

890E.00/7-849

*Memorandum of Conversation, by the Assistant Secretary of State for
Near Eastern and African Affairs (McGhee)*¹

CONFIDENTIAL

[WASHINGTON,] July 8, 1949.

Participants: Mr. McGhee, Assistant Secretary of State
Dr. Charles Malik, Lebanese Minister
NE—Mr. Mattison

[Here follows discussion of various matters, particularly the refugee question.]

Dr. Malik then developed the main theme of his call, namely that there should be an immediate "two weeks" conference between the United States, Britain and France, on a very high level. Such a conference could settle matters in a way which would insure peace in the Near East for the next twenty-five years. It could be held in secrecy, and decisions taken which were vital to the whole area. With agreement reached, the United States could then embark on a program which would mean the salvation of the area. At this point he was careful to elaborate that he felt that economic development projects should be given a relatively low priority. Of first importance was the question of firm political guidance. Citing General Sir Edward Spears² as an example of what a firm guiding hand could achieve, he said that the Arab states were in a stage of uncertainty where such treatment was necessary.

I interrupted to explain that there might be difficulty in American participation in such a program. We were not politically adept at this kind of action and, furthermore, we did not like the kind of responsibility which such advice necessarily entailed. As a second point, I mentioned the fact that the American public was not accustomed to seeing the country occupy such a role, and there would undoubtedly be public criticism on the grounds that we were interfering with the internal political affairs of other countries.

[Here follows further discussion of the type of program that Minister Malik advocated.]

¹ Drafted by Mr. Mattison.

² British Minister to Syria and Lebanon from 1942 to 1944.

Editorial Note

New York, beginning July 8, sent several reports to the Department concerning the armistice negotiations between Israel and Syria. The report of July 8 stated that there had been general agreement on the

draft of an armistice and that some demarcation of armistice lines had been achieved (telegram 811, 501.BB Palestine/7-849).

Disagreements were encountered subsequently, particularly on the location and possible modification of the "certified truce line," which had been established on July 18, 1948, after the second truce (telegrams 815, 818, and 819 from New York, all dated July 11, 501.BB Palestine/7-1149).

501.BB Palestine/7-649 : Telegram

The Secretary of State to the United States Representative at the United Nations (Austin)

CONFIDENTIAL

WASHINGTON, July 8, 1949—6 p. m.

351. Fol Dept's comments ur 804 July 6.¹ Dept agrees visit Eban Tel Aviv wld be advantageous but desires point out no indication yet received Egypt will agree to proposed conversations. In conversation with McGhee July 7 Eban stated planned to leave for Israel this week-end but prepared delay departure if any signs received Egyptians desirous undertaking discussions.

View shortage of time before fall GA session Dept considers it desirable that PCC reconvene if possible on schedule and that it and delegations proceed take decisive action re major issues.

Role of USG re Gaza strip discussions that of friend suggesting parties talk over proposal together. US will not participate as third party in discussions or act as mediator. If third party assistance desired PCC shld provide. Other members PCC have been informed that USG considers Gaza proposal shld serve as basis discussion between Israel and Egypt and that USG willing facilitate such discussion shld parties desire undertake.

¹ Not printed; it reported that Mr. Eban had called on Mr. Ross that morning to discuss the proposal regarding the Gaza strip. The Israeli representative had stated that he would represent his Government in conversations with Egypt and that he planned to leave for Tel Aviv on July 10 for brief consultations.

Telegram 804 stated also that Mr. Eban "raised question whether USG acting with regard to Gaza strip discussions in its capacity as member of PCC, that is with knowledge and consent of other members. . . . [He] considered it very important that UN be tied in. He thought best formula, if occasion should arise, would be that USG had been assigned by agreement among members of PCC to assist parties for this particular purpose."

Mr. Eban spoke finally concerning the arms embargo. "As he saw it, there were two alternatives: First, conclusion of Syrian armistice would be final step in creation of whole new situation in which all bets would be off; in this case something very like an arms race would be very likely to start.

"As second alternative, SC might conclude that armistice phase had been completed, but that peace had not yet been achieved; therefore, arms embargo as contained in SC resolution should be continued until achievement peace settlement. Eban expressed clear preference for second alternative as more prudent and giving less occasion to temptation of risking resumption of hostilities." (501.BB Palestine/7-649)

Agree that if discussions take place at UN headquarters it shld be understood they taking place within UN framework. UN further tied in by fact that Israeli Gaza proposal made during discussions held under auspices UNPCC. PCC cld consider any agreement reached between Israel and Egypt as having been accomplished accordance its terms of reference. Dept sees no need for formula proposed by Eban re role USG.

ACHESON

501.MA Palestine/7-949: Circular telegram

*The Secretary of State to Certain Diplomatic and Consular Offices*¹

RESTRICTED

WASHINGTON, July 9, 1949—1 a. m.

You are requested to seek an appropriate occasion to bring orally to the attention of Govt to which you are accredited details of recent Congressional action re US contribution to UNRPR program and implications thereof as fol: US has already contributed \$8 million to UNRPR and a further sum of \$4 million will be paid shortly under appropriation recently passed by Congress. An additional \$4 million may be contributed upon a finding by Pres that other nations have met their obligations to UNRPR. Such finding cannot now be assured in view failure many nations make substantial contributions.

You shld inform Govt that, even if full \$16 million forthcoming from US, UNRPR funds wld be exhausted within few months. In event that finding of Pres unfavorable, UNRPR operation will cease in August. USG can not request present Congress authorize further contributions to UNRPR beyond sum which it has already allotted, and it is doubtful whether either UN or US would be responsive to request for additional funds for continued relief program in absence constructive steps by Israel and Arab states upon which cld be based long range repatriation and resettlement program.

You shld make abundantly clear to Govt implications these factors. Upon termination UNRPR, there is no assurance that full burden both administration and financing of relief all refugees will not revert to states in which refugees now being maintained or which constitute occupying authority in respective zones of Arab Pal. Even if tragic humanitarian implications termination international relief fail to move NE states to constructive action, neither Israel nor Arab states can remain aloof to or avoid consequences of attendant security problem.

¹ At Arab capitals and Tel Aviv and at Bern for the American Delegation at Lausanne.

USG therefore urges that most serious and urgent consideration be given to consequences of failure to take earliest action to contribute to political agreement through PCC making possible for PCC to take steps looking towards long range solution of refugee problem. In light possible early termination relief program, USG convinced that it is no longer possible for states concerned to maintain present pre-occupation with doctrinaire approach to refugee problem or to pursue course dictated solely by narrow self-interest. If they persist in doing so, world community, which has borne cost of custodianship refugees during past year, will hold NE states responsible for deterioration already tragic plight of refugees.

USG therefore considers it essential that Arab states and Israel openly assume their respective responsibilities resettlement and repatriation before termination this period of grace.

ACHESON

501.BB Palestine/7-1149 : Telegram

The Ambassador in Israel (McDonald) to the Secretary of State

TOP SECRET NIACT

TEL AVIV, July 11, 1949—3 p. m.

528. Acting immediately on Department's instructions its circlet unnumbered July 9 and Deptel 433, July 7,¹ Ford and I talked with Sharett at Foreign Office 35 minutes early morning July 11.

I presented with utmost earnestness USG's strong views that Israel should accept broader base MAC jurisdiction Jerusalem in order advance settlement of additional issues including permanent demarcation lines and possible agreement to be incorporated by PCC in its general Jerusalem plan for UN GA.

Replying Sharett gave "conditional" answer promising "fuller and more definitive" later after consultation. He put forcibly these objections:

1. Transjordan armistice is binding but not yet implemented. Israel insists on implementation before broadening base discussions with Transjordan. USG "instead of putting pressure on Transjordan to carry out armistice is putting pressure on Israel to agree new terms negotiations without and before implementation existing armistice".

2. USG position if accepted would be "unhealthy precedent" because any agreement "could be made null by one party insisting on new terms before carrying out original terms". Moreover, acceptance USG proposal would involve "much larger issues than Jerusalem"; e.g. Abdullah's authority over whole Arab Palestine which Sharett said would "remain Arab but not necessarily under Abdullah".

¹ Not printed.

3. "Practically USG terms difficult acceptance because in negotiating final demarcation lines Jerusalem, Transjordan is expected make far-reaching claims including return of former Arab portions new city, which Israel will resist." Acceptance USG's present suggestion would mean that "Washington influences would be used against Israel on issue permanent lines."

4. At end, Sharett reiterated that above answer was conditional. Not final.

Comment: I anticipate that Israel's final reply will in essence be as above. Unless Department can offer to Israel more convincing reasons for acceptance than those in Deptel 405,² Israel will continue, I fear, to resist USG proposal and will insist on carrying out Transjordan armistice.

Personally, I cannot avoid conviction that some Burdett's arguments Jerusalem's telegram 66, June 25, repeated Department 405 [445] are ingenuous. For example, his contention that "problems mentioned in Article 8 are of prime importance to Israel but of relatively [little] interest to Arabs" and that if US supported Israel's demand for carrying out this armistice article "without Arabs receiving adequate return" they "could only conclude US indirectly exerting further pressure for further concessions to Israel;" this argument seems to me to demand that Israel make new concessions in order that USG consent to urge Transjordan carry out armistice terms. Tough-minded realistic Foreign Office here not likely accede unless offer tangible *quid pro quo*. *End comment.*

Re my suggestion (Embtel 524, July 9³) I still feel Jerusalem conference with Riley and Burdett highly desirable.

New subject re refugees; I put most strongly considerations Depcirtel July 9.

Sharett's reply in summary follows:

1. "Israel is not responsible for refugee problem."
2. "We are vitally interested in problem and that something be done soonest and are anxious help. We may not have said last word re our proposals but situation extremely difficult". Then Sharett added grimly that "repeated and publicly obvious representations by USG to Israel on this subject make government's concessions more difficult. We need to be allowed to act without visible American pressure". Further reply awaits conference Foreign Office with Eban who expected July 12.

Comment: I hope but I am not sure that Sharett's words foreshadow more constructive refugee proposal by Israel than any heretofore. *End comment.*

Sent Department, repeated Jerusalem 58, Amman 18, Bern 12.

MCDONALD

² Dated June 27, p. 1185.

³ Not printed.

501.BB Palestine/7-649: Telegram

*The Secretary of State to the Embassy in Israel*¹

SECRET

WASHINGTON, July 11, 1949—6 p. m.

437. Fol for your background info in conversations with Israeli officials. With reference Israeli intention reunite divided families (ur 526 [516] July 6) USG welcomes this first tangible step toward commencement the immed repatriation long requested by USG but hopes Israeli auths will make every effort enlarge scope this process particularly view fact plan as originally presented to PCC by Israeli reps envisaged return members divided families, not merely those which have "breadwinners" in Israel. USG believes that despite current status Syrian-Israeli relations Israel shld make similar approach to Syria as evidence good intentions.

US press reported FonMin to have declared in announcement program for reunion of families that Israeli policy toward majority refugees remains unchanged. If this true you shld make clear to Israeli auths that USG considers that limited operation described urtel, which would merely implement Israeli commitment of longstanding, in no way fulfills Israel's obligation assume its responsibility to undertake substantial repatriation.

ACHESON

¹ This telegram was repeated to Arab capitals and London and to Bern for the American Delegation at Lausanne.

501.BB Palestine/7-1249: Telegram

The Secretary of State to the Embassy in France

RESTRICTED

PRIORITY

WASHINGTON, July 12, 1949—7 p. m.

2528. Pls inform FonOff that USG giving urgent consideration to means strengthening PCC and improving chances fulfillment its tasks. Pursuant these objectives, USG suggests immediate approach, in which it requests Turkish and French support, to Arab states along fol lines:

"Govts of France, Turkey, and US, motivated by sincere conviction that every effort must be made to facilitate progress towards successful conclusion PCC's tasks, and to accord PCC full cooperation therein, hopes Govts concerned will instruct their delegations to enter into forthcoming discussions at Lausanne with new and constructive approach towards all issues outstanding. Up to present time, progress of PCC has been impeded by fact that certain delegations to Commission were authorized by their Govts to discuss or negotiate only with respect to limited aspects of Pal settlement, or to insist upon establishment of priorities in approaching the several questions. PCC member govts must emphasize that terms of ref under which PCC

was established by GA res of Dec 11 have application to govts and authorities concerned, as well as to members PCC. It is earnest conviction of PCC member states that all delegations to Lausanne on reconvening July 18 should be given full authority by their respective govts to enter into discussion and negotiation of all issues which fall within purview of PCC—particularly status of Jerusalem, territorial settlement, and disposition of refugees. Indeed, a primary purpose of Protocol of May 12, 1949 was to enable Arab and Israeli delegations to extend their exchanges of views to all questions covered by GA res. After talks resume, therefore, refugees and territorial questions shld be subject concurrent discussion."

Substantially similar approach wld be made Israel, taking account of fact that Israeli del has full authority discuss all outstanding questions.

At time of foregoing representations, we propose inform both sides that this bilateral approach.

If FonOff agrees re foregoing approach, USG wishes send immed tel to Arab states and hopes Turk and French Govts prepared take similar action.¹

ACHESON

¹This telegram was repeated to Ankara for action and to New York for information. Ankara advised, on July 15, that the Turkish Foreign Office agreed to approach the "Arab states along lines Department's draft although not in identical language. Will also approach Israeli Government through Turk Consulate General Jerusalem." (telegram 322, 501.BB Palestine/7-1549)

501.BB Palestine/7-1349

*Memorandum by the Assistant Secretary of State for Near Eastern and African Affairs (McGhee) to the Secretary of State*¹

SECRET

[WASHINGTON,] July 13, 1949.

Subject: United States Support of the Palestine Conciliation Commission and Establishment of an Economic Survey Mission.

Discussion:

It is considered essential in the national interest that the United States Government take the initiative in an effort to overcome the present impasse in the negotiations for a settlement of the Palestine question. This is necessary in order to assure formulation of an interim program under United Nations auspices for solution of the refugee problem which would create a favorable atmosphere for a final political settlement; to replace the temporary United Nations refugee

¹Transmitted, through Messrs. Webb and Rusk, together with a summarizing memorandum of July 13, in Mr. McGhee's memorandum of the same date to Secretary Acheson. The transmitting memorandum bears the Secretary's "OK" in a marginal notation.

relief program which is rapidly drawing to a close, and to take steps to overcome economic dislocations arising out of the hostilities which are seriously handicapping economic progress in the area.

Failure to take such action would result in increased suffering and possible widespread starvation among the refugees, attended by further deterioration of present conditions of unrest which would be exploited by communist and opportunist elements and would gravely endanger the security of the Near East. Moreover, unless some progress towards solution of the Palestine problem is achieved before the opening of the General Assembly in September, the entire question will be subjected to further acrimonious and unproductive debate.

The discussions at Lausanne under the auspices of the Palestine Conciliation Commission have reached an impasse largely over the disposition of the refugees. If substantial progress can be made towards solution of this problem, a decisive step will have been taken towards a general settlement. It would have been preferable if the initiative with respect to outside assistance could, in accordance with previous plans, have awaited satisfactory agreement by Israel and the Arab States as to disposition of the refugees, and full assumption of their responsibilities toward repatriation and resettlement respectively.

It is, however, believed that outside initiative can be taken now to survey the refugee and other economic problems remaining from the hostilities, without committing the United Nations, the United States or any other government to any specific line of action, or to any action at all unless specified conditions are met. Such a survey will, it is believed, facilitate agreement on disposition of the refugees by offering hope to the countries concerned for the assistance known to be required for any successful repatriation or resettlement program, and serve to divert their preoccupation from their present short-range objectives to longer-range economic solutions to broader problems.

Recommendations:

It is recommended that the following course of action be pursued by the United States Government:

1. *Palestine Conciliation Commission.*

a. The United States Government take immediate steps to strengthen the Conciliation Commission by the nomination of a strong representative, who must be present at the next meeting of the Commission in Lausanne, scheduled for July 18.

b. The United States representative urge the Commission to request the Secretary-General of the United Nations to strengthen the staff of the Commission by the appointment of a highly qualified American administrator as Chief of Staff, and supporting personnel, to carry

out its coordinating and operating functions. (Whoever is appointed could, as a collateral duty responsible directly to the Secretary-General, be appointed to succeed Mr. Stanton Griffis who is resigning effective August 1 as head of the UNRPR.)

c. The Conciliation Commission, after it reconvenes, be urged by the United States representative to devote its attention chiefly to the questions of territorial settlement, the status of Jerusalem and the political aspects of the refugee question. Any final specific allocation of the refugees on a geographical basis would take into consideration the technical analyses of this question as submitted in the report of the Economic Survey Mission.

2. *Economic Survey Mission.*

a. The Conciliation Commission be urged by the United States representative to establish an Economic Survey Mission at the earliest practicable moment, pursuant to its authority under paragraph 12 of the General Assembly resolution of December 11, 1948. The terms of reference of this Mission should be based upon the foregoing resolution with special reference to paragraph 11 thereof, which establishes the principles of repatriation and compensation for refugee property, and instructs the Conciliation Commission to facilitate the specific tasks of repatriation, resettlement, economic and social rehabilitation of the refugees, and payment of compensation. Within this context, the Economic Survey Mission should be charged with the objectives of examining the economic situation in countries affected by the recent hostilities and making recommendations which will enable the governments concerned to further such measures and development programs as are required to: (1) overcome economic dislocations created by the hostilities; (2) reintegrate the refugees from the hostilities into the economic life of the area on a self-sustaining basis within a minimum period of time; and (3) promote economic conditions conducive to the maintenance of peace and stability in the area. Recommendations by the Survey Mission relative to political problems with which the Commission is concerned should be at the request of the Commission and confined to the economic aspects thereof. The report of the Mission would serve as a basis for further action in the General Assembly and by appropriate international organizations and interested governments, including such action as the President may wish to recommend to the Congress with respect to United States participation in the program. It will be recalled in this connection that on May 26, 1949, the President approved the principle of United States participation in such a program under certain specified conditions which can still obtain.

b. The Conciliation Commission be urged by the United States representative to request the appointment of an outstanding American

still to be designated as Chief of the Economic Survey Mission, and that the Chief appoint, in agreement with the Commission and the Secretary-General, a British and a French deputy and such expert personnel, selected on a multinational basis, as may be required to carry out the economic survey. Such personnel should be chosen on the basis of their special qualifications and in consultation with interested governments and appropriate international organizations.

c. The Department seek at the September meeting of the General Assembly an effective integration of all United Nations responsibilities remaining in connection with the Palestine hostilities, including refugee relief, rehabilitation and resettlement, and economic programs.

3. *Diplomatic Representations.*

The Department utilize the present recess in the Lausanne discussions to attempt through diplomatic representations to obtain a more realistic and constructive approach to outstanding problems on the part of both Israel and the Arab States, and, in the light of the continued refusal of Israel to agree to the principles set forth in the President's recent representations to Israel, to take concrete steps to convince the Israeli Government of the grave importance which the United States attached to these representations. (This will be made the subject of separate recommendations.)

4. *Public Statement by the President.*

Simultaneous with the announcement by the Secretary-General of the appointment of the chief of the Economic Survey Mission, the President issue a public statement, now in preparation, pledging United States support of the Palestine Conciliation Commission and the Economic Survey Mission. This statement would also include a definition of long-range United States policy towards the Near Eastern area as a whole, minimizing present issues between Israel and the Arab States.

[Here follow concurrences.]

501.BB Palestine/7-1849

The Ambassador in Israel (McDonald) to the Secretary of State

SECRET

TEL AVIV, July 13, 1949.

No. 180

Subject: Comment on the Jerusalem Consulate General A-94, July 6, of Mr. Burdett, re "Current Situation in Palestine".

SIR: I have the honor to submit the following comments on Mr. Burdett's "general observations" which I have read and reread with closest attention.

Regretfully, I must record that I can agree unqualifiedly with only four (paragraphs 3, 4, 5 and 10) of Mr. Burdett's fifteen theses. From all the other eleven theses, I find myself forced by my understanding of the facts to dissent.

Here are some examples of my dissent:

1. Mr. Burdett's categorical statement that "the turning point and one of the principle [*principal*] causes" of the "hardening of the attitude" of the Arabs was the "harsh terms exacted by Israel in the Triangle" (paragraph 1) is not supported by any evidence. In fact, the attitude of the Arab states other than Trans-Jordan on the issue of peace with Israel was intransigent *before as well as after* the Israel armistice with Trans-Jordan.

2. Admittedly "the movement (among the Arabs) is towards a day in the future when a successful war will be possible." (Paragraph 2.) But Mr. Burdett's implication that these Arab plans for resumption of war are solely the fault of Israel is manifestly unjust unless the very existence of Israel be deemed justification for Arab plans to destroy the new State by war.

3. I cannot share Mr. Burdett's certainty that "Israel has no intention of allowing the return of any appreciable number of refugees except, perhaps, in return for additional territory." (Paragraph 6.) On the contrary, at the time his despatch was filed, intensive consideration was being, and continues to be, given by Israeli authorities in Tel-Aviv to the repatriation of a large number of Arab refugees without involving additional territory for Israel.

4. Mr. Burdett's charge that the UN failure "to protect the rights and interests of the Palestinian Arabs by forcing Israel to comply with the various UN resolutions" has been "largely responsible for the present situation" (paragraph 9) would be more persuasive if anywhere in his despatch he took account of the Arab states' violation of vital UN decisions, notably the basic partition decision of November 29th.

5. Mr. Burdett's related charge that Israel "eventually hopes to obtain all of Palestine" (paragraph 12) is consistent with his central thesis that this State alone is the devil of the piece, but he cites no proof of Israel's alleged expansionist program.

6. Similarly, it would be interesting to have the evidence on which Mr. Burdett bases his statement that "Israel is convinced of its ability to 'induce' the United States to abandon its present insistence on refugees and territorial changes." He gives no proof of this flat declaration. (Paragraph 13.)

7. Unsound and defeatist is Mr. Burdett's statement that "the UN and the US are confronted with only two broad choices: (1) Employ the necessary punitive measure against Israel. . . or, (2) Admit that the US or the UN are unable or unwilling to take the required measures."

The United States is not limited to two such absolute and mutually exclusive choices.

The task of statesmanship is precisely to avoid the easy way of adopting either of two such extreme measures as Mr. Burdett contends are the only alternatives. I have no fear that the State Department or the President will be tempted to impale themselves on either horn of this destructive dilemma.

On the contrary, the United States has consistently—except when special circumstances have seemed to dictate otherwise—sought to use its influence in equal measure with both Israel and the Arab states. Why should not our Government continue to influence both sides equally in the direction of moderation and conciliation, merely varying the nature and amount of its persuasion according to its judgment on the particular issue involved?

Success in the achievement of President Truman's high ideals for the Near East require policies not based on prejudgments either pro-Arab or pro-Israel, but on a combination of extraordinary discernment, flexibility and realism.

Respectfully yours,

JAMES G. McDONALD

501.BB Palestine/7-1349 : Telegram

*The Secretary of State to the Embassy in the United Kingdom*¹

SECRET

WASHINGTON, July 13, 1949—7 p. m.

2432. Repts Brit Emb July 13 furnished Dept list points suggested by FonOff as basis PCC approach solution Palestine problem. Fol substance points and informal comments repts Dept.

1) Acceptance of refugees by Arabs and Israelis for resettlement and repatriation. Dept agreed and there was further accord that view circumstances Israel latter could probably not be expected accept more than quarter million refugees for repatriation.

2) Israeli Gaza strip proposal should be accepted on condition safeguards devised re future treatment Gaza refugees Israel and territorial compensation made by Israel for strip. Dept agreed some kind international supervision treatment of refugees in Israel essential. Re second condition Dept in agreement provided Egypt desired compensation.

3) Israel should make territorial compensation for areas outside 1947 boundaries retained by her. Dept agreed but pointed out danger creating impression that US would not agree to any settlement which did not provide for territorial compensation. US did not wish attempt

¹ This telegram was repeated to Arab capitals.

force Arab states accept compensation if they did not desire, and if agreement reached between parties without duress which did not include territorial compensation US would not oppose.

4) If territorial compensation should take form of award to Jordan or to Jordan and Egypt of part or whole of Southern Negev, thus providing land bridge between Egypt and Jordan, Israel should have "guaranteed" freedom of access and communication to Red Sea. Equally Arab states should have "guaranteed" freedom of communication and access to Mediterranean through ports of Gaza and Haifa. If another solution were adopted for Southern Negev there should nonetheless be guaranteed freedom of communication and access across it between Egypt and Jordan and between Israel and Red Sea. Alternative method of providing for freedom of communication and access might be neutral zone or zones. Dept stated opinion that continuity of land communication between Arab states was most important territorial item in Palestine settlement as far as Arabs were concerned. Felt it might be possible for PCC informally make specific territorial proposal to parties and that this might well take form suggested arrangement involving transfer part of Southern Negev to Egypt and Jordan with agreement for Israeli access Red Sea. Dept inquired how much of Southern Negev UK thought would be necessary transfer to Arabs in order assure effective land communications between Jordan and Egypt. Brit reps said they would query FonOff. Dept pointed out such proposal as Gaza-Dead Sea line obviously unfeasible. Dept saw no reason for arranging access to Mediterranean for Arab states at Gaza if similar arrangement made at Haifa.

5) Free port at Haifa with arrangement by which Iraqi crude could be freely exported in return for provision by Iraq of normal supplies for Haifa refinery. Dept stated general agreement desirability establishment free zone facilities Haifa for Arab states but doubted possibility or desirability establishment free port completely free of Israeli control.

6) Partition of Jerusalem for administrative purposes with international supervision, particularly of Holy Places. Dept stated its position on Jerusalem in general agreement with this.

7) Incorporation of Arab Palestine in Jordan. Dept agreed desirable this should be done at appropriate time.

8) Israel and Arab states concerned should agree to share for their mutual benefit waters of Jordan and Yarmuk. Dept agreed.

ACHESON

501.BB Palestine/7-1349 : Telegram

The Secretary of State to the Embassy in Israel

CONFIDENTIAL

NIACT

WASHINGTON, July 13, 1949—7 p. m.

446. Follows message from Bunche to Sharett, Jul 13, concerning final phase Syrian-Israeli armistice negotiations:

[Here follows the text of Mr. Bunche's message to Israeli Foreign Minister Sharett. It noted that the Syrians had accepted the fundamental Israeli condition that they withdraw from their occupied positions in Palestine, subject to three conditions. Mr. Bunche requested that Mr. Sharett go as far as he reasonably could toward accepting the Syrian reservations, in order to conclude speedily the prolonged negotiations.¹]

Dept desires you see Sharett soonest and give full support to position set out in Bunche message, emphasizing earnest hope US Govt that remaining obstacles conclusion armistice can be surmounted. You may wish first consult with Riley and Vigier in order obtain additional background remaining points at issue.

ACHESON

¹ The text of Mr. Bunche's message was sent to the Department by New York in telegram 827, July 13, 10:51 p. m., 501.BB Palestine/7-1349. Ambassador Austin, the same day, reported Mr. Bunche's observation that "he would be 'greatly obliged if Department of State could get across to Tel Aviv' support for his representations to Sharett" (telegram 824 from New York, 501.BB Palestine/7-1349).

501.BB Palestine/7-1449 : Telegram

The Consul at Jerusalem (Burdett) to the Secretary of State

SECRET

JERUSALEM, July 14, 1949—11 a. m.

463. Comments on Tel Aviv's 528, eleventh follow:

1. Although Jordan bound abide by terms armistice, article 8 provides only for "formulation of agreed plans and arrangements". Not bound reach agreement in practice despite previous agreement in principle.

2. Since past history special committee shows not possible formulate agreed plans, logical adopt different approach, broaden terms reference and attempt progress from armistice conditions to peace conditions.

4. [3?] Proposal as understood by Consulate General has always possessed twofold purpose lessening tension Jerusalem by solving article 8 problem and progress towards peace through agreement on delimitation Arab Israel areas and related questions.

5. [4?] Relinquishment by Israel portion Arab quarters seized by force in Jerusalem necessary as part final peace and consistent with US policy on territorial settlement. Opposition by Sharett to Department's proposal on grounds would involve return Arab portions Jerusalem directly contrary to US policy.

5. Demarcation of zones essential part plan for international status Jerusalem PCC required present September GA. Line can be drawn either by agreement between Israel and Jordan or arbitrarily by PCC. If Israel persists in rejection US proposals suggest PCC immediately consider demarcation line and other related questions.

6. Consulate General believes US should intensify efforts secure Israel acceptance US policy on both refugees and territory since Sharett's remarks afford grounds for hope representations making themselves felt.

8. [7?] Israel acceptance broad terms reference still considered prerequisite start actual negotiations in MAC.

Sent Department; repeated Tel Aviv 75, Amman 47.

BURDETT

867N.48/7-1449 : Telegram

The Minister in Syria (Keeley) to the Secretary of State

SECRET

DAMASCUS, July 14, 1949—5 p. m.

384. President Zaim summoned me today and in hour-long review various matters separately reported, expressed his anxiety over refugee problem, stressing his conviction that unless refugees can speedily be resettled their deteriorating situation and morale will make them increasingly amenable to Communist propaganda. Unlike most Syrians, he lost no time in recriminations or fulminations against Israel for failure to implement repatriation provisions of December 11 UN resolution but made earnest plea for US aid in resettling refugees, implying resettlement is only realistic solution distressing problem.

Recalling that as long ago as April 28 (mytel 256¹) he had expressed his willingness resettle quarter million or more in Syria if refugees fairly compensated for their losses and Syria given adequate aid. He begged me urge my government come forward with financial and technical assistance to help him fulfill his offer before Communists succeed in their increasing appeal to these victims of Palestine conflict. Explaining that he could not openly take initiative because powerful opposition would attack him for selling out to Jews and their backers, he pledged his wholehearted cooperation if US would take lead. "Give us needed help, show us way and we will prove our good will." Here as

¹ Not printed, but see footnote 3, p. 962.

example latter, he alluded to cooperative response Syria has made to US plea for compromise in armistice talks with Israel saying he personally had directed Syrian delegation to make extreme concessions as earnest his appreciation USG's constructive promise support observance agreement and as gesture his desire speedily liquidate Palestine problems. Armistice would be reached and refugee problem must be solved.

Referring to numerous economic development projects which Syria is anxious to implement and concerning which detailed studies already made (despatch 165, July 14)² he pled for necessary funds and technical assistance promptly to alleviate them as means of absorbing refugee labor.

Reminding President that USG has consistently shown its concern for refugees both in making substantial contribution their relief and in urging necessity for realistic approach to resettlement, I said we have long foreseen and pointed out distressing and dangerous situation that will exist when current relief funds are exhausted as they soon will be without other provision in sight (pages two and three Legations A-134, May 11).² He interrupted to express his pleasure that his and our thinking should be so similar and repeated earnestly "we want to resettle them as speedily as possible, but you must help us do it". I then presented Department's views as outlined Depcirtel May 27, 1 a. m.³ and said US felt that greater initiative should come from Arab states. Reiterating probable dire political consequences if Syria openly took initiative, Zaim said "if everyone concerned waits for someone else to move, problem will not be solved in thousand years. Recognize difficulty of our position and help us to prove our good will. It is in your interest as much as ours that this problem be speedily solved."

Believing that no useful purpose would be served by prolonging discussion pending receipt of Department's reply to Legtel 380, July 13² and authority to make specific suggestions for Syrian consideration, I said I would not fail report his views to my government which I knew would be happy to learn of his awareness of serious implications of problem and of his continued willingness to approach its solution realistically.

Sincerity of Zaim's will to action is unquestionable if for no other reason than his awareness that Palestine problems stand in way realization many of his dreams. While Legation shares belief that he cannot safely go too far in advance of Syrian public opinion in what

² Not printed.

³ Not printed; it repeated to Arab capitals and Tel Aviv the text of telegram 674, May 23, to Bern, p. 1047.

would here be considered unreasonable surrender to Israeli intransigence, it is evident that he is susceptible of being led by friendly US initiative not only in resettling refugees but in compromising other differences with Israel. In Legation's opinion it is in interest of peace in Middle East to capitalize on Zaim's cooperativeness by recognizing delicacy his position and by encouraging him with our support wherever possible.

If, as recommended Legtel 380, we eschew scolding tactics and take initiative in building constructively on cooperation offered us, resettlement in Syria can begin as promptly as projects can be activated with needed funds and technical assistance.

While appreciating considerations that influenced Department to condition its help of elements set forth in Depcirtel May 27, Legation believes urgency of matter calls for more direct leadership in assembling and concentrating desirable international assistance. Legation fears that unless US takes and keeps initiative in UN to evolve workable plan, cooperation on international plane will be forthcoming too slowly to solve problem before it worsens dangerously and perhaps irreparably.

Our acceptance of leadership entails danger of being blamed for shortcomings of any suggested plan of action but our successful solution this distressing problem would be great humanitarian gesture worthy our best traditions and would pay dividends in helping restore our once high prestige in Arab lands.

Sent Department 384, repeated London 98, Paris 83; pouched Amman, Baghdad, Beirut, Bern, Cairo, Jerusalem, Jidda, Tel Aviv, Ankara, Moscow.

KEELEY

501.MA Palestine/7-1349: Telegram

The Secretary of State to the Embassy in Egypt

SECRET

WASHINGTON, July 14, 1949—11 p. m.

701. Reurtel 669 July 13¹ and others on same subject. Dept concerned lest Egyptians be given impression that US is insisting they agree to Gaza strip proposal. You shld make every effort to impress Egyptian officials that US position is that this is proposal which has merit, and shld not be summarily dismissed. For this reason USG believes it essential that it be discussed between parties at interest. Egyptian agreement to discuss question wld not involve commitment

¹ Not printed.

to accept proposal. It wld be concrete statesmanlike gesture. However, outright refusal to discuss wld leave Egypt open to accusation from other side that it had refused to even discuss a matter of mutual interest and wld undoubtedly be used as opportunity for propaganda campaign against Egypt.

If Egyptians shld attempt to argue that question already discussed at PCC you shld point out that immediate negative reaction of Egyptian delegate at Lausanne did not constitute in the view of this Govt "discussion" of question.

