

501.BB Palestine/7-2948: Telegram

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

RESTRICTED

WASHINGTON, July 29, 1948—7 p. m.

491. Reference Navy telegram NCR 9608 and note from Acting SYG on equipment and personnel required by UN Mediator:

1. Dept. has requested Secy. of Defense¹ to supply following items: 95 observers (including four naval communications officers); 2 medical officers with supplies; 6 radio operators for SCR 399; 10 radio operators for SCR 193; 4 radio technicians; 2 radio trucks SCR 399; 5 radios SCR 193 or equivalent, jeep mounted; 6 ultra high frequency radio transmitters; 4,000 field rations.

2. We believe UN should arrange through commercial channels, UK, French or other governments having installations in Mediterranean area for jeeps, jeep trailers, jeep drivers, aircraft and crews, and truck drivers. We believe that US, UK, France and Belgium should each furnish two medical officers with supplies.

3. If National Military Establishment unable to provide communications equipment or adequate substitutes therefor, it may be necessary for us to refer one or more items to UK and France.

Please discuss above informally with top UN Secretariat officials and emphasize we consider they must assume primary responsibility for mobilizing the resources required by Bernadotte. We have made miscellaneous personnel and equipment available from our Mediterranean and European resources despite most critical shortages in all categories. We shall make every effort to take our full share in the requirements listed by Acting SYG's note but we must emphasize that the US cannot be considered a residual source of all UN requirements not readily available elsewhere. The UN itself must gear its operations to meeting needs of this sort. We recognize UN budgetary difficulties and believe that the budgetary aspects of political action need further consideration by the Assembly.² Copy of Secy. of State's letter to Secy. of Defense being forwarded by pouch.

MARSHALL

¹ In a letter of July 28, not printed.

² Mr. Jessup, on August 5, reported that the United States Mission at the United Nations had discussed telegram 491 with UN Secretariat officials. He concluded his telegram 989 with the following paragraph: "USUN had the distinct impression that senior American UN officials, with whom we met informally after the conference with Sobolev, have given serious and sober thought to a solution of the Mediator's problem, taking into consideration their conception of the interests of the US Government as well as those of UN. As interested American citizens as well as UN officials, they are satisfied that they have nearly exhausted all practical possibilities of meeting the Mediator's needs from UN resources. They fear the Soviets will volunteer in the SC to supply what the Truce Commission powers, the UK and UN are apparently unwilling or unable to make

867N.5151/7-3048

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

SECRET

[WASHINGTON,] July 30, 1948.

Subject: Israeli Loan Request ¹

I am attaching (Tab A) Mr. Epstein's letter of July 19 ² requesting affirmative action at this time by the Export-Import Bank and the Economic Officers of the Department on Israel's loan application. Mr. Epstein also requests an interview with you to discuss the larger objectives of Israel's loan application.

Following the receipt of this letter, OFD was requested for an opinion regarding this matter. Mr. Knapp's memorandum of July 30 (Tab B) ³ is attached. It is clear from this memorandum that a loan to Israel at this time would be difficult to justify on strictly banking grounds.

In considering the political factors, to which reference is also made in OFD's memorandum, consideration should also be given to the effect which the extension of the Export-Import Bank loan at this time would have on our relations with the Arab States and on the UN handling of the general Palestine problem.

The immediate extension of a loan would undoubtedly be considered by the Arab States as a unilateral action by the United States in violation of the present truce. The extension of a loan might prejudice the mediation efforts of Count Bernadotte.

available. They will try to do more, but they have made a most earnest plea that the US bring to bear the maximum material and personnel that can be spared. They are convinced that this is the only way to avoid larger and more serious involvement, since otherwise the prestige of the Mediator and UN will decline and the situation in Palestine will inevitably deteriorate to a point where only a major force can preserve order in the Near East." (501.BB Palestine/8-548) Arkady Alexandrovitch Sobolev participated in the discussions with the United States Mission as Acting Secretary-General of the United Nations.

¹ For information on the request of the Jewish Agency for Palestine for an Export-Import Bank credit of \$75,000,000, made on December 22, 1947, see editorial note, *Foreign Relations*, 1947, vol. v, p. 1317. The request was not granted. On June 2, 1948, the Provisional Government of Israel made application to the Export-Import Bank for a credit of \$100,000,000, to be utilized primarily to facilitate accomplishment of Israel's Four-Year Plan for resettlement and development (letter and accompanying memorandum, also dated June 2, 1948, from Oscar Gass, Economic Adviser in the United States to the Provisional Government of Israel, to William McChesney Martin, Chairman of the Export-Import Bank, 867N.5151/6-248).

² Not printed; it requested Mr. Martin to give most urgent consideration to the Israeli application for the \$100,000,000 credit, now that the fighting in Palestine had come to an end. In reply, on July 26, Mr. Martin expressed his regrets that "reports reaching me do not appear to warrant at this time active consideration of the credit application filed with the Bank by the Jewish Agency for Palestine." This exchange of correspondence is filed under 867N.5151/7-1948.

³ Not printed.

It is accordingly believed, as suggested in OFD's memorandum, that a decision on the extension of an Export-Import Bank loan should await developments with regard to the present truce in Palestine and with regard to Count Bernadotte's mediation efforts. It seems logical to believe that a settlement of the Palestine question through the United Nations would stabilize the economies not only of Israel but of the Arab States as well and would provide a more stable base for the extension of an Export-Import Bank loan at a later date.

Recommendation:

It is recommended that you discuss this matter with Mr. Epstein and inform him of our views as outlined above.

Concurrences: NEA, UNA, ED, OFD

501.BB Palestine/7-3048: Telegram

The Secretary of State to the Embassy in the United Kingdom

SECRET US URGENT
NIACT

WASHINGTON, July 30, 1948—12 noon.

3011. For the Ambassador. Dept has decided to try to get Cadogan to ask for instructions permitting him to restrict discussion of refugee problem in SC initially to Arab refugee problem.¹ Principal ground we will use is that prospects of Congressional action on DP legislation make general discussions of world refugee problem in SC undesirable. No action by Embassy is indicated at the present time.

MARSHALL

¹ London, on August 3, reported information from the British Foreign Office that the instructions to Cadogan were being considerably toned down in deference to United States views and that the British Treasury had set aside £100,000 for Arab refugees (telegram 3505, 501.BB Palestine/8-348).

Cadogan actually addressed the Security Council on the refugee question on August 2, discussing both the Jewish and Arab refugee problems; for the text of his statement, see SC, 3rd yr., No. 100, p. 4.

501.BB Palestine/7-2848: Telegram

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

SECRET US URGENT

WASHINGTON, July 30, 1948—4 p. m.

493. Dept concurs in views expressed urtel 963 July 28 except for para 9 as to which no opinion is expressed at this time.

Dept has following additional comments:

1. Dept underscores your para 1 (a) and (b). We are now hopeful of change in US Displaced Persons Act during special session to

eliminate discrimination against Jewish DPs. Two bills already introduced in each House Congress to this effect. Proposed UK action might be seriously prejudicial.

2. Security Council consideration of general refugee-displaced persons problem would give Soviet and Ukrainian delegations excellent opportunity not previously presented Security Council to exploit this subject and should be avoided if at all possible.

3. As to alternatives in your para 8 Dept strongly prefers (b) with understanding that such approach made without prejudice to Mediator's freedom of action to take such other measures as he deems desirable. Dept also underscores reasons expressed your para 2 (b). Course proposed para 8 (c) also should be pursued. Depts Advisory Committee Vol Foreign Aid already negotiating with appropriate US organizations but viewed realistically it appears that no prospects of large scale relief exist. Alternative (a) would be preferable to Security Council action but should not be undertaken unless alternative (b) proves unfeasible.¹

MARSHALL

¹ This telegram was repeated to London as 3015.

501.BB Palestine/7-3148: Telegram

*The Consul General at Jerusalem (Macdonald) to the
Secretary of State*

CONFIDENTIAL

PRIORITY

JERUSALEM, July 31, 1948—4 p. m.

1142. Appointment Dayan to replace Shaltiel as Commander Sixth Brigade widely viewed indication Jews anticipate renewal fighting Jerusalem. Dayan described as "fighter" while Shaltiel considered "administrator and politician". Above opinion shared by UN observers attached to HQ Jewish Forces here and Belgian and French members Truce Commission. Shaltiel will resume position as Chief Intelligence Israel Army held before assignment Jerusalem command.

Diminishing confidence permanence present truce noted throughout Jerusalem. Firing including rifle automatic and occasionally mortars has increased considerably last three days. Persons exposing selves in view enemy lines now fired on regularly. Officer Consulate General yesterday observed Arab Legion convoy with fresh troops entering Old City. Truce Commission has received reliable reports Jews are tunneling under Old City walls vicinity Jaffa gate. This activity continuing up to present.

Consulate General feels appointment Dayan serves two-fold purpose: Providing Jerusalem with Commander capable launching strong attack on Arabs in Old City and man able direct any punitive measures considered necessary against IZL and Stern.

MACDONALD

501.BB Palestine/8-148: Telegram

*The Consul General at Jerusalem (Macdonald) to the
Secretary of State*

SECRET US URGENT

JERUSALEM, August 1, 1948—5 p. m.

NIACT

1146. Subject Deptel 778, July 28, discussed at length with Bernadotte July 30. He cannot understand why US objects lending Marines to UN for special guard duties in view of fact we have no objection supplying observers from both Army and Navy. He is under impression State Department has misunderstood his original request and asked me to endeavor clarify position as follows:

Two hundred fifty Marines are needed to guard Hadassah Hospital Hebrew University and Augusta Victoria. All of these properties have been demilitarized and put under UN supervision. Marines will replace Jewish and Arab police now there. They will wear UN armbands and be considered a UN force and not United States. A few of these Marines will guard the Latrun water pumping station which is also under United Nations. The Marine unit will be required only until it can be replaced by UN international force which Bernadotte has been told cannot be recruited and sent here for at least 60 to 90 days. Mediator feels it is imperative to have a regular military force under UN arrive immediately to guard these demilitarized areas now controlled by UN before complete demilitarization of Jerusalem can be implemented. Furthermore, according to agreement for demilitarization Mount Scopus UN promised provide guards. If US will supply Marine guard Bernadotte says France has agreed to do likewise and he believes Belgium will follow suit.

After discussing this matter carefully with Mediator, I see no objection to granting his request under the above mentioned conditions except for political implications of which I may not be aware.

Department's suggestion regarding possibility of enlisting active cooperation and participation of Arab and Jewish authorities and armed forces for policing Jerusalem absolutely impossible due mistrust and deeply rooted hatred each other at this time.

Employment of former Arab and Jewish units of civilian police cannot be used since Palestine police during mandate was target for both sides and bitter hatred still exists for anyone who was connected with it. Recalling members of this force would invite immediate bloodshed.

Last suggestion of appointing well disciplined units Israeli and Arab forces not practicable due to very small number of military police and furthermore no Arab and Jewish forces will cooperate at this time.

Unless an international military or police force is brought to Jeru-

salem quickly, there is no hope of demilitarization of the city. Necessity for immediate action in this matter cannot be stressed too strongly. That is principal reason why Bernadotte is so anxious to get US Marines for Mount Scopus as they will be looked upon as first unit of international force to guard areas already demilitarized and under United Nations supervision.

Telegram follows re other conversation with Bernadotte.

MACDONALD

501.BB Palestine/8-148 : Telegram

The Consul General at Jerusalem (Macdonald) to the Secretary of State

SECRET US URGENT
NIACT

JERUSALEM, August 1, 1948—6 p. m.

1147. For personal attention Secretary Marshall. Before mentioning or discussing subject Deptel 778, July 28, see my telegram 1146, August 1.

Bernadotte reviewed Palestine situation in general and was very frank in admitting his discouragement and disappointment with the present state of affairs. The Mediator then said "I hope you do not mind if I speak quite frankly to you and I would say the same things to Secretary of State Marshall if he were here, so will you please convey the following for his personal attention. I am very disappointed and discouraged with the lack of support from the United Nations and particularly with the apparent noncooperative attitude of the United States in providing me with the necessary material support in carrying out my mission as Mediator. It is impossible for me to supervise the observance of the truce without sufficient staff and equipment. I regret therefore to request you to inform Secretary Marshall that I am not prepared to continue under such conditions and unless the required personnel and equipment are forthcoming at once I shall feel forced to resign as Mediator."

It is perfectly true that Count Bernadotte cannot hope to accomplish his mission with the small force he now has. Two weeks have elapsed since the truce went into effect during which time the Mediator has been powerless to carry out properly its supervision which has resulted in the UN rapidly losing prestige on both sides. Consequently, the situation has deteriorated steadily, making it more difficult and probably impossible to demilitarize Jerusalem. To date Mediator's staff consists of 30 American observers, 50 French, 47 Belgians, and 10 Swedes, most of whom have arrived during the past five days.

In my opinion the resignation of Bernadotte at this time over the above issue would preclude any possibility of the United Nations

finding a solution to the Palestine problem. The US, I feel, would be blamed also by both sides for unfortunate unforeseen consequences on the grounds that it supported the UN on the Palestine issue. Therefore, every possible support should be given Bernadotte in his effort to solve this problem.

Bernadotte will be in Jerusalem August 3 for short time if Department should care for me to deliver any message to him.

MACDONALD

501.BB Palestine/8-248 : Telegram

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

TOP SECRET

LONDON, August 2, 1948—2 p. m.

3484. 1. Bevin and Wright have mentioned to me several times recently that British views re road ahead on Palestine in best interests world peace and future UN were being developed in Foreign Office for early discussion with USG through this particular telegraphic channel. They indicated their hope that by clearing ideas beforehand, US and UK will be able to work together in bringing about a definite and lasting solution of Palestine problem.

2. The broad outlines of British thinking have now been conveyed to me personally and at my suggestion, with which Bevin agreed, the details have been filled in at the operating level. Lest there be distortions through reporting errors, this message through paragraph 14, has been cleared textually by Wright who asserts that it is an accurate presentation of provisional thoughts of HMG as developed by Bevin and Foreign Office.

3. Notwithstanding the passions aroused in Palestine the presence there of the British gave Palestine problem a comparatively static quality on world scene. Last November the UNGA delegates were confronted by a single entity known as Palestine. After May 15 however, Palestine entered the dynamic phase of Arab-Jewish fighting at end of which Palestine picture has altered radically in that

(a). UNGA resolution of May 14 relieved UN commission of its task of implementing November 29 resolution and appointed a Mediator to seek a peaceful solution without laying down on what lines he should act;

(b). The Jewish state is well-established behind its line-of-force frontier;

(c). The Arabs are establishing authorities on their side of line;

(d). Jewish immigration has taken place on a considerable scale;

(e). Jewish forces have convinced Arabs that Jews cannot be driven into the sea;

(f). Establishment of Jewish state has resulted in about 250,000 Arabs fleeing from their homes in Jewish territory;

(g). Oil resources of Europe are threatened gravely by stoppage Haifa refinery;

(h). SC and UK are confronted with bitter Arab resentment against the West heightened by circumstances in which SC imposed present truce;

(i). Jewish military successes have increased in Arab eyes likelihood that Jews will not respect any frontier laid down for Jewish state.

4. Uneasy as present truce may be, present Arab-Jewish frontier has dramatic reality in that neither side can be dislodged from its present position without fighting. The British at one time entertained ideas of a Jewish national home very different from the functioning state of Israel, and we, too, have entertained at different times different ideas. However, in British view new facts (paragraph 3 above) must be faced as facts and taken into account in formulating a realistic new approach by all parties concerned: the Arabs, the Jews, the US, and UK and especially UN. Provisional British thinking re this new realistic approach, on which they hope for an early expression of US views, is as follows:

5. HMG believes best solution Palestine problem in circumstances would be one along lines Mediator's previous proposals minus idea of union between two states (see paragraph 16 below) and including some form international responsibility for Jerusalem by which Jerusalem possibly, but not necessarily, might be placed under Arab sovereignty. As British see it, such a solution would mean an independent sovereign state of Israel, providing most, if not all, of Galilee and an Arab territory (including Negev), the political future of which would be left to the Arabs. Haifa would be either a free port or under some form of international responsibility. Future of Jaffa would have to be determined. Arab-Jewish frontier would be subject to some form of international guarantee to reassure both sides. (In this specific connection British think best course would be for Mediator to recommend that UN should lay down that frontier could only be changed by UN and that any attempt to do so otherwise would be a breach of the peace.) Among other factors which British think might be involved are:

(a). Solution of problem Jewish DP's in Europe and Arab DP's in ME;

(b). Some equation of outside economic help so that neighboring Arab states will not become depressed areas dangerous both from point of view of Communism and economic well-being of Israel.

6. HMG gravely doubts that either Arabs or Jews will accept for some time to come a settlement on these lines and believes it would be more rational for US and UK to work in the immediate future, as they did in case of truce, on problem of securing Arab and Jewish acquiescence to such a settlement: If need be, this settlement might have to be enforced, as truce was by UN.

7. If Mediator is successful in securing agreement both sides to any set of proposals no problem will, of course, exist, but HMG does not believe this will happen and that when Mediator, towards end of August, presents to Arabs and Jews a set of modified proposals, the second set will likewise be rejected. When this happens, HMG believes that Mediator will find it necessary to refer matter to UN (either UNGA or SC).

8. Foreign Office has given much thought to character of resolution upon which UN might act. Resolution might be either positive (thus attempting to settle question once for all), or provisional, designed to smooth way for a more positive resolution later upon which UN body might act at some future time. Embassy's immediately following telegram contains outline working paper prepared by Foreign Office to clarify its own thinking re possible provisional resolution.

9. Advantages of positive resolution are:

(a). It would remove possibility of further dispute over location frontier;

(b). UN guarantees of frontier could come into force at once;

(c). It would obviate either side jockeying to improve its position.

Disadvantage of positive resolution is that Arab leaders would find it extremely hard in face Arab public opinion to give explicit recognition now in existence of Jewish state. Leaders would probably be unwilling to risk recommending this, and the result might be renewal of fighting by Arabs or at least serious internal instability in Arab countries. A provisional resolution, on other hand, would face dangers for Arabs but Arab leaders might prefer it for internal reasons. If so, their choice re form of ¹ resolution should probably be adopted (see paragraph 14 below).

10. British Government is most anxious to keep in step with US on this question and visualizes that optimum US-UK cooperation in achieving final settlement along above lines might embrace the following:

(a). Once US and UK can agree that new hand has been dealt in Palestine and that cards now available must be played to secure lasting settlement, US and UK might make clear to Mediator either in ME or during his Swedish visit the similarity of their view re settlement along line his earlier proposals (see paragraph 5). This information might be extremely useful when he begins serious work with two parties again.

(b). US and UK at same time could urge Mediator to produce map showing clearly the line-of-force which existed at the time [end of fighting?] because this line, with such minor modifications as might be agreed by parties, would be that which both sides must continue to respect. In case of positive resolution line would be frontier between Jewish state and Arab area.

¹ The source text indicates a garbled group of letters at this point.

(c). US and UK could attend UN with an agreed view as to the resolution which should go before UN on basis Mediator's new report and new proposals. If US and UK could agree to work together re resolution HMG believes there would be so much support forthcoming for a Palestine settlement endorsed by both US and UK and which at same time would reinforce prestige UN that agreed resolution (either in positive or provisional form—see paragraph 5) would pass with ease.

11. Above represents [Foreign Office?] views re optimum US-UK cooperations. Foreign Office is aware of special difficulties with which USG may be faced in next few months and if US cannot for various reasons undertake to advocate openly the imposition by UN of the "lines-of-force" in Palestine as the basis for a reasonable and workable settlement, at [least?] British would hope that USR [USG?] would not oppose a British resolution to this effect and above all that USR [USG?] would not stimulate opposition of other states to such a resolution.

12. Essence of problem is that British believe that neither US nor UK can ignore developments in Palestine since November 29 and they would like us to join with them in efforts to get UN to finalize as a reasonable and workable solution the *de facto* frontier in Palestine which has emerged out of fighting. British feel US-UK cooperation is vital to the success of such an effort not only for purpose of effective UN action but also because a divergence between US and UK at this juncture before a UN forum would intensify the essence of Palestine problem itself. They believe that if USG should elect to stand firmly upon November 29 partition plan (upon acceptability of which [there?] is vast doubt) and if USG should ignore actual partition which has taken place in Palestine, this would encourage Jews to make territorial demands beyond areas which are under their control at present and which in circumstances can be enlarged only by renewed fighting. By same token, divergence between US and UK would encourage Arabs to believe that by being more intransigent they can induce UK to secure for them a more favorable territorial settlement by getting UN to eject Jews from at least part of territory now under PGI control. British desire that US and UK should attend UN not as champions of either Jews or Arabs; they would like to see us appear as great states whose joint interest is achievement of a workable and permanent settlement of Palestine problem. HMG cold-shouldered Arabs in order to secure their acquiescence to truce and HMG is prepared to this again to secure Arab acquiescence to *de facto* situation in Palestine (see paragraph 13) provided USG for its part is willing to base its own policy in UN on realities and if necessary, cold-shoulder the Jews.

13. Task of HMG is bringing about Arab acquiescence is delicate

and difficult now because Arab bitterness against West is already deep and imposition upon Arabs of Jewish state, which they have committed themselves never to accept, will intensify this bitterness. In British view this feeling can be minimized only by giving Arabs at same time some concrete evidence of western understanding of their position by such measures as UN aid in solving Arab DP problem; special guarantee that Jews will not be allowed within a few years to enlarge their state or Arabs enlarge their state, economic aid for Arabs, etc. In absence such steps British consider that revulsion Arab feeling against West would facilitate spread Soviet influence and at very least would mean that US and UK could not count on Arab co-operation in connection with their strategic requirements.

14. Evidence of British preoccupation with ways and means to achieve Arab acquiescence to Jewish state without risk internal disorders in Arab states, loss British military facilities and loss for indefinite period of some if not all ME oil, in fact that in connection with resolution (paragraph 8 above) British Government would wish to take Arab leaders into their confidence at an early stage and privately consult them as to whether Arabs would acquiesce more readily to a positive or to a provisional resolution.

15. [garble] with proposals [omission] that only recommendation which I feel qualified to make at present is that proposals, which are logical development of my meeting with the British Defence Council reported my 2267, May 25, deserve most thoughtful consideration of our government.

16. I feel, however, that I should supply the following footnotes:

(a). Re paragraph 5 suggest[ion] that union should be dropped from [Bernadotte?] proposals [garble] made by Foreign Office with the object of making these proposals more acceptable in the immediate future. Foreign Office does not intend thereby that possibility future cooperation should be excluded. On contrary, Foreign Office shares my views that there will have to be close economic relations between all parts Palestine in interest of their economic survival.

(b). Re idea of exchanging western Galilee for Negev it seems to me that compulsion sometimes offers a firmer basis for a workable peaceful settlement than theoretical plans.

(c). If we accept British proposals we should be prepared in the immediate future to witness a number of pro-Arab British gestures designed to raise almost non-existent stock of British influence with Arabs so that when time comes [apparent omission] pressure to be applied again to Arabs [garble] resolution HMG will have some measure of Arab confidence to work upon.

17. It is only stating the problem when I say that [garble] is the maintenance of UN as an organism equipped to cope with realities;

the tranquillity of ME so deeply involved in US-UK strategic requirements (including oil), and the US desire to see Israel, untainted by the corrosive poison of irredentism which has destroyed so many [garble] states flourish at peace with its neighbors as a responsible member of community of nations.

DOUGLAS

501.BB Palestine/8-248 : Telegram

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

RESTRICTED

NEW YORK, August 2, 1948—6:56 p. m.

981. Urtel 485, July 29¹: UN received today from Rhodes following answers to questions presented by Jessup to Mediator July 16.

1. Mediator has been informed by UK that there is no embargo on "spare parts of British aircraft already serving civil airlines in Middle East, when British Government is satisfied that spare parts are genuinely required in order to keep an existing fleet in the air." Mediator thinks it would be more satisfactory if such transfer of parts and accessories were limited to non-Arab and non-Israeli civil airlines and subject to prior consent of the Mediator. The same should apply to aircraft replacements.

2. The question of borderline items is very delicate; according to UK "lorries and jeeps are essential to maintenance of civil communications in Middle East and have no direct military value." The last part of this statement is not shared by all military experts and Mediator thinks only export of passenger cars should be permitted without obtaining his prior consent. He is now equipped to answer promptly if consulted regarding items not included in the list furnished him.

3. Supervision of imports of war material contrary to SC resolution will be more effective in view of greater number of observers and observation means to be put at Mediator's disposal. As regards ban imposed by exporting countries, Mediator would appreciate if from time to time conversations between countries principally concerned resulted in agreed revised lists of war material. Mediator if desired could furnish information at his disposal and even be represented in conversations.

4. The Mediator would greatly appreciate being informed of the details of such reports as the US believes reliable.

JESSUP

¹ This was a repeat of the telegram from the Secretary of State to Count Bernadotte, p. 1255.

501.BB Palestine/8-348

*Memorandum of Conversation, by the Secretary of State*¹

CONFIDENTIAL

[WASHINGTON,] August 3, 1948.

Participants: The Secretary

Dr. Naji al-Asil, Iraqi Representative to the UN

Mr. Ahmed Mohammed, Chargé d'Affaires of Iraq

Mr. Satterthwaite, Director of NEA

After a preliminary exchange of courtesies concerning Dr. Asil's pending departure for Baghdad, and some conversation on other subjects, the question of Iraq's continued active participation in the United Nations and its support of Count Bernadotte in both his mediation and truce efforts were discussed. Mr. Satterthwaite remarked that he had already expressed to Dr. Asil the earnest hope that Iraq would not fail to continue to play an active role in the United Nations, since, however bitterly it might feel about Palestine, Iraq had many other interests in which the UN could be helpful to it. He also hoped that Iraq, in the interest of the peace and security of the Near East, would strongly support Count Bernadotte. He had also assured Dr. Asil of the continuing interest of the United States in the welfare of Iraq.

I said that I wished, in supplementing Mr. Satterthwaite's remarks, to emphasize the great importance which the United States attaches to the UN. The UN was the only real hope we had of maintaining peace in the world. If it failed the world would be faced with an indescribably difficult situation. The UN had as yet not had a fair chance to get started. In my opinion it might be as long as 25 years before it had really developed its greatest usefulness. In spite of reports to the contrary, the United States had never failed to refer to the UN any problem which it was capable of handling.

While recognizing the deep and even bitter feeling felt by the Arab States over the situation in Palestine and the extremely complicated and perhaps insoluble nature of that problem, I asked Dr. Asil to consider the many other important problems confronting the UN in addition to the over-riding one of the conflict between the East and the West as exemplified by recent developments in Berlin. If this latter conflict were not solved, the problem of Palestine for the Arab States would become relatively insignificant.

I also mentioned the immense burdens imposed on the United States which no other nation seemed either willing or to be expected to bear. It was, to take a single example, costing us one billion dollars a year to try to get Japan back on its feet. I nevertheless hoped that the United States could be of assistance to Iraq and the Near Eastern

¹ Drafted by Mr. Satterthwaite.

countries in the development of such government projects as that of the Tigris Valley, which we discussed at some length. I also expressed the belief that Congress, possibly in this session, but more probably in the next, would so amend the Act permitting the entrance into the United States of displaced persons that some of the pressure for immigration into Palestine would be removed.

Dr. Asil said that he was in full agreement concerning the importance that should be attached to making a success of the UN. He also felt very strongly that Iraq should give the UN its full support and would so inform his Government.

Referring to the Palestine problem, Dr. Asil discussed various phases of its development since the first World War. By inference, he criticized the Arab States for having on two occasions failed to reach a satisfactory solution, the first time because the Arabs of Palestine refused to accept a proposal made by King Faisal a few years after the first World War and the second time over a question of sixty or seventy-five thousand immigrants at the Round Table Conference of 1939. Dr. Asil said, however, that the Arab States felt very strongly that at some point the Jews must be told by the United States or the United Nations that, with respect to Palestine, they could go so far and no further. It would otherwise be impossible for them ever to reach an agreement. He had the feeling that so far only the Arabs had been told that they could go so far and no further.

I told Dr. al-Asil that we would carefully analyze the points that he had made and see if we might be able to comply with his suggestion. The interview, which was exceptionally cordial considering the nature of the main topic of conversation, lasted fifty-five minutes.

