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, 1958

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, both of whom had expressed the view that an Arab development program along the

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1 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 intergovernmental 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. Hammarskjold’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 Norway 3 about the possibilities of soundings among the Arab States on the Palestine problem. Hammarskjold 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. Hammarskjold 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

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4 On January 6, Hammarskjold 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 State


Barco will prepare a memorandum of my luncheon talk with Hammarskjold. 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-

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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 then 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

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3. **Telegram From the Department of State to the Mission at the United Nations**¹


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

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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, 1958

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. 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–480 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,

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1 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)

2 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, 1958

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

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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. 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

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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 considera-
tions? 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 rele-
vance 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 immi-
gants had come to Israel last year. Perhaps only 30,000 would come
during the current year. There was no tangible prospect of immigra-
tion from the USSR.

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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)\(^1\)


The Secretary, pursuant to the recommendation in this paper, called Mr. Waugh this morning\(^2\) 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 Eban\(^3\) 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

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\(^1\) 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


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

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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.**

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


**Dear Bob:** I was very glad to get your good letter of January 29 [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.*

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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 nucleous 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 thousands\(^3\) 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. Herter

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 State

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), 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 ex-
press 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 ap-
proaching 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). 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). 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). 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), 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

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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. 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.

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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

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

SUBJECT

Arab Unions (Part 2 of 3)

PARTICIPANTS

Mr. Abba Eban, Ambassador of Israel
Mr. Yaakov 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.

1Source: 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 Agreement\(^2\) 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

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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 Bagh-
dad 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 neigh-
bor 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 inter-
est 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 rela-
ting 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 discus-
sions as to ways and means of dealing with the Soviet menace. Israel
had no suggestions to put forward at this time. If some were devel-
oped, 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 catho-
licity 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 rela-
tionship 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, Kash-
mir, Cyprus, etc. The U.S. would be expected to take different atti-
dudes 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.

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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
11. Memorandum of a Conversation, Department of State, Washington, February 27, 1958

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

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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 President

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-

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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 tele-
grams 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 indi-
rectly to a solution of the refugee problem through improved eco-
nomic 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, 1958

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.
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. 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., 864A.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 President


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') 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.

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, 1958

SUBJECT

Israel Warships in the Gulf of Aqaba

PARTICIPANTS

Mr. Ya'akov 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,
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.  

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.  

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-

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

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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.

17. Telegram From the Embassy in Israel to the Department of State\textsuperscript{1}

Tel Aviv, April 8, 1958—2 p.m.

882. Reference: Deptel 698.\textsuperscript{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)\textsuperscript{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.

\textsuperscript{1} Source: Department of State, Central Files, 980.74/4-858. Secret.
\textsuperscript{2} See footnote 2, supra.
\textsuperscript{3} Telegram 702, April 4, reported briefly on Rountree’s conversation with Herzog. (Department of State, Central Files, 980.74/4-458)
Last year (EmbteIs 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

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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.  

Lawson

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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, 1958

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

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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.

E.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. 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.

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2 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 Record

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. 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. 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 Hammarskjöld right away and suggested the Acting Secretary might wish to talk to Hammarskjöld 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 1181 on this same subject. It was agreed that Ambassador Lodge would get in touch immediately with Mr. Hammarskjöld with regard to his talk with Ambassador Eban and would telephone Mr. Herter as to Hammarskjöld’s reactions.

Tuesday, April 22, 1958—10:45 a.m.

Ambassador Lodge telephoned to say he had just finished talking with Hammarskjöld who feels quite strongly that the U.S. should not make the proposed press release. Ambassador Lodge quoted Hammarskjöld 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 Hammarskjöld expects its report today. As soon as the report is received, Ambassador Lodge will get it to the Department.

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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 note ² 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 worrying 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. 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.

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

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*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. 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.

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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)

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


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. 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-

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

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) 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.

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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 Israel

Washington, June 16, 1958—7:24 p.m.

945. Following is for background use US officials only and should be given strictest Nonform 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

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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_

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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 State


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 26, he has submitted the attached memorandum, 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 of 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, 1958\(^4\) 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.