Dept cannot understand your reference in first [last] para reftel² to "USG's complaisant partiality to Israel". In interests of peace USG has on number of occasions made firm representations both sides, and has sought impartially to give advice whenever cause of peace in area cld be advanced thereby. Further comment on this and points raised in your A-746 July 1³ will follow.⁴

ACHESON

² This paragraph gave the comment of Chargé Patterson after his conversation with Abdul Moniem Mustafa, head of the Egyptian Delegation at Lausanne, as follows: "I found Mustafa Bey's position possibly foreshadowing that of Egyptian Government not in accord with realistic appraisal of situation. If Egypt is weak in military sense Egyptian lack of confidence in Israeli good faith in UN ability to enforce its resolutions and in USG's complaisant partiality to Israeli should induce willingness to compromise and make best of bad bargain however unjust." (867N.01/7-1349)

³ Not printed.

⁴ The Department, on July 14, sent to London a telegram broadly parallel to No. 701. The telegram queried whether the British Foreign Office "now contemplates extending dipl support US representations to Egypt" concerning the Gaza strip proposal (No. 2450, 501.BB Palestine/7-1449). Its content was discussed on July 15 with Michael Wright, who in referring to the British program set forth in telegram 2432, July 13, to London, p. 1223, stated that "it was Bevin's belief that coordinated approach for whole program as embodied in British suggestions held most hope for success. Wright felt personally that to press Egyptians further on Gaza proposal, in isolation from other points, might well prejudice Egyptian acceptance proposals as whole." (telegram 2790, July 15, 6 p. m., from London, 501.BB Palestine/7-1549)

*Statement Released by the Department of State*¹

The appointment of Paul A. Porter as United States Representative of the United Nations Palestine Conciliation Commission was announced by the White House on July 16, 1949.² Mr. Porter recently served as Chief of the American Economic Mission to Greece with the personal rank of Ambassador.

¹ Reprinted from Department of State *Bulletin*, July 25, 1949, p. 98. This source does not indicate the date of release.

² The American Delegation at Lausanne was notified of Mr. Porter's appointment in Unpal 186, July 16, which also informed that Mr. Porter planned to leave the United States immediately for Lausanne (501.BB Palestine/7-1649).

The Palestine Conciliation Commission is charged with the task of facilitating settlement of all issues outstanding between Israel and the Arab States under the General Assembly resolution of December 11, 1948. This government attaches great importance to a speedy solution of these issues and offers its unqualified support in the fulfillment of the Commission's task.

This government welcomes the resumption of the Lausanne meetings, which represent a further advance in the direction of peace between Israel and the Arab States. The recent discussions at Lausanne were of material benefit in clarifying the respective positions of the two parties. In the opinion of the United States as a participating member of the Commission, the groundwork has now been laid for constructive negotiations in which both parties must cooperate to the full if the area of disagreement is to be progressively narrowed and a final settlement obtained.

501.BB Palestine/7-1649 : Circular telegram

*The Secretary of State to Certain Diplomatic Offices*¹

RESTRICTED

PRIORITY

WASHINGTON, July 16, 1949—1 a. m.

In order to strengthen PCC and to improve chances fulfillment its task, you are instructed immediately to approach govt to which you are accredited along fol lines:

"Govt of US, motivated by sincere conviction that every effort must be made to facilitate progress towards successful conclusion PCC's task, and to accord PCC fullest cooperation therein, hopes govts concerned will instruct their delegations to enter into forthcoming discussions at Lausanne with new and constructive approach towards all issues outstanding. Up to present time, progress of PCC has been impeded by fact that certain delegations to Commission were authorized by their govts to discuss or negotiate only with respect to limited aspects of Pal settlement, or to insist upon establishment of priorities in approaching the several questions. US Govt must emphasize that terms of ref under which PCC was established by GA res of Dec 11 have special application to govts and authorities concerned as well as to members PCC. It is earnest conviction of US Govt that all delegations to Lausanne on reconvening July 18 should be given full authority by their respective govts to enter into discussion and negotiation of all issues which fall within purview of PCC, particularly status of Jerusalem, territorial settlement and disposition of refugees. Indeed, a primary purpose of Protocol of May 12, 1949 was to enable Arab and Israeli delegations to extend their exchanges of

¹ At Cairo, Tel Aviv, Beirut, Damascus, and Amman.

view to all questions covered by GA res. After talks resume, therefore, refugees and territorial questions should be subject to concurrent discussion."

Govts of Israel and Arab States should also be informed that similar approach has been made to both sides.

Re other members of PCC, Turkish Govt has already agreed to approach Govts of Israel and Arab States as has US Govt. Dept hopes to be informed shortly that French Govt has also agreed.²

ACHESON

² Chargé Stabler discussed the content of this circular telegram with the Acting Prime Minister and King Abdullah on July 20. The King gave his views as follows: "Regarding Jerusalem said his ideas and those of Israel were close and felt there should be no difficulty reaching agreement. Regarding territorial settlement believed it should be based on partition with adjustments provided latter did not harm Jordan. Regarding refugees indicated his belief that as general principle all refugees should be resettled in Arab areas. If large numbers should return [to Israel] they would be source of constant friction between Arab States and Israel and dangerous situation would be created. However Israel should permit return those desiring become Israel citizens (which he thought would be few) and those who desire enter Israel to settle their properties. . . . Again made plea for US financial assistance in form loan and machinery." (telegram 286, July 20, 8 p. m., from Amman, 501.BB Palestine/7-2049)

On July 21, the Jordanian Foreign Minister informed the Chargé that he had instructed his delegation at Lausanne "to discuss all outstanding issues without regard to priorities on basis of UN decision Jerusalem, frontiers and refugees." (telegram 289, July 23, 10 p. m., from Amman (501.BB Palestine/7-2349))

Cairo, on July 22, advised that after discussions with high Egyptian officials, there was "no reason to believe instructions Egyptian delegation Lausanne have been amplified in sense recommended by Department." (telegram 702, 501.BB Palestine/7-2249)

501.BB Palestine/7-1649 : Telegram

The Secretary of State to the Legation in Syria

CONFIDENTIAL

WASHINGTON, July 16, 1949—2 p. m.

283. Dept informed Riley and Vigier feel responsible Israel Govt¹ in armistice negotiations goes long way toward meeting Syrian reservations re Samakh area and the Syrian Govt should now accept Israeli compromise offer.² Next meeting armistice delegations Monday, July 18, when armistice agreement might possibly be initialed for subsequent signature later in week. Dept understands Riley and Vigier have seen you and Syrian PM and request your support their views with Syrian Govt. Dept endorses their request.

ACHESON

¹ The text of the Israeli response was transmitted by New York in telegram 833, July 15, 6:59 p. m. (501.BB Palestine/7-1549), not printed.

² This information was reported by New York in telegram 832, July 15, 4:57 p. m. (501.BB Palestine/7-1549), not printed.

501.MA Palestine/7-1349: Telegram

The Secretary of State to the Legation in Syria

SECRET

WASHINGTON, July 16, 1949—6 p. m.

284. Urtel 380 July 13¹ indicates different interpretation than that intended by Dept of word responsibility in Depcirtel June 27. Dept's position that Israelis and Arabs bear primary responsibility for solution refugee problem contains no implication of blame for sequence of events leading to creation of refugees but is based squarely upon physical fact that problem intrinsic to the area by virtue of physical presence of refugees in Arab states, separated from their property, assets and homes in Israeli or Israeli-controlled territory. Since US does not accept primary responsibility nor would support UN in acceptance, such responsibility must reside in Israel and Arab states. Concept of responsibility was discussed openly and frankly by US rep with all Arab del's Lausanne, all of whom appeared fully to understand US position. For these reasons, Arab dialectics can do no more than perpetuate deadlock, without in any way removing refugee problem from geographical sphere of Arab states. Both sides have inescapable responsibility to take action re refugee question or suffer consequences to their own security which will inevitably result from continued inaction.

Dept fully aware of pros and cons of past history with respect to creation refugee problem. We are firmly convinced, however, of necessity both parties abandoning their preoccupation these arguments if any solution is to be achieved before major disaster is precipitated by refugee problem.

Depcirtel June 27 and Depcirtel July 9 1 a. m. in essence offer Arabs and Israelis two alternative choices: Depcirtel June 27, together with Depcirtel May 27 1 a. m.² on which it is based, clearly indicate basis on which USG prepared offer material assistance in solution refugee problem. Depcirtel July 9 1 a. m. cites alternative of complete inaction by Israelis and Arabs, with resultant inability of international community initiate further action and attendant repercussions upon best interests Israel and Arab states.

¹ Not printed.

² Not printed; it repeated to Arab capitals the text of telegram 674, May 23, to Bern, p. 1047.

You shld therefore proceed make representations along lines Dep-cirtel June 27 and July 9, emphasizing considerations set forth above.³

ACHESON

³ This telegram was repeated to Tel Aviv and was pouched to Arab capitals, London, Paris, Jerusalem, and Ankara and to Bern for the American Delegation at Lausanne. Minister Keeley discussed the content of telegram 284 with the Syrian Prime Minister on July 17 and reported that the latter "was visibly and volubly disappointed that no distinction was made between Syria and Israel or between Syria and certain other Arab states in assessing blame for alleged inaction. . . . In addition to making maximum contribution to refugee relief it long ago offered to accept for resettlement double or more number already parked on its territory. Acceptance responsibility for creation of refugees as implied by Department in referring to problem as one of 'Israeli-Arab' making was another matter and simple justice aside no Syrian Government could stand which accepted any part of blame for creation of Arab refugees or which thus or in any other way admitted or connived in alienating right of refugees to return to their ancestral homes in Palestine and their right to compensation for losses if in actual circumstances they are precluded by Israel from returning or do not wish to return to live under Israeli tyranny." (telegram 390, July 18, 9 a. m., from Damascus, 501.MA Palestine/7-1849)

501.BB Palestine/7-1749 : Telegram

The Minister in Syria (Keeley) to the Secretary of State

CONFIDENTIAL PRIORITY DAMASCUS, July 17, 1949—7 p. m.

387. When I discussed Israeli reply with PriMin Barazi July 15 he concluded that, irrespective qualms re details, Syrian Government would, as "of its appreciation of friendly advice of its friends" (meaning US), accept Israeli compromise offer. Following receipt today Deptel 283 July 16 I broached subject again when PriMin came to my house to review various matters separately reported and learned that true to his promise he had yesterday instructed Syrian Delegation to accept terms without further discussion.

Unless Israeli raise new issues or renig, armistice agreement will be initialled tomorrow, July 18, and signed during week he said. "I have given you my word; it is final." Have informed Riley.

Sent Department; repeated Baghdad 76, Beirut 87, London 100, Paris 85, Tel Aviv 48, Jerusalem 58, Amman 49, Cairo 52, Jidda 33, Ankara 56, Bern 24 (for USPCC).

KEELEY

501.BB Palestine/7-1849: Telegram

The Minister in Syria (Keeley) to the Secretary of State

CONFIDENTIAL

DAMASCUS, July 18, 1949—7 a. m.

389. Prime Minister told me yesterday that because of heavy cost (30,000 Syrian pounds monthly) and belief of Syrian delegation that nothing likely to be accomplished at Lausanne because of Israeli intransigence he proposed cut delegation to one officer and one clerk. I replied that while composition Syrian delegation matter for his decision its reduction at this time might be interpreted as weakening Syrian interest in work of PCC which would be unfortunate on eve arrival Paul Porter whose appointment I extolled.

Also took advantage of occasion to convey sense Depcirtel July 16, 1 a. m. and to urge that Syria take leadership in constructive approach at Lausanne (Bern for USPCC). In reply to Prime Minister query "tell me what you want me to do" I suggested strength Syrian delegation be maintained at least temporarily and be given full authority and instructions to discuss all outstanding problems which fall within purview of PCC, particularly status Jerusalem, territorial settlement and disposition refugees.

After some discussion he agreed and added that he would strengthen Syrian delegation by replacing Farid Zaynaldin "who is too rigid dialectician" and by adding one or more realists, perhaps bringing Edmond Homsy, Syrian Minister London to Lausanne. In addition Prime Minister said he would use his influence with other Arab states to get them to adopt more positive attitude. He would do so out of his conviction that it is in interest Syria and other Arab states to follow advice and leadership of US in solving Palestine problems. As Syria has already followed US advice in armistice [negotiations?] with Israel (mytel 387, July 17) so it is prepared to do in peace talks in belief said Prime Minister that US influence would henceforth be increasingly exerted toward ends of justice.

Pointing out again how difficult it is for Arab states to take initiative in compromising with Israel Prime Minister indicated willingness go along on any reasonable arrangements that would serve cause some peace in Middle East. He recalled statement he had made to Ambassador Griffis and me months ago in this connection (mytel 651, October 18, 1948¹) and reiterated hope that UN under US inspiration and leadership would speedily impose Palestine settlement based on partition plan of November 29, 1947 which Arab states would in present circumstances have to accept as *force majeure*.

¹ Not printed.

If present friendly Syrian Government remains in office and if [garble] request initiative and leadership (mytel 384, July 14 and 388, July 17²) in refugee resettlement and in working out reasonable compromise in other matters before PCC Legation believes and Riley concurs that Syria now offers best Arab leadership in reaching overall peace settlement.

If we want peace and stability in Middle East we must boldly accept leadership in achieving it.³

Sent Department 389; repeated London 102, Paris 87, Bern 25, pouched Amman, Baghdad, Beirut, Cairo, Jidda, Jerusalem, Tel Aviv, Ankara.

KEELEY

² Latter not printed.

³ In reply on July 20, the Department instructed Damascus to convey to the Prime Minister "US appreciation Syria's cooperative attitude reflected in his forthright action in reinforcing Syrian participation in PCC meetings and for endeavoring influence other Arab states act similarly. US confident continuation this policy will be most beneficial in speeding settlement outstanding problems." (telegram 287, 501.BB Palestine/7-1849)

Minister Keeley transmitted these sentiments to the Prime Minister on July 21. The latter urged the United States Government "keep secret his offer endeavor influence other Arab states realistically to adopt more positive policy at Lausanne and to follow US lead. Prime Minister reemphasized success his efforts this respect likely to be in proportion to how well secret kept." (telegram 400, July 22, 10 a. m., from Damascus, 501.BB Palestine/7-2249)

501.BB Palestine/7-1949

*Memorandum by the Assistant Secretary of State for Near Eastern and African Affairs (McGhee) to the Secretary of State*¹

TOP SECRET

[WASHINGTON,] July 19, 1949.

Subject: Appointment with Paul A. Porter

Discussion:

On July 16 the President appointed Paul A. Porter to succeed Mark Ethridge as the United States representative on the Palestine Conciliation Commission.

Mr. Porter plans to leave Washington July 21 by plane for Lausanne. Mr. Porter has an appointment with you at 11:45 a. m. and with the President at 3:15 p. m. on July 20.

Since Mr. Porter's appointment on July 16, officials of the Department have had an opportunity to brief Mr. Porter in detail on all aspects of the Palestine question including the instructions which Mr. Lovett, with the President's approval, issued to Mr. Keenan and Mr. Ethridge² (Tab A).

¹ This memorandum was transmitted to the Secretary through Mr. Rusk who initialed it.

² See Mr. Lovett's letter of January 19 to Mr. Ethridge and footnote 1 thereto, p. 681.

It is anticipated that Mr. Porter will inquire to what extent and in what manner the United States Government will support him in his negotiations as the United States representative on the Palestine Conciliation Commission. It is accordingly suggested that you may wish, prior to your appointment with Mr. Porter, to discuss the present stage in developments regarding Palestine with the President.

It is recalled that the President directed the Department on May 29 to approach the Government of Israel in a friendly and firm manner with regard to its attitude on the subjects of Arab refugees and a territorial settlement in Palestine. It was stated at that time that "if the Government of Israel continues to reject the basic principles set forth by the resolution of the General Assembly of December 11, 1948, and the friendly advice offered by the United States Government for the sole purpose of facilitating a genuine peace in Palestine, the United States Government will regretfully be forced to the conclusion that a revision of its attitude toward Israel has become unavoidable."

The Government of Israel has continued to refuse to heed the advice of the United States Government concerning the principle of territorial compensation for areas held by Israel outside the 1947 Palestine partition lines and the repatriation of a substantial number of Palestine refugees without reference to territorial acquisition. It is hoped, however, that during future talks at Lausanne, the representatives of Israel will adopt a more conciliatory attitude.

Meanwhile, in order to strengthen Mr. Porter's authority and to increase the prospect of success at Lausanne at this critical stage, it is recommended that Mr. Porter be authorized to emphasize privately to the representatives of Israel at Lausanne two important points:

1. that the United States Government continues to stand firmly behind the principles enunciated in its note of May 29; and
2. that, pending the adoption of a more conciliatory attitude by Israel, the United States Government is finding it extremely difficult to give favorable consideration to the two following matters:

a) Further allocation of funds under the \$100,000,000 loan requested by Israel in 1948. One of the principal reasons leading to favorable action by the ExImBank on this request was the belief that there were hopes of an early and final peace in Palestine and the consequent establishment of normal economic conditions in Israel which would facilitate the ultimate repayment of the loan. Israel's failure thus far to heed the friendly advice of the United States may be said to have delayed peace and normal economic relations. Pending positive action by Israel to attain these objectives a suspension of further allocation of funds is accordingly warranted on banking grounds.

b) Ways and means by which the United States, through the United Nations, might be able to participate in an overall program for the repatriation and resettlement of Palestinian refugees. In

order to plan a program which would be acceptable to the United States Congress, banking institutions and United Nations member states, some measure of agreement between the Arabs and the Jews and a definite prospect of peace in Palestine are essential; otherwise there would be no firm base on which the United States or other members of the United Nations would be able to formulate and participate in a workable program.

It is also recommended that Mr. Porter continue to emphasize to the representatives of the Arab states at Lausanne:

that the United States continues to support the principle of repatriation of those refugees who wish to return to Israel; but at the same time, hopes that the representatives of the Arab states will be able to make constructive suggestions with regard to the resettlement of those refugees who do not wish to return. Failure to do so would have the consequences indicated under 2(b) above.

Recommendation:

It is recommended that

- 1) Mr. Porter be authorized to approach the Arabs and the Israelis privately as indicated above;
- 2) The representative of the Department recommend to the ExIm-Bank that it temporarily postpone further allocations under the loan pending positive action by Israel at Lausanne.³

[Here follow concurrences by officers of the Office of Near Eastern and African Affairs and of the Office of United Nations Affairs.]

³ In an attached undated memorandum, Mr. McGhee wrote: "Mr. Porter discussed this with the President yesterday and the President approved the course of action recommended in this memorandum."

501.BB Palestine/7-1949: Telegram

The Ambassador in Israel (McDonald) to the Secretary of State

SECRET

TEL AVIV, July 19, 1949—noon.

549. Re Depcirtel July 16 received July 18. Department will have noted in Embtel July 18, 545¹ niact, that following my repeated representations to Foreign Office Israeli Government through Shiloah

¹ Not printed; it reported that Ambassador McDonald conversed with Mr. Shiloah on the evening of July 15. The latter made known that he would replace Mr. Eytan as head of the Israeli Delegation at Lausanne, that he would be "taking with him more 'elastic program'" and that he hoped "for progress before UNGA if PCC will bring two groups together." The Ambassador commented to the Department that "What Shiloah said and way he said it encourages me to hope that Israel's policy especially on refugees is developing favorably."

The following day, the Ambassador saw Mr. Eytan, who emphasized that Israel "intends to be 'more forthcoming' at Lausanne and hopes that 'Arabs and US delegates will also be more conciliatory.'" Mr. Eytan was said to have said that it was "essential" that the "UN have success" in the negotiations. (501.BB Palestine/7-1849)

July 15 and Eytan July 16 declared that Israel delegation was returning Lausanne instructed along lines similar Department's suggestions. July 18 after dinner for Justice Douglas at residence, Ben-Gurion by implication confirmed Israeli plans for more conciliatory and broader approach at Lausanne. Despite this prior substantial Israeli assent views Depcirtel July 16 were formally urged upon Foreign Office by Ford in conference with Herlitz July 19 who is reporting immediately to Sharett.

Sent Department 549, repeated Baghdad 15, Beirut 27, Damascus 24, Amman 21, Cairo 18, Jidda 1, Lausanne.

McDONALD

501.BB Palestine/7-1949: Telegram

The Minister in Lebanon (Pinkerton) to the Secretary of State

RESTRICTED

BEIRUT, July 19, 1949—3 p. m.

369. Re Depcirtel, July 16. Lebanese Delegation to Lausanne has been impressed with need to reach agreement on outstanding issues being discussed and it has received instructions from President and Prime Minister to cooperate fully with PCC. Principal delegate has been given full authority in negotiations. In two conversations I had with him during his stay Lebanon, he indicated complete willingness to cooperate and so far as Lebanon is concerned realization of urgency for finding solution on all points. Foreign Office says Turk Chargé has made similar approach and has received similar assurances.¹

PINKERTON

¹ The Department, on July 20, directed Beirut to "Convey to Pres and PriMin US appreciation Leb cooperative attitude re PCC negots and instru[ction]s this regard to principal Leb delegate Lausanne" (telegram 353, 501.BB Palestine/7-1949).

501.BB Palestine/7-2049: Telegram

Mr. Stuart W. Rockwell to the Secretary of State

CONFIDENTIAL

LAUSANNE, July 20, 1949—11 a.m.

Palun 246. In conversation this afternoon Abdul Monem stoutly denied US charge regarding negative Egyptian attitude, stated Egypt anxious for just peace based on return large number refugees and partition plus compensation. Egypt in no hurry sign unjust peace which would not be lasting and rather than do this preferred await developments. Would take long time for bitterness Near East to subside enough to permit Arab states sign peace and meantime, who knew what might happen in Israel? Israel is carrying crushing economic burden and possibility civil war should not be disregarded.

Said Egypt had decided could not discuss Gaza proposal. Showed complete indifference fate Gaza refugees who were international and Jewish responsibility and maintained if international aid stopped Egypt had means support.

Negev must remain Arab and Egypt needed Gaza-Beersheba-Dead Sea line for defense.

Only sign progress Egyptian position here was information he had been authorized discuss matters other than refugees. Said he willing consider any proposal put forward by PCC but refused commit self in replies to questions regarding possibility Egyptian-Israeli condominium Southern Negev or guarantee Israeli access Akaba if Southern Negev in Arab hands.

Hirsch has made it very clear that Israeli Government does not desire that Palestine question be discussed in GA this fall. Put forth "personal" suggestion that if PCC saw any hope for progress at time opening GA, it should recommend Palestine be excluded or placed at very end of GA agenda.

Have asked Arab delegates what their position will be if Shiloah brings substantial concessions from Tel Aviv. All have said would discuss concessions with great interest but obvious that during recess they have reached no common position regarding territorial issue.

ROCKWELL

767N.90D/7-2049: Telegram

* *The Secretary of State to the Legation in Syria*

WASHINGTON, July 20, 1949—7 p. m.

288. Express to Syrian Govt gratification USG with regard signature Israeli-Syrian armistice agreement on July 20¹ and express hope this further step toward peace in Palestine will increase possibilities successful conclusion to meetings now taking place with PCC at Lausanne.²

ACHESON

¹ For text, see SC, 4th yr., *Special Supplement No. 2*.

² This telegram was sent simultaneously, *mutatis mutandis*, to Tel Aviv as No. 461. Nos. 288 and 461 were repeated to New York.

For the statement made by Secretary Acheson on July 20 on the signing of the Israeli-Syrian armistice, see Department of State *Bulletin*, August 8, 1949, p. 180.

Editorial Note

The Department of State, on July 21, released a statement by Secretary of State Acheson on the Palestine problem. The key paragraph read as follows: "Now that the position of both parties have been fully defined in previous sessions of the [Palestine Conciliation] Com-

mission, it will materially advance the task of the Commission if both the Israeli and the Arab delegations return to Lausanne with full authority to enter into constructive and effective negotiations. It will also greatly facilitate the Commission's task if both sides will now extend their exchange of views to all problems covered by the General Assembly resolution of December 11, in order to make possible a simultaneous and balanced approach to the closely related problems of territorial settlement and disposition of the refugees from the hostilities." The full text of the Secretary's statement is published in Department of State *Bulletin*, August 1, 1949, page 148.

Editorial Note

Acting Mediator Bunche, on July 21, transmitted a report to the Security Council on the status of the armistice negotiations and the truce in Palestine. He observed that Israel had concluded armistice agreements with Egypt, Lebanon, Jordan, and Syria; that the agreement with Jordan covered the front held by Iraqi forces, making unnecessary negotiations between Iraq and Israel; that the Saudi Arabian forces in the Palestine conflict had served under Egyptian command and were therefore covered by the terms of the Egyptian-Israeli armistice; and that no agreement involving Yemen was necessary since Yemen had no forces in the conflict.

As a result of these agreements, the report indicated, "an armistice now applies to all of the fighting fronts in Palestine and by the terms of the agreements the military phase of the Palestine conflict is ended."

The report contained Mr. Bunche's conclusions and his proposed draft resolution, as follows:

1. The practical application of the Security Council's truce in Palestine has now been superseded by effective armistice agreements voluntarily negotiated by the parties in the transition from truce to permanent peace. Since all of these agreements are self-enforcing and establish the necessary machinery for their supervision, with the assistance of the United Nations Chief of Staff of the Truce Supervision Organization and United Nations observers at his command, it would seem unnecessary longer to impose upon the States concerned the restrictive conditions of the Security Council truce. The Security Council resolution of 15 July 1948 imposed not only a truce and the conditions relating thereto, but ordered the Governments and authorities concerned, pursuant to Article 40 of the Charter of the United Nations, to desist from further military action.

2. In view of the existing state of affairs in Palestine, the Security Council might consider it advisable to review the situation in the light of the new conditions and to take appropriate action. Such action might declare it unnecessary to prolong the truce provided for in the

Security Council resolution of 15 July 1948. It might, at the same time, reaffirm the order in that resolution to the Governments and authorities concerned, pursuant to Article 40 of the Charter of the United Nations, to desist from further military action, and might also call upon the parties to the dispute to continue to observe an unconditional cease-fire. Action along some such lines would be consistent with the realities of the present situation and would at the same time fully safeguard the basic objective of the Security Council that fighting in Palestine shall not be resumed.

3. In conclusion, I would respectfully call to the attention of the Security Council my communication to the Council of 17 January 1949. In my view, the action which the Council might now properly take should also provide, in accordance with General Assembly resolution 194 (III) of 11 December 1948, for the termination or the transfer to the United Nations Palestine Conciliation Commission of such functions as now remain to the position of Mediator under Security Council resolutions. With the armistice agreements concluded, there is no longer any useful function to be performed by the Mediator. Any further activity by me would inevitably impinge upon the work of the Palestine Conciliation Commission. This could create only confusion and duplication of effort and would serve no useful purpose whatsoever. Under the terms of the several armistice agreements, I have no responsibility for their implementation or supervision, since this responsibility, by mutual agreement, is assumed by the parties themselves. With the truce obsolete, the armistice agreements concluded, and the Palestine Conciliation Commission conducting peace negotiations, the mission of the Mediator has been fulfilled. I am happy to have had this great opportunity to serve the United Nations and the cause of peace in Palestine and in this, my final report, wish to thank the Security Council for the indispensable support which it has given to me in my efforts to discharge the responsibilities entrusted to me.

4. Finally, it is clear to me that the success or failure of any mediation or conciliation effort in a situation such as that presented by Palestine must depend very largely upon the measure of support afforded by the United Nations. If the voice of the United Nations is strong and clear, it can be the decisive factor in the mediatory effort to resolve the conflict. The most effective instrument at the disposal of a mediator or conciliator is the assurance of prompt and vigorous support and action by the United Nations.

5. I have taken the liberty of attaching to this report, as an annex, a memorandum suggesting the general lines of the action which the Security Council might now consider it appropriate to take.

RALPH J. BUNCHE
Acting Mediator

Annex

The Security Council,

Having noted with satisfaction the several armistice agreements concluded by means of negotiations between the parties involved in the conflict in Palestine in pursuance of its resolution of 16 November 1948,

Expresses the hope that the Governments and authorities concerned, having undertaken by means of the negotiations now being conducted by the Palestine Conciliation Commission, to fulfil the request of the General Assembly in its resolution of 11 December 1948 to extend the scope of the armistice negotiations and to seek agreement by negotiations concluded either with the Conciliation Commission or directly, will at an early date achieve agreement on the final settlement of all questions outstanding between them;

Declares that the armistice agreements, as an important step in the transition from truce to permanent peace in Palestine, render unnecessary the prolongation of the truce as provided in the resolution of the Security Council of 15 July 1948;

Reaffirms the order set forth in its resolution of 15 July 1948 to the Governments and authorities concerned, pursuant to Article 40 of the Charter of the United Nations, to desist from further military action, and calls upon them to continue to observe an unconditional cease-fire;

Requests the Conciliation Commission, with the assistance of the United Nations Chief of Staff of the Truce Supervision Organization, to undertake the observance of the cease-fire in Palestine, and terminates all remaining functions of the United Nations Mediator on Palestine under Security Council resolutions;

Requests the Secretary-General to continue in existence such of the present Truce Supervision Organization as the Conciliation Commission, in consultation with the Chief of Staff, may require in maintaining the cease-fire, and as may be necessary in assisting the parties to the armistice agreements in the supervision of the application and observance of the terms of those agreements.

The full text of Mr. Bunche's report is printed in SC, *4th yr., Supplement for August 1949*, page 1.

501.BB Palestine/7-2249 : Telegram

*The Secretary of State to the Embassy in Israel*¹

SECRET

WASHINGTON, July 22, 1949—7 p. m.

472. Re our proposal Jlem negots under Riley, Dept has fol main points: Art 8 Armistice Agreement. does not rigidly limit subject matter negots re Jlem but includes any questions which parties may submit. In any case Art calls for formulation agreed principles these subjects and implementation obviously requires agreement in free negots between parties. Unsuccessful effort to reach such subsequent agreement shld not be regarded as violation Armistice Agreement.

Foregoing considerations admittedly technical but support our controlling motivation achieve agreement these questions which are vital to settlement Jlem question. It appears possible. that sufficient bar-

¹This telegram was repeated to Jerusalem, Amman, Bern (for the American Delegation at Lausanne), and New York.

gaining points exist both sides among these related problems to furnish basis compromise agreement. Dept hopes that parties can disregard technical aspects and undertake broadly based talks which might make possible settlement Jlem question.

Sharett's statement that Israel will resist return former Arab quarters is first official statement we have had to this effect. It appears directly contrary to provision GA res Dec 11 concerning return refugees to homes and contrary gen US policy and principles justice and equity. Question shld at least be subject negots.

Dept considers possible PCC will feel compelled include recommendations territorial and related questions in its detailed proposals for internatl regime which it must present this fall. Highly desirable such proposals have prior agreement parties but if this not possible PCC may have to make own recommendations.

ACHESON

501.MA Palestine/7-1949 : Telegram

The Secretary of State to the Legation in Switzerland

SECRET

WASHINGTON, July 22, 1949—7 p. m.

[Unpal] 198. For USDel Lausanne. Pls inform your colleagues PCC re fol and if they agree proceed as follows:

On basis Cairo tel 689, July 19,¹ rpted to Bern, Abdul Moneim

¹ Not printed; it reported at length on conversations held at Alexandria by Chargé Patterson with British Ambassador Campbell, Acting Chief of the Royal Cabinet Hassan Youssef, Foreign Minister Kashaba, Secretary General of the Arab League Azzam, Mustafa Bey, and the Egyptian Finance Minister on July 15, 16, and 17. The conversations dealt with the Gaza strip proposal. The Chargé advised that all those consulted found little to approve in the proposal; while Egyptian officials "denounced it as forerunner Israel aggression against Gaza, expressing great surprise and I may add contemptuous surprise that the government of a great nation such as US should lend itself to such disreputable scheme." After describing his various conversations, the Chargé commented: "From foregoing lengthy and perhaps repetitious recital Department may find cumulative evidence not only of total lack of Egyptian faith in any proposal emanating from Israel but also a growing suspicion of inability or unwillingness of USG to view Palestine controversy impartially. This may serve to amplify and clarify reference to USG's complaisant partiality to Israel mentioned in concluding paragraph Embtel 669, July 18, which was designed to emphasize a certain lack of realism on Egypt's part. I fear that continued harping on merits of Gaza plan which are completely invisible to Arab eyes, may cause Egyptians to view USG as an accomplice of an expansionist and aggressive Israel and impair, if not destroy nascent cordiality which Egyptian officials and others have been showing toward US and its citizens and interests in interval since conclusion February 24 armistice. It is not pleasant to see practices of one's government treated with the very real intellectual and moral disdain evident in minds and indeed on lips of ranking officials of a foreign government." The Chargé concluded that "should Department be able guarantee Egypt territorial compensation sufficient provide land bridge between Egypt Jordan, Egypt I believe might adopt more conciliatory attitude toward proposed settlement." (501.MA Palestine/7-1949) Regarding 669, see footnote 2 to telegram 701, July 14, p. 1229.

Mustafa Bey expressed willingness discuss Gaza proposal in presence PCC. While obvious intent is summary rejection proposal, you and your colleagues shld take initiative privately to raise question with him on basis reftel, expressing appreciation his willingness undertake discussions and pointing out that USG, in making proposal for such discussions, held no brief for any specific locale for discussions but merely suggested Lake Success as convenient meeting place during recess. Now that PCC has reconvened, his suggestion conduct talks Lausanne quite proper. If he shld raise objection that Gaza proposal not in accord with May 12 protocol, you shld emphasize that protocol's primary intent was to create technique under which negots cld be extended to cover all issues outstanding under Dec 11 res, and that therefore any reasonable proposals put forward shld be given serious attention. Regardless of whether he intends enter into *pro forma* or substantive discussions Gaza, you shld inform him you and your colleagues prepared immediately approach Israeli del privately with view ascertaining whether it prepared make territorial compensation for Gaza strip of character which PCC cld consider equitable for presentation to Egyptians, and what guarantees it has in mind for refugees and residents along lines set forth para 1 Unpal 133, June 4.

If progress made in private discussions, it is anticipated Israeli del shld then add proposal for such equitable territorial compensation and foregoing guarantees to its May 20 Gaza strip proposal (Document AR/12, May 23²) in PCC meeting and that Arabs shld then formally discuss proposal in PCC meeting.