867N.01/8-348: Telegram

*The Acting Special Representative of the United States in Israel
(Knox) to the Secretary of State*

TEL AVIV, August 3, 1948.

37. Proclamation issued under date August 2 signed Ben Gurion establishes Israeli military rule Jerusalem occupied area which is defined as area under control Israeli Army, comprising major part city Jerusalem, part of its environs and western approaches and roads connecting Jerusalem with coastal plane. The law of State Israel applies occupied area and residents required observe same; persons breaching law may be brought before military court or civilian, as circumstances warrant. Proclamation declared retroactive in application as from midnight Friday 14 May. In respect those parts occupied

area which come under occupation Israeli Army at subsequent date this proclamation shall be deemed to have come into force on that date.¹

KNOX

¹ The proclamation was signed by Mr. Ben-Gurion in his capacity as Minister of Defense. The text of Decree Law No. 12 proclaiming "Israeli Military Rule in Jerusalem" was transmitted to the Department by Tel Aviv in despatch 27, August 9 (867N.01/8-948).

501.BB Palestine/7-3148: Telegram

The Secretary of State to the Embassy in the United Kingdom

SECRET US URGENT
NIACT

WASHINGTON, August 3, 1948—11 a. m.

3049. During past month Bernadotte has continued to press his request for battalion of US Marines to serve as temporary UN guard-force for purpose of policing in Jerusalem. On July 30 Consul General Macdonald in Jerusalem flew to Rhodes to discuss the matter with Bernadotte at which time we suggested that Bernadotte's policing efforts in Jerusalem might be met through the cooperation of Arabs and Jews in supplying well-disciplined units for this purpose. Bernadotte has reacted strongly to this approach as may be noted in Contels 1146 and 1147 Aug. 1, to which we are replying today. Copy each message repeated to you.

We note (Embtel 3479 July 31)¹ that Bevin attaches importance to Mediator establishing himself in Jerusalem and to Mediator's securing necessary security force from UN. We concur in first objective but disagree with regard to second for reasons stated in our reply to Contels 1146 and 1147.²

Please discuss this matter with Bevin or Wright at which time you might recall that we have consistently taken the position that US would not assume unilateral military commitment in Palestine, that SC has not thus far given consideration to question of UN forces for Jerusalem or Palestine and that we believe successful solution to Palestine problem rests on cooperation between Arabs and Jews.

It would be helpful if British Govt would support us in these views and would instruct their representatives in the Near East to take the same line in discussion with Bernadotte.³

MARSHALL

¹ Not printed.

² See telegram 793 to Jerusalem, *infra*.

³ This telegram was repeated to Jerusalem and New York.

501.BB Palestine/8-148 : Telegram

The Secretary of State to the Consulate General at Jerusalem

SECRET

US URGENT

WASHINGTON, August 3, 1948—3 p. m.

NIACT

793. Please inform Count Bernadotte of following re urtels 1146 and 1147.¹

1. We are forwarding to Count Bernadotte as rapidly as possible the additional observers and signal equipment and personnel which he has requested. Brig. Gen. W. E. Riley, US Marine Corps, has been appointed Chief of US Observers and will depart Washington for Rhodes on Tuesday. Remaining observers will be staged in by air transport within next few days. The list of equipment and personnel was received from UN July 28. We had previously been working on list of requirements which resulted from Count Bernadotte's discussion with Admiral Sherman on July 23 as complete statement of his planned needs, and had provided such portions of equipment and personnel as immediately available in Mediterranean. The US does not have military installations or unlimited quantities of personnel and equipment in Mediterranean.

2. Regarding nature of commitment which use of Marines would involve, wearing of UN arm band does not relieve US of basic responsibility for guaranteeing security of its military formations. There is no assurance that such units would not be subjected to attack by well-armed groups such as the Irgun or Stern gang. We could not commit armed units to that situation without being prepared to reinforce them with whatever is required to guarantee their safety. Location of Jerusalem with respect to Jewish and Arab forces and with respect to lines of communication makes this basic security requirement a far heavier commitment than may be realized.

3. SC, in addition, has not thus far taken action to provide international forces to enforce truce in Jerusalem. Nor has SC arranged with member govts. for providing such forces. There is fundamental difference between observers who are not authorized to use force in any way, and armed contingents which are expected to suppress disorder and violence.

4. There seems to be some misunderstanding as to attitude of French with respect to Marine guards. French have informed us that they consider Count Bernadotte's request as entirely new subject which would have to be discussed and acted upon by SC.

5. We are prepared to make strong representations to Israel and

¹ Both dated August 1, pp. 1264 and 1265.

to Transjordan that they must cooperate to maximum with Count Bernadotte in demilitarization of Jerusalem, including provision of well-disciplined police forces to keep lawless and dissident elements under control. We are unwilling to accept as final the view that use of Arab and Jewish police in Jerusalem is impossible due to mistrust and deeply rooted hatred which they have for each other. Jerusalem is city inhabited by Arabs and Jews. Rest of world has right to insist that they put aside their mistrust and hatred at least for minimum purpose of providing local police forces under international observance to maintain rudiments of law and order. It may be recalled that SC has ordered parties to accept, and that they have accepted, cease-fire and truce, essential ingredient of which is willingness to live side by side without resort to arms. We believe that strenuous efforts to bring about joint Arab-Jewish regime in Jerusalem under UN observation might be successful; in any event we believe it imperative that every possible effort be made in this direction.

6. We regret any feeling on Count Bernadotte's part that the US is not being cooperative in supporting him in carrying out his mission as Mediator. The record would not bear out any such conclusions. We are fully aware of the enormous difficulties with which he is confronted and believe that he has made remarkable progress toward a solution by peaceful means of the situation in Palestine. We are ready to discuss at any time the nature of our assistance and to work out with Count Bernadotte and the UN Secretariat a plan for furnishing his essential requirements.²

MARSHALL

² This telegram was repeated to London as No. 3055 and to New York as No. 502.

501.BB Palestine/8-448 : Telegram

*The Consul General at Jerusalem (Macdonald) to the
Secretary of State*

SECRET

JERUSALEM, August 4, 1948—2 p. m.

1156. Re Amman's telegram 32¹ relayed by Department to Jerusalem as 24. Bernadotte arrived Jerusalem August 2 and held meeting Old Jerusalem that afternoon with Truce Commission, his representatives here, Glubb Pasha Chief of Staff Arab Legion, Military Commander Arab Legion Jerusalem and other prominent Arabs. Discussions devoted principally to demilitarization Jerusalem, to which Arabs expressed approval and agreed to Mediator's suggestion

¹ Dated August 2, not printed; it reported that Count Bernadotte on August 1 had a long conference with the Prime Minister and Defense Minister of Transjordan, discussing the demilitarization of Jerusalem, the Arab refugee problem, and a general settlement of the Palestine question (501.BB Palestine/8-248).

that exploratory talks be started soonest between Arab leaders Jerusalem, Truce Commission and Mediator's representatives in endeavor formulate plan demilitarization.

Meeting with Arabs, who showed friendly and very cooperative attitude, was most satisfactory. Other matters such as sniping, water supply for Jewish Jerusalem and refugees discussed in general terms. Bernadotte was very insistent both military commanders put an end to sniping. Arab Commander assured Mediator he has issued strict orders to Arab Legion and also to irregulars whom he claims he now can control, not to return fire unless ordered to do so.

Mediator, his staff and Truce Commission met Bernard Joseph, Military Governor Jewish Jerusalem August 3. Joseph's attitude was unfriendly, uncooperative and defiant. Same matters brought up for discussion as on previous day with Arabs. Joseph said he knew nothing about his government's attitude regarding demilitarization and refused to commit Israel Government on this point. He questioned political implications involved and insinuated that UN would try to force internationalization of Jerusalem on Jews after demilitarization. Mediator referred him to SC resolution of July 15 stating demilitarization shall not prejudice future political status Jerusalem. Following a vitriolic attack on the UN by Joseph, during which he said the Jews have no confidence in the UN and referred to it as a laughing stock, he finally said he would agree pending the approval of his government to meet Truce Commission and Mediator's representatives to discuss a plan for demilitarization or appoint someone to represent him.

Unless Joseph is instructed by Israel Government not to start discussions on demilitarization, Truce Commission plans several meetings this week with Jews and Arabs separately in order prepare report for Mediator upon his return Jerusalem August 9.²

MACDONALD

² Jerusalem reported, on August 4, that Mr. Shertok had advised the Military Governor of Jewish Jerusalem that "Israel has not yet agreed in principle that Jerusalem should be demilitarized. Therefore Military Governor states he cannot enter into discussions as suggested by Mediator regarding demilitarization Jerusalem." (Telegram 1158, 501.BB Palestine/8-448)

501.BB Palestine/8-448 : Telegram

*The Consul General at Jerusalem (Macdonald) to the
Secretary of State*

SECRET URGENT

JERUSALEM, August 4, 1948—3 p. m.

1157. Consul General most desirous information on current thinking in Department re future Jerusalem. It has worked on assumption Department envisages eventual internationalization Jerusalem as pro-

vided for in November 29 resolution both to facilitate over-all permanent solution Palestine problem and to preserve city sacred to Christians, Jews and Moslems. Consul General feels even at this late stage acquiescence both sides in internationalization can be obtained provided definite policy announced by United Nations (strongly backed by United States) and concrete energetic action taken.

Provided internationalization remains objective, first step (see Contel 1156, August 4) should be demilitarization Jerusalem. Demilitarization is also best insurance against renewal fighting here. As reported Contels 1132 July 28 and 1146, August 1, forcible action in this direction and visible evidence such action imperative immediately. Essential requisite is force of such strength and with such equipment as to command respect both parties. Mutual distrust preclude use Arab and Jewish police which would have further disadvantage demarcating city into two sealed camps. Time not available to permit recruitment international force and efficiency such force open to question. Possibility conflict with IZL and Stern groups during initial stage demilitarization must be anticipated. Prestige United Nations will have deteriorated and Jewish determination annex Jerusalem will have crystalized to such extent by time international force recruited that demilitarization would be virtually impossible. Single alternative is use regular troops three countries members Truce Commission—US, France, Belgium—immediately and in strong force. Of course, impossible say from Jerusalem whether over-all political considerations permit this. Such action would prove determination United Nations, make it easier for both sides to agree against contrary public demands and tend eliminate fear treachery on part other. Tension would relax and details international status Jerusalem with international force could be worked out.

If essential force is unavailable immediately Consul General feels demilitarization project should be abandoned. Attempt to obtain demilitarization without force would probably be rejected outright by both sides and almost certainly would not work in practice. Efforts then should be directed towards maintaining *status quo* pending final political settlement. To prevent resumption fighting reliance would have to be placed on employment sufficient number observers together with threat Security Council action versus violators truce. Whether such measures would suffice definitely questionable. However, danger period is now and by time international force recruited it will have passed its peak. Resultant political settlement might be expected to provide for division city along present lines with Jewish corridor to coast. Arabs would deeply resent such outcome and would probably seize first favorable opportunity in future to resume hostilities.

Prestige United Nations would fall in eyes both Arabs and Jews. Nevertheless Consul General feels this more realistic and preferable approach than attempt at demilitarization without adequate force.

Department's comments on above would be appreciated.

Pouched to Tel Aviv as Unnumbered. Department please pass London as 25.

MACDONALD

CIA Files

*Report by the Central Intelligence Agency*¹

SECRET

[WASHINGTON,] August 5, 1948.

ORE 48-48

PROBABLE EFFECTS ON ISRAEL AND THE ARAB STATES OF A
UN ARMS EMBARGO²

SUMMARY

1. Neither Israel nor the Arab states now have sufficient stocks of arms and equipment to carry out prolonged, full-scale hostilities following the end of the four-week truce which began 11 June. Israel is weak in heavy equipment, although it has adequate stocks of small arms and ammunition, and is believed capable of supporting guerrilla warfare operations with its own armament industry. The Arab states, although superior in artillery, armored vehicles, and aircraft, have only limited stocks of ammunition and replacement equipment and possess insufficient facilities for producing armament.

2. Both sides are negotiating to obtain matériel from outside sources. Zionist agents abroad have been able to stockpile light weapons and ammunition from Czechoslovakia and other Eastern European countries for eventual shipment to Palestine, and the Jews undoubtedly hope to acquire additional heavy equipment from the US. The Arabs look, as in the past, to the UK as a principal source of arms but are exploring additional sources. Arab financial resources for such transactions, however, are not extensive.

3. The application of an effective UN arms embargo against both Israel and the Arab states would limit the scale of the fighting and would probably result in a military stalemate, leading eventually to a compromise. The Arabs would find themselves incapable of prosecuting a large-scale offensive. The Jews would also be unable to wage

¹ The source text includes the CIA map entitled "Military Situation—11 June 1948", reproduced facing p. 1200.

² According to a note on the source text: "The information in this report is as of 1 July 1948. The intelligence organizations of the Departments of State, Army, Navy, and the Air Force have concurred in this report. This report was prepared in collaboration with the Departments of the Army, Navy, and the Air Force, and at the request of the State Department."

offensive war, but would probably be able to maintain their present positions along the coast and possibly in Galilee. Jewish extremists would resist any attempts at compromise, and the Provisional Government of Israel itself would probably make every effort to have the embargo modified before entering into negotiations with the Arabs. The Arabs would also be loath to make concessions. In the end, however, both Israel and the Arab states (or at least Transjordan) might feel constrained to accept a Jewish state exclusive of the Negeb.

4. Inadequate enforcement of the embargo could also be expected to result ultimately in a virtual stalemate. Israel, possessing better facilities for obtaining illegal arms than the Arabs, would be able to defend more territory than under an effective embargo but could not win a decisive victory. The Arabs would probably obtain measured assistance from the UK, which favors a stalemate. Since some support for Israel would come from the US, anti-US feeling in the Arab states would rise following any Jewish successes. The USSR would probably supply arms to both belligerents in an effort to promote continued unrest in the Middle East. (See ORE 38-48³ for an evaluation of Soviet Policy in the Middle East.)

5. A UN embargo against the Jews alone would lead to eventual Arab victory, and would increase US prestige with the Arabs. In Israel a struggle for power between pro-Soviet, extremist groups and the moderates would ensue, with the moderates probably attempting to find a *modus vivendi* with the Arabs. The amount of support provided by the Soviet bloc, on one hand, and the nature of the terms provided by the Arabs, on the other, would determine the outcome.

6. A UN embargo against the Arab states alone would permit the Jews to obtain sufficient military supplies to take the offensive and force Arab acceptance of a Jewish state and the withdrawal of Arab armed forces from Palestine. Under such circumstances, the Arab states would probably see no significant loss involved in leaving the UN and severing relations with the nations responsible for the embargo. They might also be willing to risk the economic dislocation entailed in cancellation of economic concessions; these concessions might eventually be reassigned to more friendly powers. Political upheavals would probably ensue in the Arab states, facilitating Soviet exploitation.

7. If the UN takes no positive action following the end of the truce, military developments will in large measure depend on the great powers. If the present US and UK embargoes are maintained, fighting would continue on a greater scale but neither side would obtain decisive victory. The UK would probably attempt to redress the balance if Soviet aid or other factors appeared to make Jewish success

³ Dated July 27, p. 1240.

imminent. The Zionists would then increase the pressure on the US to end its embargo. If the US did so, the Palestine battle would become bloodier, and US-UK relations would be further strained. A cessation of British aid to the Arabs at this point, in order to avoid a break with the US, would result in significant Soviet military aid to the Arabs, accompanied by intensified efforts to extend Soviet influence into the Arab countries.

PROBABLE EFFECTS ON ISRAEL AND THE ARAB STATES OF A UN ARMS EMBARGO

1. *Current Situation.*

When the United Nations Palestine truce became effective on 11 June, the fighting between the Arabs and the Jews was tending toward a stalemate, in which both sides were experiencing difficulties in marshalling effective military strength. Nevertheless, neither Israel nor the Arab League bloc was willing to retreat publicly from its basic position. The Zionists insisted on the maintenance of a fully independent state within the territories allocated them under the UN partition plan. The Arabs, although they showed some signs of willingness to compromise, were committed to opposing both sovereignty for Israel and unlimited Jewish immigration into it.

At present under the truce, Arab regular and irregular forces within Palestine or near its borders total approximately 50,000, about 25,000 of whom have been actually committed inside Palestine. The strength of the Israeli forces totals some 90,000. About 35,000 of the Israeli troops have been used for active operations, half of this figure being employed as a striking force, and half for local, mobile defense.

The Arabs have approximately 250 light aircraft and transports, while Israel possesses an estimated 45 light aircraft, an unknown number of transports, and possibly several heavy bombers. The sea power of both Arabs and Jews is relatively slight. The Arab Armies have a wide variety of small arms and are stronger than Israel in artillery and tanks. However, their stocks of ammunition and replacement matériel are limited, and the Arab states have insufficient facilities and raw materials for the production of armament. Present Israeli stocks of small arms are adequate to arm all combatant members of the Israel forces. Israel's industrial capacity is restricted by the shortage of raw materials but is believed capable of keeping present weapons and equipment in condition and of supplying replacements and ammunition for guerrilla warfare.

The arms and equipment of neither Jews nor Arabs are sufficient for prolonged, full-scale hostilities, and both sides are involved in negotiations for obtaining matériel from various outside sources. The Jews have managed in various ways surreptitiously to acquire large amounts of arms and equipment from British Army stocks in Pales-

tine. The efforts of Zionist agents abroad have resulted in the stockpiling of quantities of small arms, automatic weapons, and ammunition in various eastern European countries for eventual shipment to Palestine. Most of these stocks come from Czechoslovakia, Yugoslavia, and possibly from Poland and the USSR. Jewish acquisitions from the US consist mainly of machinery, motor vehicles, and air transport. The Israeli forces are much more concerned with obtaining such heavier equipment than in acquiring small arms.

The Arab states look to the UK (subject to its UN commitments) as their principal source of arms supply and will continue to do so. However, such alternate sources as France, Belgium, Switzerland, Sweden, and Czechoslovakia are now being explored, and Spain and Argentina are also possibilities. It is expected, however, that financial limitations will prevent large purchases from these sources.

There is no evidence that either Arabs or Jews have smuggled any substantial supplies of arms into Palestine since the truce went into effect.

2. Implications of a UN Arms Embargo Against Jews and Arabs.

If the efforts of the UN Mediator fail and hostilities are resumed, it is possible that the UN will impose an arms embargo on Israel and the Arab states. If effectively enforced, such a step would: (1) deny arms to both sides, and thus keep the war on a small scale and of a more or less local nature; (2) make it difficult for the belligerents to negotiate blackmarket arms purchases and even more difficult to effect delivery; and (3) probably create a military stalemate leading eventually to a political compromise between the Jews and Arabs.

If the Provisional Government of Israel (PGI) is unable to obtain the heavy equipment which it needs to conduct a successful campaign against the Arab states, it will be forced to reappraise its position in the light of these changed conditions. Policy hitherto has been based on the assumption that the Zionist organization throughout the world, and particularly in the US, would be successful in enlisting sufficient great-power support to assure the establishment and continued existence of the Jewish state. Faced with the realization that their present military resources would not be sufficient to force a solution to the Palestine problem in accordance with the terms of the General Assembly partition plan, it seems inevitable that the more moderate Jewish elements would be obliged to consider some retreat from their present attitude.

While Arab outside sources of supply would also be cut off, this loss would be compensated for by the shutting off of Jewish supplies. Thus a stalemate would ensue. The Jewish forces, though incapable of waging offensive war, could probably maintain their present positions along the coast and possibly in Galilee. Under these circumstances,

both the PGI and the Arab states, or at least Transjordan, might be willing to accept a Jewish state exclusive of the Negeb (assigned by the UN plan to the Jews but now cut off by Arab forces).

No such willingness to consider compromise could be expected from the Jewish extremists. Both the Stern Gang and the Irgun Zvai Leumi have already rejected the authority of the PGI, and they have been working with the government only for reasons of expediency. Both groups would reaffirm their claim to all of Palestine and Transjordan, disassociate themselves from the decisions of the PGI, and resume their terrorist activities. This schism would further weaken the Jewish political position, and produce increased dissension in Jewish ranks. Attempts by the Irgun to import arms during the truce have already resulted in a bloody engagement with the Israeli Army.

Before seeking a compromise with the Arabs, the Jews would make every effort to bring about modifications in the embargo. To this end, they would probably be willing to undertake a political alignment with any country which evinced a disposition to consider their pleas.

Even if the embargo were inadequately enforced, a military stalemate would probably eventuate. Jewish facilities for obtaining illicit arms would be greater than those of the Arabs, although the Arabs could probably obtain sufficient quantities to prevent an Arab defeat but not to permit a decisive victory. The Jews could consolidate the areas of Palestine which they now hold and perhaps also force the Arabs to relinquish the Negeb.

An active, well financed Zionist organization throughout Europe and the US would be able to run arms ships as formerly it ran ships of illegal immigrants. Principal sources for small arms, automatic and semiautomatic weapons, ammunition, explosives, mortars, and light artillery would continue to be Czechoslovakia and Yugoslavia, with delivery accomplished by transshipment through Albania, Bulgaria, and Italy. This arrangement would entail minimum jeopardy to the UN status of the countries of origin. Any air or ground transport, self-propelled units, or heavy ordnance supplied by these countries would probably be of German or US manufacture, thereby making determination of the immediate source more difficult.

The British apparently favor the development of a military stalemate, which would force a compromise solution. For this reason, it is likely that British arms in sufficient quantity to bring about such a situation and to prevent an Arab defeat would find their way into Arab hands. Czechoslovakia would accept arms-purchase contracts on a dollar basis, and private sources in Italy could furnish arms on the same basis. The dollar shortage of the Arab states, however, would limit the quantities thus procured to a very small percentage of what the Jewish forces could obtain.

The US would probably be deeply involved in the illicit Jewish

arms traffic. Financial support would certainly stem mainly from this country, and a considerable portion of the actual war matériel would likely originate here. Consequently, violent anti-US reaction could be expected throughout the Arab world in the wake of any Jewish military successes. There is also the probability that under such circumstances similar resentment would be directed against the UN and against those nations voting for the embargo. Meanwhile, the USSR could be expected to exploit the inadequacies of the embargo in order to play both ends against the middle.

3. *Implications of a UN Arms Embargo Against One Belligerent.*

a. *Against the Jews.*

An effective UN arms embargo against the Jews alone would obviously mean military victory for the Arab forces. In a relatively short time the Arabs would be in a position to establish some form of unitary state in Palestine, wherein the present Arab majority would be able to control the Jewish minority. US prestige in the Middle East would be improved since Arab leaders would probably credit the US with having permitted this pro-Arab measure.

The repercussions in Israel of an embargo against the Jews would be violent. The Jews would look on the embargo as a betrayal by the West, and the Stern Gang and other pro-Soviet elements would gain in influence and would attempt to wrest control from the pro-West or moderate elements. To circumvent the schemes of the extremists, the moderate elements might try to bargain with the Arab leaders in the hope of finding a *modus vivendi* for the Jews under some form of confederation. Deciding factors in the extremist-moderate struggle for power would be the amount of support given by the USSR to the extremists and the nature of the political terms the Arabs would be willing to grant the moderates.

b. *Against the Arabs.*

An effective UN arms embargo against the Arabs alone would mean military victory for the Jews. While the Arabs would be denied outside help, the Jews would be able to buy arms in various parts of the world, and to effect relatively easy delivery. They could thus assume the offensive and force Arab acceptance of a Jewish state. Other nations could be expected to grant diplomatic recognition, which would add to the prestige of Israel and its government and help to ease current economic difficulties.

The Arab states would, of course, look upon such an embargo as a hostile act intended to defeat their claims in Palestine and to guarantee Israel's independence. Arab leaders have already declared that, if increasing aid is given the Jews by other powers, the Arab states will

leave the UN, break off diplomatic relations with those nations most directly concerned, and cancel the concessions held by the same powers in Arab countries. These concessions might eventually be transferred to more friendly powers.

In terms of self-interest, the Arab states would lose little by severing diplomatic relations with the SC members responsible for the embargo or even by withdrawing from the UN. The imposition of economic sanctions by the Arab states on the powers which had voted for the embargo would cause serious dislocations in the Arab countries and would delay development programs indefinitely. Nonetheless, the Arabs might well be willing to sacrifice economic benefits in order to punish the offending nations. Sanctions would likely include the cancellation of oil and air concessions or the sequestration of foreign installations. Moreover, the Arab masses would probably turn against their own governments, holding them responsible for the defeat. The violence and unrest accompanying these political upheavals would create the chaotic conditions most favorable to Soviet exploitation.

4. Implications of UN Failure To Take Positive Action.

In the event that the UN truce expires with the UN having taken no positive action, the development of the military situation in Palestine will depend largely on the policies pursued by the US and UK regarding arms shipments to the Middle East. If the US and the UK should maintain embargoes, the Jews could obtain more arms and equipment from other sources than the Arabs. This advantage, however, would not be immediately decisive; fighting would continue on a greater scale but would not bring outright victory to either side.

The USSR probably would not support either side exclusively. If it should attempt to increase its influence in Israel by making large shipments of matériel to the Jews, or if for any reason a Jewish victory appeared imminent, the UK would almost certainly seek to redress the balance by resuming arms shipments to the Arabs. Thus the military deadlock would hold.

The UK's action would cause the Zionists to increase their pressure on the US to lift its embargo. If their efforts were successful, the result would be an increasingly bloody struggle in Palestine for an indefinite period of time, coupled with a catastrophic deterioration in already strained US-UK relations. Should the UK subsequently stop its shipment of arms to the Arab states in order to avoid a complete break with the US, the Arabs would be in a desperate situation. At this stage, the USSR would almost certainly give support to the Arab Armies considerably beyond the small amount of matériel aid already reaching them through the Soviet satellites and would take advantage of the isolation of the Arab world from the West to extend its control into the Arab countries.

[Here follow Appendix A, "Present Military Situation"; Appendix B, "Israeli Arms Supply"; Appendix C, "Arab Arms Supply"; Appendix D, "Aircraft and Air Defense Supply"; and Appendix E, "Naval Strength and Supply."]

501.BB Palestine/8-1348

*Memorandum by the Deputy United States Representative on the Security Council (Jessup) to Mr. John C. Ross*¹

CONFIDENTIAL

[NEW YORK,] August 5, 1948.

In No. 36 from Tel Aviv of August 2, and No. 1148 from Jerusalem of August 2,² there is a repetition of a theme which I have noted in previous telegrams. The theme is the Israeli argument that the Christian nations have shown that they are not interested in Jerusalem and that this justifies the Jews in taking a different attitude toward the City. It seems to me we should not allow this to pass unchallenged. The United States and France, particularly, have over and over again publicly reiterated their interest in Jerusalem and we have privately encouraged other approaches representative of the Christian churches. I am not sure of the best way to handle it, but would like to see either a formal note to the Israeli Government, or some joint approach with the French. I think it ought to be done in such a way as to give some publicity to the action. If such a step is not approved, then I think James G. McDonald should be asked to make a strong statement in Tel Aviv on the subject.

¹This memorandum and the one *infra* were transmitted to Mr. Rusk by Mr. Ross in a memorandum of August 13, not printed.

²Neither printed; the former noted that at a press conference on August 2, Mr. Shertok had stated that "Israel originally impressed by emphatic expression Christian world that Jerusalem be internationalized but when Mediator proposed turning over Jerusalem to Arab rule not one Christian nation raised slightest objection." (867N.01/8-248)

501.BB Palestine/8-1348

Memorandum by the Deputy United States Representative on the Security Council (Jessup) to Mr. John C. Ross

CONFIDENTIAL

[NEW YORK,] August 5, 1948.

No. 1153 from Jerusalem of August 3¹ contains the Ben Gurion proclamation establishing military rule in Jerusalem. Paragraph 3 says that "The residents of the occupied area are hereby required . . . to assist the Israeli Defense Army as directed". This in its terms goes

¹Not printed; regarding the proclamation, see telegram 37, August 3, from Tel Aviv, p. 1273.

beyond the powers of a military occupant. If they should attempt to exact improper assistance from American citizens, I think we would need to protest. On general principles, I think it might be useful to call their attention to the item and to express our conviction that the powers of the occupant would be used only in accordance with international law. My own view on the legal point would of course have to be checked by Le if anything were to be done. Such a statement as I suggest would of course be an acknowledgement on our part of the propriety of their military occupation, but I think that is unobjectionable.