\(^5\) Not further identified.
26. Memorandum of a Conversation, Department of State, Washington, June 30, 1958

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, 1958 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.

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. 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. 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 infiltrtees in the country to risk overthrowing the government.

Mr. Eban spoke of the Secretary's forthcoming trip to Paris 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.

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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.
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 morning 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. 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

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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

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\(^1\) 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). 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. 

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3 Not attached to the source text.
4 Herter initialed his approval of both recommendations on July 17.

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

*Tel Aviv, July 20, 1958—8 p.m.*

80. In conversation with Ambassador Eban 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.

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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 pouchd Thursday.  

Lawson

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29. Memorandum of a Conversation, Department of State, Washington, July 21, 1958

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

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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 letter 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. 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 unwisdom of precipitate withdrawal. The Japanese resolution 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, 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.

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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. Israeli 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

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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 Israeli 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.  

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; a message setting out their objections would be available shortly.

Secretary Dulles then said that he would be seeing Eban in London, 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 Declaration 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.]

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

**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. 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...

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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 wel-
comed 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 de-
scribed 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 arrange-
ment. 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 Adenauer 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

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

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32. Letter From Secretary of State Dulles to Prime Minister Ben Gurion 1

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

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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 Dulles

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Telegram 108 bears this typed signature.

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

**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

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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

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

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

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² No instructions along these lines have been found.

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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, 1958

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 Congress\(^4\) 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

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 Gurion 6

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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


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.

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\(^1\) Source: Department of State, Central Files, 784A.56/8–2258. Secret. Drafted by Hamilton on August 15; initiated 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 Israeli 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 equipment\(^6\) 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.\(^6\)

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\(^6\) Dulles initialed 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.

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38. **Memorandum of a Conversation, Department of State, Washington, September 10, 1958\(^1\)**

**SUBJECT**

The Mid East Situation and Israel's Arms Request

**PARTICIPANTS**

Mr. Abba Eban, Ambassador, Embassy of Israel
Mr. Yaakov 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 pleasanties 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

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\(^1\) 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. 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.

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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 MACA 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 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 longer periods of time.  

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 trip 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 Hammarskjold 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.

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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, Noon 1

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, 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.

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

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) 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), 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.

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1 Source: Department of State, Central Files, 784A.56/10–258. Secret. Drafted by Hamilton; cleared with W/MSC 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 financing of tanks.

That we decline.

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

That we decline.  

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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.  

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.

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.

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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. 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.

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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, 1958

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 State


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) 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

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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 Meir


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

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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 Round to say that he was "dubious about sending the message to Ben Gurion." Round 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 Round 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 atmospherics, 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 Secre-
tary for his thoughtfulness in informing her of US views given Egy-
potians 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 sup-
port 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 con-
irmed 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 erro-
neous impressions in US based on newspaper stories originating in
Cairo.

In commenting on rumors, Mrs Meir repeated Ben-Gurion’s char-
acterization of them as “baseless lies and complete fabrications.” (So-
viet 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 inter-
view suggestions for demilitarization of west bank were clearly predi-
cated only a change in Jordanian status quo and change not brought
about by Israel. There was no logical link between Ben-Gurion’s state-
ment 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 aggres-
sion. 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.  

Baxter

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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)

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


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.)

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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 State

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, 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 dwarving 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). The resulting cost estimates are set forth in general terms as follows:

<table>
<thead>
<tr>
<th></th>
<th>Total Cost (millions of dollars)</th>
<th>US Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. UNRWA requirements until June 30, 1960 (Annex II—Tab B)</td>
<td>78</td>
<td>55</td>
</tr>
<tr>
<td>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)</td>
<td>185</td>
<td>123.2</td>
</tr>
</tbody>
</table>

4 Only Annex I (Tab A) is printed here.
2. Compensation in lieu of repatriation (Annex IV—Tab D)  
   417  
3. Integration either through Jordan and Sinai development projects (Annex V—Tab E)  
   251.2  
   or through settlement otherwise within the absorptive capacities of Arab states (Annex VI—Tab F)  
   404.1  
4. Decreasing relief over 10-year span (Annex VII—Tab G)  
   110.6  
   Total Cost  
   1,367.9  