Palun 246 July 20 just received. We assume Abdul Moneim meant Egypt cld not discuss Gaza publicly at this stage. In view his assurances to US Chargé Cairo, however, pls proceed along lines foregoing.³

ACHESON

² AR/12 was a memorandum of the Palestine Conciliation Commission, which transmitted to the Delegations of the Arab States at Lausanne a summary of the proposals and suggestions made by the Israeli Delegation on May 20 (IO files). The Israeli proposals and suggestions are set forth in telegram 769, May 20, from Bern, p. 1036.

³ This telegram was repeated to Cairo. The formal rejection by the Egyptian Government of the United States proposals was made in the form of an undated *aide-mémoire* handed to Chargé Patterson on July 25 (telegram 713, July 26, 9 a. m.). The Department replied on August 4, stating that "Although Dept cannot agree with contentions in Egyptian reply it is believed undesirable to continue to press Egyptian Govt re Gaza strip proposal. Proper focus of discussion this subject now appears to be Lausanne." (telegram 778, repeated to Bern for the American Delegation at Lausanne) Both telegrams are filed under 501.MA Palestine/7-2649.

501.BB Palestine/7-2249 : Telegram

*The Secretary of State to the Legation in Switzerland*¹

SECRET

WASHINGTON, July 22, 1949—7 p. m.

Unpal 199. For USDel, Lausanne. Re Deptel 472 Jul 22 to Tel Aviv Dept wld appreciate comments appropriate procedure in event failure parties agree demarkation lines and related subjects Jlem area. Dept considering fol alternatives:

PCC might recommend as part of proposals that agreement shld be reached by parties and that failing agreement within specified time UN authority shld delimit zones on basis *status quo* Nov 29, 1947.

Second alternative. If parties fail agree within next few weeks PCC shld make own recommendations as part of proposals after consulting expert opinion in Jlem.²

ACHESON

¹ This telegram was repeated to Tel Aviv as No. 471, to Jerusalem as No. 304, to Amman as No. 101, and to New York as 382.

² In reply to this telegram and the one *supra*, Ambassador McDonald observed that the problems of Jerusalem, refugees, and boundaries were "little if any nearer solution than when PCC was created, more than seven months ago." The Ambassador concluded that "Lack of progress not attributable personalities nor wholly to inherent difficulties of issues nor to stubbornness governments concerned. Department should face fact that PCC has been inherently self-stultifying. Despite Porter's best efforts PCC will, I fear, remain incapable that series of strong affirmative united actions essential bring Arab states and Israel to move beyond present armistices.

"In light of PCC record, gravity of unsettled problems and urgent need for speedy action, I urge Department begin now campaign to have UNGA replace PCC by single man authority. This change vital even if Bunche be not available to do job." (telegram 566, July 26, 7 p. m., from Tel Aviv, 501.BB Palestine/7-2649)

501.MA Palestine/7-1849 : Telegram

The Secretary of State to the Legation in Syria

SECRET

WASHINGTON, July 22, 1949—7 p. m.

293. Urtel 390 July 18.¹ In reply your query as to what Dept specifically desires from Syria to advance refugee solution, it wld be of considerable value if Zaim wld authorize Syrian del inform PCC officially of its willingness cooperate in facilitating solution of refugee problem by accepting substantial number refugees for permanent settlement Syria. Such undertaking by Syria wld in no way relieve Israel of its repatriation responsibilities and other Arab states of necessity cooperating in resettlement. We also hope Syrian cld be instructed use its influence induce other dels to adopt similar position simultaneously at Lausanne.

¹ Not printed.

In making foregoing suggestions, we recall, of course, that Arab delts to PCC at June 25 meeting Lausanne expressed willingness examine resettlement question as soon as they knew how many refugees did not wish return to homes on basis completely free choice, and stated that such refugees wld find Arab countries ready to take them. However we now hope it would be possible to make more practical and forthright statement along lines suggested, which wld more accurately reflect Zaim's demonstrated interest in settlement of refugees in Syria and wld materially advance progress of negots towards permanent solution of problem.

Since some progress has been made in private discussion with Arabs and since certain indications exist that Israel may now be prepared make concessions re refugees, we are concerned lest forthcoming Arab League Political Comite meeting result in hardening of Arab attitude, and thereby produce setback to PCC negots.

On suitable occasion, you shld make ref to Arab League meeting and state that Dept understands refugee question will be taken up. You shld then make fol observations:

Dept has received indications that PCC now has reasonable hopes achieving early progress towards practicable solution refugee problem. We are aware that Arab states, who bear burden of refugees, wld welcome such solution. Dept believes that all parties now appreciate fact that solution can only be achieved through effective cooperation Israelis, Arab states, UN and its member govts. For this reason Dept hopes that at forthcoming meetings Arab League, Arab reps will find it possible to adopt position in Beirut which will make it possible for Arab reps at Lausanne constructively to approach resettlement of refugees in connection with overall solution for Pal problem.

Sent Damascus, repeated to Beirut and Amman for similar action vis-à-vis Lebanese and Transjordan govts.²

ACHESON

² This telegram was also repeated for information to Bern for the American Delegation at Lausanne. Its content was summarized and sent to Baghdad, Jidda, and Cairo as a circular telegram of July 22, 11 a. m. (501.MA Palestine/7-2249).

Minister Keeley conveyed the substance of No. 293 to Prime Minister Barazi on July 25. The latter "said he would immediately send cable instructions to Syrian representatives at Lausanne to confirm to PCC formally off-repeated offer to accept for resettlement substantial number of those refugees who not desiring return to Palestine to live under Israeli administration are compensated for their losses as foreseen in UNGA resolution December 11 and who elect to settle in Syria. Barazi implied number would depend upon Syria's absorptive capacity in light of amount of resettlement aid furnished (in past tentative figure has been 250,000 to 300,000).

"As for forthcoming meeting Palestine Political Committee Barazi said it likely to be held in Egypt (Alexandria) and he is optimistic it will support realistic and constructive attitude at Lausanne. For his part he will exert his whole influence to that end." (telegram 408, July 25, 11 a. m., from Damascus, 501.MA Palestine/7-2549)

501.BB, Palestine/7-1549 : Telegram

The Secretary of State to the Embassy in the United Kingdom

SECRET PRIORITY

WASHINGTON, July 23, 1949—2 p. m.

2582. Brit Emb Rep (Embtel 2790 July 15)¹ recently discussed Brit suggestions outlined Deptel 2432 July 13 with Dept. Brit stated they were prepared to approach Arab States, France and Turkey re these various points. Dept suggested, however, that it might be wise temporarily to postpone such approach (except for Gaza strip proposal which was currently being discussed by Brit Emb Cairo with Egyptian officials) until Brit and ourselves had agreed more precisely on form and substance of approach. Brit Emb seeking further views FonOff on certain points.

It may not therefore be necessary for Wright to raise proposal with Bevin for time being. Pls inform Dept re current Brit views on Gaza strip proposal.

ACHESON

¹ Not printed.

867N.01/7-2349 : Telegram

The Chargé in Jordan (Stabler) to the Secretary of State

SECRET

AMMAN, July 23, 1949—midnight.

291. During talk with King this morning, he made following comments:

1. He had received no information from Fawzi Pasha re agreement Transjordan and Arab delegates that Transjordan should annex Arab Palestine. (Depintel July 21, 1 a. m.¹). However, believed annexation inevitable and desirable. During feast next week, delegation from Nablus would present to him formal request for annexation, having first held meeting in Nablus to accept partition principle. Delegation would include former followers of Mufti and he thought this action significant. HM felt such areas as might be returned to Arabs should also be annexed to Transjordan.

2. Regardless what other Arab states wished Transjordan still desired settle with Israel on permanent basis. "This is my will."

3. He had sent memo to government suggesting new ministry for resettlement (refugees) be formed, under Ragheb Bey Nasha Shibir (former mayor Jerusalem and elder statesman) if latter would accept. Ministry would be charged with formulation plan to resettle refugees in Transjordan and Arab Palestine along lines Legtel 286, July 20.²

¹ Not printed.

² Not printed; it reported information from King Abdullah that "He had given orders to his government begin resettlement in Jordan and Arab Palestine and had in mind scheme to be directed by Musa Alami for use his private and state domain lands on both sides Jordan valley." (501.BB Palestine/7-2049)

In addition each Transjordan village would be requested take 10 percent refugees living in Hebron and Samaria districts where resettlement possibilities difficult. He again expressed hope Transjordan would receive US and international aid soonest. Promised would send me copy his memo to government.

4. He doubted whether league political committee would hold meeting as planned since no agreement on site could be reached. If not held it would make no difference.

5. King has received official invitation visit Spain and would do so following visit to England. (Re visits please see Legtel 274, July 5.³)

Pouched Madrid, Tel Aviv, Jerusalem, Arab capitals, London.

Department summarize USDel PCC.

STABLER

³ Not printed, but see footnote 1 to telegram 117, p. 1284.

Editorial Note

Following his return from Tel Aviv, Ambassador Elath called on Mr. McGhee to discuss his recent trip. Mr. McGhee's memorandum of conversation, dated July 25, cited the Ambassador as expressing "the opinion that our recent note to Israel regarding refugees and territory had been emotionally phrased. The Government had been somewhat hurt, possibly because it is a new state and unused to diplomatic exchange. I replied that we did not consider that our note had been emotionally phrased but had reflected the facts regarding the situation relating to Palestine under UN resolutions and established US policy." Regarding the note, see telegram 398, June 24, to Tel Aviv, page 1174.

The Ambassador was also reported to have stated that Egyptian refusal to discuss the Gaza strip proposal "showed that Egypt, and probably the other Arab states, did not sincerely desire peace. If they did they would be endeavoring to seek a way out of the present situation in the Near East.

"I pointed out that we had hoped the Egyptians would be willing during the recent recess of the PCC to adopt this proposal as a basis for discussion. Although this had not proved possible, I hoped that future developments at Lausanne might lead to this result through a simultaneous discussion of such interlinked subjects as territory and refugees. I added that I felt that the inability of the Egyptians recently to discuss the Gaza strip proposal was not indicative of a lack of desire for peace but was merely based on Arab emphasis on other matters such as repatriation under the GA Resolution of December 11. I emphasized the importance we attach to a conciliatory attitude on the part of the Israeli delegation at Lausanne in order to break the vicious circle which had thus far existed in Israeli and Arab talks with the PCC." (867N.50/7-2549)

Editorial Note

In a note of July 25, 1949 to the Secretary of State, the Egyptian Ambassador, Mohamed Kamil Bey Abdul Rahim, reiterated an earlier Egyptian request of June 10 for United States support towards bringing to an end the arms embargo imposed by the Security Council (see telegram 573, June 11, to Cairo, page 1115). The Ambassador cited the damaging effects of the embargo on trade and stated that the embargo was a hindrance to Egypt's industrial and economic development, as well as to her program of defense. He noted that United States goods needed for Egypt's development were among the articles covered by the embargo. The Ambassador requested the United States to take into account the cessation of hostilities in Palestine and the conclusion of all armistice agreements, including the Syrian Armistice signed the preceding week. (501.BB Palestine/7-2549)

501.BB Palestine/7-2549

Major General John H. Hilldring¹ to the Secretary of State

PHOENIX, ARIZONA, July 25, 1949.

DEAR MR. SECRETARY: Before I left Washington last April the President asked me to take a message from him to the appropriate officials of Israel. The message related to his deep concern about the attitude of the Israeli government as to:

1. Arab refugees, and
2. Acceptance by the Israeli government of the UN decision of November 29, 1947, for the future control of Jerusalem.

At noon last Monday I reported to the President on this mission, and on other matters regarding Palestine, and at four o'clock on Monday—a few minutes before I was to depart for Chicago and Arizona—I was informed that the President wanted me to repeat to you the report I had made to him earlier in the day.

As Mr. Battle has probably told you, I immediately called your office. In view of the fact that I do not expect to be back in Washington for some weeks, I suggested, and Mr. Battle concurred, that I send you a brief résumé of my report to the President which I can expand, if you desire more detail, when I return to Washington.

On my second day in Israel I called on the foreign minister and delivered the President's message to him. I later discussed it with the Prime Minister and several other Israeli officials. I made it clear,

¹ Formerly a member of the United States Delegation at the United Nations and Assistant Secretary of State for Occupied Areas.

as the President wanted, that he was personally concerned and disturbed about these matters.

Mr. Sharett stated that he was distressed to hear that the President felt as he did, and took some time to explain to me the domestic threat which any Israeli government would face if it agreed to the return of any Arab refugees. He asked me to examine the refugee and Jerusalem problems on the ground while I was in Israel, and to discuss these matters with him again before I left.

During my seventeen days in Israel I gave considerable time and thought to this project. At the end of my visit Mr. Sharett was at Lake Success. Therefore, I related my impressions and views to one of his assistants. Here in brief is what I said :

1. The President is right. The refugee problem should be separated from the other issues, and a settlement of the refugee problem effected promptly. As a beginning Israel should make a generous and bold proposal as to what it was willing to contribute to the settlement.

2. The Jerusalem problem was complicated. I wanted to give more thought to it. Anyway it could wait, in my judgment, until the refugee problem was well under way toward settlement.

The officials expressed regret that I did not agree with their proposals and attitudes about Arab refugees, but promised to communicate my views to the foreign minister.

Subsequently, two Israeli officials came to Paris to discuss this issue with me, and on a later visit to Paris Ambassador Elath conferred with me again about it. Finally, in London during my last week in Europe I had several talks with two officials from Tel Aviv. At the conclusion of each of these European discussions the Israeli officials expressed the conviction or the hope that their government would accept in some considerable part the President's proposal as to refugees.

Last Saturday the Israeli Consul General in New York came to Washington to see me. He informed me that his government was willing :

1. To discuss the Arab refugee problem separately, and
2. To agree to admit 100,000 Arab refugees, including the 20,000 who have already entered Israel illegally, but not including any that might be admitted under any future negotiation or settlement in regard to the Gaza strip.

Mr. Lurie made it quite clear :

1. That this proposal would be offered, however, only if it were satisfactory to the President and to the United States government, and
2. That this was their final figure, not a starting point from which to bargain. He based this conclusion on the judgment that the quarter of a million Arabs who would then be in Israel would be as many Arabs as his country could absorb without creating either a threat to the security of the country or an inordinately great economic problem.

I informed Mr. Lurie that I would give his message to the President. I have not, of course, given Mr. Lurie any indication of the President's reaction to this proposal.

As to Jerusalem, I informed the President that it was my judgment that the UN decision of November 29th would never be applied because:

1. Neither Israel nor Transjordan wants it.
2. After the experience of the 100,000 Jews in Jerusalem during the siege of 1948, no government in Israel which agreed to it would last five minutes, and
3. There is much difference of opinion among the so-called Christian countries as to the wisdom of insisting of the 1947 UN decision instead of some other, and perhaps better, scheme of UN control of Holy places not only in Jerusalem but also in Bethlehem, Nazareth and elsewhere.

I also gave the President several personal observations at random:

1. The Israeli government and most Israelis are disturbed and worried about recruitment and rearmament in Arab league countries, which in my opinion accounts in large measure for their super-sensitiveness in regard to security.

2. Neither the UN nor the US is ever going to bring about peace in the Near East. This will be accomplished, if it is ever accomplished, only by the Jews and the Arabs themselves with the help and guidance of the UN and the US, or both. I am certain that the indifferent results which have come out of the Lausanne Conference are traceable to the fact that the UN commissioners have been keeping the principals to the settlement apart—deliberately, instead of encouraging them to discuss the issues together.

3. One reason why America hasn't been more effective in the Palestine affair is because of the kind of Americans who are involved in it. They belong in too many cases to one of two groups:

- a.* Those who feel that the Jews of Palestine are always wrong, and
- b.* Those who feel that they are always right.

Both groups are wrong, of course, and it seems quite clear to me that a peaceful settlement of the Palestine problem cannot be expected to be brought about, or to be influenced, by people from either group. Dr. Bunche is a notable exception to the rule.

4. Another observation that worried me considerably was the difference in attitude toward Israel between British officials and our own. The British officials I talked to were without exception completely realistic and unemotional about Palestine. Their attitude can be summed up in a few words. If there is going to be a Jewish State in the Near East, then we must find a way to get along with it. Invariably I was then asked, "Do you believe we, British, will have much trouble making friends with Israel?" I never encountered in any Britisher the attitude of one U.S. official observer who said to me, "I am not anti-Jewish; I am simply pro-British. I am going along with the British."

5. I am convinced that Israel wishes to be oriented to the west. Its

officials and its people want the friendship of the United States, want to pattern Israel largely after the American way.

6. The President has great prestige and influence with Israeli officials. Once they are convinced that expressions of U.S. policy represent the views of the President, they carry great weight.

I believe that this is a complete outline of my report to the President. Of course, it is not as full a statement as I was able to give the President in nearly forty minutes. As I said in the beginning of my letter, I shall be very happy to fill in the details, if you feel that they would be useful to you, when I get back to Washington.

I am very much impressed with the splendid job you are doing, which doesn't surprise me in the least. Congratulations, and my very best wishes for your continued success and health.²

Sincerely,

JOHN HILLDRING

² Messrs. Wilkins, Rusk, and Aaron S. Brown, Assistant to Mr. Hymelsine, prepared a draft reply on August 11, which contained substantive informal comments. Secretary Acheson discarded the draft and prepared his own reply, which withheld "questions and comments until we have a chance to talk together." Neither the draft nor the actual reply, dated August 16, is printed. They are filed with the letter of July 25. Ambassador McDonald has given a brief account of Major General Hilldring's visit to Israel in *My Mission to Israel*, p. 170.

IO Files, A/AC.25

Preliminary Draft Declaration by the Committee on Jerusalem of the United Nations Conciliation Commission for Palestine

RESTRICTED

[LAUSANNE?,] 26 July 1949.

Com.Jer./W.29

DECLARATION CONCERNING THE HOLY PLACES, RELIGIOUS BUILDINGS AND SITES IN PALESTINE OUTSIDE THE JERUSALEM AREA

In implementation of paragraph 7 of the resolution of the General Assembly of the United Nations of 11 December 1948, the Government of _____ formally undertakes by the following provisions to guarantee the protection of and free access to the Holy Places, religious buildings and sites in Palestine situated in its territory:

1. Freedom of conscience and the free exercise of all forms of worship shall be guaranteed, subject to the maintenance of public order.
2. The Holy Places, religious buildings and sites _____ shall be preserved and their sacred character protected. No act of a nature to profane that sacred character, such as the construction of buildings in an unsuitable proximity shall be permitted.
3. Rights existing on 15 May 1948 concerning the Holy Places, religious buildings and sites shall not be impaired.
4. The Government of _____ undertakes to guarantee freedom of access, of visa and of transit to ministers and pilgrims of the Chris-

tian, Jewish and Moslem religions, without distinction as to nationality, subject only to considerations of national security and to the maintenance of public order.

5. No form of taxation shall be levied in respect of any Holy Place, religious building or site which was exempt from such taxation on 15 May 1948.

No change in the incidence of any form of taxation shall be made which would either discriminate between the owners and occupiers of Holy Places, religious buildings and sites or would place such owners and occupiers in a position less favourable in relation to the general incidence of that form of taxation than existed on 15 May 1948.

6. The provisions of Articles 1 to 5 shall be under the effective supervision of the administrative and judicial authorities of the United Nations in Jerusalem, in conformity with the relevant provisions of the Instrument establishing a permanent international regime for the Jerusalem area. The Government of _____ undertakes to cooperate actively with the United Nations Commissioner in this task and to take special account, in regard to the granting of entry and exit visas and residence permits in its territory to ministers and pilgrims of the Christian, Jewish and Moslem religions, of the recommendations addressed to it by the United Nations Commissioner. The Government of _____ furthermore undertakes to grant the latter the privileges and facilities necessary for the performance of his functions.

501.BB Palestine/7-2649 : Telegram

*The United States Representative at the United Nations (Austin) to
the Secretary of State*

SECRET PRIORITY

NEW YORK, July 26, 1949—1:21 p. m.

859. Eban at his request called on Ross late yesterday afternoon and discussed the following matters of which he said he understood the only one Elath was instructed to take up with the Secretary on Wednesday is the question of continuing the arms embargo.

[Here follow sections on the discussions at Lausanne, relations with Syria, and the arms embargo.]

4. *Egyptian blockade.*

Eban referred to the Egyptian practice of stopping shipping through Suez destined for Haifa. This practice he said was a severe economic handicap to Israel with regard, for example, to importation of meat from Australia and was also a severe handicap to the UK with particular reference to the passage of tankers from the Persian Gulf through Suez destined for the Haifa refineries. This forced the UK to use dollars to buy oil from dollar areas. The Israeli Government could not understand the Egyptian position in this matter. They considered the blockade an act of war rather than an armistice. On the other hand, the Egyptians who all along have denied the existence of

war, say the armistice terms do not in any way comprehend the blockade and that the blockade is a sovereign act of the Egyptian Government, that other governments have nothing to do with.

Because of the concern which the Israeli Government feels the UK Government shares with them in regard to this matter, Israeli representatives in London have been instructed to take this matter up with the UK authorities at London this week. They will seek to determine in the first instance whether there is any truth in the rumors that the Egyptian Government has given assurances that there will be no more searches of shipping going through Suez and destined for Haifa. If there is no truth in these rumors, the Israeli representatives will seek to determine the UK view of what might be done to get the blockade lifted.¹

AUSTIN

¹ These last two paragraphs were quoted in airgram 839, August 1, to London, with a request that the Embassy "keep Dept fully informed as possible results Israeli-UK discussions referred to." The airgram was sent also to Cairo and Tel Aviv (501.BB Palestine/8-149).

Messrs. Ross and Eban discussed the questions of the arms embargo and of the Egyptian blockade on August 1. Concerning the latter, Mr. Eban said Israeli Minister in London had also discussed this with Bevin, pointing out the inconsistency of Egypt receiving arms from the UK on the basis that peace exists in Palestine while maintaining the blockade on the basis of war existing. Bevin was reported as having told Israeli Minister that UKG had made representations to Egyptian Government but had not yet received response. Eban expressed hope that UK representative would refer to Egyptian blockade and desirability of lifting it in SC." (telegram 875, August 1, 1:59 p. m., from New York, 501.BB Palestine/8-149)

501.BB Palestine/7-2649: Telegram

Mr. Paul A. Porter to the Secretary of State

SECRET

LAUSANNE, July 26, 1949—4 p. m.

Palun 249. Preliminary impressions leave me dubious as to prospect of important changes of attitude as result recess. Regret that holidays ending Ramadan, failure Shiloah arrive (due July 27), and unavailability Egyptian delegation make it impossible at present obtain more definitive views. Talks with colleagues on PCC and delegation members available give no grounds for optimism as to settlement by agreement here. Apparently parties willing to continue endless and aimless discussions.

At Executive session PCC morning July 25, I suggested we spend next two weeks in exploring prospects of agreement. If it should appear, as seems likely, that no agreement can be developed by mutual consent, PCC should then initiate proposals that in its view are equitable. I obtained provisional approval for this procedure.

Therefore request Department's views and instructions on (1) equitable territorial settlement; (2) provisional allocation refugees by area in light Nr. 1; (3) information re status survey group project; (4) preliminary position US re desirability placing overall Palestine question on GA agenda. Letter detailing these first reactions being prepared and subsequent telegram will convey suggestions US delegation re possible territorial settlement.

This request covers waterfront and I recognize its general character. Feel it important however that Department begin formulating a specific position on outstanding issues in view of probable contingency that impasse will continue and PCC may have obligation to initiate proposals. Failure to follow such course could make UN role in bringing about Palestine settlement meaningless and cast UN efforts into category of futile debating society. We may be forced to take initiative and I want instructions as specific as possible.

PORTER

501.BB Palestine/6-949: Telegram

*The Secretary of State to the United States Mission at the
United Nations*

CONFIDENTIAL

WASHINGTON, July 26, 1949—5 p. m.

390. Urtel 693, June 9.¹ Dept assumes in light Israeli-Syrian armistice that Bunche will raise again at early date introduction into SC of res terminating functions of mediator and revoking clause of SC res of May 28 preventing import or export of war material into area.

Dept believes before deciding its position on lifting arms embargo it would be useful to confer with Bunche so that Dept may explore with him (1) considerations underlying introduction of his proposed res at this time rather than after current phase of work of PCC concluded; (2) whether he anticipates from his conversations with other SC members that lifting arms embargo will be in issue in SC and subject of sharp debate.

Accordingly, request you arrange early meeting at mutually acceptable time for Bunche, Ross and Wilkins in NY and that you request Bunche defer presentation res until we have had opportunity to discuss with him.

ACHESON

¹ Not printed, but see footnote 2, telegram Unpal 134, p. 1091.

501.BB Palestine/7-2649 : Telegram

Mr. Paul A. Porter to the Secretary of State

SECRET

LAUSANNE, July 26, 1949—5 p. m.

Palun 250. Present thinking USDel re Unpal 199, July 24 [22] as follows: If failing agreement at Lausanne PCC decides to make recommendations to fourth GA re over-all Palestine territorial settlement, would be appropriate include recommendation re demarcation Jerusalem as part Jerusalem proposals if parties have by then failed agree in PCC.

If above decision not taken PCC could recommend as part of Jerusalem proposals that parties reach agreement re demarcation through mediation UN authority on basis *status quo* November 29.

USDel believes would be undesirable, so soon after establishment UN representative Jerusalem, to submit authority of latter to severe and perhaps fatal test involved in attempt to delimit zones without agreement parties. If parties failed reach agreement under mediation UN representative latter could still exercise authority on basis *status quo* and attempt strength position. In course time might bring parties to agree with him or recommend that UN call upon parties accept a specific demarcation.

PORTER

767N.90D/7-2149 : Telegram

The Secretary of State to the Embassy in Israel

SECRET

WASHINGTON, July 26, 1949—7 p. m.

476. During past two years USG has consistently supported UN in its handling of Palestine. USG has also sought ways of bringing Israelis and Arabs together directly or indirectly in UN or outside UN. Para 4 of GA Res Dec 11 provides that parties seek agreement by negots conducted either with PCC or directly. Dept recently supported direct talks between Israel and Egypt for this reason and because PCC was in recess. Thus far Arabs have been unwilling, however, undertake direct talks.

Dept considers it preferable at this critical stage to place major emphasis on new phase PCC activities and strongly to support new US rep. If emphasis were shifted at this time to series of personal conferences between high Israeli and Arab officials, we wld appear to be undercutting PCC and thereby prejudice its present prospects for success and its future usefulness. Meanwhile, possible personal conferences might be protracted and lead to no result.

Dept believes Ben Gurion's desire for action, as reflected by willingness meet Zaim, might equally well be implemented by Israeli del at Lausanne. Such Israeli efforts at Lausanne to reach agreement with Syria might also have effect of promoting agreement between Israel and other Arab states at Lausanne.

It may be desirable at later date to encourage direct talks between high Israeli and Arab officials if under conditions then existing such talks should appear advisable to supplement discussions at Lausanne or otherwise to accelerate developments. Meanwhile, you are instructed informally to emphasize to Israeli officials importance we attach to current phase PCC discussions.¹

ACHESON

¹ This telegram was repeated to Amman as No. 105 and to other Arab capitals, London, Bern (for the American Delegation at Lausanne), Jerusalem, and New York. Tel Aviv replied on August 8 that Foreign Minister Sharett the previous day had expressed his dismay at the admonition contained in telegram 476 and had stated that "Israel determined seek peace in Middle East and 'means business' in its resolve cooperate every way with PCC to this end. Nevertheless, as 'sovereign independent state here to stay' he felt Israel should be given 'free hand' in its efforts contribute toward attainment peace whether via PCC or through direct contact with Arab neighbors; and said his Government convinced such bilateral approach US would be helpful in reaching PCC's own objectives. Foreign Minister said he voiced Prime Minister's sentiments this respect and that Shiloah had conveyed same to Porter."

The Foreign Minister had also expressed the hope that the "'Arab states would be counseled and influenced' accept proposal" concerning the Arab refugees "promptly since longer Arabs delayed action, more increasingly might Israel, forced by public opinion, 'disengage itself from commitments.'" (telegram 602, 501.BB Palestine/8-849).

501.BB Palestine/7-2649 : Telegram

The Secretary of State to the Legation in Switzerland

CONFIDENTIAL

WASHINGTON, July 26, 1949—7 p. m.

Unpal 208. For USDel Lausanne. As soon as you consider desirable in order support current negotiations, you are authorized take steps to establish Econ Survey Mission. When decision made, pls notify Dept and inform your colleagues of Dept's view that PCC shld activate economic survey mission near future pursuant para 12 of Dec 11 res in order meet urgent need for carefully formulated program prior GA action autumn session. Dept believes terms of ref this Mission shld be based on foregoing res with special ref para 11 thereof, which establishes principles of repatriation and compensation for refugee property, and instructs PCC facilitate specific tasks of repatriation, resettlement, econ and social rehabilitation, and payment of compensation. Within foregoing context, Mission shld be charged with objectives set forth Unpal 119, May 27, numbered para 1.

In Dept's opinion, designation as mission, in which all members would be clearly responsible to chairman, wld greatly expedite completion survey and insure coordinated action. We also believe members of mission shld not serve as reps their respective govts¹ but as members international organ under auspices PCC.

Re composition, Dept believes Unpal 113, May 23 shld be modified in order include French deputy as well as UK deputy, in light France's traditional interests NE and stated desire participate actively in refugee program. In addition to chairman and deputies, mission wld include such technical personnel as required to carry out survey, selected by chairman on multinational basis and on basis their special qualifications, in consultation with interested govts and appropriate international organizations, and subject to final approval of PCC. Dept hopes Turk Govt wld be prepared make qualified personnel available on request chairman.

Dept hopes US national to serve as chairman can be chosen within few days. As soon as you consider appropriate, pls ask Boisanger obtain views FonOff re proposed French deputy and express hope French Govt will look into question availability outstanding French candidate this post.

As soon as Dept informs you re nomination of American rep, PCC cld then proceed make formal request that SYG announce establishment of survey mission and purpose thereof. White House announcement wld be made concurrently. At same time PCC members shld make formal approach to all NE govts, requesting their cooperation with mission.

Repeated to Amembassies Paris and Ankara for discussion with FonOffs upon authorization from you.²

ACHESON

¹ In an explanatory note to London, the Department, on July 26, stated that "While individual members of mission wld of course advise their respective govts of proceedings of mission, Dept does not consider it feasible for members of mission to serve as reps of their respective govts. Latter wld not only raise difficult administrative and financial problems, but might make acceptability of mission to govts of NE even more difficult to overcome." (telegram 2617, 501.BB Palestine/7-2649)

² This telegram was repeated to Paris and Ankara with an additional note that Unpal 113 and 119 were being repeated to them separately. It was also repeated to London without the additional note.

The Department, on August 4, informed London that in conversations with British Embassy officials, it had "emphasized necessity maintaining international status of econ survey mission in order to place matter in UN context and to avoid impression that direct responsibility is being assumed by US or GB or any other state. We have pointed out that USG, which wld probably make major financial contribution to any program established, must insist upon keeping UN between itself and refugee problem." (telegram 2770, 501.BB Palestine/8-449)

501.BB Palestine/7-2749 : Telegram

The Consul at Jerusalem (Burdett) to the Secretary of State

SECRET

JERUSALEM, July 27, 1949—4 p. m.

495. Consul General strongly favours second alternative Deptel 304, July 22.¹ Believe impossible present realistic plan providing for "effective UN control" without consideration matters listed Article 8 and in addition questions such as demarcation zones, means of access to holy places, status such sites as Jewish cemetery on Mount of Olives and permission Jews reside in Jewish quarters Old City. These points are of immediate practical concern to parties directly involved and recommendations with respect to them will vitally affect acceptability PCC proposals. Demarcation lines will also play major part in determining stability UN regime and certain Christian nations have great interest in exclusion their institutions from Jew zone. Feel decision on such fundamental and far reaching issues should be made by PCC and GA and not postponed by reference to Jerusalem authorities appointed by UN. Fear any failure at September GA reach definite decision re Jerusalem both as to nature international regime and on "practical" questions would seriously jeopardize hope for any form internationalization.

With refusal Israel to negotiate on basis Department proposal and expressed determination Sharett resist return Arab quarters, prospects agreement between parties or even start negotiations on major questions now remote. Only relatively short time remains before September GA and delay while waiting for agreement could prevent preparation PCC plan. Positions of Transjordan and Israel particularly on question delimitation zones now appear so diametrically opposed that imposed solution apparently inevitable. Also Department suggestion that zones be delimited on basis *status quo* November 29, 1947 will require imposition on Israel. Under circumstances decision by GA would have much more weight and chance of acceptance than one by UN Jerusalem authorities.

In view above Consul General suggests following procedure:

1. Continuation efforts to induce Israel negotiate with Transjordan on basis Department proposals. Agreement to maximum extent possible eminently desirable and negotiations could narrow zone within which PCC must make decision.
2. Elaboration on proposals by PCC Jerusalem subcommittee at same time and without waiting results Israel-Transjordan discussions.

¹ This was a repeat of Unpal 199 to Bern, p. 1245.

This would assure readiness plan by September and any points agreed to by Transjordan and Israel could be incorporated. Jerusalem committee might wish return to Jerusalem or request representatives of member governments on spot to advance suggestions.

Sent Department 495, repeated Tel Aviv 81, Geneva 46, Amman 53.

BURDETT

501.BB Palestine/7-2049: Telegram

The Secretary of State to the United States Delegation at Lausanne

CONFIDENTIAL

WASHINGTON, July 27, 1949—7 p. m.

Unpal 211. [For Porter.] Dept notes with interest urtel Palun 246, July 20, Hirsch advised Rockwell Israeli Govt not desirous Palestine question be discussed next GA. In view Shiloah's expressed greater cooperative attitude to McDonald re refugees (Bern Tel 15, July 18, from Tel Aviv¹) Dept believes Israeli motives warrant further exploration.² Dept believes discussion Palestine question in GA almost inevitable. One, continued need relief refugees makes question almost certain agenda item since UNRPR funds exhausted by October. Only quick decisive solution problem in PCC could lessen chance lengthy careful GA consideration. Two, Dept believes GA entitled consider results its Dec 11 res. Three, implementation any solution refugee problem satisfactory Israelis Arabs undoubtedly will require aid other UN Members hence should have GA authorization and assistance. FYI, you shld bear in mind USG plans for refugee resettlement, repatriation, rehabilitation contemplate continuing direct relief by UN through voluntary contributions and coordinated aid from US, UK, France and other sources under UN auspices for economic development refugee settlement areas. Estimate at your briefing July 20 re likelihood getting Congressional appropriation was request shld be made only after GA consideration entire problem.