501.BB Palestine/8-648: Telegram

The Consul General at Jerusalem (Macdonald) to the Secretary of State

SECRET

JERUSALEM, August 6, 1948—noon.

1166. I saw Mediator yesterday afternoon at Tel Aviv following his conference with Foreign Minister (see mytel 1158, August 4¹) re demilitarization Jerusalem. Foreign Minister refused accept in principle demilitarization Jerusalem but informed Bernadotte PGI would not be adverse to entering into discussion of ways and means to improve general situation in Jerusalem during which talks question of demilitarization might be raised. Therefore Mediator instructed Truce Commission and his representatives to initiate talks with Military Governor Jerusalem soonest and report to him on his arrival here August 9.

Bernadotte is very dissatisfied with Foreign Minister's attitude but is determined to continue pressing for demilitarization Jerusalem. It seems Foreign Minister is using delaying tactics pending such time as PGI feels it has built up sufficient reasons to officially refuse to consider demilitarization and demand Jerusalem be included in Jewish state.²

Contents Deptel 793, August 3 communicated Mediator to which he voiced considerable disappointment and displeasure. He requested me to point out once more the utter impossibility and inadvisability to

¹ Not printed; but see footnote 2, p. 1277.

² Apparently, the question of possible peace negotiations between Israel and the Arab States was also discussed at the meeting of August 5. Mr. Shertok, the following day, addressed a note to Count Bernadotte in which he requested the latter "to transmit to the Governments of the Arab States now at war with Israel our offer that their representatives should meet the representatives of the Provisional Government for the purpose of peace negotiations." (SC, 3rd yr., Supplement for August 1948, p. 144) The Mediator transmitted the note to the Governments of the Arab States the same day and announced his readiness to transmit their replies (*ibid.*). The Egyptian Government, in a communication to Count Bernadotte, refused to enter peace negotiations with Israel. A copy of the communication was transmitted by Tel Aviv in despatch No. 42, August 22 (501.BB Palestine/8-2248).

even attempt recruiting an Arab and Jewish force for policing Jerusalem. Bernadotte is absolutely correct and unless an international force or some token military force under UN command is sent immediately it will be impossible demilitarize Jerusalem and question of internationalization will be dead issue. Situation is deteriorating daily and Jews are gaining confidence and building up stronger case for claiming Jerusalem as part Israel.

MACDONALD

501.BB Palestine/8-648: Telegram

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

TOP SECRET

US URGENT

NEW YORK, August 6, 1948—5:23 p. m.

1000. The views concerning the future settlement of the Palestine question, as set forth in London's 3484, dated August 2, correspond broadly with discussions we had with Beeley before his return to London at the end of the special session, and recommendations set forth in USUN's 831, June 29 [30], and 837, July 1, and subsequent telegrams.

Although in general agreement with British views, we have following preliminary comments on specific points of detail:

1. Referring to paragraph 5 of London's 3484, we think it is essential that the British stop toying with the idea that Jerusalem might be placed under Arab sovereignty. It seems inescapably clear to us that the PGI would never agree to this, nor would it be possible for us to justify it to American public opinion generally. Maintenance of prior position favoring some international status seems desirable.

2. With reference to the territorial matters referred to in the same paragraph, please see paragraphs 7 and 8 of USUN's 831. It is our impression that the Jewish position with regard to the transfer of the Negev to the Arabs has become much more rigid during the past several weeks than it was previously. We therefore feel confirmed in our opinion that if the PGI can be persuaded to consider any territorial transfers, they would expect not only all of western Galilee in return for the Negev, but probably also additional territories included within the Arab portion of Palestine under the November 29 resolution. Compare paragraph 4 below.

3. For our views on the status of Haifa, please see paragraph 9 of our 831. As indicated there, we feel that Haifa should continue to be considered as a Jewish city in the State of Israel, but arrangements might be made for a free port, and arrangements for the operation of the refineries. We are certain that the PGI would not accept the internationalization of Haifa.

4. In paragraph 8(c) of our 831, we suggested that Jaffa should be considered as included in the Jewish state. If we were, however, to concede this to the PGI, we should bear in mind that its bargaining value in terms of concessions from the PGI would be very substantial.

5. In considering the territorial question generally, the British "line-

of-force" frontier appeals to us. We might contemplate a provisional settlement in the nature of an armistice based on the line-of-force frontiers, with provision for a boundary commission to assist parties in working out the details of the territorial settlement, subject, however, to some basic decisions on main problems such as those discussed in paragraphs 2 and 3 above.

6. We agree with the British view that some form of international guarantee of frontiers would be desirable. Our views on this question were set forth in paragraphs 10 and 11 of our 831. The British view that frontiers could only be changed by the UN and that any attempt to do so otherwise would be a breach of the peace seems to us unduly rigid. Presumably, any future change in the frontier brought about by peaceful means, that is, by agreement between the parties, should not require action by the UN. It might be provided that any attempt to alter the frontier, once determined, by other than peaceful means, would be considered a threat to or breach of the peace and a cause for action under chapter 7 of the charter.

7. Referring to paragraph 6 of London's 3484, in the light of the SC debates in February and March on the question of enforcing the settlement envisaged in the November 29 resolution, it seems unrealistic to imagine that any future settlement could be enforced. We suggest that the Department will wish to review carefully our position with regard to the enforcement by the SC of a political decision in the light of the statements made in the council by the US representative under instructions from the Department.

8. Referring to paragraph 7 of London's telegram, it is our hope that it will be possible to avoid a situation wherein the Mediator again makes proposals which are considered very unrealistic by both sides and rejected by them. This can be avoided, it seems to us, only by the development of a concerted US-UK position which would then be communicated to the Mediator and supported by our two governments with the principal parties.

9. We are inclined to agree that we are most likely to get acquiescence rather than clear agreement from the parties. It seems clear to us that Abdullah, on the Arab side, is prepared to acquiesce, if not actually to agree, in reasonable proposals. The major stumbling block, however, as we see it, consists of the extremists within the Arab League, principally Syria, Iraq, Azzam Pasha, and, on the outskirts, the Mufti. If, because of these extremists, we cannot even secure acquiescence by the Arab League in reasonable proposals, it would be interesting to know the British view as to the possibilities of agreement or acquiescence by Abdullah alone, supported by the combined diplomatic pressure of both the US and the UK.

10. The parenthetical reference in paragraph 7 of London's telegram to the possibility of the Mediator's reporting either to the GA or the SC reflected, it seems to us, a persistent error in British thinking. It is our view that any report by the Mediator should be made to the GA, which created his position and set forth his functions with regard to the future settlement, rather than to the SC, which should be concerned not with the future settlement, but with the maintenance of peace and security in Palestine. As we have pointed out before, the Russians take advantage of any opportunity to disparage in the SC the Mediator's function with regard to the future settlement as they were laid down not by the SC but by the GA. Moreover, we do not

want to run any risk of impairing the chances of a future settlement by Russian support in the Council of an intransigent PGI position involving the possibility of a Russian veto. The same argument applies, although perhaps in lesser degree, to the British support of an intransigent Arab position.

11. Referring to paragraphs 8 and 9 of London's telegram a positive resolution covering a definitive settlement would obviously, we feel, be preferable. Although we think the arguments in favor of a positive resolution, as set forth in paragraph 9, possibly reflect a certain amount of wishful thinking, we would urge strongly that every effort be made to achieve a definitive solution which could be acted upon by the GA this fall. Parenthetically, we feel that the negotiations involved should be conducted as quietly as possible with a minimum of publicity in order to avoid the risks and delays envisaged in a propaganda battle between the Jews and Arabs, with the mediator caught in the middle.

As a matter of calculated risk, we are not at all sure that the disadvantage of a positive resolution feared by the British is justified. It is our impression, from the various reports we have received, that the Arabs would welcome being "coerced" into acceptance of a resolution that would involve at least implicit recognition of the existence of a Jewish state.

On the whole, it is our view that there is a great deal to be gained, and very little if anything to be lost, by making a vigorous effort to arrive at a definitive solution in time for the GA this fall. If this effort should not develop successfully, we could still fall back on the idea of a provisional resolution, which might be developed in consultation with the British along the lines of London's 3485.¹

Such a provisional resolution may be the minimum necessary to encourage the Mediator to continue with his task. On the other hand, both we and the British should bear constantly in mind that the situation in Palestine and the status of negotiations for a peaceful settlement may be such as to warrant keeping the question of Palestine out of the GA altogether.

12. We agree strongly with the views set forth in paragraph 10 of London's 3484. Bernadotte has himself given us an opening to express our views by his instructions to Bunche to discuss the future settlement with US, the British, and the French.

13. Referring to paragraph 11 of London's telegram, we feel in strongest terms that it would be a great mistake for the British to bring question of the future settlement up in the GA, if for any reason, including "special difficulties", referred to in paragraph 11, the USG cannot join with the UK in advocacy of a particular program. If there are any reasons which would prevent our joining with the British, it would be precisely those reasons which in all probability would cause us to oppose the British line, thus leading to a resumption of hard feelings between our two governments and impairment of the prospects of future settlement.

On the other hand, we do not think we should assume that there are any special difficulties which should prevent our getting together with

¹ Dated August 2, not printed; it outlined the tentative views of the British Foreign Office regarding the nature of a resolution which might be introduced into the General Assembly in September (501.BB Palestine/8-248).

the British on a joint program in the Assembly, if on the merits of the case such action should seem desirable. To be quite frank about it, both of our political parties are irrevocably committed to support of the PGI; there is not likely, therefore, to be any substantial change in our position with regard to the peaceful settlement in Palestine; we have an excellent opportunity to consult leaders of both our parties and the future would therefore be no better time than the present to work out with the British a joint policy if the circumstances in Palestine warrant.

14. London's 3484, in particular paragraph 12, reveals what we feel is another persistent error in British thinking about Palestine. This is the idea that the British are the advocates for the Arabs, although prepared if necessary to "cold-shoulder" them, while the US is the advocate for the Jews. The objective facts are, as we see them, that the US has just as much interest as the UK in the development and maintenance of good relations with the Arabs, while the UK, on the other hand, has just as much interest as the US in the development and maintenance of good relations with Israel, both considered in terms of our mutual political, economic and strategic interests in the Middle East.

We should not continue thinking, therefore, that it is the task of the UK alone to bring about Arab acquiescence (paragraph 13) any more than we should think that it is the task of the US to bring about Israel acquiescence in the future settlement. As we see it, both we and the UK have a joint and equal task in bringing about the acquiescence of both Arabs and Jews.

The first step in this direction, we venture to recommend most strongly, would be to work out with the UK at the earliest possible moment the coordinated recognition by the US of Transjordan, and by the UK of Israel.

JESSUP

761.00/8-648: Telegram

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

TOP SECRET

LONDON, August 6, 1948—7 p. m.

3567. 1. Bevin asked me to call late yesterday and spent one and half hours expounding deep concern of British Cabinet re security situation in the Middle East in general and Palestine in particular (Embassy's 3545, August 5¹).

2. Bevin opened by saying that if we get out of our Berlin difficulties it will be because the USSR finds Western Europe too hard to tackle at this time. Past performance has shown that USSR when thwarted at one point soon transfers its attentions to another. Middle East is normally a "soft spot" from point of view of its social, economic and ethnic difficulties. Such groups as Kurds offer ready targets for Soviet activities. To this pattern has been added Palestine conflict which threatens joint US-UK strategic objectives in Middle East and

¹ Not printed.

in which there is clear evidence that USSR is displaying keen interest. Evidence of last is supply of arms to Israel through Czechoslovakia, activities of Stern gang, and Menahem Beigin's² speech August 3 in Zion square Jerusalem, during which Beigin said that fighting underground will resist any international regime that attempts to wrest Jerusalem from Jewish control. Whatever political orientation may be, it would be naive to suppose USSR would refuse to take advantage of a personality such as Beigin and of the apparent determination on the part of Jews generally not to let truce work.

3. Likely pattern for Soviets according to Bevin, would be to foster resumption fighting in Palestine. This would result in drawing more Iraqi troops into conflict there and thus create auspicious moment for USSR to arouse Kurds in Iraq and to increase activities Soviet agents in northern Iran. These steps might or might not be followed up by Soviet military action. But even without firing a shot Bevin thinks there is good chance that by such carefully timed activities USSR could achieve what US and UK least desire—chaos in Iraq and Iran.

4. British Intelligence reports made available to us indicate that Jews already have an appreciable airforce, are far better armed than the Arabs and British military estimate from this and cumulative effect of aggressive Jewish declarations that it is not unlikely that "within the next few days" Jews on grounds of some Arab provocation, real or manufactured, will reopen their offensive with the objective of seizing more territory. Jewish offensive at this time stands every chance of success because arms embargo has prevented Arab Legion from replenishing its munitions. Bevin thinks it likely Jews may be so ill-advised as to attack Transjordan. If so, Bevin said, Britain's treaty obligation to Transjordan is unequivocal and would have to be honored.

5. Bevin said that Palestine situation is just as serious as Berlin and that in Palestine also "if US and UK go slack, we lose".

6. First of measure which Bevin believes desirable is agreement with US on road ahead in Palestine. He hoped fervently that USG would agree to British proposals set forth in my 3484, August 2. He feels situation has deteriorated rapidly even in past week and he now hopes Mediator will make his final proposals in very near future. He still believes Mediator should know views of US and UK before publishing his proposals. (I told Bevin that I understood Department is formulating reply to my 3484³ on an urgent basis.)

7. Bevin said there were other urgent steps which he felt should be taken. One might be strong warning to PGI by USG with regard to effect on world public opinion of Jewish impediments placed in way of Mediator's work: Effect of outright Jewish aggression would be even more grave. He thought that United States Government might

² Leader of the Irgun Zvai Leumi.

³ Dated August 2, p. 1266.

wish to request Mediator for an appreciation of present Jewish intentions. He thought that in larger picture there is very little reality in disavowals by PGI of IZL and Stern activities. From point of view of Arabs and ME peace they were Jews with same objectives, only difference being that one group is more activist than the other.

8. Bevin said he wished me to put to Department in accord with our understanding that US and UK will consult each other, the pressing problem of measures for the defense of British RAF installations in both Iraq and Transjordan. Jews have already bombed Amman and British military feel that if fighting is resumed British installations in Transjordan will be liable to attack. This danger also exists in Iraq but in this instance attacks are more likely to take form of 1941 troubles⁴: Following defeats suffered by Iraqi Army in Palestine, for which UK is certain to be assigned blame, the Iraqis will attack RAF. British installations must be ready for use in event Soviet move from north. Bevin said that up to present these installations have been armed and equipped on a "training" as opposed to an "operational" basis. British Chiefs of Staff feel strongly there is urgent need to bring in ammunition and equipment for storage in these installations. His Majesty's Government has no intention to transfer these stores to Arabs for use in Palestine unless Transjordan territory is threatened with attack and to obviate charges of this kind His Majesty's Government would welcome observation by Mediator. At all times munitions would be guarded by regular British RAF units. Bevin would like it clearly understood, however, that in event Transjordan is threatened with attack His Majesty's Government must be free to release to Arab Legion, which is responsible for guarding British installations, munitions and stores from these dumps to repel aggression. In Iraq Bevin would wish to be free to make stores available to Iraqi units only in event of their being engaged in suppressing internal disorders. Here again stores could be subject to Mediator's supervision. If, as Bevin strongly hopes, United States Government will agree that providing for defense of British installations in Transjordan and Iraq is reasonable in the light of possible Soviet moves in the area, Bevin has in mind informing Mediator of British intention to move in munitions for defense of British installations under Mediator's supervision.

9. Last mentioned, but in view of His Majesty's Government most serious of all problems facing US and UK in ME is, according to Bevin, situation in Jerusalem (Embassy's 3527, August 5 [4]⁵). Bevin

⁴ For documentation on the anti-British coup in Iraq in 1941, see *Foreign Relations*, 1941, vol. III, pp. 486 ff.

⁵ Not printed; it gave the view of Mr. Burrows, then acting for Mr. Wright in charge of Palestinian affairs for the British Foreign Office, that the situation was if anything possibly more dangerous than that described in Jerusalem's telegrams 1146 and 1147, August 1, pp. 1264 and 1265 (501.BB Palestine/8-448).

said His Majesty's Government favors strongly demilitarization and internationalization of Jerusalem. Judging from recent Israeli statements Jews seem determined that neither shall take place and Jewish purpose is strengthened by failure of Mediator to receive French, Belgian and US guards for which he has asked so urgently. I need not go into Bevin's description of situation in Jerusalem since it is identical in substance with that of Consul General Macdonald as repeated to me in Department's 3055, August 3⁶ and in his 1157, August 4 to Department. Bevin said he understood United States Government is unwilling to supply men for Bernadotte's guards even though US attitude in this regard probably would be decisive in formulation of Belgian and French attitudes. He asked what United States Government now proposes in the circumstances, since all evidence indicates that earlier US proposals re cooperation of well-disciplined units of Arabs and Jews is impracticable.

10. I spoke along lines Department's 3049 and 3055, August 3. Bevin expressed view that supplying guards to Bernadotte would not require special SC action but would be "cooperation with the Mediator," as indicated in paragraph 5, July 15 SC resolution and instruction to Truce Commission in immediately following paragraph. He did not deal with Department's other points, but said simply, "well, what can we do now?"

11. I promised to put his thinking (and I have never seen him in a more solemn—not petulant—mood) to the Department and to seek its views re foregoing on an urgent basis.

12. Re Bernadotte's guards, whose presence as UN instrument seems likely to be restraining influence on both sides, it occurs to me that Department should consider proposing that if French and Belgian Governments will supply contingents for guard duties United States Government will undertake to transport men from France and Belgium to Palestine, and to supply vehicles, communications equipment, medical facilities, maintenance men, et cetera, in Palestine. On this basis there would be handful of non-combatant US uniformed personnel in guarded area as token force which would give proof of US cooperation with Mediator without risking possibility US personnel would shoot either Jews or Arabs and with reduced likelihood of our men being targets. If internationalization and demilitarization of Jerusalem is really at stake, as I understand it is, it seems to me that we might consider seriously something approximating the suggestion which I have just outlined.

DOUGLAS

⁶ This was a repeat of No. 793 to Jerusalem, p. 1275.

501.BB Palestine/8-748: Telegram

The Chargé in Egypt (Patterson) to the Secretary of State

SECRET

CAIRO, August 7, 1948—11 a. m.

1103-A. (1) Count Bernadotte in reviewing recent developments his mission Palestine with Ireland at Alexandria said he was making progress in obtaining acquiescence existence Israeli state if not its formal acceptance by Arab states. His talks with Transjordan and Lebanese Prime Ministers indicated Transjordan and Lebanon would so acquiesce. Both sought speedy decision. Azzam Pasha also apparently convinced necessity to admit existence Jewish state although not ready to make statement now since he believed time should be given for preparation public opinion. Bernadotte had pointed out to Azzam Pasha that decision could not be delayed beyond next meeting GA in September. Bernadotte expected to see Prime Minister Nokrashy Pasha for his views this problem and that of refugees. He had not seen Prime Ministers Syria or Iraq but expected them to be more intransigent.

(2) With reference refugees Bernadotte said condition 300,000 to 400,000 Arab refugees without food, clothing and shelter was appalling. He hoped various welfare organizations could be induced take interest but basic problem was their eventual return to their home. In this connection Bernadotte said PGI was "showing signs of swelled-head". Shertok to whom he had put this most pressing and urgent problem had indicated politically PGI could not admit Arab refugees as they would constitute fifth column. Economically PGI had no room for Arabs since their space was needed for Jewish immigrants. Shertok when pressed had replied nothing could be done until peace was made. In any event government reserved right to replace them with Jews from Arab countries who had expressed desire to come to Palestine. Bernadotte commented that it seemed anomaly for Jews to base demand for Jewish state on need to find home Jewish refugees and that they should demand migration to Palestine of Jewish DP's when they refused to recognize problem of Arab refugees which they had created.

In regard to property Arab refugees he said apparently most had been seized for use by Jews. He had seen Haganah organizing and supervising removal contents Arab houses in Ramle which he understood was being distributed among newly arrived Jewish immigrants. He was putting problem before SC¹ but was not counting on its assistance. Also spoke of asking for special session GA to consider refugees.

¹ For Count Bernadotte's cablegram of August 1 to Secretary-General Lie concerning Arab refugees, see SC, 3rd yr., Supplement for August 1948, p. 103.

(3) Concerning future peace Palestine he would put forward no further proposals but would engage in informal talks. In addition to necessity acknowledging existence Jewish state three possibilities lay before Arabs (1) resumption of war, (2) creation of Arab state as proposed in November 29 SC resolution, (3) partition of Arab Palestine among Arab states. Apparently he leaned towards last solution as enabling Arab states to publicize definite benefits to their people.

He was also working for consolidation Israeli territory although PGI was proving completely intractable. It demanded retention of all Galilee by right of conquest, corridor from Jerusalem to Tel Aviv, and the return of Negeb as an area promised Israel in partition scheme. He commented that role of peacemaker for Palestine was decidedly no easy one.

(4) Bernadotte indicated great concern for immediate future Jerusalem. Was convinced action was brewing there. He had called attention to [of] Bernard Joseph, Military Governor Jerusalem to alleged statement by Shertok that Jews now had right to fight Egyptians everywhere since they had attacked Jews in Negeb. He had informed Joseph this was contrary to fact and he hoped Shertok would withdraw statement. Joseph said he could not agree with Bernadotte's views. Bernadotte said he would raise question with Shertok when he saw him August 5.

(5) He expressed concern that UN was not giving him tools required for task including adequate observers and guards. He had dispatched Bunche to America and hoped efforts there would bear fruit.

Bernadotte leaving August 5, for Haifa and thence to Rhodes.

Memo of conversation by pouch to London and Arab capitals.

PATTERSON

501.BB Palestine/8-748: Telegram

The Consul General at Jerusalem (Macdonald) to the Secretary of State

SECRET

JERUSALEM, August 7, 1948—2 p. m.

1173. As suggested by Mediator Truce Commission and Commander Arab Legion, Jerusalem held preliminary discussions yesterday re demilitarization Jerusalem. Commander presented Truce Commission with following notes on demilitarization which are considered very fair and basis for further talks with view of accomplishing demilitarization as provided for in SC resolution of July 15.¹

¹The Department, on August 14, agreed that the suggestions of the Commander of the Arab Legion at Jerusalem for demilitarization of that city were fair and reasonable. It also noted the "increasing tendency of Israelis to take a stiffer line regarding Jerusalem in particular and eventual terms of settlement in general." (Telegram 3237 to London, 501.BB Palestine/8-948)

"Notes on demilitarization Jerusalem.

"1. The settlement aimed at under the demilitarization is temporary without prejudice to the final settlement of the future of Jerusalem which must depend upon the final settlement of the Palestine question as a whole.

"2. The boundaries of the demilitarization area of Jerusalem for [omission] reasons and in order to include important Holy places in the area must include an area larger than the municipal or the town planning areas. The area must be something like: Shaafat in the north—Issawieh, Bethany, Bethlehem, Beit, Jala, Lifta, Shaafat.

"3. It is understood that essential supplies (non-military) will at all times be allowed to the Jews under a mixed control comprising of United Nations, Arabs and Jews.

"4. Under demilitarization the Arabs will run their own areas, the Jews will run their own areas and United Nations will run common things like electric current supply, water supply, telephones and sewerage.

"5. Arab and Jewish police in equal numbers and equally armed with normal police weapons will police the two areas. The UN guards will keep the frontier between the two areas.

"6. Demilitarization must mean a return to normal, as far as possible a return to the *status quo ante*, as far as the area is concerned, i.e. the Arabs and Jews must be allowed to regain possession of their houses.

"7. For security reasons, however, pockets must be eliminated as far as possible and the frontier line must be drawn so as to correspond with the property position eliminating pockets and exchanging areas temporarily at least.

"8. The owners of non-Arab and non-Jewish buildings properties must opt as to the area to which they want to belong.

"9. Ex-Govt owned buildings to be kept temporarily by the UN.

"10. Return of looted moveable property or compensation for it specially in areas occupied without fighting in breach of the truce existing on May 14/15.

"11. Visits to Jewish Holy places to be allowed at fixed times and in fixed numbers under United Nations escort.

"12. A survey of Arab property in Jewish hands must be made as soon as possible, with a view to preventing its willful misuse by the Jews."

MACDONALD

867N.01/8-748: Telegram

The Consul General at Jerusalem (Macdonald) to the Secretary of State

CONFIDENTIAL URGENT

JERUSALEM, August 7, 1948—5 p. m.

1177. During past two days there has been increasing sniping and gunfire principally from Jewish side and according most reliable information available it has been initiated by Jews.

Yesterday afternoon when returning from Truce Commission meeting with Arab Commander in Old City my car was fired on several times by Jews while still in Arab territory and just before crossing

over to Jewish lines. Consulate's two jeeps driven by guards returning from Old City with food were fired on few minutes later in same place. Today about noon in same area Consulate General's official car driven by Burdett was hit and guard Przywitoski slightly injured.

Inasmuch as road on which firing took place is used only by Consular, Red Cross and UN personnel and other persons authorized to cross lines there is no excuse for either side firing on vehicles traveling over this route.

A strong note of protest has been sent to the Jewish Military Governor of Jerusalem calling attention to above. It is requested this information be brought to the attention of the SC pointing out Jewish deliberate violation of truce and failure to take adequate measures to protect lives of official personnel who are compelled to travel in performance of their duties.

MACDONALD

501.BB Palestine/8-948: Telegram

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

TOP SECRET

URGENT

NEW YORK, August 9, 1948—1:30 p. m.

1003. We are becoming more and more concerned by reports from our missions abroad based on radio intercepts, etc. (see for example Haifa's 293, July 31, Haifa's 298, August 5, London's 3561, August 6,¹ Jerusalem's 1177, August 7), indicating Israel becoming increasingly intransigent with regard to Jerusalem, Mediator, observers, the Truce Commission, fighting personnel and war material.

Heavily discounting probably prejudiced sources, there have been enough of these reports and from enough widely separated points to indicate at least some truth in what ordinarily might be put aside as rumor.

Basis for whatever truth there may be in these reports is probably a combination of (a) wholly natural and understandable desire of Israel to press present advantages as far as possible, and (b) pressure by the Irgun and other dissident elements in favor of extreme positions may be greater than we had imagined.

Appeasement of dissidents will not help Israel's cause but quite the contrary.

If reports of intransigence are not true, then prompt action by PGI to disavow these reports is essential in their own interest and in the interest of peace in Palestine.

If on the contrary reports have any substantial basis of truth, then

¹None printed.

in our judgment Israel may damage its own cause irreparably and the precarious peace in Palestine will be very difficult to maintain.

If the reports we are getting are true and if the PGI persists in the line indicated, we must envisage the possibility that Israel may be in the same position before the SC that the Arab states were in following the end of the first four week's truce. This would be very embarrassing to us in terms of (a) our relations with Israel, (b) our relations with the Arab states, (c) our relations with the UK, and (d) our position in the SC and in the UN.

In view of the seriousness of this problem and its implications we hesitate to take any action with PGI representatives here, however personal and informal, without instructions from the Department.

We feel, however, that some action is essential and we suggest that it be taken with Epstein in Washington along the following lines after prior clearance, we venture respectfully to suggest, with the White House:

(1) US is the best friend that Israel has or is likely to have for some time to come.

(2) As Israel's best friend we feel they should know we have received a considerable number of reports from widely varied sources indicating an intransigent attitude with regard to: (see points above).

(3) If these reports are not true than prompt action by the PGI seems essential not only to disavow these reports but also to demonstrate by wholehearted cooperation with the Mediator, the Truce Commission, and the observers that the attitude of the PGI is in fact cooperative and peace loving.

(4) If there were any substantial degree of truth in these reports we would as Israel's best friend be very much concerned from the viewpoint of (a) peace in Palestine and (b) Israel's own future.

(5) The risk to peace is obvious.

(6) With regard to Israel's own position the risks they run involve (a) a very thin margin of support for them in the SC (b) recognition by other states (c) membership in the UN.

(7) On the question of membership we have informed them we would support them. This position is based on their constructive, cooperative, peace-loving attitude in connection with extending the truce. If the reports we have been getting since then are true and the attitude reflected is persisted in, we could scarcely avoid having to reconsider our position. Even if we continued to support Israel for membership it is very doubtful whether they could under the circumstances command the necessary number of votes either in the SC or in the GA.

(8) We hope therefore that the PGI is in a position to disavow categorically as rumors reports as to their hostile, uncooperative and even intransigent attitude.