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
area development programs
and for continued relief of
[unknown amount of source
text missing]

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 ASSUMPTIONS

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:

<table>
<thead>
<tr>
<th>No. of Refugees—1000</th>
<th>Registered</th>
<th>Ration Recipient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Palestinian refugees reported by UNRWA, June 30, 1957</td>
<td>933.5</td>
<td>836.8</td>
</tr>
<tr>
<td>Jordan</td>
<td>(517.4)</td>
<td>(433.5)</td>
</tr>
<tr>
<td>Gaza</td>
<td>(221.0)</td>
<td>(214.5)</td>
</tr>
<tr>
<td>Lebanon</td>
<td>(102.6)</td>
<td>(101.4)</td>
</tr>
<tr>
<td>Syria</td>
<td>(92.5)</td>
<td>(87.4)</td>
</tr>
<tr>
<td>Estimated, as of June 30 1960</td>
<td>1,020.0</td>
<td>914.4</td>
</tr>
<tr>
<td>Estimated, as of June 30 1965</td>
<td>1,182.4</td>
<td>1060.1</td>
</tr>
<tr>
<td>Estimated, as of June 30 1970</td>
<td>1,370.7</td>
<td>1229.0</td>
</tr>
</tbody>
</table>

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.

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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, 1958

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.\(^1\)

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 bad 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 Kingdom

Washington, November 28, 1958—7:54 p.m.

5223. Re: UNRWA (Delga 544). 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 report 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-

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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 10 5 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

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 reassure 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, 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 462 from USUN, November 20. (Ibid., Central Files, 320.511/11-2058)

53. Memorandum of a Conversation, Department of State, Washington, December 4, 1958

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
UNF—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. 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.

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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, 1958

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.  

F.O.W.

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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.

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


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. 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:

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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 State

Tel Aviv, December 13, 1958—6 p.m.

489. Embtel 483. Foreign Minister asked me to call on her residence afternoon December 12, shortly after Department’s message (Deptel 444) 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 11\(^4\) 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 report\(^6\) "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,
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.\(^7\)

\[\text{Baxter}\]

\[^7\text{In a message received in the Department of State at 8:40 a.m., the Embassy in Cairo reported that the UAR had assured U.S. officials that it would do nothing to aggravate the situation. (Telegram 1771, December 13; Department of State, Central Files, 684A.86B/12–1358)}\]

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57. Letter From the Israeli Ambassador (Eban) to the Under Secretary of State (Herter)\(^1\)

\[\text{Washington, December 12, 1958.}\]

\[\text{Dear Secretary Herter: A conversation held yesterday by the Counsellor of this Embassy in the United Nations Division of the Department of State}^2\text{ has given rise to our apprehension that we have not yet achieved full understanding with the United States on the urgent need for action by the Security Council on Israel’s current complaint against Syria.}\]

United Nations representatives and observers in their official reports have attested the following facts:

\[\text{(1) Syrian forces opened the firing which led to the engagement of December 3 (Para. 3 of General von Horn’s Report).}^3\]

\[\text{(2) Whereas Israel’s response came subsequently and was limited in scope (Para. 5 of the above-mentioned Report), Syrian forces developed the engagement into a bombardment of seven villages along a front of seventeen kilometers and a depth of five kilometers. They fired some 800 shells into seven Israel villages. The absence of a massive casualty list is fortunate and, indeed, almost miraculous.}\]

I repeat that all the above facts are confirmed by United Nations Reports.

\[\text{\(^1\text{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)}\] \]

\[\text{\(^2\text{See footnote 4, supra.}\} \]

\[\text{\(^3\text{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 1956 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.

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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.\textsuperscript{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.\textsuperscript{6}

Yours very sincerely,\textsuperscript{7}

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\textsuperscript{5} See infra.
\textsuperscript{6} Not found.
\textsuperscript{7} Printed from an unsigned copy.