ACHESON

¹ This was a repeat of No. 545 from Tel Aviv, not printed, but see footnote 1, p. 1237.

² Lausanne reported, on July 29, that "According to Hirsch, main motive for Israeli Government's desire that general Palestine question not be discussed fall GA is deleterious effect inevitable acrimonious debate would have on discussions Lausanne and on general Israeli-Arab relationships. Hirsch has suggested that if at some later date prior opening GA PCC feels there is hope of progress at Lausanne, PCC should recommend that general Palestine question not be discussed at all or be placed at end of agenda." (telegram Palun 255, 501.BB Palestine/7-2949)

501.BB Palestine/7-2849

Memorandum of Telephone Conversation, by the Deputy Under Secretary of State (Rusk)

SECRET

[WASHINGTON,] July 28, 1949.

I told Mr. Connelly¹ that Ambassador Elath would probably bring up today the question of retaining the arms embargo on Israel and the Arab States. I said that Ralph Bunche had recommended to the Security Council that the various truce resolutions be rescinded and that the Security Council proceed on the basis of the armistice agreements. I told Mr. Connelly that the Secretary of State would wish to discuss this matter very carefully with the President and that the Secretary hopes that the President will make no commitment to Ambassador Elath prior to the Secretary's talk with the President.

Mr. Connelly said that he would take care of the matter and see to it that the President "just listens". He stated that he would need nothing in writing, that my telephone call was sufficient.

¹ Matthew J. Connelly, Secretary to President Truman.

501.BB Palestine/7-2849

*Memorandum of Conversation, by the Deputy Under Secretary of State (Rusk)*¹

CONFIDENTIAL

[WASHINGTON], July 28, 1949.

Participants: Eliahu Elath, Israeli Ambassador
Uriel Heyd, Israeli First Secretary
G—Mr. Rusk
NEA—Mr. McGhee
NE—Mr. Wilkins

Problem

The extent to which Israel will be able to contribute to the Arab refugee problem in the Near East by permitting repatriation.

Action Required

To determine what reply the US Government will make to the Israeli Ambassador with regard to his remarks relating to the present attitude of Israel re repatriation.

¹ Drafted by Mr. Wilkins.

Action Assigned to

NE

On July 28 the Israeli Ambassador Eliahu Elath, accompanied by his aide, Uriel Heyd, called on me at his request for the purpose of discussing Israel's present attitude regarding the question of Arab refugees in the Near East.

The Ambassador said that his government had decided to permit the return of 100,000 Arab refugees for two reasons: (1) to demonstrate Israel's cooperation with the US; and (2) to contribute what it could to a solution of the general Arab refugee question in the Near East. Ambassador Elath added that the Israeli proposal was based on the assumption that the Arab states would be willing to conclude peace at Lausanne, and that the present Security Council arms embargo under the Security Council resolutions of May 29 and July 15 would be maintained.

Ambassador Elath stated that his government had reached its decision for these two impelling reasons in spite of the fact that Israeli security and economic experts had considered the proposed decision as disastrous.

The Ambassador explained, in reply to questions, that the 100,000 Arab refugees would include returning members of separated families and Arab infiltrates into Israel.

The Ambassador said that Israeli Foreign Minister Sharett had been scheduled to present the foregoing information to American Ambassador McDonald in Tel Aviv on July 27th, and that Israeli Delegate Shiloah planned to inform the PCC at Lausanne similarly shortly. Ambassador Elath said the Israeli delegation hoped the PCC would establish a refugee committee to which the Israeli proposal would be submitted. Reference would not be made, however, to the necessity for a formal conclusion of peace or the question of the arms embargo.

I thanked Ambassador Elath for his statement regarding the admission of 100,000 refugees into Israel and said we would study it.

Mr. McGhee inquired whether the 100,000 refugees was a rigid maximum figure, pointing out that if the Israelis and the Arabs at Lausanne attempted to tackle the question of approximately 750,000 refugees in its entirety, it would be necessary to approach the question flexibly. It was our thinking that each of the parties should accept its responsibility and absorb its share of this common problem. For example, if Israel absorbed only approximately 250,000 refugees, i.e., the 100,000 to be admitted and the Israeli estimate of 150,000 already in Israel, and if the living spaces for refugees in the Arab states totaled only 300,000, there would be a gap of 200,000 refugees. What would happen to these refugees? Israel and the Arab states should solve the whole

problem and not only a part of it. It could not be assumed that Israel and the Arab states could leave the balance to UN or some other undetermined authority.

Ambassador Elath replied that the 100,000 figure was the maximum. He appeared to be confining himself to the exact phraseology of his instructions because he was unable to reply with regard to responsibility for refugees that might not be absorbed by Israel and the Arab states.²

Ambassador Elath expressed his government's view that the present arms embargo should be maintained in order to avoid an arms race in the Near East. I observed that the recent conclusion of armistice agreements between Israel and Lebanon, Syria, Transjordan, and Egypt separately would seem to remove the necessity for the maintenance of an arms embargo. I inquired whether Israel would be willing to give its assurance that it would not import arms, which would thus have the effect of removing one of the chief elements in Arab fears regarding Israel. Ambassador Elath replied that the armistice agreements were a step on the road to final peace and that he could assure me of Israel's nonaggressive intentions. His government felt, however, that the arms embargo should be maintained at the present time.

Ambassador Elath remarked, during his discussion of military matters, that such groups as Palmach and Irgun, which had previously been highly autonomous, were now integrated into the Israeli Army. The Ambassador again referred to his government's hope that the US Government would soon be in a position to provide a high-ranking US Army Officer for the purpose of assisting Israel in reorganizing its military establishment. I told the Ambassador that this matter was still under consideration within the Department.

The Ambassador added that he hoped to have a further discussion with me and Mr. McGhee regarding the foregoing matters and that he also hoped to call upon the Secretary in the near future. I told him that the Department would immediately take these matters under consideration and would communicate with him further concerning them. I also told him that an appointment would be arranged with the Secretary.

² The Department summarized Mr. Rusk's memorandum of conversation up to this point in Unpal 214, July 29, 8 p. m., to Lausanne, which was repeated to London, Arab capitals, and Tel Aviv (501.BB Palestine/7-2949). Unpal 214 stated, additionally, that "Elath was informed we do not consider it appropriate for Dept to advise as to adequacy or inadequacy of number of refugees permitted to return as Arab reaction and influence of Israeli proposals on Lausanne negots would determine this point. Arabs might not consider present Israeli figure as complying with GA Res Dec 11 and might not be able to resettle balance of refugees even if they so desire. It wld be difficult for US and other states to come forward with assistance plan in event all refugees not provided for under resettlement and repatriation plan."

Ambassador Elath subsequently discussed details regarding the Gaza strip proposal with Mr. Wilkins. The Ambassador explained, in reply to a question, that if this proposal proved acceptable to the Arabs it would not be possible for Israel to absorb the 230,000 Arab refugees within the area of the Gaza strip. On the other hand, if the Gaza strip proposal should now prove acceptable Israel would not be able to maintain its proposal regarding the 100,000 refugees. The Ambassador said he had not been informed by his government whether the proposal regarding 100,000 refugees and possibly 130,000 refugees from the Gaza strip would simultaneously be acceptable to his government.

Mr. Wilkins inquired whether the Israeli Government had considered the possibility of enlarging this proposal to include territorial compensation along the Egyptian frontier within the area allocated to the Arab state in Palestine and now occupied by Israel. Mr. Wilkins observed that such addition would lift the Gaza strip proposal out of the context of a bargain of "refugees for real estate" and might therefore make it acceptable to Egypt. Ambassador Elath said he did not know and that he himself had never thought of this possibility. He remarked, in this connection, that Israel would never permit the blocking of access to the Gulf of Aqaba for Israel through the relinquishment of territory in the tip of southern Palestine, for the purpose of giving Transjordan direct access to Egypt.

Ambassador Elath subsequently informed Mr. Wilkins that his government had not indicated what form peace should take at Lausanne but conceded it need not necessarily be along the lines of a peace treaty but might assume the form of unilateral declarations by the states concerned, bound together under the title of "Act of Lausanne."

501.BB Palestine/7-2849 : Telegram

Mr. Paul A. Porter to the Secretary of State

RESTRICTED

LAUSANNE, July 28, 1949—11 a. m.

Palun 252. As result urging by general committee, chiefs all Arab delegations have agreed cable their governments recommending that favorable reply be given to Israeli *démarche* through MACs re reuniting separated families and that steps be taken to begin reunion.

Also as result urging by general committee Israeli delegation has agreed request Israeli Government give favorable consideration Arab desires re conditions for reunion families based on oriental concept of family unit.

PORTER

501.BB Palestine/7-2849 : Telegram

The Ambassador in Israel (McDonald) to the Secretary of State

SECRET

TEL AVIV, July 28, 1949—noon.

571. In 40-minute talk with Foreign Minister [at] his office [at] his request late yesterday, Ford and I were informed that Israeli Government, reviewing exchange of words both oral and written which had taken place recent weeks re Arab refugee problem, had been "deeply impressed" by one argument in particular, namely that until countries involved including Israel specified actual number refugees they prepared take, no overall planning of refugee program including all important financing could be undertaken. Accordingly, while still adhering to general policy outlined by Eban at Lake Success May 5 that resettlement best solution refugee problem, Israeli Government had now decided make concrete contribution toward "overall solution" that problem and "in interest of general peace settlement" by offering take back total of 100,000 refugees. Immediate procedure in implementation this offer will be for Israeli delegation in Lausanne to inform PCC that "if Arab delegations prepared enter peace negotiations, Israel will then announce willingness go ahead with repatriation program." Foreign Minister stressed no territorial expansion strings attached to above offer. He also underlined that 100,000 was limit as this number would bring total Arab population in Israel "well over quarter million, far beyond margin of safety by all known security standards." Finally he urged fullest secrecy above proposition until Israeli Delegation Lausanne had acted.

Related subject: Foreign Minister said with some asperity that after nearly four weeks no written reply had been received regarding Israel's offer reunite Arab families. In case of Lebanon "oral acceptance" had been expressed by one official, later to be denied in Beirut, but nothing had come from Egypt or Transjordan. Foreign Minister added that immediately Syrian armistice was signed that country had also been invited participate in divided family program (reDeptel 437, July 11).

Sent Department 571; repeated Baghdad 19, Beirut 31, Damascus 28, Jerusalem 62, Amman 25, Cairo 23, Jidda 5, London 73.

MCDONALD

501.BB Palestine/7-2849 : Telegram

Mr. Paul A. Porter to the Secretary of State

SECRET

LAUSANNE, July 28, 1949—2 p. m.

Palun 253. Shiloah arrived today July 27 and in private conversation stated following position of Israeli Government which he said adopted because US pressure.

1. Israel now prepared discuss refugees outside context of final Palestine settlement.

2. In discussions of refugee question Israel prepared if PCC so desires, officially commit self to accept specific number refugees for repatriation. Shiloah showed no inclination to mention number and I did not press him in this first meeting.

3. Actual repatriation of above number of refugees could not begin until:

a. Overall plan for repatriation and resettlement drawn up and means to put in operation assured. Israel could not be expected accept refugees under US pressure only to find that remainder continue in relief camps and are not resettled.

b. There must be evidence, convincing to all parties, that real progress being made toward final settlement. Israel did not insist upon formal peace treaties but could not be expected to admit large number of refugees if Arab states had no intention of making sincere efforts to reach peaceful settlement.

Shiloah emphasized necessity for international refugee repatriation and resettlement plan and urged that US hasten formulation such plan.

When question territory mentioned Shiloah said PCC would have "bitter wrangle" with Israeli delegation over any plan involving reduction Israeli occupied territory. Strongly outlined familiar position re necessity Israeli retention Negev. Maintained that "alleged" psychological desire of Arabs for continuous land connections between Arab states merely hastily erected screen to cover 19th Century ideas of military strategy. Said Israeli Government "might" consider suggestions for territorial "adjustments" which did not involve loss of Negev.

I am not encouraged by this position but shall of course attempt to make most of it and plan press for continuous sessions PCC with Arabs and Israelis in attempt discover soonest whether possibility of agreement exists.

PORTER

501.BB Palestine/7-2649 : Telegram

The Secretary of State to the United States Delegation at Lausanne

SECRET

WASHINGTON, July 28, 1949—9 p. m.

Unpal 213. Ref Palun 249.¹ Although Dept not yet precisely informed what attitude Israeli and Arab Dels will take Lausanne, Dept hopeful its recent diplomatic approaches to NE capitals and growing realization there of necessity for some early action re refugees will produce results Lausanne. Parties should be made to understand that if their intransigence continues next report of PCC to UN will necessarily reflect their respective positions.

Dept concurs your suggestions two weeks exploratory period and PCC initiation proposals if direct agreement not in sight. We believe anything in the nature of a PCC plan shld be avoided at least until fol stage is tried: Proposals shld be advanced by PCC on individual problems in manner which seems most effective and PCC shld be continuously prepared to withdraw, substitute or modify proposals in light reaction parties. This procedure wld keep discussions on negotiating basis with parties continually talking in terms of solutions for various problems and shld afford maximum opportunity reaching solution between now and time report must be made to GA.

Dept is presently preparing supplementary views and instructions on four points mentioned para 3 Palun 249. Meanwhile, fol comments may be helpful:

(1) This subject is under current consideration concerning which you will be informed shortly.

(2) Dept considers Israel shld absorb approx 400,000 Arab refugees and residents, of which Israel estimates 150,000 are already there. However, you should avoid US responsibility for any specific figures. Balance of refugees outside Israel will be absorbed almost entirely by Syria and Jordan including central Palestine. Allocation will necessarily depend upon disposition Gaza refugees and whether Lebanon, Egypt, and Iraq will be able retain token number. Further advice will fol this general subject;

(3) Survey group project progressing and can be ready at PCC call. Meanwhile, Dept awaits your reaction re timing of PCC action under Unpal 208.² Further advice will fol shortly on this matter;

(4) Dept's preliminary views re placement on GA agenda sent separately (Unpal 211³).

Fol receipt your proposed letter and further tel Dept will frame specific instructions on which US initiative in PCC, if required, may be based. Meanwhile, USDel's reaction to tactics and views herein mentioned will be appreciated.

ACHESON

¹ Dated July 26, p. 1254.

² Dated July 26, to Bern, p. 1257.

³ Dated July 27, to Lausanne, p. 1260.

501.BB Palestine/7-2849 : Telegram

The Chargé in Jordan (Stabler) to the Secretary of State

SECRET

AMMAN, July 28, 1949—10 p. m.

294. Tel Aviv telegram [566] July 26 to Department¹ repeated Amman 24. I agree with Ambassador McDonald it would be futile attempt settle Jerusalem problem on basis first suggestion Deptel 101 July 22.² If proposal meant demarcation of zones without internationalization, Transjordan would probably accept. However if it meant internationalization of Jerusalem called for in GA resolution of November 29, 1947, it is believed King would oppose it notwithstanding official attitude of Transjordan as expressed at Lausanne. On Israeli side there seems little doubt proposal, with or without internationalization, would be resisted in every possible way. Consequently if UN should proceed along this line, it is believed another opportunity would present itself for flaunting [*flouting*] of such decisions.

Unless it shortly becomes clear that Israel accepts Department's proposal re MAC (Deptel 82, June 17)³ without reservation it would appear problem will have to be dealt with by PCC along lines second alternative Deptel 101 and as originally proposed by Legation. Would suggest definite time limit now be set re Israel's final reply Department's proposal.

While agreeing with Ambassador McDonald that it would be most unfortunate if members of PCC prove unable agree amongst selves on single proposal, feel time has now come for PCC to take matters into own hands and put forward soonest definite joint proposals for settlement all outstanding issues. Further discussions with Arab and Israel delegates along lines first part Lausanne conference will, I believe, prove to no avail and will only lead to failure present session. With anticipated change Israel attitude and with continuing pressure on both Arabs and Israel it may be that sufficient leeway will exist between positions both parties to permit PCC to put forward compromise proposals.

I fear single man authority suggested by Tel Aviv would have no more chance success than PCC in settling Palestine question as he would still be obliged deal with Arab states as group and Israel. It seems certain Arab states would not agree at this stage enter into separate negotiations with Israel under UN auspices. Moreover it would not be possible for Arab states in their present frame of mind to undertake direct negotiations with Israel. This due fact that for

¹ Not printed, but see footnote 2, p. 1245.

² This was a repeat of Unpal 199, *ibid.*

³ Not printed, but see footnote 1 to telegram 375, June 17, p. 1154.

first time since beginning Palestine conflict Arab states represented at Lausanne have reached some degree cooperation and understanding and deviation by any state from this line would be regarded as "treachery". Transjordan for one which is so sensitive to criticism at this time could not consider such direct negotiations. In addition to above it is felt any plan put forth by "single man authority" would suffer the same fate as Bernadotte plan in GA.

I concur views expressed Deptel 105 July 26⁴ that at this critical stage fullest support should be given US representatives PCC and to PCC in general. PCC should be encouraged present joint proposal, acceptable to member states and UK, to Arab and Israel delegates Lausanne. Moreover US should be prepared to give its fullest support to such proposal with assurance that its position will not change.

Department summarize USDel PCC.

Sent Department 294, repeated Tel Aviv 37, London 54, Jerusalem 138, Baghdad 73, Beirut 54, Cairo 36, Damascus 57. Pouched Jidda.

STABLER

⁴ This was a repeat of 476 to Tel Aviv, p. 1256.

501.BB Palestine/7-2949

*Memorandum by Mr. John C. Ross to the Deputy Under Secretary of State (Rusk)*¹

SECRET

[WASHINGTON?,] July 29, 1949.

As I see it there are three alternative courses concerning the arms embargo for Palestine, which was discussed at a meeting with Department officers this morning.

1. To lay the draft resolution proposed by Bunche on the Security Council table until say September, possibly later, in any event until after the PCC makes its report.
2. To propose adoption of the Bunche resolution amended to provide for retention of the arms embargo.
3. To propose adoption of the Bunche resolution (subject to minor amendments).

The *first alternative* has the possible advantage of avoiding discussion in the Council at this time of the controversial embargo question. I doubt however if this advantage is real in view of the fact that the Israelis have made public their position in favor of retaining the embargo and in view of the risk that the Russians may bring up the

¹ Addressed also to Mr. McGhee.

question. This course would have the effect legally of retaining the embargo until we know a little better how the PCC discussions at Lausanne are going to come out.

On the other hand I think this course confuses two phases of the Palestine question which we have in the past weeks and months tried to keep quite separate, namely the armistice phase and the definitive peace making phase. Also, I feel that this course would create a negative reaction psychologically [and] might thereby impair public confidence and impair the work at Lausanne. Bunche would probably oppose this course and we could probably expect fairly strong opposition from the British and the Egyptians, at least.

The *second alternative* would have the advantage of protecting us against the risk of an arms race in the Near East. To propose this alternative in the Council however would, I feel quite sure, be controversial and although strongly supported by the Israelis and probably also by the Russians and the Ukrainians, would be strongly opposed by the British and the Egyptians. I think we would have a chance of getting the Council to support us in such proposal but only as a result of very considerable effort.

The disadvantage of this course is that it would be widely interpreted as indicating a lack of confidence on the part of the United States in the relatively early achievement of peace in Palestine. As corollaries I think Arab confidence in our impartiality would be shaken and the peace effort at Lausanne impaired.

Although I originally strongly favored retention of the embargo for the time being, I have now come to the view and so recommend personally that we should adopt the *third alternative*, namely to propose adoption of the Bunche proposed resolution subject to such minor amendments as we may think desirable.

In proposing that this course be followed I have in mind two corollaries. First, that we make a statement in the Council (and endeavor to get the British and if possible the Egyptians and the Israelis to make similar statements) of a reassuring character. In such a statement we would call attention to our own control of arms and munitions exports and make clear that we have no intention of permitting so far as we are concerned an arms race to get started.

The second corollary is that through diplomatic channels we endeavor to assure that an arms race will not get started. The diplomatic channels I have in mind are with the British, the French, the Arab States and Israel and possibly also such other states as Sweden.

I should make clear that the foregoing recommendations are personal. I discussed this matter with Ambassador Austin before leaving

New York and he at that time was inclined, as was I, to favor retention of the embargo. I will of course take up my present view of the matter with the Ambassador on my return to New York on Monday and I should like if possible to take up with him at the same time the Department's view if it has by then been determined. In view of the fact that the Council will probably meet on this subject on Wednesday next, I think it is important that a decision be reached as promptly as possible so that there will be time enough before the meeting for consultations both in Washington and in New York.

JOHN C. ROSS

Editorial Note

President Zaim of Syria informed Minister Keeley on July 30 that a formal request would be addressed to the United States Government for certain military equipment and uniforms, to be used by internal security forces. The Legation suggested that the Department would "wish examine request in light political consideration Syrian goodwill toward and cooperation in UN-US plans refugee resettlement." (telegram 420, August 1, 5 p. m., from Damascus, 890D.24/8-149)

The formal request was made on July 30 in a letter from the Chief of the Military Cabinet of the President of the Syrian Government to Minister Keeley. Damascus transmitted a copy to the Department on August 1 in despatch 187 (890D.24/8-149).

Marginal notations on telegram 420 state that a reply to Damascus and a circular telegram were drafted on August 5. They were not sent and copies have not been found in the files of the Department. A further marginal notation states that "Reply not necessary because of Aug 14 *coup d'état*". For documentation on the several coups in Syria in 1949, see pages 1630 ff.

501.BB Palestine/7-3049: Telegram

Mr. Paul A. Porter to the Secretary of State

RESTRICTED

LAUSANNE, July 30, 1949—1 p. m.

Palun 256. Shiloah July 28 notified PCC Israel is prepared discuss refugees and to specify number willing repatriate subject two conditions set forth Palun 253 July 28.

July 29 Shiloah by letter submitted third condition—that discussions re refugees must be held directly between Israeli and Arab delegates in presence PCC.

PCC decided would not present third position to Arabs as condition. July 28 notified Arab delegates of Israeli position and first two conditions. Reference to third position was limited to informally expressed hope that Arab delegates would at opportune moment find it possible engage in joint discussions with Israelis.

Arabs all said only had powers talk with PCC. Joint discussions out of question. Would consider Israeli position and attendant two conditions.

I called upon Arabs accept, stating PCC felt Israeli conditions reasonable and that Israelis not attempting gain parliamentary advantages or entrap Arab delegates. Stressed humanitarian aspects refugee situation and fact UNRPR funds running out with little likelihood more to become available unless political agreement reached re repatriation and resettlement. Egyptian delegate gave impression his delegation would accept. Arabs will give answer August 2.

PORTER

501.BB Palestine/8-549

*Memorandum by the Secretary of State*¹

SECRET

[WASHINGTON,] August 1, 1949.

CONFERENCE WITH THE PRESIDENT—JULY 29

The President informed me that the Israeli Ambassador, who has recently returned from a visit to Israel, called on him and said that he would shortly call on me. The President thought that his attitude was more conciliatory than it had been prior to his departure. He made the following points:

- (1) The Israeli Government was anxious to make progress on the refugee question and would repatriate up to 100,000 refugees.
- (2) They wished the United States to oppose in the General Assembly any raising of the embargo on arms.
- (3) The Israeli Government wished to retain the Negeb.
- (4) The Israeli Government wished to retain the continued friendship and support of the United States Government.²

D[EAN] A[CHESON]

¹ Addressed to Messrs. Rusk, Sandifer, and McGhee and to Ernest A. Gross, Assistant Secretary of State for Congressional Relations, and Adrian S. Fisher, the Legal Adviser.

² A summary of this memorandum was sent to the American Delegation at Lausanne in Unpal 219, August 5, 8 p. m. (501.BB Palestine/8-549), repeated to New York, Arab capitals, Jerusalem, Tel Aviv, London, Paris, and Ankara.

501.BB Palestine/8-149 : Telegram

Mr. Paul A. Porter to the Secretary of State

SECRET

LAUSANNE, August 1, 1949—10 a. m.

Palun 257. Following comments Unpal 213¹

(1) Agree procedure second paragraph but desire stress necessity avoiding further delays insofar as possible.

(2) Agree Israel should be expected end up with approximately 400,000 Arab refugees and residents. Basis estimates Riley, believe 120,000 more accurate figure for Arabs now in Israel. Responsibility suggesting any specific figure if such action taken would rest with PCC not US.

(3) See Palun 258² for action taken re survey group.

(4) On basis present situation Lausanne believe discussion general Palestine situation in GA desirable.

PORTER

¹Dated July 28, from Lausanne, p. 1267.

²Dated August 1, from Lausanne, not printed; it advised that the Delegation had discussed the question of the economic survey group with the other members of the Conciliation Commission, who were in general agreement that the group be constituted as envisaged by the Department in Unpal 208, July 26, p. 1257. (501.BB Palestine/8-149)

867N.48/8-149 : Telegram

The Consul at Jerusalem (Burdett) to the Secretary of State

CONFIDENTIAL

JERUSALEM, August 1, 1949—4 p. m.

499. ConGen concurs fully with opinion expressed last paragraph Palun 255.¹ Israel currently concentrating every effort consolidate holdover entire area now in its possession with particular emphasis on sections not allotted Israel by GA Resolution November 29. Ben-Gurion and Sharett personally encouraging settlement present border areas (ConGen airgram A-97, July 6)² while movement new Jewish immigrants into former Arab sections Jerusalem progressing steadily. Israel press indicating desire avoid general discussion Palestine at September GA.

¹Dated July 29, from Lausanne, not printed; the last paragraph stated that the "Israelis here have stated their belief it unwise for PCC to deal with important problems involved in Palestine settlement in hurried atmosphere of working against GA deadline. I think, however, that PCC should use this deadline as pressure to induce parties take concrete steps forward and I also have growing impression that despite their assurances regarding desire for quick peace, Israelis are not sure GA might not adopt settlement plan they considered unfavorable and would not mind having further time to consolidate their situation in Palestine." (501.BB Palestine/7-2949)

²Not printed.

Postponement beyond September GA of decision on repatriation of refugees, boundaries and international regime for Jerusalem will further jeopardize small chance now remaining for obtaining settlement in accord with UN Resolution, US policy and principles of justice and equity. Delay will provide Israel with additional opportunity consolidate her position and reinforce her argument that "turning back clock" impossible.

Contel 495, July 27 recommended presentation definite plan covering all aspects Jerusalem problem to September GA. Suggest report by PCC on overall situation with specific recommendations re refugees and boundaries might constitute best approach entire problem. Must reiterate view often expressed that Israel will not comply in substantial manner with either GA Resolution, US policy or principles of justice and equity unless US or UN willing employ forceful measures.

Sent Department repeated Geneva 47 for USDel PCC, London 33, Baghdad 46, Tel Aviv 83, Beirut 95, Damascus 52, Cairo 23, pouched Amman, Jidda.

BURDETT

501.BB Palestine/8-149: Telegram

Mr. John C. Ross to the Secretary of State

SECRET

NEW YORK, August 1, 1949—8:08 p. m.

878. Bunche, with whom I discussed question this afternoon, continues to favor lifting arms embargo and said he planned to make this position clear to Eban whom he was seeing later this afternoon. He stressed that any attempt to maintain embargo was unrealistic since it would require to be effective rebuilding truce supervision organization in order to establish observers at all airfields and ports in area and getting permission of states concerned, including Israel, to do so, which permission he was sure would not be forthcoming. He also stressed that if this subject were debated, facts of Israeli imports from eastern Europe would inevitably be brought out. In addition he anticipated whole question of immigration of fighting personnel and men of military age into Israel, contrary to truce provisions, would also be brought out.

I told Bunche Department had not yet reached decision and would want to take his views into account. As alternative to lifting embargo I asked what he thought of idea of Council deferring action on his report leaving aside his own personal inclinations. He thought it would be very bad to follow this course. SC, he said, called on the parties for prompt action in effecting armistice as transition between truce and permanent peace. Parties have in good faith and despite

serious obstacles complied with SC request for action. It would be therefore an act of bad faith of part of SC to defer action on his report at this time. Such deferment would be interpreted as expression of lack of confidence in parties, particularly in view of fact armistice agreements (see for example article 3 of Syrian agreement) contain very strong nonaggression pledges. Furthermore, leaving his personal inclinations aside, he as mediator would be supposed, if the Council deferred action, to do a lot of things which are now obsolete and impractical.

Bunche hopes very much it will be possible for Council to complete action on his report at Thursday's meeting. He hoped US would sponsor his draft resolution but agreed it would be better for Canada to do so if they are willing.

On terms of Bunche's draft resolution he agreed it would be better to eliminate language referring to Conciliation Commission in last two paragraphs and said if it were suggested in the Council to eliminate this language, he would support this suggestion and say that from the standpoint of the work of the PCC it would be better for it not to become involved in observance of the cease fire.

Ross

501.BB Palestine/8-140 : Telegram

The Secretary of State to the Embassy in the United Kingdom

SECRET

WASHINGTON, August 1, 1949—8 p. m.

2710. Brit Emb reps and Dept officials have recently had further discussions re points in Deptels 2432, July 13 and 2582, July 23. Brit and ourselves now appear in substantial agreement in principle. It is of course understood that this is not a rigid position as developments at Lausanne might necessitate modification as discussions progress at Lausanne. Proposed Brit approach to Arab States, Israel, France and Turkey in support our similar views relating such matters as Palestine refugees, territorial settlement and Jerusalem area wld be most timely at this stage in view second phase of discussions at Lausanne.

For ur information, on July 25 Brit Emb rep conveyed to Dept further FonOff observations re certain details relating to points discussed in Deptel 2432, July 13. Dept plans transmit following comments to Brit Emb rep Aug 1 and suggests you also inform FonOff prior to general approach it proposes to make :

1. Re territorial settlement Dept does not believe only alternative is restoration of Western Galilee to Arabs by Israelis. Other alternatives might conceivably lie in area north of Beersheba and along Egyptian

frontier south of El Auja; or,¹ in some form of UN guarantee of access across southern Palestine and to ports in Palestine;

2. Although it proved impossible to bring Israel and Egypt together with Gaza strip proposal as basis of discussion during recent PCC recess Dept hopeful proposal might be integrated with other refugee and territorial proposals for discussion during present phase Lausanne talks;

3. Dept agrees Arab govts might prefer conclude something less formal than peace treaty in first instance but does not believe absence of formal declaration of war would be valid argument as armistice agreements have been concluded between Israel and contiguous states.

ACHESON

¹ As originally drafted, there appeared at this point the words "if territorial compensation proves impossible." They were deleted by the drafter prior to the encoding of the message.

501.BB Palestine/8-249: Telegram

Mr. Paul A. Porter to the Secretary of State

SECRET

LAUSANNE, August 2, 1949—3 p. m.

Palun 260. Reference Palun 253.¹ In meeting with PCC August 2 Arab delegates accepted conditions set by Israelis as basis for discussion refugee problem. Delegates demonstrated cooperative attitude.

PCC immediately proceeding meet Shiloah obtain for transmission Arab delegations terms Israeli proposal re refugees.

PORTER

¹ Dated July 28, from Lausanne, p. 1266.

501.MA Palestine/8-249: Telegram

The Consul at Jerusalem (Burdett) to the Secretary of State

SECRET

JERUSALEM, August 2, 1949—3 p. m.

500. In talk last night Kunde, US representative technical committee on refugees, made following points:

[Here follow 13 numbered points.]

Comment: Open admission by Comay¹ of Israel plans for returning Arabs confirms previously deductions that Israel has no intention

¹ Mr. Herbert Kunde's points 11 and 12 noted Mr. Comay's frank admission to the Committee that returning Arabs would be treated in the same way as new Jewish immigrants, would be integrated into the collective economy, and would be placed where their services were most needed. There was no possibility that the Arabs would return to their original homes. Mr. Comay was also cited as saying that the program for reunion of families "would in practice amount to selection by Israel of certain desirable categories of Arabs for return. Would be selected on basis security consideration and skill."

whatsoever conform with December 11 GA resolution in either letter or spirit. Section 11 resolves that refugees wishing return to their homes and live in peace with their neighbors should be permitted to do so at earliest practicable date. In case highly individualistic Arab, attempts to fit him as cog in Israel collective society and disregard his right return home is equivalent to exclusion Arabs from Israel. Difficult escape belief Jews loudly touted Israel projects for reunion families and return 100,000 refugees possess many earmarks of sham to evade efforts US and UN motivated by principles of humanitarianism, justice and equity to protect rights of original inhabitants Palestine in accordance UN resolutions.

Plans mentioned above and other evidence present conditions and future status Arabs may expect in Israel point up great and continuing difficulties UN will face in assuring Arabs in Israel equitable treatment and guaranteeing them basic human rights. Consulate General suggests emphasis might be shifted to rectification of temporary armistice lines to restore to Arabs area given them by GA resolution November 29 or equivalent fertile lands for use in intensive resettlement Arab refugees outside Israel. In absence willingness or feasible means for UN or US force Israel actually permit refugees return to their homes and live under acceptable conditions, this alternative might provide closest equivalent to repatriation called for by December 11 GA resolution. Would be in accord with US policy on boundaries. To forestall further consolidation by Israel of her position in all areas now held, action at September GA would be necessary.

Department summarize last five paragraphs for USDel, PCC.

Sent Department 500, repeated London 34, Amman 55, Baghdad 47, Beirut 96, Damascus 53; pouched Jidda, Cairo.

BURDETT

501.BB Palestine/8-349

Memorandum by the Deputy Under Secretary of State (Rusk) to the Secretary of State

CONFIDENTIAL

[WASHINGTON,] August 3, 1949.

Subject: Consideration of Dr. Bunche's last report to Security Council, including lifting of SC Arms Embargo NE.

During the past six months, separate armistice agreements have been concluded between Israel on the one hand, and Egypt, Lebanon, Transjordan and Syria on the other, under the guidance of Dr. Bunche as Acting UN Mediator. These agreements are of indefinite duration, incorporate "what amounts to a non-aggressive pact", provide for the withdrawal and reduction of forces and establish machinery under

General W. E. Riley, UN Chief of Staff, USMC, for the settlement of differences which may arise under the agreements.