(9) We hope further that the PGI will continue by positive acts of cooperation with the Mediator, his observers, the Truce Commission, etc., to maintain its reputation for cooperative and fair dealing in all matters relating to the demilitarization of Jerusalem, the maintenance of the truce including the importation of war materials and

paragraphs 3 and 4 of the May 29 resolution concerning fighting personnel and men of military age, and the eventual settlement.

(10) We hope further that if dissident and extremist Jewish groups and individuals are responsible for any lack of cooperation that the PGI will deal firmly with them rather than yield to the temptations of expediency and appeasement.

Referring again to Haifa's 293, and to various cables from our Military Attaché Damascus and other sources concerning the shipment of war materials to Israel and in some cases to the Arab countries, we feel strongly that in order to avoid being in a very weak position both ethically and politically that information of this character should be made available to the Mediator.

JESSUP

867N.5151/8-1148

Memorandum by the Acting Secretary of State to President Truman

WASHINGTON, August 11, 1948.

Mr. Epstein, the Representative in Washington of the Provisional Government of Israel, is pressing for a decision on his Government's application for a loan of \$100 million, now pending before the Export-Import Bank, for economic development in connection with the resettlement of immigrants.

Although Israel will probably need substantial financial assistance if it is to maintain economic stability during a period of large-scale immigration, there are difficulties in the way of extending a loan at this time. The United Nations Mediator, Count Bernadotte, is now engaged in difficult and delicate negotiations, in which he is seeking the terms of a settlement which might be acceptable both to the Provisional Government of Israel and to the Arab Governments. The Government and people of Israel have a vital interest in the success of these negotiations. The immediate effect of a large United States loan to Israel both on the Arabs and on the Jews might be such as materially to prejudice Count Bernadotte's mediation efforts. In any event, it would be necessary to consult with Count Bernadotte beforehand in order to ensure that serious consequences would not follow for which this Government would be blamed.

Information from Palestine shows clearly that the present truce in Palestine is being subjected to great pressures by all parties concerned. Our principal concern is to find a basis of agreement before the truce itself breaks down. The Arabs are restive under the truce because they believe that the Jewish military position is being steadily strengthened despite the conditions of the truce, a belief which is given greater currency by the public statements of high officials of Israel itself. The Department of State believes that we must take into

account that the Arab Governments would undoubtedly charge that economic aid to Israel by the United States would materially upset the balance of military advantage in favor of Israel and would thus alter the basis of the existing truce which was ordered by the Security Council on July 15, 1948.

From the economic aspect, the Department is informed by Mr. Epstein that the basis for repayment of the \$100 million loan would largely be contributions from private sources to the Provisional Government of Israel, which in turn would make available these contributions for the service of the loan. The soundness of the loan must be assessed in connection with the fact that the State of Israel is, in effect, in a state of war and that a resumption of hostilities would render promises to pay almost meaningless. Accordingly, from the strictly banking aspect, the loan presents great difficulties to the Export-Import Bank.

The Export-Import Bank has had numerous discussions with the representatives of Israel, and Mr. Martin notified Mr. Epstein on July 26 that "... reports reaching me do not appear to warrant at this time active consideration by the Export-Import Bank of the credit application["]¹

Although the Department of State does not believe that a flat \$100 million loan should be made to the State of Israel at this time, it is suggested that Mr. Epstein be informed by us that the Export-Import Bank will be prepared to consider *specific projects* for which a loan might properly be granted and for which assurance of repayment and service could be provided on sound banking principles.

I thought it advisable to seek your approval of this recommended position since Mr. Epstein and Dr. Weizmann have previously discussed the loan application with you.

ROBERT A. LOVETT

¹ See footnote 1, p. 1261.

501.BB Palestine/8-1148: Telegram

*The Consul General at Jerusalem (Macdonald) to the
Secretary of State*

SECRET

JERUSALEM, August 11, 1948—1 p. m.

1187. At meeting yesterday morning Bernadotte informed military governor Jewish Jerusalem that Jews have been more aggressive in violating truce by sniping and small arms fire than Arabs. This is definitely correct re Jerusalem area although accusation denied vigorously by military governor.

Mediator asked military governor if he had any suggestions for safeguarding Jerusalem from possibility of future fighting to which

he replied that Arab Legion should withdraw to Transjordan but stated he realized this suggestion would not be accepted. Bernadotte then said he would issue an order prohibiting any return fire by either side for three days as soon as more observers arrive as an attempt to eliminate sniping. Joseph agreed to this proposal but refused to accede to a following suggestion made by General Riley, chief of American observers, that armed troops and guns be withdrawn from strategic place such as Notre Dame on Jewish side and from equally strategic place on Arab side as an initial effort to withdraw military forces from Jerusalem. Joseph based his refusal on grounds Arabs could not be trusted and any withdrawal of Jewish troops would leave that area open to Arab attack. He also said this was a military matter to which he could not commit the military commander. When asked to refer it to the military commander he said he doubted military commander would agree to consider or discuss this suggestion with UN observers because of its political implications. Political implications to which the military governor constantly refers is the question of an international Jerusalem. Mediator then specifically requested Joseph to endeavor arrange meeting between the military commander Jewish Jerusalem and UN observers to carry on discussions along above lines to which military governor agreed but stated he could not guarantee military commander would meet Bernadotte's request.

Military governor was on defensive yesterday and his attitude was better than last week. Mediator referred to him as being slightly less objectionable than usual.

Similar suggestions were made to Arab Legion leaders yesterday afternoon as presented Jews and Arabs agreed but suggested that prohibition against returning fire be a permanent order rather than limited to three days.

Mediator presented strong letter to both sides regarding sniping and similar violations truce and threatened to get tough and refer question to SC if conditions do not improve.

Disregard for truce has increased steadily creating mounting distrust on part of Arab and Jews re each other's intentions. Mediator's latest efforts in addition to greatly increased number of observers Jerusalem area should result in improving situation if Jews cooperate but from their past actions and general attitude at recent conferences I am pessimistic regarding their intentions. Inasmuch as they are very sensitive to criticism and public opinion their attitude and policies might be influenced and directed towards better cooperation if they were publicly criticised by the UN and especially by the United States of [for] their failure to cooperate in finding a solution to the Palestine problem.

MACDONALD

501.BB Palestine/8-248: Telegram

The Secretary of State to the Embassy in the United Kingdom

TOP SECRET

WASHINGTON, August 12, 1948—1 p. m.

3187. Dept appreciates provisional UK views on Palestine and desires present following informal reactions to numbered paragraphs urtel 3484, Aug 2:

1. Para. 3a and 4 imply abandonment Nov 29 resolution, which might complicate handling of question in UN and might cause sharp reaction in US on basis probable charges US-UK were attempting sabotage UN recommendations. We believe preferable approach is to continue to improve Nov. resolution, consistent with our efforts last regular session, to improve UNSCOP report, along functional or practical lines to make it more acceptable to parties. Within framework this principle modifications could be effected as result informal Arab-Jewish negotiations.

2. Para. 5: We concur in view that political or economic union is unrealistic and impractical. Re territorial recommendations, (a) we continue believe Jerusalem should not be placed under sole authority either Arabs or Jews (see our para. 9a); (b) we agree with free port proposal but believe internationalization Haifa and Lydda impractical; (c) inclusion Jaffa in Israel considered desirable if Arabs agree but its value as bargaining point should be retained for time being; (d) transfer of all or part of Negev to Arabs should include portion of Mediterranean coast line to provide access to sea; (e) some adjustment of eastern frontier Israel as defined Nov. 29 resolution desirable to effect more practical distribution and administration communications in frontier area. We believe transfer Jaffa and all or portion western Galilee to Israel in exchange for transfer all or part of Negev good basis for informal Arab-Jewish negotiations. We concur UK view that political future of Arab territory would eventually be for Arabs to decide but, in light of diversity views and interests of Arab states, believe PGI and Transjordan should undertake initial informal negotiations.

This Govt would indeed view with concern attempt by either Israel or future Arab state (whether Transjordan or Palestinian Arab State) to prejudice territorial integrity of other, and assumes such aggression would be raised in UN for consideration and action under Charter. We would not agree to UK suggestion concerning recommendation by Mediator that UN should lay down frontier which could only be changed by UN. Frontiers must be based upon agreement of parties, who could agree to changes. If such frontiers are violated by one party without agreement of the other, UN would presumably act, under Chapter VII if necessary.

3. Para. 5a: Dept believes it desirable avoid interjecting problem

European Jewish DP's into negotiations or settlement for Palestine, but considers solution Arab DP problem intrinsic to negotiations and settlement.

4. Para. 5b: See our para. 9g.

5. Para. 6-7: Dept agrees that Arabs and Jews would probably reject Mediator's next set of suggestions if formally presented without intermediate steps. We feel that essential intermediate steps now called for are, first, US-UK agreement concerning basic recommendations, and, second, parallel general approach by US and UK to PGI and Arab states, informing them of general substance of our concerted views, in effort secure their cooperation in immediate informal discussions between PGI and Arab states looking towards development working basis for settlement. Such immediate discussions, we believe, should first be confined to PGI and TJ as most moderate and cooperative Arab League state. TJ might thereafter be expected to present them to other Arab states. Dept believes essential that we follow principle of similar approach to both Arabs and Jews by US and UK, rather than that of division of responsibility, which would weaken desirable position of neutrality set forth your para. 12. The objective facts are, as we see them, that the US has just as much interest as the UK in the development and maintenance of good relations with the Arabs, while the UK, on the other hand, has just as much interest as the US in the development and maintenance of good relations with Israel, both considered in terms of our mutual political, economic and strategic interests in the Middle East. We should not continue thinking, therefore, that it is the task of the UK alone to bring about Arab acquiescence any more than we should think that it is the task of the US alone to bring about Israel acquiescence in the future settlement. As we see it, both we and the UK have a joint and equal task in bringing about the acquiescence of both Arabs and Jews. If US-UK efforts result in Arab-Jewish acquiescence in working agreement, this could then be used by Mediator as basis for further action.

HMG reference para. 6 to enforcement unclear. US could not concur in military enforcement of imposed settlement. (See Austin speech in SC dated February 24.)¹ We would however be prepared make maximum efforts as outlined above to secure acquiescence both sides; if Arab-Jewish agreed settlement were obtained, we would be prepared to support such action in UN as might be necessary to insure maintenance of peace.

6. Para. 8-9: Dept sees no useful result from GA resolution at this stage and believes question of appropriate GA action should await development of negotiations. We have grave doubts desirability GA consideration Palestine in forthcoming session except on basis of an agreed settlement.

¹ *Ante*, p. 651.

7. Para. 10: We believe informal US-UK approach to Mediator desirable, informing him of our agreed views concerning settlement, and of our desire use our joint good offices and influence with PGI and Arabs to encourage early working agreement.

8. Para. 12-13: We agree with UK view concerning mutual necessity maintaining neutral attitude vis-à-vis Arabs and Jews in effort achieve workable settlement, and with view expressed your para. 13 concerning desirability giving Arabs evidence Western understanding of their position (see our para. 9 *f-g*). See also paras 1 and 2 above.

9. Additional tentative comments of Dept follow:

a. Status of Jerusalem. Pending establishment of Jerusalem police force, we believe Mediator should endeavor convince PGI and Arabs of desirability contributing small well-disciplined military units, to which UN representatives should be assigned in observer capacity, to assist in demilitarization and to control possible extremist outbreaks. We are prepared make strong representations to PGI and TJ to provide such assistance (Deptel 3055, Aug 3²). (See Embtel 3567 Aug 6 to Dept from London to which reply is being prepared.)

Some degree of UN responsibility for administration of Jerusalem still appears essential, with provision for protection holy places, free access thereto, and guaranteed transit rights to city. In view special importance Jerusalem to both Arabs and Jews, however, US is giving some thought to possible advantages modified condominium principle under which Israel, future Arab state, and UN would share administrative responsibility for Jerusalem. Administrative board might consist of three Israeli, three Arab, and three UN representatives under rotating chairmanship. Condominium might represent compromise politically for both Israeli and Arabs, and would place financial responsibility and responsibility maintenance law and order squarely upon peoples of Palestine rather than on UN. UK views re feasibility this solution would be appreciated.

b. Israel's independence. Final settlement must be predicated on full acceptance Israel's independence including full control immigration, subject during truce to Mediator's supervision; once final settlement achieved and frontiers defined, it is probable that limiting geographic-economic factors would eventually check tendency to excessive Jewish immigration.

c. Arab Palestine. While we desire UK views concerning merits various proposals for disposition Arab territory, we hold provisional view that inclusion Arab territory into TJ (or among various Arab states) might be supported by US-UK as basis for proposed Arab-Jewish discussions. Palestinian Arabs should however have right of expressing their views in some manner. We would welcome UK views re means accomplishing this objective.

d. Boundaries. We believe initial PGI-TJ discussions should include attempt resolve boundary questions, taking into account principles of Nov resolution and present military situation; wishes of

* This was a repeat of No. 793 to Jerusalem, p. 1275.

population; administrative convenience, emphasizing desirability compact administrative entities and avoidance of enclaves; relevant economic factors.

Concurrently discussions should include question of exchange of populations in certain cases, as well as desirability of permitting return of refugees so desiring, including assistance in effecting resettlement and property restoration, and appropriate civil rights guarantees.

e. Economic relations. Economic union or similar system of formal economic arrangements is impractical at this time. We believe gradual development of economic relations between the two states, arising out of common interests and needs, is more acceptable principle in effecting settlement. Certain working arrangements arising in this manner could be progressively extended, and might form basis for economic understanding at time of final settlement.

f. Recognition and UN membership. US is currently considering idea of extending *de jure* recognition concurrently to Govt of Israel and TJ in near future, in return for assurances of cooperation in truce observance and in actual negotiations for settlement. US believes recognition of Israel by UK in return for similar assurances would be important contribution to these ends. We would also welcome concerted US-UK action in supporting applications of both to UN as further means stabilizing NE situation.

g. Economic assistance. Following final settlement, US is prepared consider sympathetically Israel's application \$100,000,000 loan for resettlement of DP's and economic projects in Israel in connection therewith. We believe Israel's industrial capabilities should be encouraged in order establish it as manufacturing center and entrepot. Such development might ultimately lead to mutually advantageous economic relations with Arab states.

In connection with settlement for Arab Palestine, US-UK should consider problem of providing administrative aid and counsel as emergency measure during formative period. Possibilities of governmental and of international economic and financial assistance should be explored, with view to possibility providing assistance when evidences political stabilization emerge. We should also give early attention to problem of economic aid to NE on regional basis through UN agencies and through appropriate aid on basis Anglo-American discussions for cooperation in economic-social affairs in NE. We believe such assistance essential to development economic equilibrium and restoration political cooperation among Near Eastern peoples.

As soon as US-UK agreement on general principles of settlement obtained, we propose prepare instructions to our missions for early approach to Mediator, PGI, TJ, other Arab League states, and key UN members such as France, Belgium, Canada and China.

Sent London, repeated to New York.

MARSHALL

501.BB Palestine/8-1248: Telegram

*The Consul General at Jerusalem (Macdonald) to the
Secretary of State*

SECRET

JERUSALEM, August 12, 1948—3 p. m.

1190. During extended talk yesterday with Mrs. Myerson, Israel Minister-Designate to USSR, she made following statements:

1. Internationalization Jerusalem is definitely impossible now and Jews will never agree accepting it. If Jerusalem does not become all Jewish city Israel might consent to partition on following lines. New Jerusalem to be part of Israel. Old city to be considered a museum and be given some sort of international status under the United Nations. Allocation of some small area outside of old city to Arabs might be given consideration.

2. Israel must have all of the Negev.

3. Unrestricted and complete control of immigration will be demanded by Israel as its right to sovereign state.

Mrs. Myerson's attitude re Jerusalem is alarming as she is considered one of the most moderate of Jewish leaders.

MACDONALD

501.BB Palestine/8-1248: Telegram

*The Consul General at Jerusalem (Macdonald) to the
Secretary of State*

JERUSALEM, August 12, 1948.

1191. Latrun pumping station blown up today thus preventing supply water to Jerusalem. United Nations observer who passed Latrun after blown up states two diesel pumps apparently destroyed and station in flames. Station had been taken over by United Nations.

MACDONALD

867N.48/8-1248

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

RESTRICTED

DAMASCUS, August 12, 1948.

No. 220

Subject: Transmitting Arab Higher Committee Note to Arab League on Refugee Situation.

Supplementing the Legation's telegram No. 520, August 12, 1948,¹ the Minister has the honor to transmit herewith a translation of the

¹ Not printed.

text of a note concerning Palestinian refugees sent by the Arab Higher Committee (AHC) to the Secretary General of the Arab League.²

The AHC categorically rejects proposals that Arab refugees be returned to Jewish controlled areas, arguing that to do so would:

1. "Constitute a recognition of the imaginary Jewish state."
2. Place the refugees at the mercy of the Jews as virtual hostages.
3. Permit the Jews to exploit the refugees in a political sense, possibly winning their votes in a likely plebiscite.
4. Place the refugees on the marginal fringe of the Jewish economy.

In addition to arguing against the return of the refugees to Palestine, the AHC presents its own suggestions for the solution of the refugee problem. In brief, these call for centralized handling of the situation, financial assistance from the Arab countries and the International Refugee Organization, dispatch of men "capable of carrying arms" to Palestine "in the defense of their country," and the establishment of refugee camps in Arab parts of Palestine.

The tenor of the entire note reflects the irreconciled position of the AHC that the struggle against Zionism must continue unabated.

Although eventually published, it is worthy of note that this document was at first suppressed by the Syrian authorities. A reliable informant who saw the original AHC release states that the newspaper version used in preparing the Legation's translation is complete and accurate except for the omission of an introductory paragraph of no great significance.

[JAMES H. KEELEY, JR.]

² Not printed; the text was taken from the August 12 issue of *Al Feyha'*.

501.BB Palestine/8-948: Telegram

The Secretary of State to the Embassy in the United Kingdom

TOP SECRET

WASHINGTON, August 13, 1948—1 p. m.

3208. For the Ambassador. You will be interested to know in light of your 3590, August 9,¹ that the Secretary on August 9 received Dr. Ralph Bunche, Personal Representative of UN SYG, who is No. 2 on Count Bernadotte's team in Palestine.² Bunche called for purpose of giving Secretary Bernadotte's views as to immediate requirements of Mediator and his tentative notions as to long-range settlement of Palestine problem.

Although Bernadotte would have preferred a regular UN armed guard for Jerusalem he suggested as alternative that corps of military observers supplied by Belgium, France and US be augmented by 300

¹ Not printed.

² The remaining participants in the conversation were Andrew Cordier, Executive Assistant to Secretary-General Lie, Fraser Wilkins, and Robert McClintock, the last of whom prepared the memorandum of conversation (501.BB Palestine/8-948).

additional military observers, all of whom were to be enlisted men. Bernadotte desired these additional observers for duty in preserving strategic positions evacuated by Jews and Arabs by mutual agreement, such as Mt. Scopus, Victoria Augusta Hospital, and water pumping station at Latrun. The Secretary informed Bernadotte's representative that although he could not speak for Defense establishment he saw no reason in principle why this govt could not supply its requested contingent of 125 enlisted men as military observers, it being understood that France would match this number and that Belgium would send 50 men to complete total. Secretary has now inquired of Forrestal if necessary contingent cannot promptly be sent to assist Bernadotte. You may tell Bevin that, although final decision has not been reached, Dept does not anticipate much difficulty in this regard and it is hoped that our share of additional enlisted observers will very promptly receive orders to proceed to Jerusalem.

As for long-range settlement, Bernadotte is not eager to offer suggestions until he is assured that US and UK govts are in agreement on general lines of an equitable settlement. Bernadotte of course realizes that Jews on one hand will make exorbitant demands and Arabs will refuse to countenance official existence of Jewish State. Nevertheless Mediator is said to feel that if UK and US are in agreement and if these govts can reach a general line in accord with his views (upon which he does not insist), chances are that both Jews and Arabs, although violently protesting, may quietly move along lines of eventual settlement.

Bernadotte's preliminary views are similar to those which we have informally discussed with Bevin through your auspices. Bernadotte thinks that Jews should be given valuable lands in western Galilee which they now hold by virtue of military conquest but in return for this acquisition should permit Arabs to take over most of Negev. As for Jerusalem, Bernadotte feels that UN organization contemplated by resolution of November 29, 1947, is not only cumbersome and troublesome but essentially unworkable. Rather, he visualizes Jerusalem under nominal Arab sovereignty but with local autonomy for the Jewish population and with an international commission appointed by the UN to receive possible complaints from the Jews or, for that matter, the Arab population. Although Bunche was not specific on this point he seemed to visualize Transjordan profiting largely by the arrangement with possible territorial compensation to Egypt in the lower part of the Negev.

The Secretary did not make any comment on Bernadotte's territorial suggestions but, as you will have perceived from Deptel 3187, Aug. 12, these views, with the exception of Jerusalem (Cf. Par 9a Deptel 3187), are similar to those which have already been arrived at on working level in Dept. As you know, however, top clearance from

the White House has not yet been received at this stage in formulating opinions as to the most practical solution of the Palestine problem.³

We should be glad to have Bevin's suggestions as to how—provided there is a meeting of the minds as between ourselves, UK and Bernadotte—a territorial solution can most profitably be arranged. We do not at this stage of our thinking feel that it would be useful for General Assembly to debate a possible frontier. Not only would such debate become surcharged with emotion and cross-currents of self-interest, but it would involve basic principle, which we endeavored to make clear in Austin's speech of February 24, that recommendations of Assembly are not enforceable by UN agency. In a preliminary way we feel that if our two govts are in agreement Bernadotte might in his report to SC merely state what to him, on basis of facts and justice, seems to be most equitable frontier for Israel. If our two govts were in agreement a statement by Bevin and the Secretary supporting Bernadotte's suggestion would have great weight. No additional action would be taken however and it would be left to diplomatic means to achieve an eventual agreement between Israel and Transjordan, later to be acquiesced in by other Arab states. Once this point were reached, blessing of UN would be easy.

It is important to emphasize to Bevin and others in London that foregoing views are highly tentative and are given you in an endeavor to advance our mutual thinking on this problem with all possible swiftness.

For your own info we agree with Bevin that Palestine situation is serious, as he emphasized in conversation reported your 3567, Aug. 6, but feel that his references to Russian threats against Iraq are somewhat of the red herring variety. As for his notion of building up RAF munitions in Iraq and Transjordan, as reported in para. 8, your 3567, we feel that you should caution him to go very slowly. From this point of view danger of Britain appearing as military guarantor of Arabs against Jews, which would invoke popular outcry here for US to lift arms embargo in favor of Israel, is much greater than Bevin's qualms over Soviet machinations against Iraq.

MARSHALL

³ For further information on the conversation with Dr. Bunche on August 9, see telegram 634, August 24, to Stockholm, p. 1340.

867N.48/8-948: Telegram

The Secretary of State to the Embassy in the United Kingdom

SECRET

WASHINGTON, August 14, 1948—11 a. m.

3236. Dept currently considering questions raised urtel 3591, Aug. 9,¹ and will inform you as views are formulated. Ref your para 1, Amcross

¹ Not printed.

has made available 250,000 dollars medical clothing supplies to International Committee Red Cross for distribution Jews Arabs Near East. Depts Committee on Voluntary Foreign Aid is actively stimulating assistance by church organizations in US and voluntary lay organizations. Church World Service² shipping immediately 38,000 pounds clothing 175 pounds vitamins to American School Oriental Research Jerusalem, distributing agency for American voluntary relief. Depts Committee Vol Foreign Aid hopeful that US lay groups interested Near East may organize assistance on more adequate scale for Arab refugees only, since assistance from church groups being raised for both Jews Arabs.

No US public funds presently available to assist Arab refugees. We are giving earnest consideration to means of organizing international assistance this group but not now in position to advance concrete proposal. For your info solely we are exploring possibilities establishment Joint IRO-Mediator Committee and participation of IRO in Arab relief problem. IRO constitution not yet in force, and any indication of extension IRO assistance to Arab refugees would seriously affect current parliamentary action in three countries now considering ratification. If suggestion for IRO action is advanced in SC at this time, USUN is instructed to point out that IRO not yet activated and that many postwar groups refugees not now under care have prior claims on IRO assistance.

Ref your para 2, we are informing USUN of our views³ as follows:

"With ref to economic, political military factors in connection with return Arab refugees to Israel, we appreciate security considerations governing PGI attitude but believe that under supervision Mediator substantial number refugees so desiring could be permitted gradually return their homes and resume occupations without prejudicing maintenance internal security Israel. From economic viewpoint, Israel now demonstrating ability absorb large numbers European DP's monthly. It would therefore be unfortunate for PGI, by continuing refuse permit Arab repatriation, to create impression that assimilation Jewish immigrants was taking place at expense former Arab inhabitants Israel. From political standpoint, PGI action to permit gradual return Arab refugees would provide Arabs with tangible assurance of PGI desire establish cooperative relations with Arab states on long range basis.

"[]We consider overall solution Arab refugee problem intrinsic to final settlement Palestine problem, but believe increasingly critical nature refugee problem makes it essential that at least partial return of refugees should be permitted for those so desiring prior to achievement final settlement. Moreover, we believe PGI assistance in alleviating situation would substantially improve chances securing early peaceful settlement Palestine problem. Conversely, PGI failure to cooperate by partial repatriation refugees might create difficulties for 265,000 Jews permanently residing Arab states."

² On behalf of Protestant organizations in the United States.

³ In telegram 534, August 14, 11 a. m., not printed.

Eventuality mentioned your para 3 would be affected by relaxation of present PGI attitude towards repatriation.

While US continues believe Iraq development scheme (your para 4) worthy of implementation, it has no evidence that Iraq Govt has been or is prepared take effective steps towards implementation such program, particularly in light of its current preoccupation with Palestine. In any event Dept believes long-range Iraq development scheme would not represent solution for immediate refugee problem.

Dept's tentative thinking⁴ re your para 5 outlined Deptel 3187, Aug 12, para 9 g.

Dept considers short-term program may be summarized as follows:

(1) Mediator should be urged by SC to estimate as soon as he can numbers and location of Arab refugees, numbers desiring to return to their homes and those for whom immediate resettlement might prove practical, food and other supplies required, sources and costs thereof, food costs per person per diem and currencies in which supplies can be procured. Mediator should also be urged to make interim practical proposals for meeting problem. Suggest Mediator request assistance of experts from PCIRO and WHO in making survey.

(2) Efforts by UN should continue to induce PGI to accept return Arab refugees initially in small numbers but increasing movement as experience demonstrates PGI security and economy not endangered in fact.

(3) All possible assistance voluntary agencies of UN members under Mediator should be stimulated.

(4) Possibility (not to be communicated to UK) of IRO participation in Arab refugee relief should be kept under active study until IRO activated early Sept with view to possible consideration problem by General Council IRO at initial meeting now convened for Sept 13 Geneva.

Consideration Arab refugee problem at current meeting ECOSOC not considered feasible as ECOSOC agenda was adopted after only three days debate and disposition items of agenda proceeding slowly. ECOSOC not in position to give constructive consideration to hastily drafted proposals concerning which expert and up-to-date info is at present lacking.

Long-term program in meeting Arab refugee problem can only emerge after Mediator's report mentioned above. Chief problem is source of funds and responsible estimate of amount required annually over specified period of time.

MARSHALL

⁴ As originally set forth in telegram 531, August 13, 4 p. m., to New York, not printed.

Truman Papers, President's Secretary's File

*Memorandum by President Truman to the Under Secretary
of State (Lovett)*

PERSONAL AND CONFIDENTIAL

[WASHINGTON,] August 16, 1948.

I read the memorandum ¹ regarding the Israel request for \$100 million loan and I sincerely hope that there will not be a flat turndown until further consideration has been given by the World Bank.

Of course, I don't want any loans made that are not proper for the Bank to make but this situation has all sorts of implications.

Sometime in the not too far distant future I'd like to have a conversation with you on the subject and incidentally on several other subjects about which I do not want to talk with the Secretary because of their political implications.

H[ARRY] S. T[RUMAN]

¹ Dated August 11, p. 1300.

501.BB Palestine/8-1648

Memorandum by the Secretary of State to President Truman

TOP SECRET

WASHINGTON, August 16, 1948.