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58. Memorandum of a Conversation Between the Ambassador to Israel (Lawson) and the Israeli Ambassador (Eban), Ambassador Eban’s Residence, Washington, December 14, 1958\textsuperscript{1}

**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 Herter\textsuperscript{2} 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

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\textsuperscript{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.
\textsuperscript{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 Latinos 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 her 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.

1 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. ¹

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

¹ 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. ¹

¹ 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 State


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.

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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), 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.

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3 See Documents 49 and 50.
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 State

New York, January 21, 1959—7 p.m.

563. Re: SYG’s trip to ME (Deptel 627). Following information supplied by Bunche (Secretariat) since Hammarskjöld on short vacation. (See also memo for record dated January 15, pouch UNP January 29.)

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

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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 speech 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. 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 ½ 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

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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)
Circular Telegram From the Department of State to Certain Diplomatic Missions

Washington, January 28, 1959—12:58 p.m.

913. Eban morning twenty-seventh informed Rountree GOI inten-
tion 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 ma-
jor crisis.

Eban asked United States to take initiative, before Council con-
venes, 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 re-
newed 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 immedi-
lately. He indicated Dept would be in consultation with USUN.\(^3\)

Dulles

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\(^1\) 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 Missions

CA-6526


SUBJECT

Restriction Affecting American Citizens of the Jewish Faith in Arab Countries

REFERENCE

CA-1239 of August 8, 1956

The Department desires to bring once again to the attention of the addressee 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.

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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* 

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. We also concur in SYG’s sending letter to Ben Gurion along lines indicated paragraph 3 urtel 620. 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

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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

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65. Instruction From the Department of State to All Diplomatic Posts

CA-7189


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

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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."  

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

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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-memoire 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.  

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."  

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**

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4 For text of this speech, see *Department of State Bulletin*, June 15, 1953, pp. 831–835. Ellipsis in the source text.

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66. **Memorandum of a Conversation, Department of State, Washington, March 9, 1959, 3:30 p.m.**

**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

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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. 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.

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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, 1959

SUBJECT
Rumanian Immigration to Israel and American Contributions to Jewish Organizations

Ambassador Kamel referred to his earlier conversation with Mr. Rountree on March 2 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,

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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 nought. 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 Nations**

*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) 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

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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/MSC; 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 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 of 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 Israel

Washington, April 6, 1959—7:43 p.m.

684. Embtel 782. During call by Israel Minister Herzog April 6, 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 ref tel:

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) 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 Herzig 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 State

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. 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.

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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, 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.

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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, 1959

SUBJECT

Jordanian/Syrian/Israeli Irrigation Problems

Eric Johnston handed to the Acting Secretary a copy of his memorandum dated April 9, 1959, 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

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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.
Telegram From the Embassy in Israel to the Department of State

Tel Aviv, April 17, 1959—4 p.m.

831. Embtel 796. 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) 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.

2. Jordan water development. Mrs. Meir asked if I had any information on present status Israeli request of some months ago for financial assistance in connection with Jordan water diversion, which she understood had been referred to US experts for study. She men-

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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 sub-
jects, 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 resig-
nation.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

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⁶ On Wednesday, April 15, Dulles submitted his resignation to President Eisen-
hower.
⁷ Not found.
74. Memorandum of a Conversation, Department of State, Washington, April 22, 1959, 11 a.m.  

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

¹Source: 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, 1959

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. 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."

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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 Erel, 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, in reply to a note from the Israel Government of January 28, 1959, 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 Israeli 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 4 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

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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 Hammarskjöld


Dear Mr. Hammarskjöld: I understand that during your visit to Washington on April 23 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 report 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

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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. 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 Dillon

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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 State

New York, May 27, 1959—3 p.m.

1062. Re: UNEF—re 947. 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 govs 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.

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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)
[2½ 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 govt 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 consequential 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 Herter


DEAR CHRIS: Before the conclusion of the Foreign Ministers’ Conference, 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.

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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.  