On July 21 Dr. Bunche submitted a report (Tab A¹) to the SC relating to the present status of the armistice negotiations and the truce in Palestine. This report concludes that Dr. Bunche's responsibilities under various SC resolutions including that of November 16, 1948 have now been discharged and suggests that such functions as remain might be terminated or transferred to the Palestine Conciliation Commission which was established under the GA resolution of December 11, paragraph 2c (Tab B). Dr. Bunche attached a suggested resolution as an annex² to his report. In neither the report nor in the resolution does Dr. Bunche make any specific references to the raising or the retention of the arms embargo imposed by the SC on May 29, 1948. Officers of the Department, however, have been advised of Dr. Bunche's personal view that approval of his suggested resolution by the SC would in effect lift the arms embargo.

The principal question at issue is whether the United States representative in the SC should support the Bunche proposal for transferring his functions to the PCC and rescinding the earlier truce resolutions of the SC, despite the fact that by so doing the existing SC arms embargo would be lifted. The State Department considers that there is no difficulty about transferring Bunche's functions to the Conciliation Commission and agrees that we should now proceed on the basis of armistice agreements rather than SC truce resolutions. A specific question is whether the existing UN arms embargo should be retained.

There appear to be three courses, discussed in detail in Tab E, which might be followed:

(1) The US might support postponement of consideration of Dr. Bunche's report and annex.

(2) The US might support the adoption of Dr. Bunche's report and annex, but call for the retention of the arms embargo.

(3) The US might support the adoption of Dr. Bunche's report and annex including the cancellation of the arms embargo subject to such minor amendments as may be desirable.

The following are the principal points for consideration in connection with the arms embargo question:

1. While postponement of the issue would appear to be desirable, it might be difficult to obtain because the Bunche report has been submitted and it can be assumed that one of the parties or one of the members of the Security Council would raise the question in the Council. In fact, the Security Council is scheduled to meet on Thursday morning to consider the report.

¹ Tabbed materials cited in this memorandum are not found attached. Regarding Mr. Bunche's report of July 21, see editorial note, p. 1240.

² See *ibid.*

2. The theory of the armistice agreements which have now been concluded between Israel and all of its Arab neighbors is that the military phase of the problem is over and that in the progression from truce to armistice to final settlement the completion of the task of the Palestine Conciliation Commission is all that remains.

3. In practice the effect of the arms embargo has been favorable to Israel in as much as Israel has been able to obtain substantial quantities of arms despite the embargo.

4. If the lifting of the arms embargo would in practice precipitate an arms race in the area it would seriously jeopardize a settlement and would add to the already heavy economic problems of the area.

5. Great Britain and France have already begun certain deliveries to the Arab countries, with the knowledge of Bunche, on the ground that these arms were needed for internal security. It is doubtful that the Arabs would continue to comply with an arms embargo, particularly if Israel continued to buy arms abroad. The retention of the arms embargo would probably mean that both Israel and the Arab States would seek arms from iron curtain countries.

6. Israel has asked that the arms embargo be continued until a final peace settlement has been reached at Lausanne. In talks with USUN in New York, Mr. Eban indicated, however, that they were principally interested in assurances against an arms race.

7. The retention of an arms embargo, if it is to be enforced, would require revisions and additions to truce enforcement machinery which has been used up to this point. Such additional machinery would probably involve commitments both of personnel and budget from the United States.

8. Some increase in arms appears to be required for legitimate internal security purposes in the Arab States, resulting from unrest arising from the Palestine question as well as from the presence of large numbers of refugees. Mr. Bevin has strongly emphasized this point in discussing U.S.-U.K. common security interests in the Middle East.

Conclusion

From consideration of the above items it is concluded that, on balance, the United States should support the Bunche proposal to eliminate the truce resolutions despite the arms embargo feature, but should use its influence in the Security Council and diplomatically to ensure that arms going to the Middle East are within the scope of legitimate internal security requirements.

Recommendations

1. That USUN be instructed informally to ascertain the attitude of other SC members in order to determine what position they are likely to take in the SC.

2. That, unless these informal soundings indicate a strong disposition toward postponement of SC action until a later stage in the PCC talks, the US support the lifting of the arms embargo and the adoption of Dr. Bunche's resolution, and in so doing:

(a) Make a statement in the Council (and endeavor to get the British and if possible the Egyptians and Israelis to make similar statements) of a reassuring character to the effect that we have no intention of permitting, in so far as we are concerned, an arms race to get started;

(b) Through diplomatic channels, endeavor to assure that an arms race will not get started.³

³ In the "Summary of Daily Meeting with the Secretary" on August 3, Mr. Rusk is recorded as having "presented a paper on Palestine to the Secretary. The main issue in the paper was whether or not we should agree to lift the arms embargo in the Middle East. Mr. Rusk pointed out that the Israelis had changed their attitude on this question. He made a point, however, that he thought there should be complete understanding on this issue with the President. The Secretary said that he would meet with the President today and get a firm decision. The urgency of this matter was brought about because the Security Council of the United Nations is meeting with Dr. Bunche on this matter starting today." (Secretary's Daily Meetings, Lot 58 D 609)

501.BB Palestine/8-349

Memorandum of Conversation, by the Secretary of State

CONFIDENTIAL

[WASHINGTON,] August 3, 1949.

AUTHORIZATION OF ACTION ON BUNCHE RESOLUTION

I discussed the attached memorandum of August 3¹ and the two telegrams from Ross of August 1² with the President. I also told him that a telephone message from Ross this morning stated that Eban did not intend to propose amendments to the Bunche Resolution. Finally, I said that the latest information indicated that the debate on the resolution might be very short indeed and that, unless we raised objection, it would probably be passed tomorrow.

The President was clear that we should support the Bunche resolution. He has great confidence in Dr. Bunche's recommendations and is convinced that his standing in the country is such that his recommendations would not be misinterpreted. The President thought that if any action later on is necessary in regard to arms it can be dealt with as a separate matter. I suggested that, if Eban raised the matter of reassurance that there should not be an arms race, I thought that we might join with others in expressing the same desire and thereafter take such diplomatic steps as were available to prevent this from occurring. The President thought that this was a sound view.

You³ may, therefore, proceed along the above lines.

¹ *Supra.*

² Presumably Nos. 875 and 878; the former is not printed, but see footnote 1, p. 1254.

³ Copies of this memorandum were sent to Messrs. Rusk (for action), McGhee, and Sandifer.

501.BB Palestine/8-349 : Telegram

Mr. Paul A. Porter to the Secretary of State

CONFIDENTIAL

LAUSANNE, August 3, 1949—4 p. m.

Palun 261. PCC (US chairman) met with Israeli Delegation August 3. Informed Israelis re Arab acceptance Israeli conditions for discussion refugee problem and requested delegation set forth its proposal.

1. Shiloah asked if Arabs could now be considered to have committed themselves to opening discussions on all issues outstanding between parties. If so, Israeli Delegation would like PCC give publicity. Chairman stated PCC did not believe that in accepting Israeli conditions Arabs had formally obligated themselves to discussion all issues, but said Arabs in informal discussions with PCC had indicated willingness do so. Shiloah could not agree that Arabs could withdraw from talks whenever did not like turn they were taking and insisted discussion on refugees must be regarded as commencement discussions on all points. Chairman stated PCC in private meeting would consider what kind of publicity might be given to present developments and exactly what form it might take. Was agreed Israeli Delegation would not discuss August 3 meeting with press representatives.

2. Shiloah after stating usual disclaimer of Israel irresponsibility for refugees and stressing security consideration, said Israel now willing see increase of Arabs in Israel above number there at end hostilities by what Israel considered large number. Could mention approximate number Israel had in mind if PCC so desired, but desired point out could be no lasting solution unless Arab states willing share responsibility.

3. Shiloah then proposed that UN immediately set up body to study economic possibilities in Arab states and propose specific projects for resettlement refugees there. Subject formulation overall plan and if international assistance furnished, Israel would make contribution mentioned paragraph two.

4. Responding to question from chairman, Shiloah said approximate figure Israeli Government had in mind was 100,000. Declared present Arab population in Israel between 165,000 and 170,000 and said Israeli Government envisaged eventual total Arab population of around 250,000. This figure based on Israel's retaining all present territory. Wished make clear would retain full authority direct returning refugees to specific localities and to specific economic activities.

5. Referring to international assistance mentioned by Shiloah, Boisanger asked whether Israel envisaged such assistance being directed at economic improvements in Israel which would enable latter

absorb refugees or to specific repatriation projects. Shiloah said would reply later.

6. Chairman asked what Israeli attitude would be if proposed UN Investigating Commission should study repatriation possibilities Israel and find latter could absorb more refugees than figure mentioned. Shiloah replied could not give definite reply at that time but desires once more stress security factor of which Israel better judge than anyone else. As result prodding by chairman Shiloah stated would give great weight to findings of such UN group.

7. Chairman then asked whether PCC could take it that approximate figure mentioned was not absolute or impossible of change. Shiloah said would agree to such interpretation but desired make statement that 100,000 represented heavy tax on Israel. Israeli Delegation had no intention of bargaining and had presented figure as honest estimate Israeli capacity absorb refugees. Refused agree that proposal represented Israeli acceptance degree responsibility for solution refugee problem. Preferred proposal be considered as indicating Israeli recognition of problem.¹

PORTER

¹ The substance of Palun 261 was conveyed by a circular telegram of August 10, 4 a. m., to London, Paris, Arab capitals, Ankara, Tel Aviv, and Jerusalem (501.BB Palestine/8-1049).

501.BB Palestine/8-449

Memorandum by the Secretary of State to the President

WASHINGTON, August 4, 1949.

Subject: Payment of United States Contribution to United Nations Relief for Palestine Refugees

1. Public Law 25, 81st Congress, a Joint Resolution of March 24, 1949 authorized the appropriation of funds not to exceed \$16,000,000 for the relief of Palestine refugees, in response to the message submitted by you to the Congress on January 27, 1949.¹

2. Public Law 119, 81st Congress, appropriated to the President \$12,000,000 for the relief of Palestine refugees, and an additional \$4,000,000 for the same purpose, "to such extent as the President from time to time finds that other nations party to such United Nations agreement have met their obligations to the United Nations Relief for Palestine Refugees . . .".²

3. The amount of \$12,000,000 has already been paid to the United Nations. The United Nations has presented to the Department (a) an

¹ Not printed.

² Omission indicated in the source text.

official statement to the effect that contributions in the total amount of \$13,377,930, in cash, kind and services have been received or are in process of delivery from other governments as of July 31, 1949, and that there have been additional contributions, concerning which definitive information is not yet known, and (b) a request that the United States make a further contribution at this time. The Acting Secretary General of the United Nations states that the need for additional funds is so critical that the relief work cannot continue into September without the assurance of matching funds from the United States.

4. The Department of State believes that the request of the United Nations is reasonable and that the situation is urgent. The Department therefore recommends that the President make a finding that other nations party to the United Nations agreement have met their obligations to the United Nations Relief for Palestine Refugees in the form and to the extent of the contributions, totaling \$13,377,930, shown in the attached schedule as having been received by the United Nations Relief for Palestine Refugees or in process of delivery from governments other than the United States as of July 31, 1949; and that the President authorize the payment of a contribution of \$1,377,930 as an addition to the contribution of \$12,000,000 previously made. Further implementations of Public Law 119 will be required later as additional statements are received from the United Nations.³

³ President Truman, on August 10, made a finding "that other nations party to the agreement on United Nations Relief to Palestine Refugees have met their obligations under said agreement to the extent that an additional contribution to the United Nations in the amount of \$1,377,930 is justified." (501.MA Palestine/8-1049)

Editorial Note

Ambassador Austin, on August 4, addressed the Security Council on the Palestine question. Near the end of his statement, he noted that the conclusion of the armistice agreements "justifies confidence in the early establishment of permanent peace in Palestine. As the Security Council foresaw in its resolution of 16 November 1948, progress toward peace in Palestine would involve a transition from a truce to an armistice, to be followed by a final settlement. Such a final settlement is the task of the Palestine Conciliation Commission, and, with the conclusion of these Armistice Agreements before us today, only the completion of the task of the Palestine Conciliation Commission remains.

"Therefore, the Security Council, as contemplated in its resolution of 16 November, may appropriately bring to an end the stringent

measures which were instituted to ensure more effective observance of the truce, including certain of the prohibitions of the parties included in the Security Council resolutions of 29 May 1948 and 15 July 1948. Among these was an embargo placed on the parties to the dispute and all other Governments and authorities concerned to refrain from importing or exporting war material and personnel into the affected area. These restraints, which characterized the truce period, are no longer appropriate or necessary now that we have firm commitments from the Parties in the Armistice Agreements to refrain from all hostile activity and to adjust their differences, if any, peaceably."

Ambassador Austin then stated that "An arms race would jeopardize the armistice and the settlement." He asserted that the United States "does not intend to allow the export of arms which would permit a competitive arms race in the area. Export of arms to that area of the world should be strictly limited to such arms as are within the scope of legitimate security requirements, again as recommended by Dr. Bunche. We hope that prudence will prevail not only among the parties but among all nations of the world which are in a position to supply arms and that they will pursue a policy similar to that which we intend to pursue." (SC, 4th yr., No. 36, pages 26, 27)

New York reported that during the Council's deliberations on August 4, Mr. Bunche's draft resolution was sponsored by Canada and supported by the United States, the United Kingdom, Canada, Egypt, China, and Cuba. It advised also that the references to the Palestine Conciliation Commission in the Bunche draft had been replaced by references to the United Nations Chief of Staff, a change agreed to by Mr. Bunche (telegram 891, August 4, 10:55 p. m., 501.A Summaries/8-449).

8901.001/7-549 : Telegram

The Secretary of State to the Legation in Jordan

SECRET

WASHINGTON, August 4, 1949—6 p. m.

117. Dept has given careful consideration suggestion contained urtel 274, July 5¹ re visit Abdullah US but feels present uncertainties Lausanne negots and necessity US impartiality in exertion of pressure on both sides to reach agreement renders planning such visit difficult this stage.

¹ Not printed; it stated that the British Government had invited King Abdullah to visit in August and queried whether the Department would consider inviting him to visit the United States following completion of that trip (8901.00/7-549). Mr. Stabler, in a letter of February 19 to Mr. Rockwell, had raised the question of a royal visit to the United States. Mr. Rockwell's response of March 16, initialed by Mr. Satterthwaite, stated "we believe the idea merits sympathetic consideration but feel that nothing whatsoever could be done about it before a settlement is reached in Palestine." Both letters are filed under 8901.001/2-1949.

Furthermore Presidential sched so crowded that visit most difficult arrange. If and when invitation extended might be desirable shld King proceed from Amman direct to US rather than via England. Therefore fact of King's visit to England not necessarily controlling as to time of visit.

ACHESON

501.BB Palestine/8-449 : Telegram

The Ambassador in the United Kingdom (Douglas) to the Secretary of State

SECRET

LONDON, August 4, 1949—7 p. m.

3071. 1. Points contained Deptel 2710 August 1 communicated Burrows and Beith, August 2.

2. At FonOffs suggestion, Beith and Embassy officer today went over various points and comments contained Deptel 2432 July 13 and subsequent telegrams, as well as relevant FonOff telegrams with British Embassy, Washington. Beith preparing new draft using original British document as basis and endeavoring meet points raised since then. On approval by FonOff, revised document will be telegraphed Department.

3. FonOff anxious know where it stands vis-à-vis Department in regard this matter. Earlier Department comments and reactions were characterized as "informal" and "tentative thinking." Deptel 2710 states "British and ourselves now appear in substantial agreement in principle." Can we assure FonOff of Department's "formal" agreement in principle?

4. FonOff would be glad have Department's views on timing. As Department knows British thought is to indicate to Egypt and Jordan and possibly other Arab Governments as well as French and Turks that such program would have UK support. (Beith said today they would also probably include Israel. Does Department consider it would be preferable approach French and Turks before approaching Arab Governments and Israel or approach all simultaneously? Would Department have any objection UK mentioning to French and Turks that US and UK are in substantial agreement in principle?

5. It appears to Embassy that British program holds promise as basis for negotiations in PCC. This being case, Embassy feels there would be considerable advantage if US took initiative in discussing this program with French and Turks, telling them at same time we are discussing it with British. British could then make approach in support. As second phase, PCC could present program to Arabs and Israelis, backed up by strong diplomatic support from UK, US, and,

if desirable, French and Turks. Foregoing procedure would obviate any embarrassment which might be caused by French and Turks learning we have been discussing this question with British outside PCC and presumably unbeknownst to them. Procedure would, moreover, have advantage keeping negotiations in UN organs which in final analysis will have responsibility for seeing settlement lived up to.

DOUGLAS

501.BB Palestine/S-549 : Telegram

Mr. Paul A. Porter to the Secretary of State

TOP SECRET PRIORITY LAUSANNE, August 5, 1949—5 p. m.

Palun 265. PCC has asked principal advisers, meeting in private and not as general committee, to draw up informal proposals concerning territory allocation of refugees and Jerusalem which PCC might consider submitting to parties as basis discussion. Jerusalem proposal will be plan drawn up by Jerusalem Committee.

First meeting revealed following re territory :

(1) French representative stated French Delegation and French Government had specific ideas concerning territorial settlement. French Government desired not to offend either Jewish minority in France or Moslem population French empire. French representative, accordingly, most reluctant participate in any discussions re territory. Was only persuaded to do so when it was pointed out that any plan drawn up would be informal personal suggestion of advisers and that it would not necessarily be accepted by PCC or by Governments of members of PCC.

Despite above statement of French representative, there have been indications here that French Delegation PCC has been encouraging Lebanese Delegation to advocate trusteeship over western Galilee.

(2) Under instructions his government, Turkish principal adviser has drawn up plan involving transfer of Negev to Egypt and Transjordan below line Deir el Balah-Asluj-31st parallel-Transjordan frontier. Turkish plan would also transfer to Lebanon and Syria eastern Galilee above horizontal line between Lebanon and Syrian borders just north Lake Hula and would return to Transjordan areas in triangle given up during Israeli-Transjordan armistice negotiations, as well as some territory in Lydda-Ramle area but not towns of Ramle and Lydda.

Turkish principal adviser and apparently Turkish Foreign Office convinced would be easier for Jews to give up Negev than all eastern or western Galilee. Yenisey states Turkish plan would maintain desired Arab territorial continuity, give Transjordan corridors to sea at Deir el Balah and create buffer between Egypt and Israel.

(3) I have authorized US principal adviser to advocate territorial distribution based upon judgment of prospects of acceptances and defensibility. This proposal is not intended to represent any appraisal of objective factors of geographic, economic, ethnic or other considera-

tions. It is simply put forward as possible basis of expedient settlement. Would appreciate soonest comments and instructions. Proposal follows:

(a) Area enclosed by line from Mediterranean coast at Deir el Balah to juncture thirtieth parallel and Egyptian Palestine border to be transferred to Egypt. Remainder Gaza strip to go to Israel.

(b) Area enclosed by line running from northern-most tip present Transjordan controlled area central Palestine to juncture Jordan River-Palestine-Transjordan frontier to be transferred to Transjordan.

(c) Triangle areas taken over by Israel during Israeli-Transjordan armistice negotiations to be returned to Transjordan up to point just south of juncture Hadera-Afula road and 1947 partition frontier between Israel and Arab Palestine.

(d) Area now held by Transjordan in south central Palestine to be extended westward to include towns of Beitjibrin and Qubeiba, and westwards outward and eastward to line running from Dead Sea to eastern boundary between Israel and Arab Palestine under 1947 partition, half-way between southern partition boundary Israel and central Arab Palestine and present southern-most penetration Transjordan forces in central Palestine.

(e) Israel to retain western Galilee.

Above general position does not include such points as Latrun salient, Mt. Scopus and demarcation lines Jerusalem, agreement on which might be reached separately by Transjordan and Israel.

PORTER

501.BB Palestine/8-549: Telegram

Mr. Paul A. Porter to the Secretary of State

TOP SECRET

PRIORITY

LAUSANNE, August 5, 1949—7 p. m.

Palun 266. PCC August 4 decided not transmit formally to ArabDels Israeli proposal re refugees since if did so instant rejection would result and impasse be created. Substance proposal discussed privately by PCC members with chief ArabReps. Reaction emphatic. Atassi¹ told me, for example, proposal mere propaganda scheme and "Jews either at your feet or throat". Urged US make economic arrangements with Syria and other Arab states for resettlement refugees and general development and Israel be left to condemnation world opinion. Other reactions not so violent but equally adamant in considering refugee program less than token.

¹ Adnan el-Atassi, Head of the Syrian Delegation at Lausanne; regularly, Syrian Minister in France.

PCC August 5 held private meeting with Shiloah in which he urged reconsider position. He expressed regret discussions could not proceed on imaginative scope regional development. Stressed historic opportunity ME countries for internal development, emphasizing with exception Egypt others have area, water resources, etc. but lack population. Defended proposal as consonant with Israel's economic capacity and internal security.

Sassoon then directed attention to July 27 congress refugees in Lebanon after which spokesmen congress allegedly requested (1) no cession parts Arab Palestine to surrounding states and (2) that refugees be armed to retake Arab Palestine. Sassoon stated this known in Israel and urged as proof security conditions paramount.

PCC pressed Shiloah review proposals and ascertain if more flexible attitude could not be adopted. PCC meeting with Arab Dels August 6 to solicit informal proposals re their possible contribution solution refugee problem.

These events plus private talks convince me that although atmosphere may appear more conciliatory on surface basic positions remain unchanged. Feel obliged point out Department meeting July 28² with Elath apparently promptly reported Shiloah who advised me that US policy linked to no specific refugee figure and that Israel proposal did not necessarily produce adverse reaction in Washington. Urge Department make position clear to Elath and clarify any possible misunderstanding. We cannot take firm position here if there is slightest doubt as to Department's position (reference Unpal 214).³

Now becoming more convinced no progress will be achieved here re refugees if problem approached in terms mathematical absolutes. Therefore ask Department's approval following procedure:

- (1) Spend ensuing week attempting ascertain dimensions difference on refugees.
- (2) Press PCC privately consider suggesting own solution re major outstanding points (reference Palun 265).⁴
- (3) Submit privately to each del conclusions PCC as basis working draft.

Would hope reach (3) in 10 days but would not guarantee achievement any timetable here.

- (1). Declaration by Arabs and Jews of responsibility solution problem.
- (2). Recognition of variables in statistics.
- (3). Agreement each party accept refugees in accordance capacity and availability internal economic assistance.

² See Mr. Rusk's memorandum of conversation of that date, p. 1261.

³ Dated July 29, to Lausanne, not printed; but see footnote 2, p. 1263.

⁴ Dated August 5, from Lausanne, *supra*.

(4). Pledge by all parties give due weight findings survey group connection specific development projects.

(5). Statement by parties and/or PCC of targets re refugees as based on known facts and foregoing assumptions but with understanding that target number not absolutely binding on any party.

Would like Department's immediate suggestions re foregoing. Believe this or similar approach only realistic hope accord. While privately ArabDels make specific commitments all reluctant take positive public position.

Consider desirable survey group be set up soonest and am awaiting name US member in order PCC may request SYG establish.

PORTER

501.BB Palestine/8-749 : Telegram

The Secretary of State to the Embassy in the United Kingdom

SECRET NIACT
PRIORITY

WASHINGTON, August 7, 1949—5 p. m.

2798. Dept has following comments on Embtel 3071 Aug 4 and Embtels 3099 and 3104 Aug 6:¹

1. Ref Para 3 Embtel 3071 and after studying Embtel 3099 Dept reiterates position stated in Deptel 2710 Aug 1, which stated "Brit and ourselves now appear in substantial agreement in principle. It is of course understood that this is not a rigid position as developments at Lausanne might necessitate modification as discussions progress at Lausanne. Proposed Brit approach to Arab states, Israel, France and Turkey in support our similar views relating such matters as Palestine refugees, territorial settlement and Jerusalem area would be most timely at this state in view second phase of discussions at Lausanne."

Dept considers Brit might approach NE govts as have French Turkish and US govts during recent months on these and other matters. Dept does not consider that supporting approaches necessitate quote formal unquote agreement. In our view Brit approach would represent voluntary indication to interested govts of general Brit thinking and of basic conformity with our general thinking. Dept considers it preferable to maintain flexibility at this stage rather than to adopt rigid position.

2. Ref Para 4 Embtel 3071. Dept considers that Brit might approach French, Turkish and NE govts simultaneously although it has no objection if Brit prefer to approach French and Turkish govts in advance. Dept has no objection if Brit inform French, Turkish and

¹ Telegram 3104 not printed.

NE govts that US-UK are in substantial agreement in principle providing it is pointed out that our position is not rigid and will take into consideration developments as discussions progress at Lausanne where USDel is following same line in private discussions with French and Turks.²

3. Ref Para 5 Embtel 3071. Dept considers that our substantial agreement in principle holds promise as basis for approach to interested govts and might serve as basis for informal discussions at Lausanne, but that it does not represent quote basis for negotiations in PCC unquote. US, French and Turkish Dels are already taking initiative at Lausanne as indicated in Palun 265.³ British supporting approach to French, Turk and NE govts should therefore be helpful at this time.

4. Ref Embtel 3099. Dept is in substantial agreement in principle but suggests regarding section "g" that sentence should read quote US-UK favor incorporation central Arab Palestine in Jordan, when feasible unquote.

5. Ref Para 3 Embtel 3071 and Embtel 3104. Dept would appreciate your informing Brit FonOff foregoing views before Brit approach French, Turkish and NE govts.⁴

ACHESON

² London reported, on August 9, that the Foreign Office had instructed the British Embassies at Paris and Ankara to approach the French and Turkish Foreign Offices regarding the proposals and that it had decided to await the reactions of the French and Turkish Governments before approaching the Arab Governments and Israel (telegram 3129, 501.BB Palestine/8-949).

³ Dated August 5, from Lausanne, p. 1286.

⁴ This telegram was repeated to Bern for Mr. Porter.

501.A Summaries/8-849: Telegram

*The United States Representative at the United Nations (Austin)
to the Secretary of State*

[Extract]

NEW YORK, August 8, 1949—7:54 p. m.

898.

Canada and France withdrew their own texts in favor of a new joint resolution and the USSR presented a series of amendments to the original Canadian draft, as the SC resumed consideration Aug. 8 of Bunche's report on Palestine. Tsarapkin (USSR) argued that remaining negotiations should be left to the parties themselves. Lunde (Norway) supported the joint proposition.

One USSR amendment—to disband the UN Truce Supervision Organization—occasioned discussion, with Bunche warning it would nullify important provisions of the armistice agreements and representatives of the parties favoring the continued presence of the UN personnel required by the agreement. Eban (Israel), however, saw no point in requesting the SYG to arrange for the continued service of personnel “required in observing and maintaining the cease-fire.”¹

AUSTIN

¹ For the further discussion of Mr. Bunche’s report by the Security Council on August 8, see SC, 4th yr., No. 37. The texts of the new joint resolution by the Canadian and French Representatives and of the Soviet amendments are printed *ibid.*, pp. 2 and 6, respectively.

501.BB Palestine/8-949 : Telegram

The Secretary of State to the United States Delegation at Lausanne

SECRET

WASHINGTON, August 9, 1949—7 p. m.

Unpal 223. Reference is made to Palun 263¹ which reports info from Shiloah that Eban had been informed by reliable source close to White House that Pres recently stated to source he wld oppose any attempt to deprive Israel of Negeb and believed figure of 100,000 refugees to be repatriated by Israel very reasonable.

Policy of Pres regarding territories and refugees has been stated repeatedly by Pres, State Dept and USDel PCC. Shiloah and Eban shld be left under no illusion that such policy has been changed or that there is any difference of view between Pres, Dept, and USDel on these matters.

You are authorized to show copy this tel to Shiloah in Lausanne. USUN authorized to take similar action with Eban, and AmEmb Tel Aviv with Israeli FO. For your info this tel cleared with White House.²

ACHESON

¹ Dated August 3, from Lausanne, not printed.

² This telegram was cleared by telephone with Mr. Clifford. It was repeated to New York for action and to Arab capitals, Jerusalem, Tel Aviv, London, Paris, and Ankara for information.

Mr. Ross, presumably on August 11, conversed with Mr. Eban about the content of Unpal 223. The latter, after checking with the Israeli Embassy, gave a “very careful statement” of his understanding of the conversation between President Truman and Ambassador Elath, as follows: “In reply to Elath’s exposition regarding the Israeli position on the Negev and certain reports that Israel should give up the Negev, the President said he did not know of any such proposals.

“Elath indicated the willingness of his government to repatriate 100,000 refugees. The President said he appreciated that step and the attitude that prompted it.” (telegram 915, August 11, 9:09 p. m., from New York, 501.BB Palestine/8-1149)

501.MA Palestine/8-949: Telegram

The Chargé in Israel (Ford) to the Secretary of State

SECRET

TEL AVIV, August 9, 1949—9 p. m.

607. Prior his departure yesterday for US, Ambassador read Jerusalem's telegram 505, August 3,¹ to Department and was of opinion there no grounds Burdett's belief Knesset debate and attendant press campaign "conducted in large part for foreign consumption in effort create impression Israeli offer repatriate number refugees of tremendous importance and made by government in spite fierce internal opposition".

New subject: Ambassador also read Jerusalem's telegram 500, August 2, to Department and felt whole tone telegram was highly tendentious and that concluding suggestion to shift emphasis "to rectification of temporary armistice lines to restore to Arabs area given them by GA Resolution November 29 or equivalent fertile lands to use in intensive resettlement Arab refugees outside Israel" would gravely endanger all hope progress toward peaceful agreement, and that Israel would certainly resist, if necessary by arms, any change armistice lines.

Comment: I agree both above opinions. There is no doubt about genuineness both internal opposition and resentment Israeli Government's recent offer repatriate Arab refugees, and while offer undoubtedly made as result foreign and especially US representations, its impact on local public opinion was nonetheless far-reaching and its jolt to government was softened only by ruse, whether intentional or not, of Prime Minister himself (Embassy's A-211, August 5).² As regards any contemplated change in present armistice lines, realities of situation are that Jews even now have so far consolidated their position in majority areas presently held, either through actual or fully planned settlements, that any action initiated now which would result dislodging them could easily prove disastrous. *End comment.*

Sent Department, repeated Baghdad 24, Beirut 36, Damascus 32, London 84, Amman 29, Cairo 30, Jidda 9, Lausanne; Tehran pass Jerusalem 67.

FORD

¹ Not printed.

² Not printed; it reported that the Prime Minister, in reviewing his Government's position on the return of Arab refugees before the Knesset on August 2, created an uproar on raising a question as to when the opposition had warned the people of the danger of war with the Arabs and of the need to prepare their defense. Mr. Ben-Gurion claimed for his Government "the sole responsibility" for Israeli defense preparations. There was an outcry by the opposition in the Knesset and for 2 days the opposition press devoted all of its energy to refuting the Prime Minister's allegations, deflecting them from the issue of the repatriation of the Arabs (867N.48/8-549).

867N.01/7-1349

*The Secretary of State to Francis Cardinal Spellman, Roman Catholic
Archbishop of New York*

WASHINGTON, August 11, 1949.

MY DEAR CARDINAL SPELLMAN: The President has asked me to reply to your letter of July 13.¹ I appreciate the further evidence of your interest in the Jerusalem question and your understanding of the delicacy of the problem with which the Conciliation Commission is dealing.

It is recalled that the President's letter of June 22² stated that the United States Government firmly supports the principle of the internationalization of Jerusalem. It occurs to me that the subsequent remarks regarding the economic difficulties which would arise in implementing this principle may have given you the impression that only economic factors were involved.

Political factors are also of great importance. For example, it is necessary to consider such matters as the relationship between the peoples and institutions in the Jerusalem area and the adjacent states in order effectively to integrate the Jerusalem area into the political as well as the economic life of Palestine.

With regard to some of your economic points, it is recalled that the General Assembly resolution of November 29, 1947, provided for the partition of Palestine with economic union. This resolution also provided that a certain proportion of the surplus revenue from the Customs and other common services should be utilized to supply income for the administration of the Jerusalem area. As you know, the General Assembly resolution of November 29 was implemented only to a very limited extent. As a result, neither the original plan for the internationalization of Jerusalem nor the provision regarding revenue for Jerusalem has become effective; consequently it is necessary for the Conciliation Commission, in devising a practical plan for the internationalization of the Jerusalem area, under the General Assembly resolution of December 11, to take these factors into consideration.

It may be recalled that the General Assembly resolution of December 11, 1948, provided that the Jerusalem area should be accorded special and separate treatment from the rest of Palestine and should be placed under effective United Nations control, and that the Conciliation Commission was instructed to present detailed proposals for a permanent international regime to the Fourth session of the General Assembly in September 1949.

¹ Not printed.

² The President's letter was in reply to Cardinal Spellman's letter of June 10; neither printed. They are filed under 501.BB Palestine/7-549.

It may be remembered in this connection that the American representative expressed the view in Committee I of the General Assembly on November 26, 1948, that "During the course of the coming year full consideration can be given to the difficult problems of the maintenance of law and order in Jerusalem and the cost of administration . . .³ It is our belief that the Jerusalem area should be integrated, in so far as is consistent with its special international character, with the people and institutions of the remainder of Palestine."

There seems little doubt that the General Assembly, in framing its resolution of December 11, had in mind the various economic considerations to which you refer, and that it hoped that a practical plan could be worked out during the year subsequent to December 11, 1948.

With regard to the consequences of a recognition that the adjacent states have sovereignty over the respective Arab and Jewish portions of Jerusalem, you raise the question whether, such sovereignty being recognized, the adjacent states might not be able to invoke paragraph 2 of Article 7 of the United Nations Charter in order to deny the rights of the United Nations in the area.

I believe that your apprehensions on this point will be dispelled by the assurance that we have no intention of recognizing the sovereignty of any state in the Jerusalem area. The type of international regime which we have in mind would involve the distribution of governmental powers among the three authorities concerned, namely, the two adjacent states and the United Nations authority. It will not be an application of the concept of sovereignty in the usual sense, but will rather be a matter of a precise definition of the location of respective governmental powers. In the present case, where the only rights of the adjacent states in the area will be those defined in an agreement to which they are parties, they will clearly be in no position to deny the rights of the United Nations, which will be defined in the same agreement.