Subject: Proposed Representations to Provisional Government of Israel Regarding Maintenance of Peace in Palestine

Information from a wide number of sources causes the Department increasing concern over the apparent tendency of the Provisional Government of Israel to assume a more aggressive attitude in Palestine.

Following the termination of the British mandate on May 15 and the establishment of a Jewish State, the Israeli authorities were quick to respond to United Nations efforts to stop the fighting in Palestine. After the termination of this four-week truce on July 9, hostilities were resumed and it soon became apparent that Israel had materially improved its military position during the period of the earlier truce. Nevertheless, both the Government of Israel and the Arab States agreed to accept the Security Council's order of July 15 for a cease-fire and truce of indefinite duration in Palestine. The demilitarization of Jerusalem was included in the Security Council's resolution and was accepted by the Government of Israel and the Arab States in principle. In recent weeks, however, a new and aggressive note has become manifest, and the readiness of Israel to maintain the truce has become subject to doubt.

The Department has noted evidence of hostility of Israelis in Palestine toward the military observers serving under Count Bernadotte; the inflammatory speeches of the Israeli Foreign Minister, Mr. Sher-tok, with regard to alleged "rights" of Israel in Jerusalem; the mili-

tary occupation by Israel of much of the Jerusalem area; and the refusal of the Israeli military governor in Jerusalem to cooperate with Count Bernadotte in discussions regarding the demilitarization of Jerusalem. The Department has likewise noted increasing evidence of systematic violations of the United Nations truce by the forces of Israel, including forward movement of Israeli forces from agreed truce positions, continued sniping and firing against Arab positions; and conclusive evidence of the organized transport of arms shipments to Palestine from France, Italy and Czechoslovakia.¹ Furthermore, the Israeli Foreign Minister has officially proclaimed that Israel will not accept, pending negotiation of a final peace settlement, the return of the approximately 300,000 Arab inhabitants of that part of Palestine now comprising the Jewish State who fled from their homes and are now destitute in nearby Arab areas.

The Foreign Minister of Great Britain, in a conversation with our Ambassador on August 6 [5],² expressed grave concern over the situation in Palestine. He was fearful not only that the USSR would take advantage of this situation to foment trouble in Iraq and Iran but also that within "the next few days" the Jews, on grounds of some Arab provocation, real or manufactured, would reopen their offensive with the objective of seizing more territory—probably Transjordan. Mr. Bevin thought that the Palestine situation was as serious as Berlin. "If the United States and United Kingdom go slack (in Palestine), we lose."

The Department, in light of these developments, feels that it would be wise to call in Mr. Eliahu Epstein, the Representative of the Provisional Government of Israel, and discuss frankly our concern with him. We would tell Mr. Epstein that, as he undoubtedly knows, the United States is the best friend of Israel. We have recognized that State and desire to see it continue in existence and prosper as a peaceful member of the community of nations. We have now before us the question of *de jure* recognition of the Provisional Government of Israel, support for Israel's membership in the United Nations, and the application from Israel for a loan from the Export-Import Bank. We should like to see all these matters arranged in a manner satisfactory to both governments but we should find it exceedingly difficult, for example, to advocate a loan to Israel if that country is likely to resume hostilities. Similar difficulties would arise concerning membership in the United Nations.

As a friend of Israel we deem it of paramount importance that this new republic not place itself before the bar of world opinion and the

¹ The Department, on August 17, expressed to Consulate General Jerusalem its concern regarding information that Israel might resume hostilities unless peace were promptly negotiated or unless Arab troops were withdrawn from Palestine (telegram 835, 501.BB Palestine/8-1748).

² See telegram 3567, August 6, from London, p. 1291.

United Nations in the role of an aggressor. We should like to tell Mr. Epstein for the information of his government that we shall be not less zealous in the Security Council to oppose aggression from the Israeli side as we were when the attack was launched by the Arab side.

From the wider political aspect and not for the information of Mr. Epstein, it is obvious that it would be most injurious to the interests of the United States if hostilities should be opened by Israel against Transjordan with the result that the United Kingdom would automatically honor its commitments to Transjordan under its existing treaty with that country. This would bring forth an outcry in the United States for the lifting of our arms embargo in favor of Israel, with the result that the two great Anglo-Saxon partners would be supplying and aiding two little states on the opposite sides of a serious war, from which only the Soviet Union could profit.

With your concurrence the Under Secretary of State proposes immediately to discuss these matters with Mr. Epstein.

G. C. MARSHALL

Editorial Note

Count Bernadotte, in an undated telegram to Secretary Marshall from Geneva, received in the Department on August 16, made a plea for assistance to Arab and Jewish refugees, noting that successful mediation might continue only if a solution were found for the most urgent aspects of their human disaster.

The Secretary of State replied on August 20 that the Department was working "to determine what can be done quickly and practically." The reply was transmitted via telegram 622 to Stockholm, which was repeated to Arab capitals, Jerusalem, and New York. For the full text of the exchange of telegrams, see Department of State *Bulletin*, August 29, 1948, pages 266, 267.

867N.01/8-1648: Telegram

*The Special Representative of the United States in Israel (McDonald)
to the Secretary of State*

SECRET

TEL AVIV, August 16, 1948—9 p. m.

55. Mediator's optimism reported from Stockholm about present truce finds no supporting evidence here. On contrary, truce being broken nightly not only by heavy fighting Jerusalem but by intermittent sniping several fronts. Destruction [Latrun?] pumps attributed on seemingly irrefutable evidence by Colonel Perry, UN observer Chargé that area, to Arab Legion and Arab irregulars and PGI as

sumption Arab responsibility [are?] additional proof futility truce and dangerous optimism of Mediator.¹

Personally convinced truce in reality not increasing chances peace but rather contrary. Hence conditions appear to call for concentration efforts secure real peace negotiations. I realize this point view parallels that recently expressed by PGI but that does not invalidate soundness point view.

MCDONALD

¹ Tel Aviv, on August 14, advised that the "Destruction Latrun pump station seriously affects prestige UN here and increases Israeli skepticism efficacy truce supervision." (Telegram 52, 867N.01/8-1448)

867N.01/8-1748

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

CONFIDENTIAL

[WASHINGTON,] August 17, 1948.

Participants: Mr. Eliahu Epstein, Special Representative of the Provisional Government of Israel

Mr. Uriel Heyd, First Secretary of the Israeli Mission

Mr. Hare, NEA

Mr. Mattison, NE

Mr. Epstein called at his request to discuss in general the views of his government on the current situation in Palestine.

His particular theme was the reliance which his government placed on the November 29 resolution of the General Assembly. That resolution was the legal basis for the Jewish State and any change in the provisions of the resolution might affect the legal basis for Israeli statehood. This was particularly true with respect to the question of boundaries. Israel would not negotiate on the question of boundaries as a condition of a peace settlement. After a peace settlement, Israel as a free and sovereign state would negotiate any boundary adjustments which might prove advisable.

With regard to the question of the internationalization of Jerusalem, the Israeli Government still adhered to the provisions of the November 29 resolution. However, Bernadotte's proposal that Jerusalem become part of an Arab State, and the lack of concern on the part of the Christian world over this proposal had greatly disturbed the Israelis, and particularly the 100,000 Jewish inhabitants of Jerusalem. To them the question resolved itself very simply: if it were a question of Jerusalem being either Arab or Jewish it must be Jewish. If it were to be internationalized, that was well and good, otherwise it must be Jewish.

¹ Drafted by Mr. Mattison.

Turning to the question of the dissident elements, Mr. Epstein stated that they were a small minority, and that the Israeli Government was well able to control them. The only trouble arose when the dissident groups were also to capitalize on some popular issue, such as the question of Jerusalem's future.

Mr. Epstein next touched on the question of the Truce, and emphasized the necessity of an early peace settlement. Israel, he stated, was anxious to proceed with its development and resettlement program. It was impossible to do this as long as the country was completely mobilized. Furthermore, present conditions represented a heavy drain on Israel's economy. Mr. Epstein expressed the hope that at the latest the truce would end before the opening of the General Assembly and that peace negotiations would be well under way by that time. (I inferred from this that the PGI was anxious that the Palestine question not be reopened in the GA, fearing that modification might be made in the November 29 resolution which would be regarded as unfavorable to Israel.)

Mr. Epstein then went on to elaborate at some length on other factors which presented difficulties to the PGI. Among these he mentioned the lack of *de jure* recognition on the part of the United States and the difficulties which were anticipated in getting UN membership.

I told Mr. Epstein that I very much appreciated the opportunity of this discussion with him. I added that I realized that there were many perplexities and difficulties, but hoped that these would not be allowed to crystalize into patterns which would render more difficult the task of securing peace in the area.

501.BB Palestine/8-1748: Telegram

*The Consul General at Jerusalem (Macdonald) to the
Secretary of State*

CONFIDENTIAL

JERUSALEM, August 17, 1948—10 a. m.

1202. For practical purposes truce in Jerusalem broken down at least for present. Firing involving use automatic weapons, mortars and artillery resumed last night and is continuing this morning. Fighting during past three nights has been on large and organized scale as distinct from scattered firing and sniping prevalent since start second truce.

United Nations observers appear powerless take effective action bring about cease-fire. Their moral authority has practically evaporated. Jewish authorities obstructing work United Nations observers:

movements restricted, denied access certain areas and permitted visit front lines only specified times.

Sent Department 1202, repeated Cairo 114, Baghdad 13, Beirut 72, Damascus 31. Department please pass London as 30.

MACDONALD

501.BB Palestine/7-2948 : Telegram

The Secretary of State to the Legation in Saudi Arabia

SECRET

WASHINGTON, August 17, 1948—noon.

313. Dept notes (Legtel 441 July 29¹) Ibn Saud's pessimism re Bernadotte's mediation efforts and Ibn Saud's informal suggestion re meeting of American, British, Jewish and Arab experts on Palestine and ME.²

Dept appreciates motives which have influenced King in thus seeking realistically to find early settlement to Palestine problem. Dept recalls (Legtel 292 July 23, 1947³) conciliatory manner in which Ibn Saud has consistently approached Palestine question.

It may also be recalled that Dept previously expressed belief to Ibn Saud (Dept 224 Aug 12, 1947⁴) that prestige of UN itself was involved in task of achieving solution to Palestine problem and, as member of UN, U.S. desires strongly to support principles for which UN stands and to cooperate to full in promoting its influence in solving one of great problems presented to it.

Dept believes UN and UN Mediator have made substantial contributions toward solution of problem and that successful conclusion depends on continued U.S. support of such effort. It is hoped that the Arabs and the Jews themselves will work with UN Mediator to assist him in promoting the peaceful adjustment of the future situation of Palestine under GA resolution May 14.

Please discuss foregoing orally with SAG. British informed Dept Aug 16 that British Ambassador is replying in same general sense.

Sent Jidda; repeated London.

MARSHALL

¹ Not printed.

² Telegram 441 read in pertinent part as follows: "His Majesty desired to express informally to US and British Governments that two Americans and two British nationals thoroughly acquainted with ME problems and particularly that of Palestine should be selected and charged with getting in touch informally with both Arabs and Jews with view to working out some settlement." (501.BB Palestine/7-2948)

³ *Foreign Relations*, 1947, vol. v, p. 1131.

⁴ *Ibid.*, p. 1137.

501.BB Palestine/8-1748: Telegram

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

TOP SECRET

US URGENT

LONDON, August 17, 1948—8 p. m.

3732. I delivered to Bevin this morning for study and early comment substance Department's 3187, August 12 and pertinent portions Department's 3208 August 13. I took opportunity to speak to Bevin along lines final paragraph Department's 3208 making it clear that Department's considered views regarding Embassy's 3567 August 6 would be forthcoming.

2. Bevin said he would reconsider problem in light of Department's caution "to go very slowly" but he pointed out that this placed him in a serious difficulty. Britain has personnel stationed Iraq and Transjordan whose lives might be jeopardized at any time. He wondered whether in circumstances US would be willing to deny its soldiers adequate weapons for their defense.

3. Later today Bevin asked to speak to me again. He had received in the meantime two telegrams from Dow in Jerusalem reporting Jewish seizure Government House ridge which is summarized mytel 3731.¹ These telegrams as might be expected, reopened in minds of Bevin and British military grave possibilities set forth Embtel 3567 August 6.

4. Bevin referred to his statements to me this morning (Paragraph 2 above) and expressed hope that I would emphasize to Department the difficulties which latest Jewish action has created for him. He asked me to urge Department to consider whether, since Department has asked him to hold his hand regarding arming British bases in Middle East, USG could itself take some immediate and forceful steps with PGI to halt Jewish mailed fist. If something of this kind is not done immediately Bevin inclined to belief that not unlikely result will be complete change of balance in Palestine and the disappearance of the Arab Legion which is incapable of resisting determined Jewish attack because ammunition and other shortages. Should this occur disintegration of Transjordan would probably closely follow.

5. Bevin asked urgently whether he should not now move ammunition for defense of British airfields and British troops stationed there. At my request he agreed to hold his hand until word received from you which he fervently hopes you can send by tomorrow, the 18th.

¹ Dated August 17, not printed.

6. Please advise me also what reply I can make to Bevin with particular regard to our representations to PGI as this is related to Paragraph 5 above. If we take action which will restrain PGI British will not feel so strongly that they are leaving their own troops defenseless.

DOUGLAS

501.BB Palestine/8-1848

Memorandum by the Director of the Office of United Nations Affairs (Rusk) to the Under Secretary of State (Lovett)

TOP SECRET

[WASHINGTON,] August 18, 1948.

Subject: Deterioration in Palestine Situation

Your attention is invited urgently to Mr. Douglas's telegram 3732 of August 17, reporting Bevin's very serious concern over the Palestine situation and his hope that this government will be able to take immediate and forceful steps with the Provisional Government of Israel to halt Jewish aggression. You will note that Bevin requests an answer by today, the 18th.

Mr. Douglas's telegram underscores the need for action pursuant to the memorandum to the President which was submitted by the Secretary to the White House on August 16. I venture to suggest, therefore, that you or the Secretary inquire of the President his reaction to this memorandum, particularly in light of Ambassador Douglas's telegram of yesterday.¹

Copies of these documents are attached.

¹ Marginal notation by Mr. Lovett: "Called Clifford 6 PM".

Editorial Note

In a statement before the United Nations Security Council on August 18, Mr. Jessup noted "suggestions" that the truce in Palestine might not continue. He then stated: "I should like to state in the clearest possible terms the view of the United States on this question. It is the view of the United States that the truce can be terminated only by the Security Council which on 15 July ordered the parties to observe the truce. No one of the States concerned, no group of the States concerned, can terminate the truce."

Mr. Jessup also noted that the resolution of July 15 dealt with an immediate and unconditional cease-fire in Jerusalem and instructed the Mediator to bring about the demilitarization of Jerusalem. He concluded that "The parties are under an obligation to cooperate with Count Bernadotte to this end." (SC, 3rd yr., No. 106, pages 3, 4)

501.BB Palestine/8-1648: Telegram

The Secretary of State to the Consulate General at Jerusalem

SECRET

WASHINGTON, August 18, 1948—5 p. m.

838. Conversation reported your 1198 August 16¹ reflects theme previously noted in other telegrams such as your 1148 August 2¹ and Tel Aviv's 36 August 2² to effect that in Israeli eyes Christian nations have shown they are not interested in Jerusalem and that this justifies Jews in taking new attitude toward the City.

We are at loss to understand Dr. Senator's³ remark stressing "particularly Christian disinterest in fate Jerusalem" in light very strenuous efforts made in Special Session GA by French and US delegations to insure demilitarization Jerusalem and safety of holy places. These efforts are matter official record, known to every member UN.

In future conversations with Jewish leaders please energetically refute these allegations.

Changed attitude Jews in Jerusalem toward Bernadotte and UN reported your 1198 is due, we feel, perhaps not so much to intrinsic loss of prestige by Mediator and by UN as to fact that Jews are seemingly lifting their sights and are campaigning to achieve new objective; namely control Jerusalem itself. It would seem natural, if this is case, for them to deprecate UN and Mediator.

As for Senator's comment that UN is unable to enforce its decisions you may take occasion to indicate him and other Jewish leaders sharing this view that US is in grave earnest in its determination that SC action shall be considered, if necessary, under Chapter VII of Charter. Israelis, we feel, will be making great mistake if they seek to base policy on alleged decrease UN prestige and ability UN to carry out its decisions.

Repeated Tel Aviv as 49 for background and for appropriate use with officials of PGI; repeated for info London as 3283; Paris as 3187; Brussels as 1250; and USUN as 542.

MARSHALL

¹ Not printed.

² Not printed, but see footnote 2, p. 1286.

³ Dr. Werner Senator, Administrative Director of the Hebrew University and representative of the most moderate element among the Jews, according to telegram 1198 from Jerusalem.

S/S-NSC Files, Lot 63 D 351

Memorandum by the Secretary of Defense (Forrestal) to the National Security Council

TOP SECRET

WASHINGTON, August 19, 1948.

NSC 27

Subject: U. S. Military Point of View for the Eventuality of United Nations Decision to Introduce Military Forces into Palestine.

The Joint Chiefs of Staff have considered the possible military implications of the resolution submitted by the United States and adopted with amendments by the Security Council of the United Nations on 15 July 1948. In this resolution the Security Council has declared that failure by any of the governments or authorities concerned in military action in Palestine to comply with the Security Council's order to desist from further military action and to this end to issue "cease fire" orders to their military forces and paramilitary forces would demonstrate the existence of a breach of the peace within the meaning of Article 39 of the United Nations Charter requiring immediate consideration by the Security Council with a view to such further action under Chapter VII as may be decided upon by that Council. The Council has also declared that, subject to further decision by the Security Council or the General Assembly, the truce shall remain in force until a peaceful adjustment of the future situation of Palestine is reached.

The following views of the Joint Chiefs of Staff on this matter are forwarded to the National Security Council for their consideration:

The Joint Chiefs of Staff have consistently stated their opinion that it would, from the military viewpoint, be most inadvisable for Soviet or Soviet satellite armed forces to be permitted to enter Palestine or for United States forces to be committed there.

The entry of Soviet forces into Palestine would have the most far-reaching strategic implications in that the Soviets would then be entitled to land or sea lines of communications, either of which would entail the very serious consequence of Soviet entry into other Near and Middle East areas, and in that there would be no limitation on the number of Soviet forces that might enter Palestine with or without justification by the developing situation. The way would thus be open for Soviet military domination of the Near and Middle East, which would exert tremendously harmful influence on and even jeopardize our global strategy and resources in the event of war with our most probable enemy. The foregoing would also apply eventually to the entry of any Soviet satellite armed forces into Palestine in view of their close relationship with and control by the Soviets.

As for commitment of United States forces in Palestine, the consequences, from the military viewpoint, would be very grave indeed if action anywhere in advance of adequate military readiness on our part should lead to major military commitment; that is, actual major use of armed forces. Participation in enforcement of peace in Palestine by United States armed forces, no matter of what strength, must be viewed as the quite probable genesis of a series of United States deployments to Palestine which might ultimately attain such proportions that our military responsibilities in other parts of the world, which are vital to United States security, could not be either promptly or effectively met.

In view of the worsening world situation and the international appreciation of our current lack of military preparedness, it would be militarily unsound to endanger our world military position, as well as that of other nations dependent upon us for support (most im-

portantly and specifically those concerned in the European Recovery Program), by initiating such a series of deployments to Palestine in advance of adequate capability of major effort there, and in advance of provision to meet those other commitments which are vital to us and other courses of action on which we are embarked.

As for the adequacy of our present capability of major military effort, a reasonable estimate of the number of United States troops that would be required to enforce, or assist in enforcing, peace in Palestine indicates that substantially our entire present ground reserve, both Marine and Army, would be involved either initially or later. In other words, there would be no troops available for deployment to any other area at least until such time as the strength of our establishment had been sufficiently replenished through the operation of Selective Service. Until then, the United States would have to accept the loss of the bulk of its general reserve, as well as the training cadres necessary for the preparation of the units, soon to be organized, and the others which would be required.

Also, the logistical support of troops committed in Palestine would require a major effort within the Zone of the Interior and this in turn would have important bearing on our ability to carry out existing and projected programs of military assistance for our potential allies.

On the other hand, it is obvious that entry of Soviet forces into Palestine and commitment of US forces there would constitute a highly satisfactory arrangement from the Soviet military viewpoint. Only a small percentage of available Soviet armed forces would be necessary and these would open the way, as pointed out above, for Soviet military domination of the Near and Middle East, whereas this relatively minor effort on the part of the Soviets, as also pointed out above, would necessitate commitment of U.S. forces to an extent that would both seriously limit our current efforts to strengthen our military posture and result in non-availability of our present limited forces for emergency employment elsewhere. Thus, Soviet freedom of military action not only would be retained, but also would be improved, while that of the United States would be immediately restricted, and to an unpredictably serious extent.

In short, since our policies in a number of areas and countries are at least partly based on our ability to provide troops and military equipment, either currently or under certain future contingencies, the non-availability of such troops and equipment as a result of United States participation in Palestine peace enforcement might render these policies meaningless because incapable of military support.

At present, an extremely pertinent case in point is the Berlin situation, which in itself undeniably demands as a matter of military prudence not only every effort to hasten the strengthening of our military posture but also the husbanding of every military resource we now have.

It is thus apparent that the situation which now confronts the Joint Chiefs of Staff is one in which the ultimate extension of United States policy in the sequence of events it has already initiated through resolution of the Security Council will lead to two results: the introduction of U.S. forces and of Soviet or Soviet satellite forces into Palestine, either of which the Joint Chiefs of Staff again reaffirm would be seriously prejudicial to our national security.

The Security Council resolution of 15 July, which involves consideration of the use of armed forces, is an accomplished fact. However, further United States support in subsequent steps, such as consummation of agreements under Article 43 and Article 106, would be necessary in arriving at a decision by the United Nations to use such forces. The United States is not now firmly committed to the provision of United States military forces to be used in support of the resolution, nor to acquiescence in the employment of any United Nations' forces. Therefore, there exists no firm commitment on the part of the United States to provide armed forces.

In summation, it is the opinion of the Joint Chiefs of Staff that it would be incompatible with the security interests of the United States to have either United States or Soviet or Soviet satellite forces introduced into Palestine. They therefore recommend that the United States policy neither endorse nor permit a decision by the United Nations to employ military enforcement measures in Palestine.¹

JAMES FORRESTAL

¹The National Security Council undertook preliminary discussion of Secretary Forrestal's memorandum on August 19 and assigned to the Department of State responsibility for considering the views of the Joint Chiefs of Staff and commenting on them at the next Council meeting (note of August 23 by the Executive Secretary of the Council, Admiral Sidney W. Souers, to the Council, NSC 27).

501.MA Palestine/8-1948

Memorandum by the Department of State to President Truman

SECRET

WASHINGTON, [undated.¹]

Subject: Relief of Arab and Jewish Refugees in the Near East.

As the result of the recent fighting in Palestine, approximately 330,000 Arab inhabitants of that country residing in areas now under occupation by the Provisional Government of Israel or the military forces of Israel precipitately fled from their homes and are now scattered either in the Arab portions of Palestine or in neighboring countries, including Syria, Transjordan and Egypt. There are likewise approximately 7,000 Jewish refugees who require assistance. The plight of the Arabs, however, is much more grave. They are destitute of any belongings, are without adequate shelter, medical supplies, sanitation and food. Their average daily ration, made up exclusively of bread, is only 600 calories. Once the rainy season commences and winter sets in, tragedy on the largest scale will be inevitable unless relief is forthcoming.

Thus far the Provisional Government of Israel has refused to admit the Arab refugees to their former homes, which have in some cases been destroyed by fighting and in others preempted by Jewish immigrants. The Israeli Foreign Minister has officially stated that his

¹ Drafted on August 19.

government will not permit the return of the refugees except in conjunction with a general peace settlement and under conditions which will not threaten either the economic stability or the internal security of Israel.²

The United Nations Mediator, Count Bernadotte, on August 16, requested the Government of the United States to assist the 330,000 destitute Arab refugees and 7,000 Jewish refugees by donating and diverting to him at Beirut 2500 tons of wheat, 100 tons of canned meat, 50 tons of cheese, 50 tons of butter and 20 tons of DDT. He has further requested that 10 percent of these items be diverted immediately from United States seaborne supplies or in the nearest ports and that the remaining 90 percent be furnished within three months at the latest, except for the full amount of DDT which is required immediately.³

In the absence of public United States funds authorized to meet the request of Count Bernadotte, the Department of State has turned to private American agencies, such as the Near East Foundation, the American Red Cross, and the Church World Service Committee, all of which have already contributed toward the relief of Arab and Jewish refugees in the Near East. In addition, the American-Arabian Oil Company has offered \$100,000 to the Mediator for relief purposes. The American Red Cross has offered to furnish the 20 tons of DDT requested, and a telegram has been sent to the Chairman of the Red Cross, who is now in Stockholm, asking authorization to furnish \$300,000 of needed supplies for the Mediator's purposes as outlined in his telegram.

Although Count Bernadotte's immediate requirements of the United States do not total more than \$414,000, without adding the cost of transportation, his present request is but the first of many measures which will have to be taken if the Arab and Jewish refugees remain separated from their homes and without means of livelihood. It is estimated that if they continue as at present the total relief need will run between \$2 and \$4 million a month to keep them from starvation and epidemic disease.

The Department of State recommends:

1. That the Department continue its efforts to secure immediate donations from American private relief organizations.
2. That the Department be authorized to approach other agencies of this government with a view to assuming some share of the international burden of relief for refugees in the Near East.
3. That, as part of this government's diplomatic participation in securing a peaceful settlement of the Palestine problem, it urge upon the Provisional Government of Israel and other governments con-

² See Mr. Shertok's letter of August 10 to Secretary-General Lie, SC, 3rd yr., *Supplement for August 1948*, p. 157.

³ Regarding Count Bernadotte's request of August 16, see editorial note, p. 1315.

cerned the need for repatriating Arab and Jewish refugees under conditions which will not imperil the internal security of the receiving states.⁴

⁴ Mr. Rusk sent copies of this memorandum to seven officers of the Department on August 19. His transmitting memorandum stated that it "was discussed with the President on the same day by Secretary Marshall. The Secretary has stated that the President gave his oral approval to the three recommendations. . . ."

Later in his memorandum, Mr. Rusk noted that "It is hoped that the President's approval to the Department's recommendations can be used effectively in securing the utmost cooperation from governmental agencies and from private relief organizations. As the memorandum points out, we are but at the threshold of this acute human problem. A much greater effort will have to be made and means found if tragedy is to be averted in the Near East, with consequent repercussions not only in terms of human suffering but also in terms of the political and security interests of the United States."

867N.00/8-1948

*The Special Representative of the United States in Israel
(McDonald) to the Secretary of State*

RESTRICTED

No. 38

TEL AVIV, August 19, 1948.

[Received September 9.]

SIR: I have the honor to report that on August 13, 1948 I was invited to pay my official courtesy call on the Minister of Foreign Affairs Moshe Shertok whom I have known as a personal friend for some years. I was accompanied by the Counselor of Mission.

The Minister received me with great friendliness and the meeting lasted some forty-five minutes, following which the Minister introduced me to Dr. Walter Eytan, Director-General of the Foreign Office with whom I had tea and pleasant conversation.

In the course of my conversation with the Minister I referred to my visit en route with Dr. Chaim Weizmann in Vevey, Switzerland. This turned the conversation into fields of considerable interest—i.e. the plans which the Provisional Government are making with reference to the forthcoming general elections for the Constituent Assembly, the return of Dr. Weizmann and his inauguration as President of the Council of State, the efforts being made to formulate a draft of a Constitution for eventual consideration by the Constituent Assembly, etc.

The Minister stated that, in accordance with the expressed will of the Council of State, a Special Committee of the Council was working strenuously to draw up procedures for a general registration of the electorate. The immediate problem was to determine what form of identification and registration of voters is possible under the extraordinary war time conditions existing; some members of the Committee are in favor of requiring identity cards with photographs and fingerprints; others reject the idea of fingerprints as being associated with police control. Also there arises the question of how to register the

armed forces who remain mobilized on a war footing at the fronts, and many other procedural and technical problems.

The Minister emphasized, however, that the Council had ordered that the registration of voters be completed by October 1, 1948 and that the Provisional Government would do its utmost to carry out the order of the Council. After registration is complete, general elections for representatives to a Constituent Assembly will be held, the tentative date being sometime in January 1949.

