment budget) for this intensive labor utilization for development, we had been assuming that GOT had been drawing on pension funds and the like. However, Minister of Finance Kefacha now informs us development program has also received "reimbursable" treasury advances made possible by past budget surpluses.

It should now therefore be clear that Tunisia is making on its own initiative a massive effort with such resources as it has, manpower, land and water, to develop its economy. If some of the projects are slow in showing a return, in many such uses [*cases?*] it is in the nature of infrastructure projects to thwart efforts to measure monetary return.

I feel that some of our telegrams since Embtel 950 of January 9 (e.g., 914, 966, 977, 1178, 1416, 274)⁵ while correctly portraying the nature, scope and purpose of Tunisian self-help economic develop-

³ See Document 415.

⁴ Presumably reference is to Section 601 of P.L. 86-472, adopted May 14; for text, see 74 Stat. 140.

⁵ Telegram 914 is printed as Document 416. Regarding telegram 950, see footnote 2 thereto. Telegram 966, January 14, reported that the Tunisian Chief of Staff was impatient at the long delay in receiving the results of the military survey. (Department of State, Central Files, 771.56/1-1460) Telegram 977, January 18, reported Mokaddem had asked about the status of Tunisia's request for U.S. assistance for the work relief program. (*Ibid.*, 611.72/1-1860). Telegram 1178 is printed as Document 418. Regarding

ment, may have fallen short in conveying their message, through the continuation of the use of a title that had more appropriately come into use at the time of the withdrawal and famine emergency 3 or 4 years ago but as the two Presidents agreed in December 1959 no longer applied. While the program before that date had been rapidly evolving toward economic development, it was completely recast a year ago. The criterion now applied by GOT to projects in the program is their contribution to economic development.

A year ago: yes, that was when GOT definitely discarded the available alternative of national compulsory service to overcome underdevelopment. Yesterday, Ladgham as top GOT official in the economic sector (Minister of Coordination), categorically stated to Tasca and me the "ChiCom medal [*model?*]" (i.e., national service) had been rejected in favor of the democratic free system to valorize labor resource in investment program. If that system fails, the temptation here, and the compulsion in many of the new African states will be to adopt the ChiCom example of Guinea. And there goes a continent.

Given the alternative left, if our deprecation of the Tunisian system contributes to its collapse, I ask Washington to ponder further the consequences of the attitude we assume.

Walmsley

telegram 1416, see footnote 2, Document 421. Telegram 274 is printed as Document 424.

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