It is my understanding that the Palestine Conciliation Commission is still in the process of working out a practical plan for the internationalization of the Jerusalem area which will take into account the varied and complex problems which are involved. I regret that I am not in a position to supply you with a copy of this plan at this time as the Conciliation Commission has not yet submitted its report to the Secretary General of the United Nations. Meanwhile, a copy of your letter of July 13 and related correspondence are being forwarded to the United States representative on the Palestine Conciliation Commission for his consideration in relation to the plan on which the Commission is working.

Sincerely yours,

DEAN ACHESON

³ Omission indicated in the source text.

501.BB Palestine/8-1149

Memorandum by the Deputy Assistant Secretary of State for United Nations Affairs (Sandifer) to Mr. James W. Barco, at Lausanne

RESTRICTED

WASHINGTON, August 11, 1949.

Subject: Comments on Preliminary Draft of Declaration Concerning the Holy Places, Religious Buildings, and Sites in Palestine Outside the Jerusalem Area (Com.Jer./W.29, 26 July 1949).

The preliminary draft of a declaration to be made by Israel and the Arab state concerning the Holy Places, religious buildings and sites in Palestine outside the Jerusalem area (Com.Jer./W.29, 26 July 1949) has been examined by officers of UNA, L/P and NEA. The following comments and suggestions are the result of this joint examination and are transmitted to you for your assistance in further discussions on this subject.

Your letter of July 27, 1949¹ notes that the Jerusalem Committee intends to submit a preliminary draft of the Declaration to the Israeli Delegation for its comments. It is assumed that the views of the Arab Delegation will likewise be sought.

There follows a paragraph by paragraph comment on the draft Declaration:

Paragraph 1.

It is suggested that the reference to "freedom of conscience" be omitted from this paragraph. A guarantee of freedom of conscience is a matter which does not relate particularly to the question of the Holy Places and access to them. Accordingly it is not believed necessary for the purposes of this Declaration. It will be observed that freedom of conscience is not referred to in Paragraph 7 of the Assembly Resolution of December 11, 1948. Moreover, freedom of conscience is not susceptible of limitation and could not therefore be made "subject to the maintenance of public order", as it is in the present draft.

Paragraph 2.

It is suggested that the second sentence of this paragraph be deleted. The basic obligation is contained in the first sentence. The second sentence indicates only one of many possible forms that a derogation from this obligation might take. It is not believed desirable to emphasize in the Declaration the matter of "the construction of buildings in unsuitable proximity" and so possibly to detract from the broad character of the obligation stated in the first sentence of the paragraph.

¹ Not found in Department of State files.

Paragraph 3.

The text of this paragraph seems satisfactory. As a matter of clarification, it is the understanding of the Department that the use of the date May 15, 1948 in this paragraph and in paragraph 5 has the effect of preserving the *status quo* under the Mandate with regard to the subjects indicated, and does not have the effect of including any new provisions which may have been instituted on 15 May 1948 immediately following the termination of the Mandate.

Paragraph 4.

The following rewording is suggested for this paragraph:

"The Government of _____ undertakes to guarantee freedom of access to the Holy Places, religious buildings and sites within its territory and, pursuant to this undertaking, will guarantee rights of entry and of transit to ministers and pilgrims of the Christian, Jewish and Moslem religions, without distinction as to nationality, subject only to considerations of national security and to the maintenance of public order."

Paragraph 5.

No comment except for the observation made in connection with paragraph 3.

Paragraph 6.

The following revision of paragraph 6 is suggested:

"6. The Government of _____ undertakes to accept and to give effect to such recommendations as may be made by the United Nations Commissioner, provided for in the Instrument establishing a permanent international regime for the Jerusalem area, with respect to the application and observance of this Declaration. The Government of _____ further undertakes to grant the United Nations Commissioner the privileges and facilities necessary for the performance of his functions."

Comment:

It was felt that the preliminary draft of paragraph 6 contained in Com.Jer./W.29 did not state with sufficient clarity the authority of United Nations Commissioner with respect to Holy Places outside Jerusalem and his relationship to the two states concerned in the implementation of the Declaration. It was felt that an undertaking by the Governments to "cooperate actively" was not sufficient and that, as regards the protection of Holy Places which is the subject of the Declaration, the two Governments should be prepared to agree to give effect to recommendations of the United Nations Commissioner.

For your information, the Department contemplates the possibility that, in the resolution approving the Declaration, the General Assem-

bly would instruct the United Nations Commissioner to report periodically on the implementation of the Declaration. This would insure that violations of the obligations assumed in the Declaration could be brought to the attention of the General Assembly by the United Nations Commissioner. It is believed that existence of such a provision would in itself promote the observance of the Declaration and that Assembly discussion of reports of the United Nations Commissioner would be an additional sanction.

501.BB Palestine/8-1149: Telegram

*The Secretary of State to the United States Delegation at Lausanne*¹

TOP SECRET

WASHINGTON, August 11, 1949—12 noon.

Unpal 224. Reference para four Palun 266² Elath was clearly informed of Dept position on July 28 as stated Unpal 214.³ Meanwhile, to remove any doubt which might exist in Elath's mind or in his reports to his Govt, Asst Secy McGhee on Aug 9 took advantage of Elath's presence in Dept for purpose presenting new Israeli Economic Counselor to emphasize 1) reports from USRep Lausanne indicated Arab reaction to Israeli refugee proposal was unfavorable; 2) press releases from Tel Aviv indicating that "Israel's offer . . .⁴ has been recd favorably by President Truman" were not indicative of US thinking; 3) whatever merits of Israeli offer may be, it does not meet provisions of para 11 GA res Dec 11; 4) Israeli offer does not provide suitable basis for contributing to solution of Arab refugee question in view of limited extent to which Arab states are now able to absorb refugees on econ and financial grounds; 5) if Israel cld accept 230,000 Arab refugees from Gaza area, it shld be able to make more substantial offer now; and 6) on balance, US does not consider present Israeli offer to repatriate 100,000 Arab refugees satisfactory from standpoint of basis for ultimate solution of refugee problem. Although we remain unwilling to assume responsibility for naming figure, McGhee suggested to Elath that only Gaza figure or higher wld appear to offer satisfactory basis.

Elath expressed disappointment re reported Arab reaction. Present Israeli proposal to repatriate 100,000 Arab refugees was maximum for econ and security reasons, particularly latter. Elath added, how-

¹ This telegram was repeated to London.

² Dated August 5, from Lausanne, p. 1287.

³ Dated July 29, to Lausanne, not printed; but see footnote 2, p. 1263.

⁴ Omission indicated in the source text.

ever that his Govt wld be informed re six points which McGhee emphasized.

Israeli reaction remains to be seen. Meanwhile, Unpal 223⁵ shld further reinforce any discussions you may have re second point.

Dept approves three-point procedure in Palun 266. Re second point, separate tel is being sent re Palun 265.⁶ Re third point, Dept suggests differing views within PCC be included in conclusions as alternatives rather than as individual US, French or Turkish "plans". Procedure in Unpal 213⁷ is considered preferable at this stage.

Dept approves five-point formula for solution re refugees.

Re name US member of survey group, most promising candidate was unable to accept because of other commitments. Dept is actively working on this matter and hopes to inform you further shortly.

ACHESON

⁵ Dated August 9, to Lausanne, p. 1291.

⁶ Dated August 5, from Lausanne, p. 1286.

⁷ Dated July 28, to Lausanne, p. 1267.

501.BB Palestine/8-1149: Telegram

Mr. Stuart W. Rockwell to the Secretary of State

RESTRICTED

LAUSANNE, August 11, 1949—3 p. m.

Palun 272. PCC has accepted general committee recommendation for establishment Lausanne mixed Arab-Israeli technical committee to study means putting into effect accord on frozen funds subject Palun 270.¹ Committee would consist 1 Arab 1 Israeli with neutral chairman to be provided by UN probably from Geneva office.

Israelis and Arabs have agreed establishment committee and Arabs have decided name Labbane² as their representative, pointing out this first instance they have agreed meet directly with Israelis. Azcarate now seeking chairman.

ROCKWELL

¹ Dated August 9, from Lausanne; it reported that Arab and Israeli delegates in the General Committee had "agreed to mutual unblocking, on pound for pound basis, of funds blocked in Arab states belonging to Palestine Arabs now resident in Israel and of funds blocked in Israel belonging to Palestine Arabs now resident in Arab states." (Palun 270, 501.BB Palestine/8-949)

² Abdel Chafi el-Labbane, member of the Egyptian Delegation at Lausanne; regularly Chief of the Political Section of the Arab Affairs department in the Egyptian Ministry for Foreign Affairs.

501.BB Palestine/8-1149: Telegram

Mr. Stuart W. Rockwell to the Secretary of State

SECRET

LAUSANNE, August 11, 1949—3 p. m.

Palun 273. Following is résumé important positions developments since recess.

1. *General*—since July 18 PCC through formal and informal contacts informing self on position parties since recess. Principal advisers now preparing questions on specific points at issue which PCC could put to parties in effort get them clarify and make more specific their positions. After receiving replies intention USDel and Turk delegation that PCC draw up compromise proposal which it could present to parties. If parties reject proposal USDel and Turk delegation favor placing general Palestine question on GA agenda, with possibility PCC might present suggested compromise solution for consideration GA.

One difficulty in this is attitude Boisanger who states belief it premature to present compromise proposal to parties and that PCC must continue discussions in effort conciliate parties. Alleges PCC has made progress and that on number important questions cannot be decided so fast. Moreover opposed to PCC going to GA with proposed solution stating PCC has mandate conciliate not arbitrate and that long as either party ready continue conciliation discussions PCC has no choice but do so.

Boisanger position coincides with that of Israelis who strongly opposed going to GA and state ready continue discussions here until settlement reached. Type of settlement they have in mind indicated by Sasson in private conversation when he said Israelis thought main task PCC was persuade Arabs adopt Israeli position and that PCC was wrong if it considered that conciliation involved proposals which would deprive Israel of any territory or envisage return of much more than 100,000.

Arabs generally favor going to GA. Some desire do so in order use GA as sounding board for restatement their position. Others such as Jordan delegation in order be "forced" to acquiesce in possible decision of GA resolution problem. USDel believes no Arab chief delegate here would dare break front by reaching agreement on important points which could be considered unfavorable to Arab position, and that view this and adamant Israeli attitude, position of Boisanger re possibility reaching agreement not sound. There has been progress on minor points but basic positions remain unchanged. USDel also believes that if GA passed plan which gave something to Arabs on territory there is good chance Arab states would accept.

USDel thinks attitude Boisanger personal and not based on instructions his government. May be necessary for US and Turk governments discuss matter with French Government since there is extremely undesirable possibility parties may learn of serious divergence within PCC and also PCC can take no decisive steps unless agreement unanimous.

2. *Territory*—Israelis insist they need all territory they now hold especially Negev. Sasson has however twice indicated Israel might be able give up territory along Egyptian frontier in vicinity Auja.

Arabs are standing on 1947 partition, May 12 protocol and US territorial position. Syria and Lebanon interested in western Galilee, Jordan wants back triangle areas and Ramle Lydda and desires corridor to Mediterranean, and Egypt wants Negev up to line known to Department. Department familiar with tentative territorial suggestions USDel and Turk delegation. Work on established common territorial position in informal meetings of principal advisers has been stopped because Boisanger in line with his general position has instructed De la Tour Du Pin¹ take no effective part in discussions and no responsibility for France in any proposal which might be drawn up. USDel knows however that French delegation possesses map probably prepared by Benzihta's personal initiative, indicating suggested territorial distribution.

3. *Refugees*—Department familiar with Israeli proposition. In addition, Sasson states if several thousands of refugees are left over after Arab states have indicated how many they will accept, Israeli will accept for sake agreement.

Arabs publicly stand on December 11 resolution and state they will consider resettling those refugees who do not wish to return Israel.

Privately Syrian and Jordan representatives agree to inevitability resettlement large numbers in their countries but state view necessity maintain Arab unity and public opinion at home they cannot reach political agreement envisaging this.

Arabs about to present to PCC utterly unrealistic counterproposal on refugees in reply to Israeli proposition.

4. *Jerusalem*—Jerusalem committee has run into unexpected snag due attitude French representation. Benoist² now arguing that it premature for committee to agree on Jerusalem as long as other issues unsettled; that Vatican pressure makes it difficult for French government to agree to anything less than complete internationalization, that UN authority in Jerusalem must control real property transfers

¹ M. le Vicomte de La Tour du Pin Verclause, attached to the French Delegation at Lausanne.

² Philippe Benoist, attached to the French Delegation at Lausanne.

and immigration to city etc. Sudden tactics Benoist certainly reflect overall attitude Boisanger toward PCC initiative and probably desire French Government accommodate Vatican. Members French delegation state important French Catholics sending them personal letters urging complete internationalization.

ROCKWELL

501.BB Palestine/8-1149 : Telegram

*The Secretary of State to the United States Delegation at Lausanne*¹

TOP SECRET

WASHINGTON, August 11, 1949—9 p. m.

Unpal 225. Ref Palun 265.² Dept believes discussion territorial question within PCC shld be helpful at this stage. As indicated Unpal 213,³ Dept believes that procedure of having PCC agree on various alternative plans as basis for possible discussion between parties is preferable to having PCC itself agree on a single plan for territorial adjustment which might be unacceptable to both sides and share the fate of the Bernadotte plan.

Dept has fol comments on your numbered paras :

(1) Dept suggests procedure outlined Unpal 213 shld be emphasized to French and Turkish dels in order to stress concept of flexible proposals rather than rigid plan at this stage.

If French del has radically different proposals it is suggested they be put forward as alternatives to general PCC proposals rather than as separate and distinct French proposals. Dept believes foregoing procedure wld avoid confusion and misunderstanding which might arise from such discussions as those reported between French and Lebanese.

(2) Turkish proposal appears substantially identical with that contained Keenan instructions Jan 1949⁴ except for northern Galilee and rectifications in central Palestine.

(3) Dept is not clear re areas mentioned in (b) (c) and (d). Pls describe further.

Suggested US proposal appears, in general, to add territory to Israeli Gaza strip proposal, to make certain territorial rectifications in northern central Palestine and to add certain territorial changes in southern central Palestine as exchange for western Galilee.

US proposal also appears, in general, to be at considerable variance with position US has previously taken. We therefore do not believe your proposal shld be put forward within PCC as final US views or official US territorial position at this time. On other hand, it must be

¹This telegram was repeated to London.

²Dated August 5, from Lausanne, p. 1286.

³Dated July 28, to Lausanne, p. 1267.

⁴Not printed, but see footnote 1, p. 681.

remembered that any territorial settlement which is acceptable to parties wld undoubtedly be acceptable to US.

Dept is presently working on alternative territorial position as suggestion which might be put forward in General Committee of PCC. Following consultation with Porter concerning it, you will be further informed.

ACHESON

501.A Summaries/8-1149: Telegram

The United States Representative at the United Nations (Austin) to the Secretary of State

[Extract]

NEW YORK, August 11, 1949—9:15 p. m.

911.

By a vote of 9-0, USSR and Ukraine abstaining, the SC Aug. 11 adopted a joint French-Canadian resolution (S/1367) in connection with the report of Acting Mediator Bunche on Palestine. Soviet amendments, reintroduced in a slightly revised version, were all rejected.

The SC also adopted, without opposition, a Canadian-Norwegian draft (S/1362) paying tribute to the work of the late Mediator, the Acting Mediator and members of their staff.¹

AUSTIN

¹ For the concluding discussion of Mr. Bunche's report by the Security Council of August 11, see SC, *4th yr., No. 38*, pp. 1-14. The text of the Canadian-French resolution is printed *infra*; that of the Canadian-Norwegian draft is printed as Resolution 72 (1949) in United Nations, *Official Records of the Security Council, Fourth Year, Resolutions and Decisions of the Security Council, 1949*, hereinafter identified as SC, *4th yr., Resolutions, 1949*, p. 7. Senator Austin's statement supporting the Canadian-French draft resolution and opposing the Soviet amendments is printed in SC, *4th yr., No. 38*, p. 5.

Resolution 73 (1949) Adopted by the Security Council on August 11, 1949¹

The Security Council,

Having noted with satisfaction the several Armistice Agreements concluded by means of negotiations between the parties involved in the conflict in Palestine in pursuance of its resolution 62 (1948) of 16 November 1948,

¹ Reprinted from SC, *4th yr., Resolutions, 1949*, p. 8.

1. *Expresses the hope* that the Governments and authorities concerned, having undertaken, by means of the negotiations now being conducted by the Conciliation Commission for Palestine, to fulfil the request of the General Assembly in its resolution 194 (III) of 11 December 1948 to extend the scope of the armistice negotiations and to seek agreement by negotiations conducted either with the Conciliation Commission or directly, will at an early date achieve agreement on the final settlement of all questions outstanding between them;

2. *Finds* that the Armistice Agreements constitute an important step toward the establishment of permanent peace in Palestine and considers that these agreements supersede the truce provided for in Security Council resolutions 50 (1948) of 29 May and 54 (1948) of 15 July 1948;

3. *Reaffirms*, pending the final peace settlement, the order contained in its resolution 54 (1948) to the Governments and authorities concerned, pursuant to Article 40 of the Charter of the United Nations, to observe an unconditional cease-fire and, bearing in mind that the several Armistice Agreements include firm pledges against any further acts of hostility between the parties and also provide for their supervision by the parties themselves, relies upon the parties to ensure the continued application and observance of these Agreements;

4. *Decides* that all functions assigned to the United Nations Mediator in Palestine having been discharged, the Acting Mediator is relieved of any further responsibility under Security Council resolutions;

5. *Notes* that the Armistice Agreements provide that the execution of those Agreements shall be supervised by mixed armistice commissions whose chairman in each case shall be the Chief of Staff of the United Nations Truce Supervision Organization in Palestine or a senior officer from the observer personnel of that organization designated by him following consultation with the parties to the Agreements;

6. *Requests* the Secretary-General to arrange for the continued service of such of the personnel of the present Truce Supervision Organization as may be required in observing and maintaining the cease-fire, and as may be necessary in assisting the parties to the Armistice Agreements in the supervision of the application and observance of the terms of those Agreements, with particular regard to the desires of the parties as expressed in the relevant articles of the Agreements;

7. *Requests* the Chief of Staff mentioned above to report to the Security Council on the observance of the cease-fire in Palestine in accordance with the terms of this resolution, and to keep the Conciliation Commission for Palestine informed of matters affecting the Commission's work under General Assembly resolution 194 (III) of 11 December 1948.

501.BB Palestine/7-2549

The Secretary of State to the Egyptian Chargé (Chiati)

The Secretary of State presents his compliments to the Chargé d'Affaires ad interim of Egypt and refers to the Embassy's notes of June 10, 1949¹ and July 25, 1949, in which the question of the removal of the Security Council's Arms Embargo was raised. In these notes the Egyptian Government took the position that its restrictions on the movement of air and sea transport to Israel "had been imposed for no other reason than to insure that the ships and planes enroute to Israel via Egypt did not carry armaments or war material to the Zionists as contraband in defiance of the Security Council's decisions."

As the Egyptian Government is aware, following the conclusion of the Syrian-Israeli armistice the Acting Mediator submitted his final report to the Security Council² and that body has relieved him of his functions. At the same time the Security Council took action which in effect removed the arms embargo imposed by its resolutions of May 29 and July 15, 1948.

It is therefore evident that the obstacles which the Egyptian Government found to the removal of its restrictions no longer exist, and it is assumed that immediate steps will be taken to remove the various restrictions which have been imposed since the outbreak of hostilities in Palestine. It is felt that such action will be a constructive step towards the restoration of normal conditions in the area.³

WASHINGTON, August 12, 1949.

¹ Not printed; but see telegram 573, June 11, to Cairo, p. 1115. In an attached memorandum of August 12 to Mr. McGhee, Gordon H. Mattison, Chief of the Division of Near Eastern Affairs, noted that "The drafting of a reply to the notes of June 10 and July 25, 1949 from the Egyptian Embassy was delayed in order to take full advantage of Dr. Bunche's proposal to the Security Council that the truce resolutions involving the arms embargo be removed."

² Dated July 21; see editorial note, p. 1240.

³ Mr. McGhee handed this note to Dr. Chiati on August 12 and stated that "the Department felt that Egypt would act in accordance with the Embassy's note of June 10, 1949 and lift the shipping restrictions which allegedly had been continued in effect because of the arms embargo. Mr. McGhee emphasized the fact that the United States had supported the removal of the Security Council's resolutions which had included the arms embargo. He pointed out that the removal of shipping restrictions by Egypt would be a constructive step toward normal relations in the Near East area." (memorandum of conversation by Stuart D. Nelson of the Division of Near Eastern Affairs, 501.BB Palestine/8-1249)

The substance of the note of August 12 was conveyed to Arab capitals, Tel Aviv, and Jerusalem in a circular telegram of August 16, 4 a. m., and to Bern for Mr. Porter in telegram 1144, August 18, 8 p. m. (501.BB Palestine/8-1649, 8-1849).

501.BB Palestine/8-1549

*President Truman to President Weizmann, at Rehovoth, Israel*¹

PERSONAL

WASHINGTON, August 13, 1949.

MY DEAR PRESIDENT WEIZMANN: Thank you for writing me personally with regard to our note of May 29, 1949, and your Government's reply of June 8. I appreciate your desire to remove any misapprehension regarding the position and intentions of your Government. I am certain a personal talk would be helpful. As this is not possible at the present time I shall endeavor to answer certain of your points.

It is true that many long months have passed since the Palestine question was first referred to the United Nations. On the other hand, it is our belief that the United Nations has made remarkable progress in view of the complexity of the problem. It may also be true that, in theory, a single individual such as Count Folke Bernadotte or Dr. Ralph Bunche would have been able to proceed more rapidly than a commission consisting of three or more members. In practice, however, experience has demonstrated that a single individual can only succeed with active assistance on the part of interested governments. We believe that the present Palestine Conciliation Commission has been able to function effectively, when one considers that it is responsible for negotiating a longer range political settlement whereas the Acting Mediator's functions were confined to the achievement of shorter range military agreements.

The proposals which the Israeli delegation at Lausanne has advanced have undoubtedly been helpful to the Palestine Conciliation Commission. Although some of these proposals have not been adopted, it may be recalled that the representatives of Israel, Lebanon, Syria,

¹This letter was drafted by Mr. Wilkins on August 8 and transmitted to President Truman for approval by Secretary Acheson with his memorandum of August 10. The memorandum noted that "Sending a reply [to President Weizmann's letter of June 24] at this time should be helpful in view of the discussions now taking place at Lausanne." The White House returned the proposed reply to the Department on August 15, with the President's approval.

Mr. McGhee handed the President's reply to Ambassador Elath on August 18 (see Mr. McGhee's memorandum of that date, p. 1323) for transmission to the Israeli President. The Department, on August 19, sent a summary of the reply to Tel Aviv (telegram 585, 501.BB Palestine/8-1949) and on August 31 transmitted copies of the Truman-Weizmann correspondence to Tel Aviv, Arab capitals, Paris, London, Ankara, New York, and Jerusalem for background information only and not for discussion outside these various missions (501.BB Palestine/8-1549). Copies were also sent to Geneva for the American Delegation at Lausanne on September 6 (501.BB Palestine/9-649).

Transjordan and Egypt on May 12, 1949 were signatories to a protocol of the Commission which should have the effect of facilitating further discussion of all questions, including the refugee problem, and thereby of achieving a final peace settlement. It seems reasonable to consider the Arab agreement to the protocol of May 12 as a general reply to the Israeli proposals.

With regard to the general question of the Arab refugees, you may recall that the General Assembly resolution of December 11 provided that the refugees wishing to return to their homes and live at peace with their neighbors should be permitted to do so at the earliest practicable date, and that compensation should be paid for the property of those choosing not to return. I am, therefore, glad to be reassured by your letter that Israel is ready to cooperate with the United Nations and the Arab states for a solution of the refugee problem; that Israel pledges itself to guarantee the civil rights of all minorities; that Israel accepts the principles of compensation for land abandoned by Arabs; that Israel declares its readiness to unfreeze Arab accounts under certain conditions; that Israel has set up a custodian of absentee property; and that Israel is ready to readmit members of Arab families.

It may be noted, however, that in making these proposals the Israeli delegation made them conditional, in general, on the conclusion of peace and other limiting factors, and that the representatives of the Arab states, on the other hand, considered the General Assembly resolution as imperative and mandatory.

With regard to (1) access to ports and means of communications, and (2) the delimitation of frontiers, it again seems reasonable to believe that the protocol of May 12 might be considered as a constructive basis on which these matters could be discussed. With regard to the Jerusalem question, it is my understanding that the Palestine Conciliation Commission has made excellent progress during which it consulted all interested parties and that it is presently in the process of preparing its report on this subject for the General Assembly in accordance with paragraph (8) of the General Assembly resolution of December 11.

In view of these developments at Lausanne, I believe one may conclude that the Arab representatives are prepared to enter into negotiations with the objective of achieving a peace settlement. This conclusion would appear to be reinforced by the Commission's communique of July 28, which reports that "the Arab delegations and the delegation of Israel have given express assurances regarding their intentions to collaborate with the Commission with a view to the

definitive settlement of the Palestine problem and to the establishment of a just and permanent peace in Palestine."

The Commission has already activated a number of subsidiary groups, such as the General Committee, the Jerusalem Committee, and the Technical Committee on refugees. It is my understanding that the Commission now has your project regarding additional sub-committees under consideration and that the commission might take advantage of your project to facilitate further discussions.

With regard to direct negotiations, it may be recalled that the General Assembly resolution of December 11 provides for negotiations conducted either with the Palestine Conciliation Commission or directly. Thus far the representatives of the Arab states have been unwilling to enter into direct talks. It may be hoped, however, that further progress at Lausanne might make it possible to conduct negotiations both with the Palestine Conciliation Commission and directly.

With regard to the refugee problem, we are of the opinion that primary responsibility for a solution to this problem rests with Israel and the Arab states and that, assuming all concerned are willing to approach it realistically and constructively, the United Nations, including its individual members, might be willing to assist the states concerned in reaching such solution. It is reassuring that Israel, for humanitarian reasons, is ready to contribute as far as it can toward a solution of this problem and has been readmitting Arab refugees and is ready to reunite Arab families.

During your recent visit to the United States I talked to you about my feelings regarding the refugees and the question of a final territorial settlement. These views were repeated in the recent exchange of notes between your Government and mine. I would be less than frank if I did not tell you that I was disappointed when I read the reply of your Government to our note of May 29. Even after talking with Ambassador Elath, following his recent return from Tel Aviv, I am not certain that the present proposals of your Government will affect the current conversations at Lausanne in such a way as to achieve a lasting peace between Israel and the Arab states.

Whether or not one can say that Israel has cooperated with the Commission, it seems to us that the views of the Israeli Government are in many respects at variance with the General Assembly resolution of December 11. The views of the Israeli Government may also be considered as failing to take into account the principles regarding territorial compensation advanced by the United States as indicated in our *Aide-Mémoire* of June 24.

With regard to territory, your reassurances that Israel has no aggressive designs against anyone and that it is not looking for additional territory are appreciated. We can understand that you might be somewhat apprehensive on security grounds; nevertheless, it seems reasonable to believe that the conclusion of armistice agreements with the neighboring Arab states should prove reassuring and that both Israel and the Arab states on the basis of the General Assembly resolutions of November 29, 1947, and December 11, 1948, should be able to discuss the territorial question.

I sincerely hope that both Israel and the Arab states will continue the discussions at Lausanne in a conciliatory spirit and with a greater understanding of the problems which exist between them. If both sides undertake an approach of this kind a settlement in Palestine would be greatly facilitated. Such a settlement would be an extremely important contribution to the stability of the Near East and the well-being of its peoples. It would, in addition, provide a basis on which it would be possible more constructively to plan for the future.

Very sincerely yours,

HARRY S. TRUMAN

867N.01/8-1349

*The Acting Representative at Vatican City (Gowen) to the
Secretary of State*

RESTRICTED

VATICAN CITY, August 13, 1949.

No. 24

SIR: I have the honor to enclose a copy of an undated statement entitled "The Present Situation in Jerusalem"¹ which was handed to me on August 12, 1949 by the Acting Secretary of State of the Holy See, Monsignor Domenico Tardini. The statement which, he said, has just been prepared by the Secretariat of State of His Holiness sets forth the latest views of the Holy See on the problem of Jerusalem and is now being forwarded by the Vatican to all Apostolic Nuncios and other high ranking members of the Catholic hierarchy for their information.

Monsignor Tardini remarked that this statement is an "unofficial compendium of certain *de facto* and *de jure* considerations which according to the Holy See should be borne in mind for a proper

¹ Not printed.

appraisal of the position of the Holy See on the problem of Jerusalem and for a just, proper and permanent settlement of that vital issue". An informal English translation ² is attached for immediate reference.

The gist of the statement is that in the opinion of the Holy See only complete internationalization of Jerusalem, its environs and all the Holy Places in Palestine can bring a true, fair, and lasting peace to the Holy Land, and that all other proposed solutions are inadequate.

After a description of the "now very critical situation in Jerusalem" the statement goes on to point out what the Vatican believes would be a satisfactory solution of the problem, viz:

[Here follow nine points said to offer a satisfactory solution of the problem of Jerusalem and a reference to the Pope's Encyclical Letters of October 24, 1948, and April 15, 1949, "in which he recommended international control for Jerusalem, its environs and all the Holy Places in Palestine."] ³

Respectfully yours,

FRANKLIN C. GOWEN

² Not printed.

³ Mr. Gowen, on August 4, had raised the question whether the Department would object to his arranging an appointment for Brigadier General Riley with the Vatican Acting Secretary of State, in order to deliver a message to the Vatican from Israeli Foreign Minister Sharett (telegram 30 from Vatican City, 501.BB Palestine/8-449). The message as summarized in the telegram stated that Mr. Sharett "was anxious to know just what Vatican wanted done with Jerusalem problem. Was Vatican interested only internationalization Jerusalem under international regime? If so, then Israel saw no solution to problem as Israel does not consider possible to place some 100,000 Jews now residing in New City under such control. It would mean these Jews would be outside Israel and subject only to protection of such administrative body against attack by Arabs. Sharett suggested (a) international control and/or supervision of holy places in Jerusalem area with same body supervising to lesser degree holy places in other parts Palestine. Free access to all holy places would be guaranteed; (b) internationalization of Old City with Israel rendering such assistance as necessary to ease economic and living conditions there. Even if Old City was returned to Arabs similar arrangements could be made; (c) under (b) free access to holy places in new Jerusalem and other parts of Israel could be arranged. Sharett was interested in knowing whether or not Vatican if interested in (a), (b) and (c) would be willing to arrange for meeting with Israeli representatives for purpose of explaining [exploring?] possibilities looking forward to possible solution."

The Department, in reply on August 9, stated that "General Riley shld not act as intermediary between Israeli FonMin and Vatican. Such action might give rise to unwarranted polit implications in view Riley's USMC rank and position as Chief of Staff of Acting Mediator. Furthermore, presentation of Israeli views to Vatican by Riley, a function which wld ordinarily be responsibility of Israeli Min Rome, might create impression US concurred in Israeli views. Position of US rep on PCC might thereby be prejudiced and work of PCC re Jerusalem might be seriously affected." (telegram 13 to Rome, 501.BB Palestine/8-949)

501.BB Palestine/8-1549

*Memorandum of Conversation, by Mr. Harlan B. Clark of the Division
of Near Eastern Affairs*

SECRET

[WASHINGTON,] August 15, 1949.

Participants: NEA—Mr. Hare

Mr. Paul A. Porter

Mr. Mark Ethridge

Mr. Fraser Wilkins, NE

Mr. Clark (in part), NE

[Mr. Faiz el-Khoury, Syrian Minister]

(a) *Problem:* The Syrian Minister expressed the opinion that an injustice had been done in Palestine and said that he would like to have a further opportunity to make his views known to Mr. Porter and Mr. Ethridge in this regard. It is believed he may be motivated by personal reasons of prestige in asking to consult with Mr. Porter and Mr. Ethridge.

(b) *Action Required:* In the present circumstances, it is recommended that any further request by the Syrian Minister for conferences with Mr. Porter be discreetly declined.

(c) *Action Assigned to:* NE

Discussion:

After calling on Mr. McGhee (see memorandum of today's date entitled "Views of the Syrian Minister on the Syrian *Coup d'état* of August 14")¹ the Syrian Minister asked to speak with Mr. Porter and Mr. Ethridge, who were consulting with Mr. Hare and Mr. Wilkins in an adjoining office. Upon being introduced to them, Faiz Bey began to criticize United States policy in regard to Palestine. He declared that this Government was powerless to act fairly in the matter since, like nearly every other country, the United States was completely controlled by Jews. He said that Jewish groups in England had extracted all the benefit that they could out of the British Government during the mandate period but that now Israel was an independent state they relied mainly on the United States to assist them in achieving their objectives. Mr. Ethridge and Mr. Porter asked specific questions as to how Faiz Bey believed that progress might be made in settling outstanding questions, but he turned them aside, with the remark that only by removing American support from Israel could a satisfactory settlement be made. He added that even Soviet Russia appeared to have been subject to Jewish influence and that in these

¹ Not printed, but see editorial note, p. 1632.

circumstances when all the countries of the world were under the control of the Jews, "why could I be blamed for acquiescing in their control?" This mystifying query appeared to be rhetorical and before discussion was resumed, Mr. McGhee came in to say that Mr. Porter and Mr. Ethridge were due in another conference in 2 or 3 minutes and asked that they be excused. Faiz Bey took his leave with the remark "You see, there is never any time for me to make my views known".

Mr. Clark who accompanied Faiz Bey to the elevator said he was sure that Mr. Porter and Mr. Ethridge had been pleased to have this opportunity to talk with him and would have been glad to have discussed the question with him further were it not for the fact that their presence was urgently required at an important meeting already scheduled. Faiz Bey replied that he understood that perfectly and that what he was referring to was that he had tried to see Mr. Porter before his departure for Lausanne and had been told that he was so busy making necessary preparations for his work on the Palestine Conciliation Commission that it was not possible to arrange a meeting. Mr. Clark said that he knew that Mr. Porter had indeed been very busy prior to his departure but that at Lausanne he had had full opportunity to discuss all aspects of the Palestine question with the Arab delegates to the Conciliation Commission meetings including the Syrian delegation which was in possession of pertinent instructions from its government. Faiz Bey replied, "Yes, but Lausanne is not enough. The Palestine question must be discussed everywhere". The Minister said he appreciated having the opportunity to meet Mr. Porter and Mr. Ethridge and seemed pleased at the reception he had received.