In the meantime, stated the Minister, plans are proceeding rapidly to bring Dr. Weizmann to Israel on or about September 15, and to inaugurate him, with appropriate ceremonies, as President of the State Council. The Minister stated categorically that there was absolutely no foundation in the tendentious rumors that Dr. Weizmann's return had been delayed because of the Government's inability to protect his person from unfriendly elements within, or without, Israel. The delay has been occasioned, he affirmed, by the sheer overwhelming burden of organizing the government, fighting off the attacks of six nations, and formulating plans for a proper reception and inauguration.

As regards the preparation of a Constitution, the Minister stated that the task was, of course, the prerogative of the Constituent Assembly and that the Provisional Government had no concern in the matter. By agreement, however, with the Council of State, a group of eminent constitutional lawyers are drawing up tentative suggestions and ideas which will give the Constituent Assembly a working paper from which to proceed.

I am convinced that the Provisional Government is determined to proceed with electoral registration and elections to a Constituent Assembly at the earliest possible moment. When one considers the burden and confusion of the war, however, there arises in my mind the question as to whether it is mechanically possible to register all the people of voting age by October 1st and I consider that the Council may have to concede an extension of time in this regard.

The Mission will keep the Department informed of all developments in these matters.

Respectfully yours,

JAMES G. McDONALD

501.BB Palestine/8-1948: Telegram

The Consul General at Jerusalem (Macdonald) to the Secretary of State

SECRET

JERUSALEM, August 19, 1948—5 p. m.

1210. Consul General greatly appreciates Department's comments on its telegrams 1198, August 16 and 1148, August 2¹ reporting pres-

¹ Neither printed.

ent Jewish attitude towards Jerusalem (Deptel 838, August 18). Indication given of Department's present position most useful.

By Christian disinterest in Jerusalem Senator meant lack of evidence available in Jerusalem, that Christian institutions such as Vatican, Church of England and Protestant Council of Churches have vigorously condemned fighting here or taken any action to force cessation hostilities. Any information of positive action by organizations mentioned would be most useful.

Consul General feels that shift in attitude towards Bernadotte and United Nations attributable both to Jewish desire obtain control Jerusalem and to loss confidence in United Nations willingness or ability to carry out decisions. At time first truce Jews relatively weaker militarily than Arabs and realized dependence on United Nations for survival at least in Jerusalem. At present conscious of own superior military position and consider United Nations obstacle to their military conquest Jerusalem and perhaps remainder [apparent omission] this explains their present lack cooperation with observers and efforts depreciate Bernadotte and United Nations in contrast to attitude during first truce. However, in view failure United Nations solve Palestine problem or take effective action prevent fighting, Consul General feels majority populace and Jewish leaders in Jerusalem doubt United Nations will take positive steps assert its authority. Because present East-West division in SC and past fluctuations in United States policy Jewish feeling is punitive action particularly versus State Israel most doubtful. Jews have made every effort build up case against Arabs as violators present truce and are confident this evidence will also prevent SC from declaring Israel is aggressor. Consul General considers Jews are actually attempting to provoke incident permitting resumption hostilities blame for which could not be conclusively attributed to Jews.

Consul General therefore wishes reiterate views expressed in its telegram 1157, August 4, that visible evidence SC determination such as despatch armed forces for demilitarization Jerusalem is required to stabilize present situation.

MACDONALD

501.BB Palestine/8-648 : Telegram

The Secretary of State to the Embassy in the United Kingdom

TOP SECRET

US URGENT

WASHINGTON, August 19, 1948—6 p. m.

NIACT

3302. Ref. para. 8 urtel 3567, Aug. 6, you should reply to Bevin along following lines:

The US offers no objection to measures which the UK considers it must take to protect its own military forces and installations in the

Middle East, as a consequence of its estimate of possible internal disorders or Soviet activity in that area. At the same time, we must assume that the UK will act in accordance with relevant SC resolutions on Palestine and that Count Bernadotte will be informed.

For your confidential information, we do not desire to put the British in position to claim US support if they decide to turn arms and ammunition over to Arab forces despite SC resolutions. We believe they must accept full responsibility for distinguishing between protection of British forces and installations and military assistance to parties in Palestine in violation of truce arrangements as well as responsibility for any determination which they might make that circumstances in Palestine might require action contrary to resolutions of the SC.¹

MARSHALL

¹ Ambassador Douglas replied on August 21 as follows: "When I conveyed to Bevin yesterday substance Deptel 3302, August 19, he expressed appreciation for the understanding attitude which Department has shown in this instance. He said that he had intended all along to inform Mediator before taking any such action and that in order to minimize criticism he intended to ask Bernadotte to arrange to observe any such arms movements. It has been made quite clear to Foreign Office that HMG must accept full responsibility for distinguishing between protection of British forces and installations and military assistance to parties in Palestine." (Telegram 3802 from London, 501.BB Palestine/8-2148)

Resolution 56 (1948) Adopted by the Security Council on August 19, 1948¹

The Security Council,

Taking into account communications from the Mediator concerning the situation in Jerusalem,

1. *Directs the attention* of the Governments and authorities concerned to its resolution 54 (1948) of 15 July 1948;

2. *Decides* pursuant to its resolution 54 (1948), and so informs the Governments and authorities concerned, that:

(a) Each party is responsible for the actions of both regular and irregular forces operating under its authority or in territory under its control;

(b) Each party has the obligation to use all means at its disposal to prevent action violating the truce by individuals or

¹ Reprinted from SC, *3rd yr., Resolutions*, p. 24. The resolution was introduced jointly by Canada, France, the United Kingdom, and the United States and was adopted in paragraph-by-paragraph votes. No vote was taken on the text as a whole (SC, *3rd yr., No. 107*, pp. 41-49 ff.). Paragraph 2(c) was added to the draft resolution in response to a request made by Count Bernadotte in his cablegram of August 18 to Secretary-General Lie. The cablegram noted that the situation in Jerusalem was gradually getting out of hand; for text, see *ibid.*, p. 40.

Count Bernadotte, in a cablegram of August 19 to Secretary-General Lie, submitted an interim report regarding the demilitarization of Jerusalem, in which he expressed "serious doubts whether demilitarization can be attained in near future"; for text, see SC, *3rd yr., Supplement for August 1948*, p. 162.

groups who are subject to its authority or who are in territory under its control;

(c) Each party has the obligation to bring to speedy trial, and in case of conviction to punishment, any and all persons within their jurisdiction who are involved in a breach of the truce;

(d) No party is permitted to violate the truce on the ground that it is undertaking reprisals or retaliations against the other party;

(e) No party is entitled to gain military or political advantage through violation of the truce.

501.BB Palestine/8-2048

Memorandum by the Secretary of State to the Under Secretary of State (Lovett)

CONFIDENTIAL

[WASHINGTON,] August 20, 1948.

Subject: Cabinet Meeting

Finally, I outlined the nature of Bernadotte's request for relief assistance for the Arab DPs, depicting the situation and its urgency in connection with the settlement of the Palestine problem. All expressed great interest in this and thought we ought to find some way to make the appeal more public. Forrestal thought the oil companies could come across with larger sums and I replied I thought we had better reserve the pressure on the oil companies for the period following Bernadotte's first three months. I did a little thinking out loud and stated that we had not yet touched one phase of the problem which was highly important, which was the reception and distribution of the supplies which would require a great deal of administrative ability and planning and supervision. Incidentally I should think we might approach this on the basis of getting the Red Cross to send in the individuals who are trained in this business and have them assist the various Arab governments, and particularly to assist Bernadotte's staff in establishing the preliminary basis of reception and distribution.

There was nothing else of any consequence that came up in the meeting.¹

G. C. M[ARSHALL]

¹ Marginal notation by William J. McWilliams, Executive Officer of the Office of Departmental Administration: "Copies sent to Rusk and Hare. Appropriate action being taken."

Forrestal's account of the Cabinet meeting is included in his diary entry for August 20 (Forrestal Papers).

501.MA-Palestine/8-2048

*Memorandum by the Director of the Office of United Nations Affairs
(Rusk) to the Under Secretary of State (Lovett)*¹

SECRET

[WASHINGTON,] August 20, 1948.

Subject: Arab and Jewish Refugees in Palestine.

On August 19, 1948 the Secretary of State gave a memo to the President on the question of relief of Arab and Jewish refugees in the Near East. The original copy of this memo with General Marshall's endorsement is attached (tab A).²

Your particular attention is invited to the three recommendations made by the Department to which the President gave his oral approval on August 19. The third recommendation reads as follows:

"That, as part of this government's diplomatic participation in securing a peaceful settlement of the Palestine problem, it urge upon the Provisional Government of Israel and other governments concerned the need for repatriating Arab and Jewish refugees under conditions which will not imperil the internal security of the receiving states."

It is suggested that irrespective of the other matters pending between the Department and Mr. Epstein, and on which White House clearance seems yet to be in abeyance, you may wish to call in Mr. Epstein and discuss the specific question of the Arab and Jewish refugees.

As documentation for such a *démarche* there are attached a copy of Security Council document S/948 5 August 1948 setting forth the text of a telegram from Count Bernadotte to the United Nations Secretary General on Arab Refugees (tab B); Security Council document S/949 5 August 1948 transmitting a letter from the Foreign Minister of Israel to the Mediator on the same subject (tab C); Security Council S/962 12 August reproducing the text of a letter from Sir Alexander Cadogan to the President of the Security Council regarding Palestinian Arab refugees (tab D); and Security Council document S/965 12 August 1948 setting forth a letter from the representative of the provisional government of Israel to the Secretary General concerning refugees and displaced persons (tab E).³

In brief, the Mediator takes the firm position that a very large proportion of the 330,000 Arabs who fled from their homes in Jewish

¹ Memorandum drafted jointly by the Office of United Nations Affairs and the Division of Near Eastern Affairs; cleared by Mr. Hare.

² See p. 1324.

³ Tabs B, C, D, and E not found attached.

Palestine to other areas should return to those homes. A very large percentage of these refugees consists of children, women and aged who under no stretch of the imagination could be regarded as a security threat against Israel. As set forth in the memo to the President, the condition of the Arab refugees is appalling. They exist in terms of utmost destitution and if adequate relief is not forthcoming or they are not returned to their homes a large proportion will die before the end of winter.

The replies of Foreign Minister Shertok suggest that the Provisional Government of Israel may be using the fate of these unfortunate people to enhance its bargaining position in connection with eventual settlement of the Palestine problem. Furthermore, there is evidence that many of the homes and household effects of Arabs who fled Israeli-occupied territory have been given to newly arrived Jewish immigrants.

The Provisional Government takes the position that political, economic, and security considerations preclude the return of Arab refugees prior to final settlement of the Palestine problem. If this matter is discussed with Mr. Epstein, you may wish to speak along the lines set forth in Deptel 534 to USUN (Tab F):⁴

1. With regard to economic considerations, the state of Israel is demonstrating its capacity to assimilate substantial numbers of Jewish immigrants monthly. If the Provisional Government continues to prevent the repatriation of Arab refugees, it will strengthen the already prevalent impression that the entry of European displaced persons is being accomplished at the expense of the former inhabitants of Israeli territory.

2. While we recognize that Israel's attitude is influenced by considerations of security, we believe that, under the supervision of Count Bernadotte, a substantial number of refugees who so desire could be allowed to return to their homes and occupations without prejudice to the domestic security of the state of Israel.

3. Politically, Israeli cooperation in effecting the gradual return of these refugees would give the Arabs concrete evidence of Israel's frequently expressed desire to construct a firm basis for cooperation with the Arabs. Moreover, such action by Israel would substantially improve the possibility of obtaining an early peaceful solution of the Palestine problem.

⁴ Dated August 14, not printed (501.BB Palestine/8-348).

867N.48/8-1948: Telegram

The Secretary of State to the Legation in Lebanon

CONFIDENTIAL

WASHINGTON, August 20, 1948—8 p. m.

514. Reurtel 439, Aug 19.¹ [Here follows remainder of paragraph indicating that the bulk of the shipments outlined in the first paragraph

¹ Not printed.

of telegram 3236, August 14, to London, page 1310, were already in the Near East or en route.]

US also supported International Childrens Emergency Fund decision Aug 16 allocating 411,000 dollars for assistance refugee children Near East, first shipment of which scheduled leave US Aug 24 for Beirut.

In response to Count Bernadotte's appeal Aug 16 to Secy for refugee aid,² Secy in press conference Aug 18 referred to seriousness refugee situation expressing hope that American relief agencies will respond in their usual manner. He also stated Dept is in process of discussions with various govt agencies to see what might be done to help out.

Dept is actively stimulating private American relief agencies. Amcross has pledged 14,000 dollars to cover 20 tons DDT specifically requested by Bernadotte, and has now authorized additional 200,000 dollars medical supplies for immediate shipment Near East.

War Relief Services of National Catholic Welfare Conference is prepared make substantial contribution including early shipment of supplies. Near East Foundation presently carrying on sanitation work in refugee camps and villages Syria and Lebanon and is prepared expand its services.

Other American organizations and relief agencies have expressed willingness and readiness render substantial assistance alleviating refugee situation. Dept will inform you further as soon as these commitments firmed up.

You may inform appropriate authorities of these developments, assuring them that Dept is giving active attention to refugee situation and that American organizations are responding with traditional generosity to needs Near Eastern peoples.³

MARSHALL

² See editorial note, p. 1315.

³ This telegram was repeated to other Arab capitals, Jerusalem, Tel Aviv, and New York. In a telegram of August 26 to Count Bernadotte, Secretary Marshall stated that the Arabian American Oil Company and the Trans-Arabian Pipeline Company had donated \$100,000 for the purchase of foodstuffs and DDT and that the International Bechtel Incorporated had donated an identical amount for the same purpose. The Secretary also cited contributions in the form of medical supplies, clothing, services, etc., by the American Red Cross, the Federal Council of Churches, the Christian Rural Overseas Program, American Middle East Relief Incorporated, the Near East Foundation, the National Catholic Welfare Conference, and Lutheran World Relief Incorporated. The telegram was transmitted to the Embassy in Sweden as No. 640 and was repeated to New York (501.BB Palestine/8-2048).

The Department, on September 11, informed Cairo that no public funds were available to assist refugees in the Near East and that since the Congress was not in session, such funds would not be forthcoming to meet the current emergency. The Department noted also that United States Government action in stimulating assistance by voluntary groups had already met with "gratifying response" and that further commitments were expected (telegram 1266, 867N.48/9-648).

867N.01/8-2048 : Telegram

*The Special Representative of the United States in Israel
(McDonald) to the Secretary of State*

SECRET US URGENT

TEL AVIV, August 20, 1948—10 p. m.

63. At official reception for me and staff today I had 45 minute confidential conversation with Ben-Gurion. I took occasion to emphasize danger if PGI should have illusion that the USA would under no circumstances participate in imposition of sanctions. I added that conditions might rise wherein US sense of justice and right would, despite US deep friendship for Israel, lead to such action.¹

Ben-Gurion appeared to appreciate friendliness of my frankness. He replied, however, that there were two points on which Israel would never compromise (1) the independence of state, and (2) any action involving threat to national security. As regards point (2) he was at moment referring to danger of allowing mass return Arab refugees prior to peace.

I made no comment on Prime Minister's dictum, but my view concurred in by my staff, is PGI cannot from military standpoint now allow mass return refugees within small confines state, thus creating danger of having enemy at back as well as in front.

I must also add that I believe PGI, suicidal though such policy might seem, would under conceivable circumstances resist UN sanctions rather than compromise on either of above two points.

MCDONALD

¹ After his discussion with the Israeli Prime Minister, Mr. McDonald repeated the same point of view to Mr. Shertok, who made no special comment (telegram 64, August 20, 6 p. m., from Tel Aviv, 867N.01/8-2048).

501.BB Palestine/8-2048 : Telegram

The Secretary of State to the American Mission at Tel Aviv

SECRET US URGENT

WASHINGTON, August 21, 1948—10 a. m.

NIACT

59. The Dept is concerned at report in Haifa's 334 Aug 20 repeated to you in next telegram.¹

Please telegraph immediately your estimate of situation. If it appears that PGI is on point of breaching truce and embarking on renewed hostilities you should call immediately on Ben Gurion and Shertok and impress on them the risks PGI will run in SC of being

¹ Not printed; it advised that responsible neutral elements at Haifa were convinced that the Jews were about to make a determined effort to take all of Jerusalem and that "In opinion of many observers drain on financial resources Israeli Government and economic disruption of country caused by maintenance large armed forces makes impossible situation for Government which must act immediately despite truce." (501.BB Palestine/8-2048)

found to be the aggressor, with consequent sanctions, etc. Furthermore, you should point out the continued determination of this Government to do utmost to preserve truce and through it peace in Palestine.

MARSHALL

501.BB Palestine/8-2148 : Telegram

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

SECRET

WASHINGTON, August 21, 1948—2 p. m.

553. The following is text of letter to UN SYG copy of which will be forwarded to you by pouch with regard to latter's request for 125 additional military observers from US to assist Count Bernadotte:

"With reference to your request of August 10, 1948 for my assistance in providing to the United Nations Mediator for Palestine 125 additional military observers who should be non-commissioned officers and enlisted men, I am pleased to inform you that the Secretary of National Defense, Mr. Forrestal, has indicated¹ the readiness of his establishment to comply with your request, subject to the considerations set forth below.

Mr. Forrestal, prior to taking this action, requested the comments and recommendations of the Senior United States Observer in Palestine. This observer, Brigadier General William Riley, USMC, after careful study and extensive discussions with the Chief of Staff and personal representative of the UN Mediator, concluded that the present number of United States, French and Belgian observers is sufficient in view of the critical shortage of transportation and communications equipment and the inadequate number of Jewish-Arab liaison officers. He believes, and states that Count Bernadotte's personal representative concurs, that what is needed is additional transportation and communications specialists and equipment, rather than more observers, and specifies the number and quantities required.

Mr. Forrestal states that he attaches great importance to assisting the UN Mediator in every practicable way but also considers that the recommendations of the United States and United Nations commanders in the field are entitled to great weight in determining United States further participation in observing the Palestine Truce.

Based on these reports from the field and in accordance with the above considerations, the Secretary of National Defense has instructed the Secretary of the Navy to arrange to provide the following additional personnel:

6 enlisted clerk-typists	
3 officers	} communications specialists
11 enlisted men	
3 officers	} field motor maintenance specialists
12 enlisted men	

¹ In a letter of August 19 to the Secretary of State, not printed.

The Secretary for National Defense has also asked the Secretary of the Navy to make available, at the request of the UN Mediator, and in accordance with specific requirements therefor as determined by the Senior United States Military Observer in consultation with the Mediator or his representative, not to exceed 100 additional enlisted personnel, together with any necessary support, equipment and officer supervision. Such personnel will be provided, however, only to the extent that they are not used for purposes other than observation and supervision of the truce. In no event should they be assigned to guard, protective or enforcement duties, or be employed to provide personal services. In addition, the Secretary of the Navy has been instructed to provide such added transportation and communications equipment as may be specified by the Senior United States Observer as necessary.

The foregoing additional assistance to Count Bernadotte is gladly offered by the United States Government in earnest hope that the United Nations Mediator, with such assistance, will be able to bring his difficult task in Palestine to a successful conclusion. It is understood that the other governments represented on the Truce Commission will provide similar additional assistance to Count Bernadotte, although the number of observers to be provided by Belgium will be less than those from France and the US."²

Repeated to Jerusalem as 847, Paris as 3241, Brussels as 1259, London 3331.

MARSHALL

² For the statement issued on August 21 by the Department of State on the furnishing of additional military observers to Count Bernadotte, see Department of State *Bulletin*, September 5, 1948, p. 293.

501.BB Palestine/8-2248: Telegram

*The Special Representative of the United States in Israel (McDonald)
to the Secretary of State*

SECRET URGENT
NIACT

TEL AVIV, August 22, 1948—11 p. m.

66. I anticipated Deptel 59, August 22 [21], indicated mytel 63, August 20. However, discussed question again today with Shertok informing him of grave Washington concern. He categorically stated any reports PGI about take general action Jerusalem or northern Galilee in violation truce were "fantastic"; that he aware responsibility PGI would incur such move. He reiterated, however, his public statement that indefinite continuation truce without any move toward peace settlement creating intolerable situation money, manpower for Israel.

In answer direct question Shertok said [Ben-]Gurion's views identical those Foreign Minister. Since [Ben-]Gurion absent Jerusalem, impossible immediately confirm Shertok statement but have no reason suspect [Ben-]Gurion's answer would be different.

My estimate is PGI will not now take deliberate overt action, but if increasingly tense situation is to be relieved there must be evidence near future through UN or otherwise of measurable progress toward peace.

McDONALD

867N.01/8-2348 : Telegram

*The Special Representative of the United States in Israel (McDonald)
to the Secretary of State*

SECRET US URGENT

TEL AVIV, August 23, 1948—4 p. m.

67. Regarding Arab proposal demilitarize Jerusalem (re Jerusalem telegram to Department 1173 August 7 and ourtel 64 August 20¹) Shertok today told me that PGI does not consider it basis for negotiation because (1) the proposal for UN guards is unrealistic since unarmed guards would be wholly inadequate and since SC has shown no willingness supply sufficient armed force; (2) enlargement of demilitarized area would further complicate Jewish problem by increasing chance Arab sudden seizure key Jerusalem positions; and (3) demilitarization of Jerusalem is integral part of whole problem of peace.

He amplified the above by emphasizing that political and geographical considerations including lack of Jewish hinterland are also vital deterrents. He said "as long as danger of Arab conquest exists I can see no other way to protect Jerusalem except through Jewish military force".

Shertok added that rejection Arab demilitarization plan does not preclude Israel consideration internationalization and partition Jerusalem.

McDONALD

¹ Latter not printed.

501.BB Palestine/8-2448 : Telegram

*The Special Representative of the United States in Israel (McDonald)
to President Truman*¹

TOP SECRET US URGENT

TEL AVIV, August 24, 1948—10 a. m.

Already a crisis—perhaps you, Mr. President, foresaw it when you asked me to report on grave issues directly to you—is in the making. It threatens, if not wisely handled both in Washington and Israel, to place the government of this small state before the tragic alternative of accepting dangerous humiliation from the US and the UN or of

¹ Transmitted to the Department by Tel Aviv in telegram 70, "for the personal attention President and Secretary."

defying both US and UN. Either Israel's humiliation or Israel's defiance could bring to the President personally and to our Government—not to speak of the UN—only new and embarrassing problems.

This crisis is threatening because of two basic facts:

1. The seeming wide difference of opinion between our Government and that of Israel on the next important step which should be taken. Washington appears to concentrate on the maintenance of truce, the demilitarization of Jerusalem, and the alleviation of the Arab refugee problem. The Israeli Government, instead of concentration on either of these partial measures, wants peace negotiations now. The truce they regard as merely a thinly-disguised continuation of the war. They insist that the truce, which does not permit them to demobilize any of the very large section of Jewish population under arms, is imposing an unbearable burden.

The Arab proposals for the demilitarization of Jerusalem, which the Department of State reports it and the British regard as fair basis of discussion, the Israeli Government says are unacceptable because: (a) They would work to the advantage of the Arabs and (b) they could not in fact be made effective. To try to enforce such demilitarization could only continue, say the PGI, the present futile and debilitating state of ineffective truce.

Arab refugee problem was, says PGI, created by war and can be finally solved only at peace conference.

According to [Ben-]Gurion and Shertok, there is only one peaceful and practicable way out of the present impasse. This is prompt peace negotiations directly between Jews and Arabs either on their own or under UN or other auspices. Once negotiations were begun or even clearly foreshadowed through acceptance of the principle by both sides, such "secondary" questions as the continuance of the truce, the demilitarization of Jerusalem and the Arab refugees, would all become manageable. Israel wants and would welcome US and UN pressure to force such peace negotiations now.

Striving to see the whole problem objectively, I have reached the conclusion that the Jewish emphasis on peace negotiations now is sounder than the present US and UN emphasis on truce and demilitarization and refugees.

2. The second fact which is inviting crisis is the existence of two dangerous illusions. The one is held in some quarters here that the US would under no circumstances be a party to UN sanctions against Israel; last Friday I frankly warned Ben Gurion and Shertok against this illusion. The second illusion and in my opinion just as dangerous as the first is the feeling in some Washington quarters that Israel would under no circumstances resist a US-supported UN decision carrying a threat of sanctions.

I am convinced that neither [Ben-]Gurion nor Shertok in their talks with me exaggerated when they said in substance: "On no matter adversely affecting our independence or our security will we yield to the threat of UN sanctions, even if these are backed by your Government, which we know to be our friend. What we have won on the battlefield we will not sacrifice at the council table."

Suicidal though it may seem, these people would resist, and not merely passively. I cannot too strongly emphasize my conviction that, rather than submit to what would be regarded as infringement in-

dependence or weakening of security, they would fight both the US and the UN.

My urgent plea—which in different language I have presented to Department of State—is that our government guard zealously against permitting its good intentions and love of peace betray it into supporting a UN policy which would mean armed conflict with Israel.

This message sent through Haifa. Department reply directly Tel Aviv.

McDONALD

Clifford Papers

*The Special Representative of the United States in Israel (McDonald)
to the President's Special Counsel (Clifford)*

PERSONAL

[TEL AVIV,] August 24, 1948.

DEAR CLARK: This letter is to supplement the long telegram I sent day before¹ yesterday² to the President and General Marshall outlining the nature of and the causes for the threatening crisis in Israel-U.S. and U.N. relations—a crisis which despite or rather because of Washington good intentions might lead our government into open hostilities with Israel.

To you I want to explain more fully why from the point of view of the PGI the seeming continued concentration by the U.S. and U.N. on the indefinite prolongation of the truce is (a) tantamount to taking sides with the Arabs against the Jews and (b) may finally force the PGI to resume the war despite the possibility of U.S. and U.N. sanctions.

I. So long as the Arabs refuse peace negotiations either directly with the Jews or through the U.N. or other auspices, it should be perfectly clear that Israel cannot demobilize. Until through such negotiations the Arab states recognize the existence of an independent Israel, the Jewish authorities will know that the Arabs are continuing to prepare to destroy the Jewish state.

Hence, an indefinite truce is from Israel's point of view equivalent to a death sentence to be executed at the convenience of the Arabs.

II. Economically a prolonged truce is unbearable for Israel because by precluding demilitarization it keeps perhaps as many as 70 or 80 thousand men and women under arms. To argue that Israel does not need such a disproportionately large section of its population in the Army falls on deaf ears here because the PGI authorities are determined to rely on their own strength to defend their independence and security; and naturally, they will insist on being the judge of what such strength ought to be.

¹ The words "day before" appear on the source text as an addition in McDonald's handwriting.

² The reference here is clearly to McDonald's message printed *supra*.

The danger is that the time may come when PGI will consider resumption of the war as a lesser burden than the continuation of the armed truce.

My own conclusion is that since the President and the Department want peace, they should concentrate on getting peace negotiations started. To reply that this is difficult or that the Arabs won't accept is to confess that the Arabs can indefinitely call the tune.

On this issue, I do not think that the U.S. should be overly influenced by the views of either the Mediator or the British. The former, so far as I can judge, is almost completely discredited not only among the Jews but among the Arabs. His inability to enforce his "decisions" and his loquacious pronouncements have left him neither substantial moral authority nor dignity.

As to the British, it cannot be too strongly emphasized that: (a) their record here in recent years has shown that they can be completely unrealistic in their estimate of existing forces; (b) they are not, and in the nature of the case cannot be, impartial as between Jews and Arabs. Unless and until this is always kept in mind by Washington, there will be unnecessary misunderstanding about the elements in the problem here.

My telegram to the President and General Marshall of August 22 [24] and this letter to you are motivated by concern lest the U.S. get itself needlessly involved and lest the President be needlessly and gravely embarrassed.

Cordially yours,

JAMES G. McDONALD

501.BB Palestine/8-2448 : Telegram

The Secretary of State to the Embassy in Sweden

TOP SECRET US URGENT WASHINGTON, August 24, 1948—6 p. m.

634. Press and radio reports from Stockholm cite "high UN source" as authority for statement Count Bernadotte proposes to lay before Paris session UN GA question possible solution Palestine problem.

Aug 9, Bernadotte's UN Secretariat aide, Dr. Bunche, called on Secy and, speaking for Bernadotte, inquired Dept's view possible Palestine settlement and whether it would be wise for Mediator report directly GA.