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)
DEAR MR. DILLON: I am writing to thank you for your letter of 21 May 2 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

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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
Memorandum for the Record

Washington, undated.

(Mr. Rountree’s Briefing of Ambassador Ogden R. Reid, June 11, 1959)

(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 protege 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

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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. Rountrree: 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. Rountrree: 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. Rountrree: 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. Rountrree: U.S. supports Israel’s use for maritime purposes of the Gulf of Aqaba and as expressed in our Memorandum of February 11, 1957, support for Israel’s peaceful transit of the Straits of Tiran. It is 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. Rountrree: 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-

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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 Jordan

Washington, July 7, 1959—7 p.m.

29. Amman’s 2523, Jerusalem’s 378, Tel Aviv’s 1048, New York’s 1135. 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 Israeli 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

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\(^3\) 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 State


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). 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).

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). 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

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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).  

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).  

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

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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. 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.

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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. 

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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)

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86. **Telegram From the Embassy in Jordan to the Department of State**

*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

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1 Source: Department of State, Central Files, 684A.858-1559. 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 percent 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 percent 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 "cramps 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, 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.

E.O.W.

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3 Davis presented the same arguments to Jones at the earlier meeting. A memorandum of their conversation is *ibid.*, 320.511/8–2359.
Telegram From the Embassy in Lebanon to the Department of State

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) 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 Hammarskjold report (Embdes 37) 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.

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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 Hammarskjold'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 (Edward 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.  

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 (Emtel 605) 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 543 to
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.
New York, September 17, 1959—7 p.m.

375. Re: Mt. Scopus, Dept 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." 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.

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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

¹Source: 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, 1957\(^2\) 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.

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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. Yaakov 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, 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 note 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.

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2 See footnote 6, Document 85.
3 See footnote 2, Document 78.
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**

*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 spring during which Jordanians indicated failure to reach agreement in 1955 was mistake and evidenced their

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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 Jones\(^3\) 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

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\(^3\) 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. Brewster

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 week 2 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 fedayyen. 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. 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.  

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, 1959

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

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

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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, 1959

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


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 Israeli 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

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4 Dillon initialed his approval of all the recommendations on November 18.
101. Telegram From the Embassy in Egypt to the Department of State

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

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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, 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 President

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 dead, 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 Israel**


426. Following based on unclered 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 19 4 replying to GOI request for assistance Jordan water development, Ambassador

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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. 

4. [11 1/2 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 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

\[\text{\textsuperscript{2} Ellipses in the source text.}\]
to work not through committee but through US Government. However, he was 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-

¹Source: 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.
icated 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. 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

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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 Erel
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

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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

E.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 Nations

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 resolution 2 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

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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/SFC/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." 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.  

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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.

Herter
108. Telegram From the Embassy in Israel to the Department of State

Tel Aviv, December 2, 1959—6 p.m.

541. I called on Foreign Minister Golda Meir at her request in Jerusalem December 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

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109. Telegram From the Department of State to the Embassy in Israel

*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

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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 GADel. 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.  

Herter

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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, 1959

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

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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 repa-
atriation or resettlement” after reference to “reintegration”. The Secre-
tary 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 congratula-
tions to the Secretary on his assumption of office. He recalled a num-
ber 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.

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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 State ¹

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 fifteen 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.


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 Depcirteel 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

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113. Telegram From the Department of State to the Embassy in Jordan

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 Depcirteel 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 ref tel. 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

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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 ref tel 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 misconception. Info addresses should use as background only.

Dillon

114. Telegram From the Department of State to the Embassy in
Israel

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 Ambassador 4 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

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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
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, 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

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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 Lebanon

Washington, January 14, 1960—7:34 p.m.

2474. Embtel 2209. 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.
117. Telegram From the Department of State to the Embassy in Lebanon

Washington, January 20, 1960—8:47 p.m.

2554. Embtel 2265. 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, Botehia 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.

1 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 Ouinei 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, 1960

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. 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

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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, for his study, but asked that it be returned once the Ambassador had finished with it.)