[Here follows the final paragraph giving an analysis of the personal motivations of the Syrian Minister in desiring a meeting with Messrs. Ethridge and Porter.]

811.516 Export-Import Bank/8-1549

Memorandum by the Assistant Secretary of State for Near Eastern and African Affairs (McGhee) to the Assistant Secretary of State for Economic Affairs (Thorp)

CONFIDENTIAL

[WASHINGTON,] August 15, 1949.

On August 15 the recent decision of the President temporarily to postpone further allocations under the \$100,000,000 Exim Bank loan to

Israel¹ was discussed with Messrs. Rusk, Porter (US Rep. PCC), Ethridge (Former US Rep. PCC), Satterthwaite, Hare, Dort,² and Whitman.³ This is not a question of cancellation of the unallocated balance of \$49,000,000 on the original \$100,000,000 Exim Bank loan to Israel. It is merely a question of temporary delay of further allocations against the \$49,000,000 balance.

It was agreed that early peace in Palestine, which was anticipated when the Exim Bank loan to Israel was first made in the spring of 1949, has not been achieved. Even though the Palestine Conciliation Commission has been working in the Near East and in Switzerland during the past seven months, a peace settlement does not seem any closer today. In spite of limited proposals put forward by both parties regarding minor aspects of the Palestine question, no real basis for agreement under the auspices of the PCC seems to exist at the present time. In view of these factors it was agreed that the Exim Bank should suspend further allocations under the loan for the time being.

It was agreed that the Secretary of State, as a member of the Board of the Exim Bank, should inform the Board that before further allocations are made the Department of State would like to review the situation regarding any specific request for funds for the purpose of determining whether the allocation would be appropriate in the light of present circumstances. It is understood, for example, that a \$5,000,000 request is pending for the Port of Haifa. It would need to be determined whether the availability of these funds for the Port of Haifa would be justified in the absence of progress towards peace in Palestine.

It was also agreed that the Secretary of State should inform the Board that the PCC plans to set up an economic survey mission for the purpose of studying the economic situation in the Near East, particularly the situation with regard to the repatriation of refugees in Israel and their resettlement in the neighboring Arab states, and for the purpose of making recommendations regarding overall economic

¹ The Department, on August 5, advised the American Delegation at Lausanne that "Current conversations between reps Eximbank and Israeli reps Washington will shortly make it clear that further allocations under Eximbank loan have temporarily been postponed." (telegram Unpal 218, 811.516 Export-Import Bank/8-549) In reply, on August 8, Mr. Porter stated that he had "not injected ExImBank loan into discussions here. Because of Shiloah's firm position re refugees and territories do not believe any discussions in this regard would result in more than minor changes in basic position. Believe maximum effect will be obtained when Israeli Government learns from Bank officials that full economic cooperation with US not feasible under existing situation." (Palun 267, 501.BB Palestine/8-849)

² Dallas W. Dort, Special Assistant to Mr. Thorp.

³ Roswell H. Whitman, Associate Chief of the Division of Investment and Economic Development.

projects for the Near Eastern area. In the absence of peace in Palestine and pending the recommendations of the Economic Survey Mission it would be wise temporarily to suspend further allocations, as such allocations might subsequently be integrated with the recommendations of the Mission itself.

It is hoped that these arguments will convince the Exim Bank of the economic grounds on which the Department's views are based and that the Bank will take a similar line in such conversations as it might have when Israeli representatives approach the Bank regarding new requests.

Recommendation:

It is recommended that you discuss this matter along the foregoing lines with appropriate officials of the Exim Bank.

501.BB Palestine/8-1549 : Telegram

Mr. Stuart W. Rockwell to the Secretary of State

LAUSANNE, August 15, 1949.

Palun 275. Following substance questions put in writing to all delegations by PCC August 15:

(1) Is delegation prepared to sign declaration according which (a) solution refugee problem should be sought in repatriation of refugees in Israeli-controlled territory and in resettlement of those not repatriated in Arab countries or in zone of Palestine not under Israelis.

It is understood that repatriated refugees will become *ipso facto* citizens of Israel and that no discrimination will be practiced against them both regarding civil and political rights and obligations imposed upon them by law of land.

Also understood that repatriation and resettlement will take place subject technical and financial aid to each party by international community.

(b) In case survey group should be charged by UN with establishment development projects in Near East of which main purpose would be to facilitate repatriation, resettlement and economic and social rehabilitation of refugees, all parties will undertake to facilitate task of group and take all possible measures to aid in implementation of such solutions as group might propose?

(c) All parties will state that above mentioned understanding concerning refugees will not prejudice rights which parties reserve in connection with final territorial settlement?

(d) Funds for emergency aid extended to refugees must be renewed until above-mentioned technical and financial aid shall have been allotted by international community?

(2) Without committing its government and considering that no detailed statistics exist regarding refugees, is delegation prepared present provisional estimate of approximate number refugees its government would be ready to accept?

(3) What territorial adjustments does delegation desire be made to working document annexed to Protocol of May 12?¹

ROCKWELL

¹ Mr. Rockwell suggested to the French and Turkish Delegations that they "make concerted effort persuade all parties give affirmative answers re refugees subject Palun 275 and persuade Arab delegates make politically feasible replies to question re territory." He also urged that the Department, after consulting the Turkish and French Governments, make appropriate representations as soon as possible to the interested Arab States and Israel. (Palun 276, August 15, 5 p. m., from Lausanne, 501.BB Palestine/8-549)

501.BB Palestine/8-1549: Telegram

The Consul at Jerusalem (Burdett) to the Secretary of State

CONFIDENTIAL

JERUSALEM, August 15, 1949—3 p. m.

519. MAC meeting yesterday considered Jordan complaint re expulsion by Israel of Arabs from triangle territory taken over by Israel under terms armistice agreement (Amman's 136, July 18¹). According to Riley Israel took position would not permit return any Arabs expelled except as part of general solution refugee problem at Lausanne. These Arabs would be included in 100,000 Arabs. In personal conversation with Captain Ali Nuwar, Jordan representative, in presence of MAC Chairman Ballentine² Dayan stated Nuwar could bring question to vote in MAC and force Israel repatriate expellees but "they would regret it if they returned". Riley commented to Consul General that although Israel position direct violation armistice agreement he hesitated advise Ballentine to force vote since would not be responsible for treatment accorded returning Arabs. He considered this typical example tactic negotiating by threat and admitted UN powerless determine whether Arabs, if they returned, received fair treatment.

Believe above incident throws further light on true value proposal repatriate 100,000 Arabs.

Sent Department 519; repeated Tel Aviv 1, Baghdad 51, Beirut 101, Damascus 57, London 4, Geneva for USDel PCC 50, pouched Amman, Cairo, Jidda.

BURDETT

¹ Not printed.

² Col. Samuel S. Ballentine of the United States Marine Corps, who was a United States Military Observer with the Truce Supervision Organization and who was designated by General Riley as Chairman of the Mixed Armistice Commission for Israel and Jordan.

501.BB Palestine/8-1649

*Memorandum by the Assistant Secretary of State for Near Eastern and African Affairs (McGhee) to the Secretary of State*¹

CONFIDENTIAL

[WASHINGTON,] August 16, 1949.

Subject: Palestine Conciliation Commission

Discussion:

Mr. Porter, the United States Representative on the Palestine Conciliation Commission, returned to the United States from Lausanne on August 12. Since his return to the present situation at Lausanne and in Palestine has been discussed in detail in the Department and in consultation with Mark Ethridge who visited Washington for this purpose. Mr. Porter's general conclusion, with which we agree, is that no real basis for conciliation between the parties exists at the present time. The underlying reasons for this conclusion are set forth in the attached telegram (numbered paras. 1-5 of Tab A).²

In view of this situation, it is believed that the most effective approach to a Palestine settlement at the present time would be on economic grounds rather than on political grounds as has previously been the case. It is therefore proposed that the following procedure be followed:

1) The Palestine Conciliation Commission should as soon as possible establish the proposed Economic Survey Mission which would proceed to the Near East, study existing data, consult interested governments and authorities and on this basis prepare a report to the General Assembly through the PCC containing its recommendations for economic development and settlement of the refugee question. Before establishing the Mission interested NE governments would be requested for advance assurances they would cooperate with the Mission and would give great weight to its recommendations (last 4 paras. Tab A).

2) The PCC should submit a progress report to the UN relating its efforts at conciliation during the past seven months and its establishment of the Economic Survey Mission.

3) The PCC should then recess for the time being. Meanwhile, the PCC will leave its Principal Secretary (Dr. Pablo de Azcarate) in Jerusalem, the Commission's official headquarters, for such activities as may be necessary. The Commission may be reconvened at the request of Dr. Azcarate or any one of its three members if future developments require such action.

4) The PCC should reconvene at Lake Success when the Economic Survey Mission has completed its report (estimated at about November 1).

¹ Sent through Mr. Rusk and initialed by him.

² For text of circular telegram as actually sent, see *infra*.

5) The PCC should at that time submit a further progress report to the UN incorporating the findings and recommendations of the Economic Survey Mission. This report should also include the PCC's own recommendations as to whether the Commission should continue its activities or whether it should be replaced by some new agency.

6) The Department is of the preliminary opinion it may be advisable to replace the Commission by a single individual such as an Agent General to have responsibility for conciliation, economic development, refugee resettlement and relief and possibly Jerusalem. No decision need be reached regarding the future of the PCC at this time as it is still being studied. Meanwhile, this question will be discussed with other interested governments to ascertain their views.

7) Mr. Porter tentatively plans to return to Lausanne about August 20 for the purposes described in steps 1) and 2). Mr. Porter also plans to stop off in Paris where he hopes to discuss steps 1)-5) with our Embassy, the French Foreign Office and the French representative on the PCC. This step is considered imperative to enlist French support; otherwise the French representative on the PCC might attempt to hinder the action recommended in this memorandum because of his personal inclination toward indefinite conciliation. A proposed telegram to Paris is attached (Tab B).³

Recommendations:

It is recommended that:

- 1) you approve the foregoing procedure and
- 2) that you approve the attached telegram (Tab B).⁴

[Here follow concurrences and a list of attachments.]

³ Secretary Acheson, on August 18, informed President Truman that he and Mr. Porter recommended the course outlined in Mr. McGhee's memorandum. Mr. Acheson's memorandum of the conversation states that "The President approved our taking that course." (Secretary's Memoranda, Lot 53 D 444, Secretary's Memos)

⁴ The telegram was sent to Paris as No. 3068 on August 18. It read as follows: "For Bruce from the Secretary. Ambassador Paul Porter, US Rep PCC, plans arrive Paris Aug 19 enroute Lausanne. Recent developments at Lausanne re Palestine appear require new procedural approach for which we need strong French support. It would be appreciated if you would request Schuman to arrange consultation in Paris on Aug 22 between Boisanger, French Rep PCC, and French FonOff officials concerned." (501.BB Palestine/8-1849) Robert Schuman was the French Foreign Minister.

A 2-hour talk was held on the morning of August 22. Mr. Boisanger was said to have "expressed his appreciation usefulness and importance economic survey in providing basis eventual political settlement and accepted general lines policy put forward by Porter. Boisanger concerned, however, that adjournment PCC be so handled as to make entirely clear machinery for negotiation remain available to parties and not abandoned. Also desired recess should not take place until commission had received and examined Israeli and Arab replies on territorial question shortly expected. Porter stated this agreeable to him so long as matter dealt with promptly as possible preferably within one week." (telegram 3459, August 22, 5 p. m., from Paris, 501.BB Palestine/8-2249)

501.BB Palestine/8-1649: Circular telegram

*The Secretary of State to Certain Diplomatic and Consular Offices*¹

CONFIDENTIAL

WASHINGTON, August 16, 1949—6 a. m.

Reference current developments relating gen Palestine question, Dept analyzes present situation as fol:

1) PCC: Hope for real progress at second phase Lausanne talks beginning July 18 has not been realized. Although both sides wld welcome peace, neither side is prepared at this time to make concessions which wld make settlement possible. Israeli offers re Gaza strip or repatriation 100,000 Arab refugees are unacceptable to Arabs. Arab position which is based on rigid adherence to para 11 of GA res Dec 11 and May 12 protocol with its map indicating 1947 partition boundaries is unacceptable to Israelis. No real basis for conciliation therefore appears possible at Lausanne.

2) GA: GA will discuss Jlem and refugee questions during forthcoming session and will probably discuss other aspects Palestine question including boundaries in connection with these items or as separate item on agenda. Israelis wish to avoid GA debate, Arabs look forward to it.

3) Israel: Israel is concerned with domestic problems and has allowed public opinion to develop within Israel to such an extent that it is almost impossible for Israeli Govt to make substantial concessions re refugees and territory which wld open way to settlement and friendly relations with Arabs. Israel prefers instead to maintain *status quo* in Palestine. Objectives seem to be (1) Absorption of almost all Palestinian refugees by Arab States and (2) *de facto* recognition of armistice lines as boundaries.

4) Arab States: Arab states are also concerned with domestic problems and are reluctant to take any forthright action for time being. Basically Arabs believe agreement with Israel at Lausanne wld require new concessions or at minimum formal acquiescence in *status quo* re refugees and territory. Arab reps consider agreement on either basis politically impossible for them because of polit repercussions which might result at home. *Status quo* is therefore preferable pending GA.

5) Refugees: Israel is willing to contribute to limited extent. Arabs privately agree that it will probably not be possible for most refugees to return to Israel and that it will be necessary to resettle them in Arab territory, primarily Syria, Jordan and Central Palestine. Arabs will not, however, take this position publicly. Although Arabs realize UNRPR funds are rapidly being depleted, necessity for early solution to overall refugee question has not resulted in constructive action on part of Arabs possibly because Arabs fatalistically anticipate UN particularly US and UK will assume responsibility at last moment.

¹ At London, Paris, Ankara, Arab capitals, Jerusalem, Tel Aviv, and Lausanne.

6) Economic Survey Mission: Proposed mission is still under urgent consideration in Dept. Implementation has been delayed pending determination re personnel in Washington and in Lausanne pending clarification of Israeli and Arab positions. Dept expects, however, to be ready to proceed with Economic Survey Mission shortly.

In view foregoing analysis, Dept considers that most effective approach to Palestine settlement at present time wld be on basis of econ report by Economic Survey Mission rather than on polit agreement at Lausanne. Dept does not rule out possibility of further concessions by Arabs and Israelis and some measure of agreement between them under auspices of PCC but considers major emphasis shld be shifted to Economic Survey Mission. It is contemplated Economic Survey Mission might briefly visit NE, study existing data, consult interested govts and authorities and on this basis report its recommendations for econ development and settlement of refugee question to GA through PCC.

Economic Survey Mission wld report, for example, which NE countries wld be able to absorb refugees and to what extent in each case under present circumstances. Economic Survey Mission wld also report whether internatl econ and financial aid wld be required and to what extent such aid wld assist NE countries in recovering from dislocations arising from recent conflict and wld increase their ability to absorb refugees. Report and recommendations of Economic Survey Mission wld cover all possible aspects of Palestine question on econ grounds.

Dept has been contemplating instructing AmReps at Damascus, Amman and Tel Aviv to request FonOff for assurances that Govt wld cooperate with Economic Survey Mission in supplying info and wld give great weight to recommendations of Econ Survey Mission. AmReps at Beirut, Baghdad, Jidda and Cairo wld also be informed but primarily for purpose of requesting cooperation of respective govts as it is doubted resettlement of refugees wld prove feasible except for token numbers in these countries. It wld be pointed out that advance assurances were essential to justify estab of mission and to indicate serious consideration which respective govts wld be willing to give its recommendations. It wld also be pointed out that in absence of such assurances or other constructive action by Israel and Arab states long-range refugee resettlement and even short-range refugee relief wld undoubtedly be delayed.

Dept considers, however, that it wld be inappropriate to approach FonOff re Economic Survey Mission for several days in view Zaim overthrow and probable Arab preoccupation with this matter. Meanwhile your comments re analysis and shift of emphasis to Economic Survey Mission are requested.

ACHESON

501.BB Palestine/8-1649: Telegram

Mr. Stuart W. Rockwell to the Secretary of State

RESTRICTED

LAUSANNE, August 16, 1949—11 a. m.

Palun 277. Arab delegates in private meeting with PCC August 1 [15?] delivered informal reply re Israeli proposal concerning refugees.

Following main points:

Arab expectation Jews would advance reasonable proposals not realized. According terms December 11 resolution nearly 1,000,000 refugees must return their homes and Jews have offered accept less than 100,000. Moreover Jews in basing their proposal on all territory now under Jewish control ignore May 12 protocol.

Jews cannot oppose return large number refugees on economic ground while encouraging mass immigration of Jews. Re objections on security grounds must be recalled international security is assured by UN.

Arab delegates reiterate request in their May 23 memo for return all refugees coming from areas allotted to Arabs by partition plan such as western Galilee, Jaffa, etc. Return these refugees does not depend on will Jewish occupying authorities who do not have right interfere in affairs population occupied regions over which they do not exercise sovereignty.

After this only question to be discussed is that of refugees to be repatriated to regions allotted to Jews by partition. If Jewish proposal can be understood as applying only to this territory Arab delegations would not be opposed to its adoption as basis discussion problem refugees from this region.¹

ROCKWELL

¹ Mr. Rockwell advised, on August 16, that in "View unrealistic and unhelpful nature Arab reply to Israeli proposal re refugees PCC has decided not to transmit to Israelis at present, but await Arab replies to questions on refugees asked by PCC August 15. PCC hopes efforts made Lausanne and by member governments in Arab capitals will result in more reasonable approach to refugee problem by Arab delegates." (Palun 280 from Lausanne, 501.BB Palestine/8-1649)

867N.48/8-1649: Telegram

The Consul at Jerusalem (Burdett) to the Secretary of State

SECRET

JERUSALEM, August 16, 1949—3 p. m.

522. Comments follow on Tel Aviv's 607, ninth received thirteenth.

1. Obligated reiterate opinion expressed Contel 500, August 2 and 505, August 3¹ that Israel offer repatriate 100,000 refugees amounts mainly

¹ The latter not printed, but see paragraph one of telegram 607, p. 1292.

to "gesture". Israel figures on Arabs in Israel areas quoted Contel 504, third,² call for reduction of 100,000 by 25,000 "infiltrators" and families of breadwinners estimated by Arabs at 30,000, leaving total of 45,000 eligible for admittance under new offer. Conditions of return described by Comay (paragraphs 11 and 12 of Contel 500) and confirmed by Department's infotel August 10.³ Apart from propagandist aspect (which might assist in breaking Lausanne deadlock) believe offer fails conform even to substantial part to December 11 GA resolution and US policy with respect either to numbers or conditions of repatriation of refugees.

2. Judging on basis press articles and public comments Jerusalem, reaction to refugee proposal not comparable to intense controversy generated by such questions as arms embargo and absorption of immigrants. ConGen surprised by lack of stronger outburst. Hard to conceive transparent ruse employed by Ben-Gurion (Tel Aviv's A-211)⁴ would succeed more than momentarily in throwing well-informed and intelligent Israel public off scent. Consider more plausible explanation advanced by Jerusalem editor who asserted public realizes no real prospect exists of return 100,000 in immediate future.

3. Agree fully with Tel Aviv as stated Congram A-94, July 6⁵ that Israel will resist effort change present temporary armistice lines. However, in addition to reaction in Israel to such change, attention should be given to effect on Arab states of acquiescence in Israel's retention of territory seized by force mainly during periods of SC imposed truce. SC resolution of August 19, 1948 states "no party is entitled to gain military or political advantage through violation of truce". Furthermore, all armistice agreements signed by Arab states on understanding demarcation lines were temporary and pacts include written provisions recognizing principle of no political gains during truce and stating agreements are without prejudice to final political settlement. ConGen believes on over-all basis more stable peace will result if territorial adjustments insisted upon.

4. Past experience of Arabs in Israel territory, regardless of statements of good faith of Israel Government instills little confidence that they will receive just treatment in future. (Contels 305, April 19, 330 April 26, 519 August 15).⁶ Little real possibility is seen that UN can guarantee to Arabs human rights and fundamental freedom set forth in UN universal declaration on human rights of 1948. This reality together with conditions Israel imposing for return, led ConGen to suggest shift in emphasis to territorial changes provided in treaty.

5. Tel Aviv's 607⁶ in effect recommends abandonment or emasculation of US policy on boundaries and refugees as enunciated by Jessup November 20, constantly repeated and reaffirmed in Deptel 331, August 9⁷ with approval of President. ConGen submits that in lieu of

² Not printed; it reported that during a foreign policy debate on June 16, Mr. Sharet placed the total number of Arabs in Israeli-held territory at 155,000 (867N.5011/8-349).

³ Not printed.

⁴ Dated August 5, not printed, but see footnote 2, p. 1292.

⁵ None printed.

⁶ Dated August 9, p. 1292.

⁷ This was a repeat of Unpal 223, p. 1291.

special pleading of inability and unwillingness of Israel to conform, attention might be directed to settlement within broad framework US policy. Solution imposed by Israel with force or threats of force on UN, US and Arab states will hardly contribute to lasting peace, or fail to strike at vitals of moral authority upon which UN and US world leadership hinges.

Department pass Lausanne.

Repeated Baghdad 52, Beirut 102, Damascus 60, London 45, Cairo 25, Jidda 10. Pouched Amman.

BURDETT

501.BB Palestine/8-849 : Telegram

*The Secretary of State to the Embassy in Israel*¹

SECRET

WASHINGTON, August 16, 1949—7 p. m.

526. Dept is at loss to understand Israeli reaction to substance Deptel 476 July 26. Dept did not rule out direct talks between high Israeli and Arab officials if such talks shld appear advisable to supplement discussion at Lausanne or otherwise to accelerate developments (ref Embtel 602, Aug 8²).

Dept also regrets to note Israeli "take it or leave it" attitude re refugees. We are firmly convinced that primary responsibility for refugees rests with Israelis and Arabs and that both parties must work together constructively to solve problem. Dept believes consideration shld also be given by Israelis to public opinion of Arabs with whom Israel must live in NE and to world public opinion with which Israel must reckon in GA as well as local Israeli opinion.

While foregoing is for your confidential info, you are authorized to make use of substance this tel in such further conversations as you may have on this subject with Israeli officials.

ACHESON

¹ This telegram was repeated to London, Arab capitals, Bern (for Mr. Porter), and New York.

² Not printed ; but see footnote 1, p. 1257.

501.BB Palestine/8-1749 : Telegram

Mr. Stuart W. Rockwell to the Secretary of State

CONFIDENTIAL

LAUSANNE, August 17, 1949—4 p. m.

Palun 283.

[Here follow two paragraphs on discussions between the Jerusalem Committee and Israeli officials concerning the movement of additional government offices into Jerusalem, as reported to the Department in telegram 506, August 3, from Jerusalem (867N.01/8-349).]

New subject: Jerusalem Committee has now adopted text draft instrument for submission to PCC and is in process drafting accompanying report. Final text represents compromise French and US views but does not do violence to essential points US position and includes major number Department's drafting suggestions. French reluctant adopt any text at this time, and growing concern French delegation over Vatican opposition to division Jerusalem between Israel and Arab autonomy only overcome by firm US attitude re necessity submitting proposals to PCC which follow closely basic provisions May 18 draft, and willingness compromise on following points without which no French agreement likely:

- (1) Immigration.
- (2) Final decision disputes between religious communities over Holy Places in Jerusalem to rest with international tribunal in event a Commissioner's efforts toward settlement fail.

Re (1), provision, now so drafted as to have little meaning, reads as follows:

"Article 5. The responsible authorities of Jewish and Arab zones shall not carry out an immigration policy of a nature to change the present demographic equilibrium of the area of Jerusalem."

Re (2), French FonOff follows Vatican view that Commissioner cannot be entrusted with final decision in disputes concerning *status quo*.

US representative in agreeing above changes has emphasized final decision on draft rests with PCC. Important step will have been taken however when draft submitted to PCC with approval French representative Jerusalem Committee. This should be accomplished in few days if no further instruments from Paris. Text of draft and report will be airmailed.

ROCKWELL

501.BB Palestine/8-1749: Telegram

The Chargé in Egypt (Patterson) to the Secretary of State

SECRET

CAIRO, August 17, 1949—6 p. m.

774. Under Secretary Hassouna Pasha in conversation sixteenth referred to SC's action in lifting arms embargo. Hassouna speaking for Prime Minister Sirry Pasha expressed earnest hope that US Government might see its way clear to implementing embargo lifting through abolition of numerous present restrictions on export of arms from US.

In reply I stated that I would bring his views to attention my government pointing out my belief that US Government while favoring arms for defence was allergic to weapons capable of use in offensive warfare.

Any positive action which the US Government may be disposed to take in above sense might possibly be made conditional on like lifting by Egyptian Government of its own restrictions dating from Palestine hostilities with especial reference to interference with ships, crews and cargoes in Egyptian ports or transiting Suez Canal.¹

PATTERSON

¹ Cairo had advised, on August 16, that "there is no truth in rumors that the Egyptian Government will no longer search shipping passing in Suez and destined for Haifa. As previously reported, what the Egyptian Government undertook in its regulations was to confine its attention to war matériels. . . . A few days ago five American cars consigned to Tel Aviv were seized by the authorities in Alexandria. Details of this seizure are being obtained from the Consulate General at Alexandria and immediate protest will be made to the Ministry of Foreign Affairs based on the assurances which they have given regarding the nature of cargo to be interfered with." (airgram 857, 501.BB Palestine/8-1349)

Editorial Note

The Department of State, on August 18, prepared a report entitled "United States Policy Towards Israel and the Arab States"; and on August 31, Secretary Acheson transmitted a copy to Secretary of Defense Johnson, in a message which referred to the latter's communication of May 16 (890.00/8-3149). Regarding the communication of May 16, see the last paragraph of Secretary Johnson's memorandum of the same date to Admiral Souers, page 1012.

The report was submitted on September 1 for the consideration of the National Security Council; see editorial note, page 1339.

501.BB Palestine/8-1849

Memorandum of Conversation, by the Assistant Secretary of State for Near Eastern and African Affairs (McGhee)¹

SECRET

[WASHINGTON,] August 18, 1949.

Participants: Eliahu Elath, Israeli Ambassador
Uriel Heyd, First Secretary, Israeli Embassy
NEA—Mr. McGhee
NE—Mr. Wilkins

Problem:

- (1) President Truman's reply² to President Weizmann's letter of June 24.
- (2) Alleged division between White House and State Department.
- (3) Developments at Lausanne re Israelis and Arabs.

¹ Drafted by Mr. Wilkins.

² Dated August 13, p. 1305.

Action Required:

- (1) To transmit summary and full text of President Truman's reply to the American Embassy in Tel Aviv.
- (2) None.
- (3) To instruct the American Embassy in Tel Aviv to refute the myth that the PCC and US discouraged direct talks between Israelis and Arabs.

Action Assigned To: NE

Discussion:

The Israeli Ambassador called on me today at my request to discuss various matters relating to Israel and the Arab states. We had a most frank and friendly discussion throughout.

(1) I told the Ambassador that President Truman had replied to President Weizmann's letter of June 24 and I asked the Ambassador if he would be kind enough to transmit the President's reply to President Weizmann. As the Ambassador was willing, I handed him a sealed envelope containing the President's reply. I also handed the Ambassador a copy of the President's reply for his own informal and confidential information. I pointed out that President Truman's response should not be made known in any way and that I was providing Mr. Elath with a copy in order to keep him informed of the attitude of the US and because of our confidence in him. Mr. Elath asked me if he could inform the press, whose correspondents even then were waiting in the reception room, that President Truman had replied to President Weizmann's letter. I said that I thought this inadvisable inasmuch as President Weizmann himself had not yet received the letter and it seemed likely that the press might attach unwarranted significance to a reply at this time. It was, in fact, a coincidence and was not related in any way with Ambassador Porter's return to Lausanne, Ambassador Elath agreed.

(2) I informed Ambassador Elath of the contents of a recent exchange of messages between the Secretary of State and Ambassador Porter in Lausanne³ with regard to certain information which Mr. Porter reported that Mr. Shiloah had received from Mr. Eban with respect to Arab refugees and territory in Palestine. The Ambassador said that he was uninformed regarding the source at the White House from whom the information reported was obtained, and suggested that the report might be based on a misunderstanding of his own recent interview with President Truman. I told the Ambassador that we were not inferring in any way that his conversation was the basis for this report. I stressed the unity of the White House and the Department regarding recent developments concerning Palestine. At the Ambassador's request I provided him with paraphrases of copies of the exchange of messages in question.

(3) Ambassador Elath questioned me with respect to Ambassador Porter's recent consultation with the Department and asked whether

³ Palun 263, August 3, and Unpal 223, August 9. The former is not printed; but for its substance, see Unpal 223, p. 1291.

any instructions had been given Mr. Porter prior to his return to Lausanne. I replied that Mr. Porter visited Washington on routine consultation. I said that the US as a member of the Conciliation Commission was still pursuing a policy of bringing the parties together on outstanding issues and that we hoped particularly that agreement could be reached regarding refugees and territory. I added that according to reports from Lausanne there appeared to be no real basis for conciliation at the present time because of the widely divergent views held by the Israelis and the Arabs. Our main objectives in the NE are peace and stability. A refugee solution was absolutely necessary. The US as well as other members of the UN was consistently reviewing the general situation to determine whether some new approach might not be devised which would assist the Israelis and Arabs to reach agreement.

The Ambassador replied that in the opinion of his Government agreement was prevented by two important factors:

(1) Direct talks between the Israelis and the Arabs were consistently being discouraged not only by the Conciliation Commission but particularly by the US.

(2) The Arabs did not actually expect refugees to return to Israel and had no territorial demands. It could be seen, therefore, that the US position was more extreme than that of the Arabs.

I told the Ambassador that the US Government was not opposed to direct talks. I said that Mark Ethridge and Paul Porter had strongly urged the parties to negotiate directly. The Arab representatives in Lausanne and elsewhere had, on the other hand, thus far been unwilling to meet the Israelis directly. There were many reasons for this refusal, including such factors as Israeli leaks to the press concerning earlier meetings, and the Arab belief that such meetings if they resulted in concessions might lead to political repercussions in Arab capitals.

I asked the Ambassador in what respect our position in regard to Arabs and territory was more extreme. He replied that we were insisting that Israel repatriate 250,000 refugees and relinquish the Negev. He said Israel could not undertake either of these steps for economic and security reasons. I observed that the Ambassador's statement in regard to the US position was incorrect. I said we had consistently made it clear that the US was endeavoring to assist the parties and would support any fair reasonable agreement which was freely reached between them.

Regarding refugees, the US had not stated that Israel should repatriate 250,000 refugees. It had pointed out, however, that there were 750,000 refugees and that Israel and the Arab states had primary responsibility for that. Statistical and technical information which is presently available indicated that this total number might be taken

care of if the Arab states were able to absorb 500,000 and if Israel were able to repatriate a total of approximately 250,000. On the other hand, actual disposition of the refugees was a matter for determination between the parties and might be handled either directly between them or through the CC.

With respect to territory, I recalled that the US had never expressed a specific territorial proposal and referred in this connection to Dr. Jessup's statements before the UN on November 20-26, 1948. As was the case with refugees, a settlement of the territorial question was one for determination between the parties either directly or through the Conciliation Commission.⁴

⁴The Department summarized this memorandum for Tel Aviv in telegram 536, August 19, 8 p. m. (501.BB Palestine/8-949). It then concluded that "In such conversations as you may have with official and unofficial Israelis, you are authorized strongly to follow same line as McGhee re refugees and territory. Dept is particularly concerned that you refute myth re PCC and US discouragement of direct talks between Israelis and Arabs." No. 536 was repeated to London as No. 2982 and to Paris, Ankara, Arab capitals, Jerusalem, Bern (for Mr. Porter), and New York.

Editorial Note

Replies to the Department's circular telegram of August 16 (page 1317) were sent by various posts beginning August 19. Damascus (telegram 491, August 19), Baghdad (telegram 500, August 20), Beirut (telegram 432, August 20), Amman (telegram 320, August 22), and Cairo (airgram 896, August 24) agreed on the desirability of shifting emphasis from political to economic factors. Jidda (telegram 493, August 20) made no direct comment but offered no objection. Tel Aviv (telegram 640, August 19) concurred.

Jerusalem (telegram 526, August 22), on the other hand, expressed doubts on the efficacy of the shift on the grounds that an "Instinctive reaction may occur on part of both Arabs and Israelis against creation of 'yet another commission'". Jerusalem also noted the "Problem of formulating terms of reference of economic mission consistent with UN resolutions and of such nature both Israel and Arab states will agree give great weight to its recommendations." Jerusalem's "most serious objection" centered on the fact that the "Establishment of economic survey mission and shift to economic grounds might be construed as acceptance of present political *status quo* involving achievement by Israel of objectives re refugees and boundaries."

London (telegram 3351, August 23) agreed that new tactics were required but considered "it important that in shifting to economic approach, we should not relax pressure for political settlement lest we encounter pitfall Beith points out." Mr. Beith had noted that

with the shift of emphasis from political settlement, there would be a tendency for the territorial situation to freeze.

All replies cited above are filed under 501.BB Palestine.

501.BB Palestine (E)/8-2449

Memorandum by the Acting Secretary of State to the President

WASHINGTON, August 24, 1949.

Mr. Gordon R. Clapp, Chairman of the Board of Directors of the Tennessee Valley Authority, today accepted appointment as Chairman of the Economic Survey Mission which was recently set up by the Palestine Conciliation Commission. In order to stress the importance which we attach to this Mission, it is proposed that you should make a statement following the announcement of Mr. Clapp's appointment by the Secretary-General of the United Nations.

The purposes of this Mission will be to examine the economic situation in the countries affected by the recent hostilities in Palestine, and to make recommendations which will enable the governments concerned to further such measures and development programs as are required to overcome the economic dislocations created by the hostilities; to reintegrate the refugees into the economic life of the area on a self-sustaining basis within a minimum period of time; and to promote economic conditions conducive to the maintenance of peace and stability in the area.

The attached statement¹ not only emphasizes the importance which we attach to the Survey Mission but also generally outlines United States policy towards the Near East. It is hoped that such a statement of policy will be helpful to both the Israelis and the Arabs in reaching agreement which will permit a return of normal conditions to the area.