Secy did not comment on Bernadotte's territorial suggestions. However, Bunche was told by officers Dept that we did not favor bringing Palestine settlement into Paris GA. This view was based on feeling that development of agreement between Jews and Arabs has not sufficiently matured and that for GA again to debate Palestine issue in absence of such meeting of the minds would merely exacerbate situation. Furthermore, as we instructed Douglas to tell Bevin (Deptel

3208, Aug. 13, to London), submission proposed Palestine settlement Assembly would involve basic principle, which we endeavored make clear in Austin's speech Feb. 24, that recommendations Assembly are not enforceable by UN agency.

Naturally, if Bernadotte can get Arabs and Jews to point of agreement on basic solution and some extra push is necessary in order enable leaders on both sides to carry their public opinion in accepting such arrangement, we should have no objection if Mediator brings matter to GA for its blessing. However, this will be a matter of most careful timing.

Please call on Count Bernadotte and set forth foregoing considerations which we feel warranted in suggesting because Bernadotte's representative in his name has asked for our comments. You should add that we are endeavoring to concert a common line of Palestine policy with UK and hope, once these conversations have borne fruit, to discuss our views with Mediator. It is our hope that, provided UK, US and Bernadotte can all agree on a suggested settlement, it will be possible persuade Arabs and Jews accept a *modus vivendi* which will eventually crystalize in treaty terms. However, this last development seems far off and meanwhile we feel that any approach GA on so delicate a question should be most carefully weighed with respect its timing.¹

Repeated to London as 3358, USUN as 557.

MARSHALL

¹ When Ambassador H. Freeman Matthews presented these views to Count Bernadotte, the latter was reported as saying that "his talks with Arabs have convinced him that they will never recognize existence of Jewish status voluntarily for fear of public opinion in their countries. They must, he says, have something 'to save face with their own people' and they have told him that if they can tell their people that world opinion as represented by UN is against them they will not resume warfare. He therefore feels that if GA passes some resolution similar to one of last year the Arabs will not start another war and will accept existence of Jewish state." (Telegram 987, August 26, 11 a. m., from Stockholm, 501.BB Palestine/8-2648)

Ambassador Matthews, on August 31, reported information from Mr. Bunche that Count Bernadotte understood the Department's viewpoint and was agreeable to keeping the Palestine question off the agenda of the General Assembly, "if that is possible." (Telegram 1003 from Stockholm, 501.BB/8-3148)

861.20200/8-1348 : Telegram

The Secretary of State to the Legation in Syria

SECRET

WASHINGTON, August 25, 1948—5 p. m.

329. Certain info contained in Legtel 522 Aug 13¹ combined with reports from widely separated independent sources fit into pattern indicating serious efforts being directed toward Syrian-USSR *rapprochement* character of which though unknown may be of important significance.

¹ Not printed.

Among these items are recent discussions between Soviet diplomats at Damascus and high ranking Syrian officials allegedly including President Kuwatly, visit to Moscow Soviet Minister to Syria, acceleration and intensification communist activity in Syria, reversal Syrian communist party policy which now advocates cessation Palestine war, and Moslem Brotherhood advocacy of seeking Soviet assistance. According sources London Syrian Minister Moscow has been instructed explore possibility obtaining some form Soviet support, and Iraqi Govt has manifested interest Syrian approach to Soviets.

Keep Dept informed developments which you may gain knowledge, repeating messages London, Moscow and interested Arab capitals.²

MARSHALL

² This telegram was repeated to London, Moscow, Arab capitals, and Jerusalem. Baghdad, in reply on September 17, reported that "Neither in private nor official conversations has Embassy detected any manifestation of interest on part Iraq Government to effect *rapprochement* with Soviets. To contrary, high government officials continue voice fear US policy on Palestine has opened door Soviet penetration. . . . Although political *rapprochement* seems unlikely Embassy believes principal danger at present is possible closing of economic ties with Soviets because of Iraq's desire obtain war material from any source and such other supplies as Soviets prepared make available." (Telegram 547, 861.20200/9-1748)

501.BB Palestine/8-2548 : Telegram

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

TOP SECRET

LONDON, August 25, 1948—8 p. m.

3851. Foreign Office has been pressing forward its detailed consideration Department's views as embodied Department's 3187¹ and more tentatively in Department's 3208, August 13. Foreign Office has in mind advancing exchange of ideas with United States Government one step further by submitting its views to Department partly in form of draft report and recommendations by Mediator to UN. At level of officials this draft is already well advanced and should be ready for despatch soon.

2. While Foreign Office views may change, Embassy understands from usual Foreign Office sources that British reply likely to be upon following lines.

3. Foreign Office finds substance Department's thinking not far from its own on major points. However, Foreign Office entertains certain differences of view re practical approach to problem, and has been trying to work out satisfactory compromise. Outstanding among differences is Foreign Office belief that at this stage it will be impossible to bring about negotiations or even informal discussions between Arabs and Jews (paragraph 5 Department's 3187). Foreign Office

¹ Dated August 12, p. 1303.

feels that if acquiescence both sides is to be secured this can only be on basis of Israeli frontier physically drawn by Mediator without consultation with either side as to its main features. Wherever possible Mediator would take into account views local inhabitants, communications, etc., but his decision re boundary location would be final.

4. In particular, for reasons given in paragraph 3 Embassy's 3756, August 18² Foreign Office believes Transjordan Government should not at this stage be asked to undertake negotiations with PGI (paragraph 6 Department's 3208, August 13). Foreign Office believes that if Transjordan Government should do this it would lose last vestige respect accorded Transjordan by other Arab states and net result might be disappearance from scene of most moderate and cooperative Arab League state along with Arab Legion (see Embassy's 3592, August 9²).

5. Another idea likely to be in reply is free zone at Haifa (paragraph 2 Department's 3187) including oil area. This would be under Israeli sovereignty but in initial stages at least Mediator would have to be charged with getting zone into operation on basis free use by Arabs who would be called upon to place no obstacle in way oil deliveries. Zone would be governed by UN port commissioner with international police force. Foreign Office also believes both sides must have access to Lydda airfield.

6. Re future Jerusalem Foreign Office believes Department's idea tripartite condominium would be improved and chairmanship by interested parties two-thirds of time avoided if Jerusalem made fully autonomous municipal unit under neither Arab nor Jewish sovereignty. Jerusalem would be governed by a governor responsible to UN assisted by a force of international police responsible to him. Governor would be appointed in such a way as to avoid deadlock as over governor Trieste. Administration of city would be carried out by Arab and Jewish municipal administrations on either side of line demarcated on ground. UN governor would have overriding authority (powers of veto and of initiative) over both municipal administrations which Foreign Office hopes would fuse after a time into one municipal authority. Meanwhile governor would make necessary arrangements for common services, and would have special responsibilities re rights of Christian communities, preservation of holy places and access thereto. There would be no Jewish corridor to Jerusalem and governor would make necessary arrangements for transit facilities; failure by either party to enter into reasonable arrangements or to respect arrangements made in this regard would be reported by him to SC.

² Not printed.

7. Re Arab refugees (paragraph 3 Deptreftel) Foreign Office considers that realistic appraisal this problem indicates that either Jewish authorities should agree to allow refugees to come back or give them compensation for property they have left behind. Mediator would report to SC if PGI refused to enter into reasonable arrangements in this regard. Foreign Office believes that despite their plight in other Arab countries many Arab refugees are too terrified of Jews ever to return (paragraph 7, Embassy's 3785, August 20³).

8. Re prospective 100 million dollar US Government loan for PGI (paragraph 9g Deptreftel) Foreign Office still has in mind desirability equaling outside economic help to both Jews and Arabs (paragraph 5b Embassy's 3484⁴) and wonders whether Department plans to make similar or smaller loan to Arab states, who might be slow to realize ultimate advantage to them of encouraging Israel's industrial capabilities.

9. Foreign Office appears in general agreement with principle of letting Arabs decide future Arab part Palestine but thinks it unlikely Palestine Arabs and Arab states could reach agreement on disposal. Foreign Office thinks agreement could only be reached on unrealistic idea independent Arab state. Therefore it believes Mediator should fix general principles disposal with Arab Palestine going to Trans-jordan subject to any frontier rectification desired by Egypt, Mediator to supervise demarcation.

10. Foreign Office shares Department's views that reference Palestine to UNGA except on basis of agreed settlement would be undesirable. However, Foreign Office is doubtful that this can be prevented particularly if Mediator's proposals are vetoed or fail to secure majority in SC.

11. Re paragraph 10 above interesting minority view exists in Foreign Office to effect that there is something to be gained by letting case go to UNGA. Idea is that Mediator should ask UNGA to authorize him to go ahead on a new plan for Palestine which in Mediator's view is most just possible settlement in circumstances. Simultaneously SC would stand by its resolutions and if Mediator should meet with opposition to carrying out his proposals after he has been authorized to go ahead by UNGA he can summon offending side before SC as a truce breaker. Thought is that by using dual origin Mediator's powers it would be possible to reconcile the concept that only UNGA can propose a solution but only SC can impose its will (Department's 3358, August 24⁵ paragraph 3). Even minority recognizes undesirability long UNGA debate and believes that if its views adopted matter should be introduced late in session with a view to securing UNGA's rubber stamp approval Mediator's ideas.

³ Not printed.

⁴ Dated August 2, p. 1266.

⁵ This was a repeat of telegram 634 to Stockholm, p. 1340.

12. Foreign Office thinking is against making a commitment at this time re recognition of PGI by HMG (paragraph 9f Deptreflet) although all concerned realize that this will come at some stage. Re US-UK support for applications of Transjordan and Israel for UN membership Foreign Office believes that practically speaking two states are in very different positions: Israel would be elected and Transjordan would be vetoed by USSR. Re committing itself on recognition PGI Foreign Office arguments are familiar ones: (a) HMG must retain vestige influence with Arabs on threshold of all-out drive to secure acquiescence Arab states to Mediator's proposals now under discussion with US, (b) HMG must know frontiers of state it recognizes particularly because of UK-Transjordan treaty commitments, (c) PGI has consistently displayed indifference to British interests and normal rights British subjects.

13. Before British reply is handed this Embassy for communication to Department it is likely that Bevin will take precaution of advising British Cabinet of its outlines. This may be done August 26.

DOUGLAS

867N.01/8-2648

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

SECRET

[WASHINGTON,] August 26, 1948.

Participants: Mr. Eliahu Epstein, Special Representative of the
Provisional Government of Israel
U—Mr. Lovett
NEA—Mr. Hare
NE—Mr. Wilkins

Mr. Epstein called on me this afternoon at my request. Mr. Epstein told me he had been requested by Foreign Minister Shertok to return to Tel Aviv "for a few days". Mr. Epstein said that although Mr. Shertok had not indicated the purpose of his mission, he assumed it would relate to matters which might arise at the forthcoming General Assembly in Paris.

I told Mr. Epstein that I had been hoping to have an opportunity to see him before today but that developments in Europe had prevented my doing so. I said that I was glad to see him now in view of his returning to Israel because I had a few items of business which we might profitably discuss:

1. *Export-Import Bank loan*

I said that I had received his letter with regard to the application of the Provisional Government of Israel for an Export-Import Bank

¹ Drafted by Mr. Wilkins.

loan and that although I had not had an opportunity to reply or discuss it with him I had gone into the matter with the President and with members of the Board of the Export-Import Bank. I pointed out that, in my opinion, Martin's sentence—" . . . Reports reaching me do not appear to warrant at this time active consideration by the Export-Import Bank of the credit application filed with the Bank . . ."—from the Export-Import Bank's letter of July 25 [26]², as quoted in Mr. Epstein's letter of August 3,³ appeared to me to be subject to misinterpretation. This sentence, as explained to me by members of the Board, did not mean that the Export-Import Bank was no longer considering the extension of the loan but that members of the Board still had it under study pending the receipt of further information from the applicants. As a banker I understood the difference between a political loan and a banking loan, and gathered from members of the Board that they would be comforted if the Provisional Government of Israel would make application for loans on the basis of specific projects and would be even more comforted if there were some immediate prospect of peaceful conditions in Palestine and progress toward a final settlement of the Palestine question. I suggested that the Provisional Government of Israel's first application for a loan for a specific project such as harbor construction or some housing unit should be a particularly good one. I observed that the members of the Board of the Export-Import Bank were required, as one of the basic principles of the Bank, to make only loans which offer reasonable assurance of repayment. I said that I could not speak for the members of the Board or say what action they would take, and was merely suggesting a manner in which the Provisional Government of Israel might care to handle its loan application. I expressed the hope that Mr. Epstein in discussing the loan with his colleagues in Tel Aviv would not indicate, as a result of our talk, that loans for specific projects would be immediately forthcoming.

Mr. Epstein said that he appreciated and understood my explanation, and that it was "good news". Mr. Epstein said that my suggestions were concrete and would certainly give the Provisional Government of Israel a line on which to proceed. He said that he thoroughly understood that I could not speak for the members of the Board and that, on banking grounds, the question of a loan was a matter between the Export-Import Bank and the Provisional Government of Israel.

2. *Arab Refugees*

I told Mr. Epstein that we were receiving an increasing number of reports from the field indicating that the condition of some 330,000 Arab refugees from Israel was appalling, and that there was grave

² See footnote 2, p. 1261.

³ Copy not found in Department of State files.

danger of the outbreak of epidemics. It seemed to me that here the Provisional Government of Israel had an opportunity to demonstrate its friendship toward the Arab states and its desire to establish amicable relations with them by gradually permitting the return of such refugees.

Mr. Epstein said that he appreciated my point of view but that the Provisional Government of Israel felt that the return of Arab refugees would endanger the security of Israel and would constitute a serious drain on its economic resources. The Provisional Government of Israel felt that the return of Arab refugees could not be considered prior to peace negotiations between Israel and the Arab states, as this question would be of importance to them as a bargaining point in such negotiations.

I said there might be differences of view with regard to the merits of the question and that I merely desired to stress the concern which the whole world felt regarding the Arab refugees. I pointed out that unless those concerned now took constructive steps we would have a great deal of difficulty with the problem. Mr. Epstein said that he appreciated my point of view in this respect and would discuss it with his colleagues on his return to Tel Aviv.

3. *Final Settlement of the Palestine question*

I remarked I had noted reports in the press that the Provisional Government of Israel had approached Arab leaders in Paris and possibly elsewhere with regard to a final settlement.⁴ I wondered how Israel regarded the efforts of Count Bernadotte and whether they had lost confidence in him.

Mr. Epstein said that he was not informed of the position of the Provisional Government of Israel on this subject but that, personally, he believed that the Provisional Government of Israel attached great importance to negotiations with the Arabs, and that he believed that the Provisional Government of Israel did not place great reliance on Count Bernadotte's efforts. It was extremely important that peaceful arrangements with the Arabs be found as quickly as possible because the continuance of armed conflict in Palestine represented a terrific drain on Israel's resources. Count Bernadotte had prejudiced his efforts during the first Security Council's truce by proposing that the City of Jerusalem be placed under Arab sovereignty and this had in-

⁴ London reported, on August 25, that "Early in August Elias Sassoon, former head Oriental Section of JA, now resident Paris appears to have written personally to Riad Bey Solh, Lutfi Haffar and Transjordan Minister at London saying that he knew each to be a distinguished Arab personality with whom he would like to renew his acquaintance. . . . A conversation appears to have taken place between Sassoon and Transjordan Minister during which Sassoon is reported to have said that PGI stands on original partition scheme but would be prepared to give economic aid to Arab areas once settlement reached." (Telegram 3849, 890B.00/8-2548) Riad Bey Solh was the Lebanese Prime Minister; Lutfi Haffar was a prominent Nationalist Party politician in Syria.

creased the Provisional Government of Israel's difficulties with dissident elements, such as the Irgun and the Stern Gang in Israel. Israel had however temporarily weathered the crisis as evidenced by its action in the *Altalena* incident and in its military control in the City of Jerusalem.

Mr. Epstein expressed the personal view that the only hope for a final settlement of the Palestine question would be through the direct intervention of the US and Great Britain; that if these two countries approached Israel and the Arabs a settlement would more quickly be arranged; and that otherwise no progress would result from Count Bernadotte's efforts.

I said that I appreciated Mr. Epstein's personal views but could make no comment on them. Mr. Wilkins suggested that both the Israelis and the Arabs might informally express their views to Count Bernadotte and that he might thereafter consolidate them and announce the result as a reasonable settlement of the Palestine question. It would seem, in this case, that the UN through the General Assembly might subsequently take official notice of Count Bernadotte's announcement and might even proclaim it as a final recommendation. Such steps might constitute an expression of UN opinion in which the Arabs could acquiesce. If such a development were properly timed and handled the Arab leaders could more safely return to their capitals with the recommendation that the Arab Governments must of necessity bow before the considered opinion of the UN. Mr. Epstein thought an approach in this manner had considerable merit.

I stressed that our conversation had been informal throughout and that we had expressed personal views. I hoped that Mr. Epstein, in discussing these matters with his colleagues in Tel Aviv, would present them in this fashion and would endeavor to point out the importance we attach to an early settlement of these various questions.

L[OVETT]

501.BB Palestine/8-2648: Telegram

The Secretary of State to the Consulate at Haifa

SECRET

WASHINGTON, August 26, 1948—3 p. m.

327. Pls contact Bernadotte immediately and inform him of following:

1. Dept has rec'd text Bernadotte's letter Aug 3 re operation Palestine truce terms in connection possible emigration Jewish DP's US Zones Germany, Austria.

2. Pursuant Mediator's reply (para 1 above) Dept and Army have instructed US Mil authorities Germany, Austria adopt following emigration procedures for Palestine certificate holders:

a. Continue prohibit exit all persons identified as fighting personnel (as defined 1st sentence para VI subpara 1, SC truce resolution May 29).

b. Concerning men mil age (18-45) authorize exit those persons for whom accredited reps PGI submit to US mil authorities advance clearance for emigration from zones obtained by PGI reps from Mediator. Lists such personnel submitted by PGI to Mediator for clearance will have been previously scrutinized by mil auths and certified by latter that no identified fighting personnel included thereon.

c. Mil auths will permit emigration without clearance of all non-fighting, non-mil age personnel.

d. Mil auths will notify mediator or Lundström at Haifa in advance of point of departure any group movement of refugees authorized exit US Zones and total numbers refugees such groups.

In formulation above procedure Dept and Army have taken into account (1) direct responsibility PGI as party to truce to carry out provisions thereof, (2) fact that emigration Jews from US zones will generally be for purpose transit France or Italy with eventual embarkation from ports those countries for Palestine. Clearance departure refugees from ports those countries will be concern govts such countries, PGI and Mediator.

If necessary repeat above to appropriate points to insure soonest contact with Bernadotte.¹

MARSHALL

¹ This telegram was repeated to Berlin, Vienna, and Cairo.

867N.01/8-2748

*Memorandum of Conversation, by the Secretary of State*¹

SECRET

[WASHINGTON,] August 27, 1948.

Participants: The Secretary
 Mahmoud Fawzi Bey, Egyptian Representative to the United Nations
 Anis Azer, Chargé d'Affaires of the Egyptian Embassy
 Raymond A. Hare, Acting Director of NEA
 S.K.C. Kopper, Spec. Asst. to the Director, NEA

After a preliminary exchange of courtesies during which I commented on Fawzi Bey's impending departure for Cairo, he said that he wished to discuss three subjects with me. These subjects were the problem of Palestine in general, the problem of the Arab refugees, and the question of Arab representation in the United Nations.

Fawzi Bey briefly stated that he and other Arab officials had been thinking of what could be practically done to solve the situation in Palestine. He said that time was an important factor. Two things which cause the Arab leaders concern at this moment are the aspirations and plans of the Zionists and the threat of Communism in the

¹ Drafted by Mr. Kopper.

Middle East. He believed that it was most essential to find a solution to the Palestine difficulties which could permit the Near Eastern states to resume a more normal life. He pointed out that projects and plans which had been developed by the Arab states had come to a standstill. It was essential that they be started again as soon as possible. Before offering any suggestions as to how the Palestine situation could be improved Fawzi Bey turned to the other two matters he wished to discuss with me.

Fawzi Bey remarked that the problem of the Arab refugees was becoming a serious question. The Arabs believed that these peoples were entitled to return to their homes. He cited the opinion of Count Bernadotte that the refugees should be allowed to return without the imposition of any conditions. He said that there was a universal belief among the Arab states that something would have to be done very soon since the refugees were becoming a great burden upon the adjacent Arab states.

Turning to the question of Arab representation on the United Nations the Egyptian representative spoke chiefly about the vacancies which will occur on the Security Council at the end of this year. While he did not announce Egypt's candidacy for the Security Council, he left no doubt in my mind that Egypt would be a candidate and would have the support of Syria. He expressed appreciation for the support which the Arab states had received from the United States in the past for election to the various United Nations' Councils and Commissions. He thought that it would be a valuable demonstration of the good faith of the United Nations if they elected an Arab state to the Security Council this year. In addition it would have a very salutary effect in the Arab world.²

Fawzi Bey then came back to the question of Palestine. He said that if it were possible to find some solution based on principle taking into account political realities, we might be nearer to a solution which could, in the long run, be acquiesced in by the Jews and Arabs in Palestine. He suggested that the principle of self-determination might be utilized on the basis of Jewish and Arab population in separate districts in Palestine. He thought it would be realistic to accept as a fact the presence of Jews in Palestine who had come there in the last twenty-five years even though the great majority of them were non-Palestinian. He believed that if it were possible to delineate boundaries on the basis of population areas a major step toward peace would have been achieved. The second important step, the relationship between the Jewish and Arab communities in Palestine, could be settled there-

² The Department, on October 11, informed Cairo that "In light Egypt's successful election SC it may be useful know USDel Paris decided vote for Egypt on first ballot and so informed Egyptian Rep Oct. 7." (Telegram 1410, 501.BC/10-1148)

after. Whether it would be in the form of entirely separate states, or in the form of a dual government like the Austro-Hungarian Empire or a federal state would be left for future determination.

I then responded to the points raised by Fawzi Bey along the following lines:

(a) *Displaced Arab Refugees*—There were two aspects to this problem. First, there was the question of immediate relief required to prevent a catastrophe. Secondly, there was the long range question of what could be done to return the displaced persons to their homes. With regard to the first aspect, the request of Count Bernadotte to the United States for assistance had been more than met by contributions from various organizations in the United States. The Red Cross had sent medical supplies valued at over \$200,000. The Church World Service had sent over 35,000 pounds of clothing. The request for DDT had also been met while the oil companies had given monetary contributions amounting to \$200,000. The Red Cross had authorized an additional \$200,000 for medical supplies and there were other contributions both in money, clothing and medical supplies which had brought the amount contributed from the United States above that requested by Count Bernadotte. The United States had also supported allocation of the ICEF for the relief of Near Eastern children. We did not know what other governments had done. As regards the long range problem we understood it would cost two or three million dollars a month to provide for the refugees. This, however, would simply keep them from starving or dying from disease. We could not say exactly what steps should be taken to effect a permanent settlement since there would be enormous difficulties confronting us. Among these would be whether the homes of the displaced Arabs had been destroyed or occupied by people who had recently arrived in Palestine. However, we would give our support to the Mediator in his efforts to secure a settlement of this matter.

(b) *Arab Representation in the UN*—I was familiar with the representation on the United Nation Councils. The United States had not come to any conclusion on whom it would support to fill the vacancy which would be created by the expiration of Syria's term this year. However, with regard to Egypt the United States would of course have to note the fact that Egypt was a party to two cases on the Council's agenda i.e. the Anglo-Egyptian case and the Palestine question.

(c) *Palestine*—I told Fawzi Bey that I would give thought to his suggestion regarding the possibility of working out a solution to the difficulties there on the basis of self-determination. At the present moment the United States was giving full support to Count Bernadotte. I said that I knew Count Bernadotte was being subjected to some criticism but nobody had suggested to me any person who could do a better job. He has a most difficult job as the Palestine Mediator. I could speak from my experience in China on the difficulties which mediators have to confront.

With regard to the positions of the Arabs and Jews Bernadotte was facing a very difficult situation. It was now apparent that the Israeli forces had achieved a certain degree of military success and were being more difficult to deal with. Some months ago the situation was the

reverse. When I had talked with Arab leaders in New York, they were quite polite but there was an unmistakable note in their tones that they would rely on force in the event they were unable to achieve their desires by other means. It is a serious error to imply that force will be used to settle matters particularly if one's military potential is not adequate to support the threat. By this I did not mean that it was an error to have a force in hand.

An additional difficulty in the situation is the fact that leaders of both sides have permitted the public to be misled and inflamed by sanctioning intransigent statements which do not accord with the facts. Count Bernadotte would have a very difficult time dealing with the question as long as the leaders of both sides did little to exert a calming influence. The situation requires great statesmanship from both the Israeli and Arab leaders.

In connection with Fawzi Bey's remark about the concern of the Arab leaders about the entry of Communism in the Middle East I said that this was also a cause of concern to the United States. I hoped that the leaders in the Near Eastern areas would recognize the necessity for stabilizing conditions in order that Communism might not spread.

I then reviewed briefly some of the problems which confront the United States in other parts of the world as well as in the Near East. I mentioned China, Japan (where we were spending a billion dollars a year) and Europe. I said that we were very hopeful that the European Recovery Program would be successful at an early date. This would be beneficial to the Near East and Asia.

501.BB Palestine/8-2748 : Telegram

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

TOP SECRET

LONDON, August 27, 1948—9 p. m.

3878. Strictly personal for Secretary and Lovett eyes only. This refers to my immediately following telegrams numbers 3879, 3880 and 3881.¹

1. Although Bevin received Cabinet approval (see my 3879) August 26 for working out with USG Palestine settlement along lines my 3880 and the circle of persons in London having knowledge of US-UK talks on this subject has thus been widened, he told me that even in British Cabinet special security precautions were taken. Only Cabinet members immediately concerned have seen document transmitted my ref tel. To other Cabinet members its substance has been mentioned in general terms only.

¹ All dated August 27, printed pp. 1354 and 1358.

2. I am taking special precautions to preserve secrecy at this Embassy and trust Department is doing the same. For reasons which I know you will understand Bevin is particularly anxious that circulation this correspondence be limited only to those who necessarily must study it and that every precaution be taken to prevent leakage and published or rumored speculations re British position.

3. When I told Bevin today (paragraph 1, 3879) that I would communicate his latest views to Department, I expressed personal view that prospects of early US agreement would be improved if I could communicate something of his views re recognition of Israel by HMG.

4. Bevin said that, for the eyes of the Secretary and Lovett only, he would be glad to make clear his own thinking re recognition PGI. What he would say would not be an undertaking and the question has not been discussed in the Cabinet nor has any decision been reached. However, it was his view, which he thought the Cabinet might support, that if, as a result of the plan now under discussion between the US and UK, Israel is firmly established within frontiers drawn by UN, if the remainder of Arab Palestine is disposed of satisfactorily, and if the international character of Jerusalem is preserved, he believed that the UK would extend full *de jure* recognition to Israel without delay. While he could not speak for the Commonwealth, he thought the majority of Commonwealth nations would do the same.

5. Bevin said that in principle he did not like the "halfway house" of *de facto* recognition. Moreover, if HMG were to recognize *de facto*, this would create a period in which Arabs would bend every effort to change the attitude of HMG. If HMG extended *de jure* recognition, however, this would be a final act discouraging to such efforts.

6. Bevin said, in connection with the foregoing, that much would depend upon how "the Jews played the game." If the Jews continue to stress their aggressive intentions and to be mainly responsible for breaches of the truce (as his reports lead him to understand) it would make it much more difficult if not impossible for him to carry out his idea of full *de jure* recognition.

7. Re recognition Bevin expressed view that *de facto* recognition Israel is powerful weapon in hands USG. He thought that if PGI should show signs of aggressive intentions or be intransigent re Mediator's proposals and all else failed he hoped USG would consider threatening PGI with the withdrawal of US *de facto* recognition.

8. I told Bevin that we have already taken steps to make clear to PGI (Department's 3339 August 23²) our determination to preserve truce and through it peace in Palestine. I said PGI is under no illusions that US would refrain from imposing sanctions against PGI if this were warranted. Bevin expressed his appreciation for what we are

² Not printed; it repeated five telegrams exchanged by the Department with Tel Aviv and Haifa (501.BB Palestine/8-2348).

doing in this regard and said he hoped we would continue to follow developments in Israel closely.