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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 appv'd 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 State**

*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. 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

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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 State


SUBJECT

Israeli Arms Request

On February 9 the Israel Embassy delivered the attached note (Tab A) 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).

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) 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

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

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.868/2–1660) A memorandum of a similar conversation among Erell, Yariv, 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 State

Tel Aviv, February 18, 1960—4 p.m.


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

Continued
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

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) 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. Last para of this letter SYG regarded as "rather dangerous". As read out by SYG para read "The Govt of the UAR impressed 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.

4. [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

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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). 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.)

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.

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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.  

Barco

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 Nations

Washington, February 25, 1960—8:05 p.m.

706. Dept appreciates full and frank comments SYG on Middle East situation contained USUN’s 797. Suggest you so inform Cordier or Bunch 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

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\(^3\) 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 Israel

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). 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. 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.

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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.  

Dillon

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1 A memorandum of the conversation and a briefing paper for it are *ibid.*, 784A.56/2-2660 and 784A.56/2-2560, respectively.

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129. Telegram From the Embassy in Israel to the Department of State

*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 Asopian 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

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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

¹Telegram 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, Noon

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 Saudi 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 Zabarah, 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) 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

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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. 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

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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 Dimeckie read a prepared press statement to the assembled correspondents. A copy is attached. 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.

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4 Not printed.


THOSE PRESENT WERE:

The President
Prime Minister Ben-Gurion
Ambassador Avraham Harman
Douglas Dillon, Under Secretary of State

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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—or 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.” He likewise referred to a letter from John Foster Dulles 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

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5 Regarding this letter, see footnote 2, Document 31.
6 Document 32.
26, 1956, 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.

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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, Israeli'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.  

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

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 President  

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 whim 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.  

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.

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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.
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-Israeli prob-

¹Source: 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, 1960

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. 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

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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, 1960

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.

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 Mystere 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.)

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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, 1960

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 across-the-board settlement involving not only the refugees, but other political

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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 specificity 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, 1960

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.

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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. 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

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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.

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

*Washington, March 24, 1960—5:21 p.m.*

708. Re Athens 2564 rpt Tel Aviv 48, Bucharest 15. 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,

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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.\(^3\)

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\(^3\) 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)

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141. **Memorandum of a Conversation, Department of State, Washington, April 11, 1960, 5 p.m.**

**SUBJECT**

Department's Initial Response 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.

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\(^2\) 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.

\(^3\) 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 had 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)
Circular Telegram From the Department of State to Certain Diplomatic Missions

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

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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.
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.  

Sincerely,

John

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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, 1960

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

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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 re-
gards 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-Israel 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 Cleopa-
tra 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 Ameri-
can seamen and we will continue to do so. Our policy regarding black-
listing 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 Depart-
ment 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.

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145. **Letter From the Acting Secretary of State to the Chairman of the Senate Foreign Relations Committee (Fulbright)\(^1\)**


**Dear Mr. Chairman:** In response to your request for the views of the Department of State with respect to the implications of the Douglas Amendment\(^2\) 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. 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 Dillon

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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 State

Tel Aviv, May 19, 1960—9 p.m.

1118. On May 17 Mrs. Meir gave a small dinner for Senator Fulbright 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.

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 statement 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). 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

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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 Cairo "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.

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*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.


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)\(^1\)

\(\text{Washington, May 25, 1960.}\)

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.

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”, 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

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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.

Attachment

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 implementiong would have to be on a phased and optional basis.

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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.


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)\textsuperscript{1}


SUBJECT

Israeli Disappointment over Our Response to Ben-Gurion’s Requests

As you may note in the attached memorandum of conversation (Tab B)\textsuperscript{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

\textsuperscript{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.

\textsuperscript{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 \textit{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. (\textit{Ibid.}, 784A.56/5-2160) A memorandum of Jones’ conversation with Harman on May 24 is \textit{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, 1960

On May 31 I saw Mr. Dillon who had read my memorandum of May 26 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

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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 State

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.