JAMES E. WEBB

¹ For the statement as actually released by the White House on August 26, see Department of State *Bulletin*, September 5, 1949, p. 333.

501.BB Palestine/8-2449 : Airgram

The Chargé in Egypt (Patterson) to the Secretary of State

RESTRICTED

CAIRO, August 24, 1949.

A-899. On calling August 21 on Under Secretary Hassouna Pasha, I raised subject Department's circular telegram, August 16, 4 a. m.,¹ respecting Departmental note of August 12 to Egyptian Chargé,

¹ Not printed, but see footnote 3, p. 1304.

Washington, regarding desirability removal of trade restrictions in view removal arms embargo. In so doing, I recalled to Hassouna Pasha his own recent request that the U.S. Government, in view of arms embargo lifting by Security Council, should likewise cancel American rules and regulations in implementation of arms embargo.

Hassouna Pasha stated that he had not yet received Department's above-mentioned note August 12. However, Egyptian Government has removed restrictions on commerce through Egyptian waters and ports aside from implements of war, such as arms and ammunition. Hassouna Pasha stated that this meant manufactured weapons and ammunition and did not include raw materials or even manufactured articles, such as rubber tires acceptable for use on military vehicles. On my pointing out, in view of arms embargo lifting, even these residual restrictions should be removed by Egypt, Hassouna Pasha countered by indicating that so long as the U.S. Government had not cancelled its own regulations limiting shipment of arms to the Middle East, in respect of Egypt, Egypt should not remove its own restrictions. If arms and ammunition were being supplied to Israel but not to Egypt, and if Egyptian restrictions were removed prior to U.S. action, Egypt might find itself powerless to prevent armament of Israel. However, Hassouna did not make any categorical promise that if the U.S. cancelled its current restrictions on export of arms, Egypt would lift its own restrictions on passage of arms and ammunition destined to Israel or its ports or waters.

It would be helpful if I might be informed of the Department's thinking on the subject of this airgram.

PATTERSON

501.BB Palestine/8-2549

Memorandum of Conversation, by the Deputy Assistant Secretary of State for Near Eastern and African Affairs (Hare)

TOP SECRET

[WASHINGTON,] August 25, 1949.

Subject: Status of PCC Activities and Export-Import Bank Loan.

Participants: Mr. Eliahu Elath, Ambassador of Israel
 Mr. George C. McGhee, Assistant Secretary
 Mr. James G. McDonald, American Ambassador to Israel¹
 Mr. Raymond A. Hare, Deputy Assistant Secretary

¹ Ambassador McDonald left Israel on August 9 to return to the United States for consultation. On August 25, he saw President Truman. At various other times he spoke with Clark Clifford, Under Secretary of State Webb, George C. McGhee, and other State Department officers and with Pentagon and other Government officials. He also spoke extensively with nongovernmental persons. The Ambassador's account of his consultation is given in his *My Mission in Israel*, pp. 184-191.

Action Required:

To explain our position on the above to the Israeli Ambassador and to make similar explanation to the Israeli Government through the American Embassy in Tel Aviv.

Action Assigned to:

NEA; NE.

Discussion:

In the course of a luncheon conversation on August 25, Mr. McGhee mentioned to the Israeli Ambassador the discouragement which we had felt as the result of reports given us by Mr. Paul Porter, American Representative on the PCC, regarding failure to achieve sufficient progress by the conciliation process. However, Mr. McGhee expressed confidence in achieving an ultimate solution and was particularly hopeful that events might take a more constructive turn with the setting up of the Economic Survey Mission. He was confident that the Israeli Government would understand the significance of this measure and would afford the Mission full cooperation.

Mr. Elath replied that he did not share Mr. McGhee's pessimistic impression of the course of the conciliation talks and he was convinced of the importance of keeping such negotiation on an active basis. However, he was in agreement with Mr. McGhee as to the promising possibilities of the economic approach and felt that it might do much good provided that it were made clear that conciliation was not being put on the shelf. Mr. McGhee said that he was in entire agreement regarding the desirability of not discouraging the conciliation process in any way. He felt, however, that by putting emphasis at this stage on the economic aspect of the problem, the prospect of general settlement would be considerably brightened.

Mr. McGhee then observed that he had been informed that Mr. Souers, of the Export-Import Bank, had recently talked with Mr. Gass² regarding the status of the Export-Import Bank loan to Israel. From what Mr. McGhee had been able to learn, it would appear that the matter as presented to Mr. Gass might well have given rise to misunderstanding and he wished to make a few remarks by way of clarification. There was no question of suspension or cancellation of the loan, but merely of reviewing the situation in the light of recent developments, which, unfortunately, had not borne out the hopes for a peaceful settlement on which the original decision had been taken. However, this was only an act of prudence and in line with procedure normally followed in evaluating conditions for foreign financial assistance in reaching final decision on specific projects. Furthermore, it was anticipated that the situation arising out of the appointment of

² The names of Messrs. Souers and Gass are obviously transposed in the source text.

the Survey Mission might inject a more constructive note into the situation and make for greater clarification.

Mr. Elath responded with obvious emotion that the report which he had received from Mr. Gass had been extremely upsetting to him since it cut across the type of relationship which he felt should exist between Israel and the United States and of which he was a personal exponent. According to the information which he had received from Mr. Gass, the Export-Import Bank had stated: (1) that the decision to hold up action on the remainder of the loan had been taken very reluctantly by the Bank after long discussion in which the Bank had on several previous occasions refused to take action on economic or refugee grounds despite urging by the State Department; (2) that the Bank did not consider that there were economic grounds on which to justify the action taken; (3) that the decision reached had been as a result of a State Department "veto" for purely political reasons. Mr. Elath said that he had sent a full report on the matter to his Government and had not yet received their reply, but in the meantime his personal reactions were the following:

(1) The action taken by the Bank at the apparent behest of the State Department clearly constituted a "breach of promise". Not only was it thus a question of principle, but it would also have certain very specific repercussions in Israel, where commitments had been made on projects covered by the remainder of the loan.

(2) The decision could only be interpreted as attempted duress but it should be made clear that such tactics would not succeed. In fact, they could only be expected to have the opposite result.

(3) Action of this type, if it became known, could only serve to weaken the present government of Israel. Any such weakening would be contrary to the interests of the United States since another government could not be expected to be as friendly or cooperative.

(4) Such action would serve to render more difficult the efforts at conciliation being made at Lausanne and would be particularly unfortunate in connection with the activities of the proposed Economic Survey Mission.

Mr. McGhee thereupon reviewed and amplified the statements which he had previously made, particularly emphasizing the fact that there was no suspension of the loan as such and that any suggestion of failure to live up to a commitment was completely untenable. He added that there was no intention to exert duress, as should be evident by the timing of the discussions with the Bank and the fact that there was no specific action which this Government was currently urging the Israeli Government to take. Mr. McGhee said that as far as the Economic Survey Mission was concerned, it was entirely

by chance that these two matters had come up at the same time and that there was absolutely no connection between them. In conclusion, Mr. McGhee said that he was glad to have had this occasion for a frank exchange of views and was confident that any present doubts in this connection could be dissipated in the course of subsequent discussions.

Mr. Elath expressed regret that he had felt impelled to speak so strongly in the course of a friendly luncheon conversation, but added that, like Mr. McGhee, he was glad to have been able to discuss the matter in full sincerity and frankness.

501.BB Palestine/8-2549 : Telegram

The Consul at Jerusalem (Burdett) to the Secretary of State

CONFIDENTIAL

JERUSALEM, August 25, 1949—noon.

532. Consulate General has not seen completed draft proposals (intel August 23, 10 a. m.¹) for Jerusalem. From conversations with UN secretariat here, understands commissioner entrusted by Article 6 with ensuring protection of and free access to Holy Places and by Article 12 with exclusive control of Holy Places and routes leading to them. Because definite possibility of disturbances at Holy Places or routes leading to them, suggests Commissioner receive specific authority to call on local Arab and Jewish authorities to assist him in maintenance order should he consider this necessary. Commissioner should not be forced rely entirely on his own guards, which might well prove inadequate.²

ReDeptel 304, July 22:³ Would appreciate learning what procedure PCC proposed to adopt in determining delimitation of Arab and Jewish zones.

Sent Department 532, repeated Geneva 54 (for PCC).

BURDETT

¹ Not printed; this circular telegram summarized the substance of Palun 283, August 17, from Lausanne, p. 1321.

² The Department informed Lausanne on September 1 that it concurred in the suggestion made in telegram 532. (Unpal 230, 501.BB Palestine/8-2549)

³ This was a repeat of Unpal 199, to Bern, p. 1245.

Secretary's Daily Meetings, Lot 58 D 609

*Memorandum by William J. McWilliams, Assistant to the Director of
the Executive Secretariat*

[Extract]

SECRET

[WASHINGTON,] August 26, 1949.

Subject: Summary of Daily Meeting with the Secretary

Participants: The Secretary
The Under Secretary
Mr. Rusk
Mr. Kennan
Mr. Thorp
Mr. McWilliams
Mr. Nitze

Item 3. Israeli Loan Application

Mr. Rusk reported the difficulties in which we found ourselves as a result of action by the Export Import Bank in advising the Israelis of the delay in consideration of their loan application. In accordance with the President's directive, our object had been to drag our feet. However, the Export-Import Bank had advised the Israelis that they were agreeable to going ahead with the loan application but that the State Department had ordered it held up. Mr. McGhee was to talk to Ambassador Elath this morning and the Secretary said that he would take it up with the President at the Cabinet meeting since Mr. Niles¹ had already approached the President about it.

Note: The Secretary took the matter up with the President and talked to McGhee after his return from Cabinet meeting.²

¹ David K. Niles, Administrative Assistant to President Truman.

² The editors have been unable to find any evidence of what Secretary Acheson told Mr. McGhee after the Cabinet meeting.

501.BB Palestine (E)/8-2649

Memorandum by the Assistant Secretary of State for Congressional Relations (Gross) to the Assistant Secretary of State for Near Eastern and African Affairs (McGhee)

[WASHINGTON,] August 26, 1949.

There is a potential impact upon the Congress which may result from the proposed shift from a political to an economic emphasis in the handling of the Palestine situation (Department's circular telegram of August 16). My principal concern is related to the difficulty which we may encounter when we go to Congress next session to request further funds either for refugee relief or for economic development and resettlement in the Near East.

You will recall that when we talked last May with Senators Connally and Vandenberg they both emphasized that in working out any arrangements involving the grant of additional funds it would be essential that there be evidence that the Israeli Government is doing its full part and making appropriate contribution to the solution of the problem. While I realize that the Department has tried its best to get the Israelis and the Arabs to make some contribution to the settlement of the refugee problem, the fact is, I believe, that they have done practically nothing. Congress will require evidence that the states in the Near East are doing something for themselves before any additional United States help will be given.

My concern is that the Economic Survey Commission [*Mission*] might submit recommendations to the General Assembly (through the PCC) which will bypass the political problem, ignore the fact that the Arabs and the Israelis are doing nothing to help solve the problem themselves, and in effect commit the United States, along with a small group of other states, to make further substantial financial contributions either of an outright relief type or related to economic development of the area.

I believe we must tread very carefully on the matter of committing Congress. You will recall that the Senate Report on the Refugee Bill stated:

"The Committee believes, however, that as a matter of general policy, our delegations to the General Assembly should exercise extreme care not to take any action which commits the Congress to expenditures for such voluntary programs to which all members do not contribute under the regular United Nations budget."

501.MA Palestine/8-2449 : Telegram

*The Secretary of State to the United States Mission at the
United Nations*

CONFIDENTIAL

WASHINGTON, August 27, 1949—3 p. m.

443. Reurtels 964¹ and 987² concerning second meeting UNRPR *Ad Hoc* Advisory Committee.

Dept agrees GA action for provisional continuance of UNRPR will be required before Nov. 1, but considers that relief program beyond immediate period should not be considered until report of Economic Survey Mission has been submitted. We feel that determination of relief requirements for 1950 and method of financing should be considered by GA against background of Survey Mission report which would probably not be available before Nov. 1. Consequently GA action early in the Assembly should merely provide an extension of life for UNRPR, call on members for additional contributions to meet \$32 million budget, and authorize the Secretary General to advance sufficient funds from the Working Capital Fund for one or possibly two months operation in extremity, such advances to be paid from a supplement to the regular budget. Although we hope GA action on the Palestine question, including refugee relief, can be completed by Dec. 1, an advance for two mos operations would be more prudent.

While recognizing possible difficulties in obtaining favorable GA action along foregoing lines without indication of 1950 requirements, we feel that because of connection between relief requirements and estimated numbers who might be taken off relief in 1950 as a result of implementation of recommendations of Economic Survey Mission, it would be desirable to avoid submission of overall figure before Mission report. Per Capita cost figures would however be useful.

If SYG concurs in foregoing procedure we believe meeting of *Ad Hoc* Advisory Committee might be useful in preparing ground for provisional GA action.

ACHESON

¹Dated August 23, 5:27 p. m., not printed; it relayed information from Secretary-General Lie that the General Assembly would probably give priority to the problem of extending assistance to the Palestine refugees (501.MA Palestine/8-2349).

²Dated August 24, 10:33 p. m., not printed; it advised of Mr. Lie's hope that the General Assembly would complete consideration of the refugee relief problem before November 1 and of official estimates that UNRPR funds would hold out through November (501.MA Palestine/8-2449).

501.BB Palestine/8-2949

The Chargé in Israel (Ford) to the Secretary of State

CONFIDENTIAL

TEL AVIV, August 29, 1949.

No. 215

Subject: Israel Attitude toward Economic Survey Commission.

SIR: I have the honor to transmit as enclosures to this despatch copy of a memorandum dated August 15, 1949 from the United Nations Conciliation Commission for Palestine regarding the formation of an Economic Survey Commission to study conditions in the Middle East with a view to facilitating the repatriation and resettlement of Arab refugees, and copy of the Israel delegate's reply to the memorandum dated August 23, 1949.¹ These communications were handed to the Embassy on August 24, 1949 by a representative of the Israel Foreign Office, and while it is appreciated that copying them [for transmittal?] to the Department may be a duplication of work, I nevertheless feel that the two communications taken together are of sufficient importance for future reference as to warrant them being made the subject of this despatch.

The enclosures are believed to be self-explanatory and to require little if any comment at this stage. Stress, however, should be placed on the nature of the Israel delegate's reply to Chapter II of the memorandum having to do with territorial settlement. The ironclad determination of the Government of Israel not to surrender any of the territory now physically occupied either by its citizens or by its Army or by both is clearly apparent in this portion of the reply, and it would be misleading and perhaps even dangerous to assume that Israel will give up any appreciable part of the territory which it now considers its own either by right of conquest or otherwise.²

Respectfully yours,

RICHARD FORD

¹Neither printed.

²The Israeli reply asserted that all areas allotted to the control and jurisdiction of Israel under the terms of the armistice agreements with its four neighbors were to be formally recognized as Israeli territory. Any changes in the final delimitations of frontiers were to be brought about only after negotiation and agreement with those neighbors. The reply also stated that the Government of Israel would facilitate the task of the economic survey mission and give full consideration to its proposals but that it considered the resettlement of refugees in Arab territories was the primary method of solving the refugee problem, although Israel would contribute by "agreeing to a measure of resettlement in Israel."

501.BB Palestine/9-249 : Telegram

Mr. Stuart W. Rockwell to the Secretary of State

SECRET

LAUSANNE, August 29, 1949—7 p. m.

Palun 288. PCC took following decisions August 29:

1. Formally adopted Jerusalem statute and draft declaration re holy places outside Jerusalem area and decided forward both shortly to SYG. PCC made several amendments to Jerusalem statute as presented by Jerusalem committee of which following most important:

a. Preamble, after referring to provisions of December 11 resolution concerning Jerusalem, states that UN "hereby establishes, in the exercise of its full and permanent authority over Jerusalem area, permanent international regime for the Jerusalem area in accordance with the following provisions".

b. Article 3 "all matters not reserved by the present instrument to the competence of the UN commissioner and thereby is provided for hereinafter are delegated to the respective competence of the responsible authorities of the two zones".

PCC believed above changes would strengthen position of UN authority in Jerusalem, at least on paper, and would increase likelihood of obtaining affirmative votes for statute from Catholic nations in GA. PCC recognized changes would probably also strengthen Israeli opposition.

2. Re telegram from SYG proposing Azcarate as UN representative in Jerusalem subject Palun 286,¹ decided cable SYG that PCC preferred Azcarate remain as Principal Secretary PCC and therefore requested list other candidates be cabled soonest.²

¹ Dated August 23, from Lausanne, not printed; it stated that the Palestine Conciliation Commission had decided to appoint a UN representative in Jerusalem in accordance with the GA resolution of December 11, 1948, and that this action had been taken largely on French initiative. The French were said to have been disturbed by recent Israeli moves and statements indicating intention to make Jerusalem the Israeli capital and to feel that the presence of a UN representative would have some slight deterrent effect upon the Israelis and might facilitate establishment of an eventual international regime in Jerusalem. Mr. Porter indicated that he had "no illusion of effectiveness this move" but expressed the belief that "no useful purpose would be served by opposing." (501.BB Palestine/8-2349)

² The Palestine Conciliation Commission appointed Alberto Gonzalez Fernandez United Nations Representative in Jerusalem on September 10 (telegram Palun 316, September 10, from Lausanne). Mr. Gonzalez, who was the Colombian Alternative Representative at the United Nations, proved unable to serve, however, "owing illness his wife." (telegram 1172, September 21, 11 p. m., from New York) Consul Burdett concluded that whether the "illness physical or diplomatic, Israeli will . . . draw conclusion hostile and even threatening tone of press and speeches responsible. Will encourage use same tactics against any other representative named and will strengthen Israel belief UN not prepared to insist on internationalization in face of determined Israel opposition." (telegram 593, September 23, 4 p. m., from Jerusalem) The three telegrams cited in this footnote are filed under 501.BB Palestine/9-1049, /9-2149, and /9-2349, respectively.

3. Decided adjourn Lausanne on or about September 15 and reconvene New York on or about October 20. During this period Azcarate will proceed Jerusalem maintain contact with parties and report to commissioners any developments or any communications or proposals parties may care to make.

ROCKWELL

501.BB Palestine/8-3049 : Telegram

Mr. Stuart W. Rockwell to the Secretary of State

SECRET

LAUSANNE, August 30, 1949—11 a. m.

Palun 290. Arab delegates August 29 delivered to PCC 19 page joint reply¹ to questions put by PCC to all delegates August 15 (Palun 275).² Israeli reply expected August 30.

Substance Arab reply as follows, based on USDel informal translation from French.

Question (1-A)—Arab delegates cannot subscribe to any act or declaration which would prejudice provisions of December 11 resolutions concerning refugees. However Arab states desire continue aid refugees while defending their inalienable right to return to their homes. In this spirit Arab delegates welcome proposed declaration and state they are in position to study its accomplishment in framework of above principles, taking into account refugees to be settled in Arab Palestine, in Jewish territory and in international zone of Jerusalem.

Question (1-B)—if survey group is established, Arab delegates will recommend to their governments that they facilitate mission of group and take all measures which they shall judge opportune and possible to assist in carrying out solutions which group may propose.

Question (1-C)—Reply affirmative.

Question (1-D)—Reply affirmative.

Question (2)—Syrian and Jordan delegates are in position to declare that their governments are able to receive, after considering findings of survey group, those refugees who do not return to their homes, provided international assistance is furnished. For well-known reasons would be difficult for Egypt to envisage resettlement of refugees in its territory but when eastern frontier of Egypt has been rectified Egyptian delegate would be disposed to examine question in light of prevailing conditions and international assistance. Same reasons make it difficult for Lebanon to accept refugees.

Question (3)—Areas belonging to Arabs according to May 12 protocol and now under Jewish authority are of nature to make important contribution to resettlement of refugees. Compensation can

¹ The reply was in the form of a letter dated August 29 from the Heads of the Arab Delegations to the Chairman of the Palestine Conciliation Commission (A/AC.25/AR/17, IO files).

² Dated August 15, from Lausanne, p. 1313.

be of two kinds—purely territorial compensation and compensation for resettlement of refugees not readmitted to Jewish territory. Jews seem determined prevent return of majority of refugees. Therefore, in addition to areas belonging to Arabs according to May 12 protocol, such as western Galilee, Ramleh, Lydda, Jaffa, Beersheba, Jed Faluja, Arab delegates believe they have right to claim, as compensation for refugees not readmitted to Jewish territory, the Negev and eastern Galilee.

Egypt must insure its security and not be separated from Arab world. Jordan must also think of its security and desires direct contact with Egypt. Moreover, central Arab Palestine will benefit by direct access to Mediterranean. For all these reasons Arab delegates consider that all of Negev must be included in Arab Palestine.

As regards eastern Galilee, it is in majority Arab in population and ownership of property. Legitimate Lebanese and Syrian security reasons, in addition to principle of compensation, militate in favor of return of eastern Galilee to the Arabs.

Arab reply concludes with statement that regarding above proposals Arab delegates ready to consider any suggestions PCC may care to make.

ROCKWELL

501.BB Palestine/8-3049 : Telegram

The Secretary of State to the Embassy in the United Kingdom

SECRET

WASHINGTON, August 30, 1949—6 p. m.

3126. Embtel 3325 Aug 23.¹ Depts attitude re direct talks has not changed. Dept has always held to view that direct talks between high Israeli and Arab officials shld be encouraged, if such talks wld contribute to discussions at Lausanne and wld enhance possibility of obtaining an agreed settlement. Ethridge and Porter have made this viewpoint abundantly clear to Israeli and Arab dels at Lausanne and have continuously endeavored promote such talks. It will also be recalled USG actively supported proposal that Egypt and Israel shld hold direct talks on Gaza Strip.

In a very few instances Dept has not favored proposed negots owing to special circumstances (timing, duress, etc.) which gave reason to believe that such negots would not be constructive step toward agreed settlement. Such cases have been exception to consistent policy of encouraging direct negots whenever practical.

¹ Not printed; it recounted a conversation with Mr. Burrows who was said to recall "several months ago US Government had taken line with Jordan of discouraging direct negotiations. Since that time, Jordan Government has on several occasions inquired of UK Government its attitude re desirability undertaking direct conversations with Israelis. UK Government, in order to concert with what it understood to be US views this subject, has discouraged Jordanians. Burrows inquired whether Department's views have now changed." (501.BB Palestine/8-2349)

Re desirability Jordan undertaking direct conversations Dept has recd no info indicating that Jordan or any other Arab state has changed attitude and is prepared at this stage to enter into such conversations either at Lausanne or elsewhere. However if any real evidence does exist that the direct talks between Jordan and Israel at this stage could commence and wld contribute to settlement of Pal problem Dept wld be far from opposed.²

ACHESON

² The Department repeated this telegram on August 31 to Paris as No. 3239 and to Ankara, Arab capitals, Tel Aviv, and Jerusalem (501.BB Palestine/8-3149).

Editorial Note

In a note of September 1 to the National Security Council, Admiral Souers submitted for the consideration of the Council a draft report by the Secretary of State entitled "United States Policy Toward Israel and the Arab States." The note stated in part that the report was "prepared in light of the developments of the past year and in view of the conclusions reached by the Joint Chiefs of Staff in NSC 47 [see page 1009] The Secretary of State, in transmitting the enclosure, stated that the report was on the present position of the United States not only with respect to Israel but also to the Arab States, with particular reference to the problems arising out of the recent hostilities in Palestine, and that the Department of State is of the opinion that the situation in the Near East is of such a character as to require reference to certain aspects of policy toward the Arab States in defining the United States position toward Israel." The report is numbered NSC 47/1 (S/S-NSC Files, Lot 63 D 351).

In a memorandum of September 27 to Mr. Rusk, Max W. Bishop of Mr. Rusk's staff indicated that portions of NSC 47/1 were not acceptable to the Department of Defense (867N.48/9-2749). After considerable discussion with officers of that Department, informal agreement was reached "to rewrite certain paragraphs in that paper . . . It would be much appreciated if you could have these revised paragraphs substituted for the corresponding paragraphs in NSC 47/1." (Mr. Rusk's letter of September 29 to Admiral Souers, 867N.00/9-2949)

NSC 47/1 is not printed herein, inasmuch as NSC 47/2, which incorporates the revisions, is printed in full on page 1430. There appear below, however, the sections of the earlier paper for which substitutions were made in the later version, as follows:

"[7]c. The technical abilities of the Israelis, coupled with their access to Western technical and financial assistance principally from United States sources, have already resulted in much greater economic

opportunities and higher standards of living in Israel than those among the neighboring peoples. In the absence of assistance to the Arab states this disparity will tend to increase in the future and to result in further tensions between Israelis and Arabs. On the other hand, Israel's program for large-scale economic development, required to implement successfully its ambitious immigration policy, will make it dependent for the foreseeable future upon large-scale external financing through foreign capital investment, loans, and voluntary contributions.

[7]d. Israel's military establishment, although small by Western standards, has proved itself adequate to resist the poorly equipped, ill-trained and badly led armies of the Arab League states in the course of the recent hostilities and to occupy considerable territory beyond that awarded under the partition plan. In the future, however, the cohesiveness of the Israeli Army, like the government itself, may be affected by pressures from extremist elements. Moreover, so long as Israel continues to be isolated from her neighbors, Israel will be burdened by the high costs and accompanying psychological effect of maintaining a state of military preparedness.

[15]a. The political and economic stability and security of the Eastern Mediterranean and the Near East are of critical importance to the security of the United States.

[15]b. It is in the national interest of the United States to have the respect and, in so far as possible, good will of all the peoples of the Near East, Jews and Arabs alike, and their orientation toward the West and away from the Soviet Union.

[15]d. The foregoing can best be achieved by asserting constructive leadership in the solution of the economic, social, and political problems of the area, and on an impartial basis as between Israel and the Arab states.

City of Jerusalem:

[16]h. We should support the principle of the internationalization of Jerusalem. This might be accomplished along the following lines:

- (1) United Nations control of the Holy Places;
- (2) Division of the city into areas to be administered by the respective adjacent states; and
- (3) The establishment of obligations on the part of the adjacent states to observe basic requirements with respect to demilitarization, free access and observance of human rights, and the establishment of a system of compulsory arbitration to determine whether these obligations are being fulfilled."

Finally, paragraph 21 in NSC 47/1 reads exactly the same as its counterpart in NSC 47/2, except for the substitution of new wording for the last sentence. In the earlier paper, this sentence reads as follows:

"Any US or UN assistance under such a program should be supplementary to but coordinated with such efforts as Israel and the Arab states are able and willing to make to help themselves, should be designed to promote mutually advantageous economic relations be-

tween Israel and the Arab states and to integrate their economies into a broader international economy, and should allow ample and increasing scope for private enterprise."

501.BB Palestine/9-149

Memorandum by the Secretary of State to the President

CONFIDENTIAL

[WASHINGTON,] September 1, 1949.

Subject: Policy with respect to Arms Shipments to the Arab States and Israel.

On November 14, 1947, the Department decided, in view of the situation in the Near East with respect to Palestine, that the issuance of licenses for the export of arms, ammunition and other war matériel intended for use in Palestine or neighboring countries should be suspended pending clarification of the situation in that area. This decision was made public in the Department's press release of December 5, 1947. Subsequently the Security Council in its resolutions of May 29 and July 15, 1948, called upon all states to refrain from shipping war matériel to the affected area.

On August 11, 1949, the Security Council, in the light of reports submitted by Dr. Bunche, and a resolution introduced by Canada and France, determined that the armistice agreements which had been signed by Israel on the one hand, and Egypt, Lebanon, Jordan and Syria on the other, had superseded the truce arrangements, provided for by its resolutions, including the provisions with respect to the shipments of war matériel. The United States supported this action, and Senator Austin made a statement in the Security Council, the pertinent portion of which is quoted herewith:

"So far as the United States is concerned, it does not intend to allow the export of arms which would permit a competitive arms race in the area. Export of arms to this area of the world should be strictly limited to such arms as are within the scope of legitimate security requirements, again as recommended by Dr. Bunche. We hope that prudence will prevail not only among the parties but among all nations of the world which are in a position to supply arms and that they will pursue a policy similar to that which we intend to pursue.

It is essential that the resources of this area be used for works of peace, for economic development, for the resettlement of refugees, and for the achievement of higher standards of living for the populations of the area. It would be tragic and wholly wrong if the resources of the area were to be dissipated in an unproductive arms race."

In view of the foregoing, the groundwork has now been laid to change the existing US arms export policy with respect to the Arab states and Israel. The Department has already received inquiries on this point and it is necessary that this Government's arms export

policy be determined in order that such inquiries as are made may be answered.

Your approval is therefore requested for the following recommendations formulated with the above in view:

(1) That requests for the export of arms to the Arab states and Israel be considered and acted on in the light of the principles laid down by Senator Austin and existing US policy governing such exports generally. This would mean that arms shipments from the United States to Arab states and Israel would be limited to those which are determined necessary:

(a) For the purpose of maintaining internal law and order by the Government concerned in the reasonable and legitimate exercise of constituted authority.

(b) For the purpose of providing for reasonable requirements of self defense.

Shipments of arms to the affected areas will not be permitted by this Government if, in its opinion, such shipments would adversely affect the maintenance of peace and security in the area.¹

(2) That informal discussions be initiated with representatives of the British and French Governments for an exchange of information and for consultations on shipments of arms to the Near Eastern area.

¹ A marginal notation states that President Truman approved Secretary Acheson's memorandum on September 1. At the same time, he directed that "no public statement be made of this and that it be treated as a routine matter, becoming known as export approvals are made. Following such approvals, it is anticipated that questions will be raised at the President's or the Secretary's press conferences. They are to be answered casually." (memorandum of September 4 to Mr. Ross by Thomas F. Power, Jr., Deputy Secretary-General of the United States Delegation at the United Nations, USUN files)

501.BB Palestine(E)/9-149

The British Embassy to the Department of State

CONFIDENTIAL

55/121/49

PALESTINE

1. While pursuing with the State Department plans for the Survey Group the Foreign Office have also had under consideration what policy should be adopted by the United Kingdom Delegation at the forthcoming General Assembly when the future of the present Palestine relief measures is debated. They have reached the following conclusions:

(a) The final solution of the¹ problem lies in resettlement, and not in relief. The emphasis should lie heavily on resettlement when further international help is considered.

¹ At this point, there appears the word "refugee" in longhand. There is no indication of the authorship of the insertion.

(b) The final settlement of the refugee problem can only be reached within the framework of a territorial settlement for Palestine. Moreover, Israel and the neighbouring Arab States have an inescapable responsibility in regard to the refugees which they must be made to acknowledge if they are to receive large scale financial help from outside for development projects in connection with resettlement.

(c) It should be represented to the Arab States concerned that whatever territorial settlement is finally reached and whatever number of refugees Israel is persuaded to accept there is bound to remain a "hard core" of refugees with which they will have to cope. They cannot escape this responsibility by postponing a political settlement, and they may well forfeit international help for resettlement by doing so.

(d) Development projects will not be able to absorb all the refugees for a period of years after the development projects are started. Even though the latest estimate for United Nations relief for Palestine refugees suggests that relief can be carried on until December (i.e. two months longer than previously estimated), the Survey Group will hardly be able to make its report, let alone secure the necessary finance before the present relief runs out. There will, therefore, be a gap in the provision of relief which will have to be filled.

2. The Foreign Office believe that the State Department shares their reluctance to continue relief without being certain that resettlement is on the way. Equally the Foreign Office fear that the number of refugees to be settled might drastically be reduced by illness and death if no provision, other than that of local governments, were to be made to fill the gap before resettlement. The Foreign Office therefore wish to proceed on the following lines as soon as the constitution of the Survey Group may definitely be spoken about:—

(a) To put to Israel and the Arab States the basis for a settlement contained in the attached paper² and urge them to reach final agreement within this framework as soon as possible on the lines set out in subparagraphs (b) and (c) of paragraph 1 above.

(b) To warn these governments that existing funds for relief are expected to run out in the autumn or early winter, and that it is at present highly problematical whether further funds for relief will be forthcoming from the United Nations. However much either side may argue that they are not themselves responsible for the refugee problem the fact remains that the refugees are in their territory and will constitute a very great burden if no settlement is reached and the provision of financial help for resettlement is thereby discouraged. (A British approach to the Jordan Government, which has done so much more than any other for the refugees in proportion to its now exhausted resources, would have to be on somewhat different lines.)

(c) Explain the functions of the Survey Group and hold out the³ financial help for resettlement schemes.

² See below.

³ At this point, there appear the words "hope of" in longhand. There is no indication of the authorship of the insertion.

In the approach described above the British Government would not speak of further plans for relief but would be prepared to take the following lines at the General Assembly when the matter comes up. Provided the Survey Group is duly constituted with the task of reporting to the Conciliation Commission and makes recommendations to the appropriate bodies for the financing of development projects leading to resettlement the United Kingdom Delegate could announce at the United Nations Assembly British willingness to participate in further interim relief measures (provided contributions already promised to UNRPR are paid up) in the ratio of one to nine as against all other international contributions including that of the United States, i.e. the United Kingdom contribution would form one in ten of the total contribution. The upper limit of the British contribution would be £500,000 (in inconvertible sterling as before) and funds could not be voted until the 5th April 1950. The Foreign Office feel that the present United Nations relief scheme has relied too exclusively on American and British contributions and that every effort should be made to secure proportionate contributions from other member States.

3. The debate in the General Assembly is likely to raise the question in what proportion it is considered that refugees should be resettled as between Israel and the Arab States. The Foreign Office is aware that the United States Government have been pressing Israel on this subject and would be grateful to learn of what number in excess of 100,000 the United States Government consider Israel should take. It is clearly difficult to fix an exact figure but the Foreign Office consider it important that agreement should be reached on an approximate figure.

4. From information in possession of the Foreign Office it seems that the three delegated authorities (the International Red Cross, the League of Red Cross Society and the Quakers) at present engaged in Palestine refugee relief will be extremely unwilling to continue their work under the UNRPR unless fresh funds are in sight by October and there seems to be a real danger of the present relief measures breaking down unless something can be offered by that date.

5. The Foreign Office would much appreciate the observations of the State Department on the above proposals and would be most grateful if these observations could be received within the next week.

WASHINGTON, 1st September 1949.