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 realise 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 President


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. Herter

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)


Dear Mr. Hare: The Israeli request for military assistance on which you requested Department of Defense views in your letter of February 20, 1960 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

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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, 1960\(^3\) 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

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\(^3\) Not printed. (Ibid., 784A.56/5–1860)

\(^4\) Not printed.
154. Circular Telegram From the Department of State to Certain Diplomatic Missions

Washington, June 22, 1960—8:25 p.m.

1602. Depcirtel 1288 Department has received highest level USG approval for moving forward with serious conscientious approach to Arab refugee problem along lines suggested ref tel. 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 (Emb tel 3161), Amman (Emb tel 1828) and Tel Aviv (Emb tel 976) 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 Middleast'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

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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 1456\(^4\) 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, US Rep 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 Noform 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 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)


SUBJECT

Israel's Request for Missiles

With reference to our recent conversation 2 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). 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

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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 races 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 con-
structed 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 mis-
siles, 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 quies-
cence be maintained. With many other problems besetting us else-
where in the world, we would not wish to enlarge our burdens by
stirring up further outcry against us in the Near East. In this connec-
tion, it is worth noting that we are currently undertaking a new ap-
proach 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 State


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.

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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. 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.

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1 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)

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158. Telegram From the Embassy in Israel to the Department of State

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.


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

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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.


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

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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-
nity 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)—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.

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.

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

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5 Telegram 50, July 18, reported a statement by Amer on the future of UNEF. (Department of State, Central Files, 684A.86B/7–1860)
7 See Document 155.
159. **Telegram From the Embassy in Turkey to the Department of State**

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

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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 Segen.” 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 Nations

Washington, July 22, 1960—5:51 p.m.

113. At present Arab-Israel border situation appears relatively tranquil. However, there have 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, 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.)

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.

Herter

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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

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 letter 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

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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 Israel

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 Gurion


Dear Mr. Prime Minister: Responsive to your message of June 9, 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 23\(^3\) 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.  

With warm personal regards,
Most sincerely,

Christian A. Herter  

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6 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.

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164. Circular Airgram From the Department of State to the Embassy in Turkey  


Following receipt Ankara Embtel 124 of July 20 reporting that Turks declined participate approach to Palestine refugee problem suggested in Depcirel 1602, 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-
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 Middleast 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 is 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. 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

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*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 Dillon

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

CG-196

Washington, September 9, 1960—3:29 p.m.

Re UNRWA item, CA-1178.  

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

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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)
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 Bisgoyer, 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 anywhere 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 hotheads 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.

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. 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

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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".

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170. Circular Telegram From the Department of State to Certain Diplomatic Missions

Washington, October 1, 1960—9:58 p.m.

477. (Following based on uncleared memcon.) 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-

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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 pouchd 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, Noon

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, 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

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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 assassination—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). 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.

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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 Not printed.

172. Telegram From the Department of State to the Mission at the United Nations

Washington, October 19, 1960—5:13 p.m.


1 Source: Department of State, Central Files, 325.84/10–1460. Confidential. Drafted by Elits; 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. 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 Buncher or Cordier) along lines requested G-13 of September 9. Our tactics should be aimed at most advantageous use entire period prior 16th GA UNRWA review provided for by Res i496.

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

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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

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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 State**

*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).

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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 GAdv 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 Krones

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 Israel

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, 1960

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:

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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. 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 consumption 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

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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 53/4% interest rate of the Bank and its 12-year repayment requirement as compared to DLF terms of 31/2% to government and 53/4% 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, 1960

[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,

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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
Telegram From the Department of State to the Embassy in Israel

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. 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.

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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. French said would relay Secretary’s concern and seek information from Paris.

Herter

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 Jordan

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. 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

Source: Department of State, Central Files, 325.84/12-1060. Secret; Priority. Drafted by Elits 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.

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

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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, 1960

SUBJECT

Israeli Atomic Energy Program

PARTICIPANTS

Ambassador Avraham Harman of Israel
Mr. Mordechai Gatz, 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 Europe 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-

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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, underlining 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 9 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 day 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

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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 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 Israel

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.

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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