DOUGLAS

501.BB Palestine/8-2748 : Telegram

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

TOP SECRET

LONDON, August 27, 1948—9 p. m.

3879. 1. I told Bevin this morning when we discussed outline of Palestine settlement which he had handed me last night (see my 3880¹) that I would put his latest views to Department at once. I said I could not predict Department's reaction to them but that, like himself, I hoped it would be possible for US and UK to work out an agreed line in near future.

2. Bevin said he had been authorized at yesterday's Cabinet meeting to continue the conversations already begun with USG through this channel and to present to Department as next stage in these talks settlement quoted my 3880. Cabinet gave him full discretion to agree with USG on what seems most appropriate organ of UN and method of conducting our business there. Cabinet authorization was given on understanding that what US and UK should seek is a UN decision to which the Arabs and Jews would acquiesce. Bevin said last was possibly the most important difference from US views as set forth in Department's 3187 August 12 (see Paragraph 3, Embassy's 3851 August 15 [25]), but Cabinet agreed with him that at this stage it would be impractical to attempt to get the parties to negotiate an agreement. Bevin stressed fact that he is quite ready to continue discussions over whole field.

3. As of help to Department in appraising the thinking underlying the "outline of settlement," Bevin handed me the informal Foreign Office working paper quoted my 3881.² This closely approximates Embassy's 3851 August 25.

DOUGLAS

¹ *Infra.*

² Dated August 27, p. 1358.

501.BB Palestine/8-2748 : Telegram

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

TOP SECRET

LONDON, August 27, 1948—9 p. m.

3880. Following outline of settlement prepared in Foreign Office and approved by British Cabinet August 26 was handed me late yester-

day by Bevin (see Embassy's 3851, August 25 and my 3879 reporting Bevin's remarks).

"1. Most convenient way to present our ideas on kind of settlement which we should wish to see is in the form in which they would appear if Mediator agreed to sponsor them. In that event he might present report to UN on following lines.

2. Report might begin with short historical passage recounting Mediator's efforts maintain truce and various difficulties which he had experienced owing to attempts by both sides to gain advantages for themselves by military action and owing to absence of any force with which Mediator could prevent such action. Mediator could then give his opinion of relative culpability of each side in these matters.

3. Mediator would no doubt wish to add that in his attempt to reach a peaceful solution, as he was instructed to do by UNGA resolution of fourteenth May, he has been thwarted by the entirely incompatible claims of both sides, by difficulty of bringing them together on any common ground and by the entirely unrealistic picture of situation which public opinion on both sides has been allowed to obtain, thus making it more difficult for leaders to accept any reasonable compromise.

4. Mediator might then say that further progress towards a settlement cannot be expected by negotiation between the two parties. Jews will only negotiate on basis of prior acceptance of the existence of a Jewish state; Arabs refuse to recognize existence of this state and maintain that to negotiate with its representatives would give away whole basis of their position before negotiations had begun. On other hand, some success has been achieved, except in a few particularly contentious localities such as Jerusalem and its western approaches, in practical steps to delimit the areas held and administered by either side. The agreement of local commanders on each side has been obtained to an exact definition of a line of this character extending over X kilometres. This process has resulted in a growth of respect for the *status quo* in such areas and has made it easier for UN observers to carry out their functions.

5. In spite of this, continued breaches of truce and cease-fire make it clear that international peace and security will continue to be endangered by situation in Palestine unless a settlement on following lines is immediately adopted.

6. No further attempt should be made to negotiate with the two parties about the general principles on which a peaceful solution should be reached, but a permanent frontier line should be laid down on the ground as quickly as possible. Failure to respect this line would be regarded as a breach of the truce. Frontier line should be laid down on the ground by a UN representative; Mediator might express his willingness to assume responsibility for this task. In discharging it, he would put into effect the general principles set out below, and would consult appropriate representatives of both parties in the areas concerned. He would also take account of administrative conveniences and communications. His decision on location of the boundary would be final.

7. Subject to arrangements mentioned below re Jerusalem and Haifa, the Arab and Jewish authorities shall have complete independence on their respective sides of boundary line. Provisions of SC

truce resolutions of twenty-ninth May and fifteenth July would be maintained until SC acting in light of advice from Mediator, decided to terminate them. For a period of six months after the boundary had been laid down, observers would be maintained on frontier to ensure that SC received early and impartial reports on any attempt or alleged attempt by either side to infringe boundary.

8. Developing his earlier suggestions, Mediator might then lay down following general principles on which the boundary should be drawn. Division between Arab and Jewish areas should follow very generally the lines now held by the forces of either side. As compared with the boundary proposed by UNGA on twenty-ninth November 1947 Jews would gain western Galilee and Jaffa. Arabs would gain the Negeb, i.e., the whole area in southern Palestine south of the latitude of El Majdel, which UNGA allotted to the Jews. This area is larger in extent than Jewish gain in western Galilee, but is at present very considerably less productive.

9. Municipal area of Jerusalem should be a fully autonomous unit under neither Arab nor Jewish sovereignty. It would be governed by a governor responsible to UN but appointed in such a way as to avoid a deadlock of kind which has prevented establishment of a governor in Trieste. Governor would be assisted by force of international police responsible to him. A line should be demarcated on the ground in Jerusalem between the existing Arab and Jewish areas, each of which would have its district municipal administration. Both municipal bodies would be subject to the overriding authority of UN governor, who would have powers both of veto and of initiative. It would be hoped that after a certain time the two bodies would fuse into one municipal authority. Meanwhile, necessary common services would be operated by special arrangements to be made by governor. Governor would have special responsibility rights of Christian communities and preservation of holy places, together with access thereto.

10. There would not be a corridor of Jewish territory joining Jerusalem to the coast but UN governor would make necessary arrangements with Arab and Jewish authorities to ensure transit facilities for requirements of the authorities and all inhabitants of Jerusalem. Failure by either party to enter into reasonable arrangements or to respect them when they had been made would be reported to SC.

11. At Haifa a free port should be established covering a sufficient part of the port area including the oil dock and the oil refineries and pipeline terminals. Goods would be imported and exported through this area on behalf of the Jewish authorities and the authorities of the Arab countries without interference and without payment of customs duties. Agreed facilities would be given for movement of sealed trains and road transport on determined routes between free port and neighbouring Arab territories. Arab authorities would place no obstacle in delivery of oil by pipeline to free port. Any infraction of these arrangements would be dealt with by SC. Pending agreement between Arab and Jewish authorities about operation of port and transit facilities, free port would be governed by a UN port commissioner responsible to UN and having at his disposal an international police force. In absence of agreement between Arab and Jewish au-

thorities, commissioner would demarcate boundary of free port area. Administration of free port during this period would be carried out by a port authority set up by the commissioner and responsible to him. Port commissioner would make every effort to bring about as quickly as possible agreed arrangements for operation of free port and transit facilities. He would report to SC failure of either side to agree to reasonable arrangements in this regard.

12. Both parties should have access to Lydda airport.

13. In relation to Arab areas Mediator might point out that it is unlikely that agreement would be easily reached by Arab Governments and representatives of Arabs of Palestine on the disposal of these areas. It is necessary, therefore, that general principles on which they should be disposed of must be laid down by UN. In November 1947 UNGA recommended that Arab areas should form a separate Palestinian Arab state. But this recommendation was bound up with the proposal, since shown to be impracticable, for an economic union of the whole of Palestine. Without such a union, the Arab areas do not form a viable administrative or economic unit by themselves. It would not be a permanent solution to set up an independent Arab state covering this territory. The territory should therefore be incorporated in Transjordan, subject to any frontier rectification which may be desired by the Egyptian Government. Mediator might declare his readiness to make necessary arrangements, after consultation with Governments of Egypt and Transjordan. If it were decided to modify the southern frontier, its new demarcation should be supervised by Mediator.

14. Mediator might then ask Security Council to endorse above recommendations as only means of ensuring international peace and security. They should inform all parties concerned:

(1) That they should give Mediator (or others in authority charged with demarcating boundaries) all possible assistance in carrying out this task;

(2) That they should respect the United Nations areas in Jerusalem and Haifa and make all necessary arrangements with UN authorities responsible for them; and

(3) That any attempt made during truce to infringe the new boundaries, once they were laid down, would be treated by SC as a breach of the truce and would be dealt with under Chapter VII of UN Charter.

15. Mediator would presumably include in his recommendations some action as to the Arab refugees. Nature of this recommendation will depend largely on the investigations which he is making into the numbers of refugees and the proportion of them who wish to move back to Jewish areas. Subject to this, recommendation might be to effect that as part of the boundary settlement, the Jewish authorities should be made to allow refugees to come back or to give them compensation for the property which they have left behind. The Mediator would report to SC if the Jews refused to enter into arrangements which he considered reasonable."

501.BB Palestine/8-2748: Telegram

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

TOP SECRET

LONDON, August 27, 1948—9 p. m.

3881. Following is text Foreign Office working paper entitled "Tactics for Putting into Effect the Mediator's Recommendations" handed me by Bevin today (see my 3879, August 27 and Embassy's 3851, August 25).

"1. Mediator would be advised by HMG and USG to make a recommendation to SC on lines draft attached. (This is quoted my 3880).¹

2. Reference of whole question for discussion by UNGA would much better be avoided. SC can properly deal with Mediator's recommendation as a matter affecting international peace and security. Effect of SC endorsing Mediator's recommendation and communication to all parties as proposed therein would be to enable Mediator to carry out task entrusted to him by UNGA, of seeking a peaceful solution of Palestine question.

3. This procedure is in many ways less attractive than the alternative proposal under which Jewish and Arab leaders would be induced to negotiate within the general framework of the recommendations in order to work out a detailed settlement, particularly with regard to exact position of the frontier. The Foreign Office are convinced, however, that such direct negotiations are in present circumstance impracticable. It is cardinal point of the approach to the problem by the Foreign Office that neither party in Palestine is at all likely to make any positive act of acceptance of the kind of settlement to be proposed by Mediator, but that both parties might well acquiesce in it if it were put into effect with sufficient determination. They hold, therefore, that it would be useless to ask representatives of either party to negotiate on the execution of the Mediator's recommendations. Both parties would have objections of principle to doing so. In particular, they do not favor the suggestion that Transjordan might be singled out from the Arab States to take part in such negotiations. They fear, in fact, that positive acceptance of any such scheme by Transjordan at an early stage would not predispose acceptance of it by other Arab States but would merely serve to make Transjordan's already difficult situation almost intolerable.

4. It is, therefore, suggested that when Mediator has made his recommendations, SC should be asked to endorse them and to issue necessary instructions. HMG and USG would explain situation fully to the Arab and Jewish authorities on the basis of Mediator's report, but before this was published, and would make every possible effort to ensure that they would acquiesce in the adoption of Mediator's recommendations. The two Governments would show that they were quite determined that these recommendations should be put into effect in shortest possible time and that they would not support any attempt to modify or infringe them.

5. If it was impossible to obtain necessary majority in SC or the proposals were vetoed there, it would probably be necessary to take

¹ *Supra*.

matter to UNGA in the hope that they would recommend the adoption of Mediator's proposals and ask SC to take the necessary action to see that they were put into effect, but it would be far better not to have the question discussed in UNGA until SC had acted, and, if favorably, the necessary measures were being put into effect."

DOUGLAS

867N.01/8-3048

Memorandum by the Secretary of State to President Truman

SECRET

WASHINGTON, August 30, 1948.

Subject: *De jure* recognition of the Governments of Israel and Trans-Jordan.

Although the United States has not recognized the Government of Trans-Jordan, it has supported its application for membership in the United Nations since 1946. This Government plans to support the application of Israel for membership in the United Nations if it makes application and complies technically with the provisions of Article 4 of the United Nations Charter.

A number of considerations favor *de jure* recognition of the Government of Trans-Jordan. Recently it played a major part in securing Arab agreement to the present truce. It is cooperating with the Mediator in discussions concerning the demilitarization of Jerusalem. Trans-Jordan's spirit of compromise, as reflected by the attitude of King Abdulla, is a highly significant factor for the development of a policy of moderation within the Arab League.

It would appear that the *de jure* recognition of Trans-Jordan by the United States would be regarded as favorable by Israel, provided, of course, Israel itself received *de jure* recognition.

The *de jure* recognition of Israel should follow the elections scheduled for about October 1st, and the formation of a permanent Government. There would then be the necessary evidence that the Government of Israel is based on the consent of the people and that the Government is in fact in control of the country and is prepared to carry out its international obligations.

In the light of the truce and the present critical efforts of the Mediator to secure a solution of the Palestine problem, the *de jure* recognition by the United States of the Israel Government and not the Trans-Jordan Government would almost certainly endanger the provisions of the truce, as the Arab states would consider such action as unfriendly. The reverse action of the *de jure* recognition of Trans-Jordan and not of Israel would, of course, provoke serious reactions.

It therefore appears that the United States should plan for the simultaneous recognition of both Israel and Trans-Jordan. It is believed the recognition of Trans-Jordan by the United States would be regarded with favor by Israel. We believe the British Government

would welcome such action and might thereby be induced to favorable consideration of the recognition of Israel.

It is proposed that we utilize the weeks prior to October 1st to discuss the question of recognition with the Provisional Government of Israel and the Government of Trans-Jordan. It is anticipated that we may be able to obtain assurances to this effect from the two Governments, which would be of great benefit in expediting a prompt solution of the Palestine problem.

In accordance with our present policy of Anglo-American cooperation regarding Palestine, we should discuss the question of *de jure* recognition with the British Government before undertaking discussions with the Provisional Government of Israel and the Government of Trans-Jordan. At this time we could include the question of British recognition of Israel.

Your approval of the foregoing procedure is requested.¹

G. C. MARSHALL

¹ Marginal notation by President Truman: "Approved Aug. 30, 1948." The Department transmitted the text of the memorandum, except for the last two paragraphs, to London in telegram 3470, September 1. The latter message concluded as follows: "We would appreciate your discussing this matter with Bevin for his comments before we approach PGI and Transjordan Govt. Re Brit recognition Israeli Govt, we appreciate considerations set forth Embtel 3878 Aug 27 but suggest informal approach by Brit to PGI at some stage should not be precluded and might increase possibility obtaining assurances from both PGI and Transjordan Govt of cooperation with Mediator in his truce and mediation efforts." (867N.01/8-3048)

S/S-NSC Files, Lot 63 D 351

Department of State Comments on NSC 27¹

TOP SECRET

[WASHINGTON, undated.]

NSC 27/1

The Joint Chiefs of Staff summarize their views on Palestine, as set forth in NSC 27, as follows:

"It would be incompatible with the security interests of the United States to have either United States or Soviet or Soviet satellite forces introduced into Palestine. They therefore recommend that the United States policy neither endorse nor permit a decision by the United Nations to employ military enforcement measures in Palestine."

¹ Mr. Rusk, in a memorandum of August 26 to the Secretary of State, transmitted a draft of the Comments and noted: "It is obvious from NSC 27 that the views of the Joint Chiefs of Staff were formulated without benefit of all the facts bearing on the Palestine problem and upon the role of the United States in the United Nations in dealing with this problem." (501.BB Palestine/8-2648) A "final" draft, superseding the comments transmitted with Mr. Rusk's memorandum, was prepared by Messrs. Rusk and McClintock on August 30 and cleared by Mr. Satterthwaite.

The National Security Council noted the views of the Department on September 2. The following day it formally circulated the paper among its members as NSC 27/1, under a cover sheet entitling the paper "A Report to the National Security Council by the Secretary of State on U.S. Military Point of View for the Eventuality of United Nations Decision To Introduce Military Forces into Palestine" and dating it September 3, 1948. For NSC 27, dated August 19, see p. 1321.

The Department of State has been keenly aware of the dangers involved in the entry of Soviet or Soviet satellite forces into Palestine and the Middle East. United States diplomacy in the Security Council prevented the USSR from sending military observers to Palestine for the use of the United Nations Mediator, Count Bernadotte. It was suggested to the Mediator that only the governments represented on the Security Council Truce Commission for Palestine (Belgium, France and the United States) should supply military observers. An attempt by the USSR to challenge this formula and to secure the adoption by the Security Council of a resolution which would have enabled the USSR also to send military observers was defeated, there being only two votes (USSR, Ukraine) in the Security Council in favor of the resolution.

As for participation of United States forces in maintaining peace in Palestine, the Department of State has repeatedly refused to consider any unilateral military responsibilities in that country. In addition, the Department has firmly resisted the repeated requests of the Secretary-General of the United Nations and the United Nations Mediator for armed contingents of U.S. forces to make up a special guard for Jerusalem to insure the demilitarization of that city.

The considerations adduced in the memorandum of the Joint Chiefs of Staff do not, however, exhaust the problem. Although there appears to be no immediate prospect that USSR armed forces will be moved into Palestine, there is a constant threat of Soviet infiltration into that area which could seriously impair the security of the United States. The following examples indicate the nature of the threat:

(a) In open defiance of the Security Council's resolutions of May 29, 1948, and July 15, 1948, the Czechoslovakian Government has permitted the movement of fighter aircraft, bombs, and other war material from an air base at Zatec to Tel Aviv. Further, there is evidence that the Czechoslovakian Government is now training mercenaries of various nationalities, but predominantly Czech citizens, for parachute and other landings in Israel.

(b) It is known that dissident Jewish groups such as the Stern gang and the Irgun Zvai Leumi are receiving assistance from Soviet forces and that such groups constitute a serious threat to the authority of the present Provisional Government of Israel. Although the USSR, as indicated in (a) above, supports the establishment of the Jewish state in Palestine, it likewise seeks to strengthen Communist influence within Israel. The possibility that Soviet or Soviet satellite personnel and arms will be made available to these dissident groups might result either in an overthrow of the present government or in an orientation of its policy against the interests of the United States.

(c) There is evidence that considerable effort is being made by Eastern European governments, particularly by the USSR, to encourage disorder and unrest in the Arab states, presumably with the purpose either of overthrowing certain Arab Governments or of forcing upon them an anti-western policy. Encouragement of separatist sentiment

within the Arab States, as in the case of the Kurds, is a part of the same effort.

Apart from the specific threats indicated above, United States security would be seriously prejudiced by large-scale fighting anywhere in the Middle East, but particularly in Palestine. Continued warfare between Jewish and Arab forces would undermine the gains which have been made in Greece, Turkey and Iran, might permanently alienate the Arab world from western influences, and might impose upon the United States a basic re-examination of its own world security position.

With regard to the United Nations aspects of the problem, the Security Council is required by Article 39 of the Charter to "determine the existence of any threat to the peace . . ." As a permanent member of the Security Council, the United States is subject to this obligation. It cannot be maintained that the situation in Palestine is not a threat to the peace. Such a finding by the Security Council does not in itself imply the use of armed force by the Security Council. Under Articles 39, 40 and 41 a wide range of Security Council action is available for the maintenance of international peace, without recourse to the use of armed force. For example, the arms embargo imposed by the Security Council on Palestine and neighboring Arab countries has been largely responsible for the present truce in Palestine, however imperfectly the truce might appear to operate. Modification of this arms embargo in favor of the party abiding by Security Council decisions is a powerful weapon of enforcement. Financial and economic embargoes are other measures which might be used if necessary.

United States policy toward Palestine is based upon the maintenance of the present truce, a negotiated settlement (which will include an independent state of Israel, some form of governmental structure for Arab Palestine and an internationalized Jerusalem) and a gradual reestablishment of the ties of friendship and common interest between the peoples and governments of the Middle East and the United States.

It is accordingly clear that the United States has thus far followed a policy of preventing the introduction of United States or Soviet or Soviet satellite forces into Palestine. United States policy has thus far neither endorsed nor supported a decision by the United Nations to employ military enforcement measures in Palestine. It is, however, quite possible that some situation may arise in the Middle East or in Palestine requiring the use of armed forces to protect the vital security interests of the United States, or to prevent the deterioration of the situation in that area to a point requiring an even greater commitment on the part of the United States. Obviously any decision

involving the use of United States forces would have to be made at the highest governmental level, in the light of all existing circumstances, including the availability of armed forces and our military commitments elsewhere.

The Department of State believes, meanwhile, that the best chance for reestablishing stability in the Middle East under present circumstances lies in bringing to an early and successful conclusion the present mediation effort of Count Bernadotte, who was appointed pursuant to the resolution of the United Nations General Assembly of May 14, 1948. The cooperation of the Joint Chiefs of Staff in promptly furnishing observer personnel and equipment represents a major contribution to the processes of peaceful settlement.

501.BB Palestine/8-2448

Memorandum by the Secretary of State to President Truman

TOP SECRET

WASHINGTON, August 31, 1948.

There is attached a proposed reply to Mr. McDonald's top secret telegram from Tel Aviv, No. 70, August 24,¹ a copy of which is also attached.

It is proposed to answer Mr. McDonald in terms of the enclosed draft telegram.

The Department of State, if you concur, would then inform the British Foreign Secretary immediately of our suggestions to the Provisional Government of Israel.² It seems probable that the question of Palestine will be placed before the United Nations General Assembly in September and it is essential that US and UK policy be coordinated before that time. Likewise, it would be of great advantage if the two governments could concert a line of policy with the United Nations Mediator, Count Bernadotte, whose views on a territorial settlement are very similar to those set forth in the attached draft telegram. The only exception is that Count Bernadotte now seems to feel that Jerusalem cannot be internationalized—successfully, and has suggested that the city be placed under Arab sovereignty but with wide guarantees for local autonomy for the Jewish population. The Department is still inclined to believe that internationalization of this holy city would be the wisest course.

G. C. MARSHALL

¹ See the second footnote 1, p. 1337.

² President Truman, in a marginal notation, gave his approval on September 1. For the reply, see telegram 72, September 1, to Tel Aviv, p. 1366.

867N.01/8-1648

The Secretary of State to the Special Representative of the United States in Israel (McDonald)

RESTRICTED

WASHINGTON, August 31, 1948.

DEAR McDONALD: Thanks for your letter of August 16.¹ I am glad to have your general impressions regarding the prospects of recognition by Great Britain, France, Italy and Greece.

Regarding the present truce, the President and I have received and discussed your telegram no. 70 of August 24.² As a lengthy telegraphic reply will be sent to you shortly, I will not comment on this subject in this letter, other than to express the conviction that the truce is a necessity to any hope for a peaceful settlement and the present evident aggressive tendencies of the Israeli Government to capitalize to the limit on military advantages, real and anticipated, is bound to have unfortunate results where a more conservative course can well lead to a settlement advantageous to that Government.

Faithfully yours,

G. C. MARSHALL

¹ Not printed.

² Sent 10 a.m., p. 1337.

501.MA Palestine/9-148

*Memorandum Prepared in the Department of State*¹

SECRET

[WASHINGTON, August 31, 1948.]

PLAN OF ACTION ON ARAB REFUGEE PROBLEM

[Here follow sections on background and action taken.]

Conclusion:

A more adequate plan for dealing with the problem, including action to be taken by the General Assembly of the United Nations, the Mediator, the General Council of the IRO and the United States Government, should be developed immediately.

Recommendations:

(1) That a goal of \$25,000,000 in funds or relief in kind to be raised be established tentatively until further information indicates the neces-

¹ Drafted by George L. Warren, Adviser on Refugees and Displaced Persons, and John D. Tomlinson, Assistant Chief of the Division of United Nations Economic and Social Affairs, on August 31; transmitted to Mr. Lovett by Mr. Rusk with his memorandum of September 1, which noted that the proposals were the product of discussion by a working group. Mr. Rusk's memorandum also transmitted two draft telegrams to London which were approved and transmitted, on September 3, as Nos. 3507 and 3508. These messages set forth the belief of the Department that the International Refugee Organization should contribute \$5,000,000 of its holdings of currencies of limited convertibility and that the General Assembly stimulate additional world wide contributions of \$20,000,000 to relieve the Arab refugee problem (501.MA/9-348).

sity of adopting an amended figure; any contributions from the IRO and further contributions from the Children's Fund would be credited to this amount;

(2) That steps be taken immediately to prepare action by the General Assembly of the United Nations looking toward an appeal to the governments and voluntary agencies to provide approximately \$25,000,000 in relief for the period to late spring 1949;

(3) That the Dept recognize that the US should raise a substantial portion of any funds which may be required and that immediate steps be taken to raise these funds from private sources in view of the fact that an appropriation by the Congress for the purpose is unlikely to be made during the period in which relief is required;

(4) That the Department through the Advisory Committee on Voluntary Foreign Aid take steps immediately to set up an organization to raise the American contribution from voluntary sources;

(5) That the Department give further study immediately to plans for more adequate administration of the relief to be raised including the possible attachment to the Mediator's staff of a relief administrator like Bayard Dodge who has the confidence of the Arab community and would be able to make the maximum possible use of indigenous Arab agencies in coordination with relief activities of Red Cross organizations.

(6) That the Department take steps to study the long-range aspects of the problem in terms of repatriation and resettlement.

501.BB Palestine/9-148: Telegram

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

TOP SECRET

LONDON, September 1, 1948—5 p. m.

3927. Asked August 31 re timetable FonOff has in mind re course suggested Embassy's 3880 August 27, Burrows and Beeley spoke along following lines.

2. As visualized in FonOff, stage one would be achievement of agreement between US and UK re substance Mediator's statement and tactics best suited to making it effective. This will depend upon time required to iron out differences in US and UK thinking but it should be as short as possible.

3. Stage two would be US and UK presentation to Mediator of their agreed views which Mediator may wish to alter in accordance with his own ideas. British regard this as stage of cardinal importance since statement must appear to be entirely Mediator's own and must have behind it full weight of Mediator's conviction. Time required for stage two might be one week.

4. Stage three would be US and UK agreement to support Mediator's final draft of statement and agreement on substance of US and UK public statements to be issued at stage four. Department suggested such statements in paragraph 6 Department's 3208, August 13. Time required might be relatively short.

5. Stage four would be active one involving (a) approaches by US and UK to both Arabs and Jews urging them to acquiesce to Mediator's proposals; (b) publication of Mediator's statement by SC; and (c) issuance immediately afterwards of US and UK endorsements worked out at stage three. FonOff considers it important that US-UK approach to Arab and Jewish leaders should be made in advance of public outcry which will inevitably follow publication of Mediator's proposals. Danger that this procedure might seem to prove US-UK collusion with Mediator would be reduced if he could be persuaded to give copies of his report to principal parties before sending it to Sec Gen. This delicate period, which would also include US and UK lobbying with SC members for support for proposals in SC, might take ten days.

6. Stage five would be consideration of proposals by SC. If all goes well this might take place about September 20. British believe SC action desirable before UNGA gets down to work.

7. FonOff would appreciate receiving Department's views re foregoing ideas at early date.

DOUGLAS

501.BB Palestine/9-148: Telegram

The Secretary of State to the Special Representative of the United States in Israel (McDonald)

TOP SECRET US URGENT WASHINGTON, September 1, 1948—6 p. m.

72. For McDonald. I have carefully considered your No. 70, Aug. 24,¹ and have discussed it with the President.

Re Section 1, urtel, it would appear that PGI may be making several issues out of an integral problem, professing its desire for immediate peace negotiations but maintaining its disinclination to carry out certain essential preliminary steps which you cite as "partial measures", including maintenance of truce, demilitarization of Jerusalem, and alleviation of Arab refugee problem.

The maintenance of truce is indispensable to successful peace negotiations. We do not, as member of UN, intend to see solution of Palestine problem by force of arms and accordingly if there is any sincere desire for peace negotiations on either side, they must be carried out while strict truce is maintained.

¹ Sent 10 a.m., p. 1337.

As for demilitarization of Jerusalem, this was in response to Security Council resolution of July 15, which reflected worldwide concern for fate of this holy city and determination of international community that sacred shrines of Jerusalem should not further be desecrated by conflict.

Arab refugee problem is one which, as you quote PGI as saying, did develop from recent war in Palestine but which also began before outbreak of Arab-Israeli hostilities. A significant portion of Arab refugees fled from their homes owing to Jewish occupation of Haifa on April 21-22 and to Jewish armed attack against Jaffa April 25. You will recall statements made by Jewish authorities in Palestine promising safeguards for Arab minority in areas under Jewish control. Arab refugee problem is one involving life or death of some 300,000 people. The leaders of Israel would make a grave miscalculation if they thought callous treatment of this tragic issue could pass unnoticed by world opinion. Furthermore, hatred of Arabs for Israel engendered by refugee problem would be a great obstacle to those peace negotiations you say PGI immediately desires.

In the light of the foregoing I do not concur in your conclusion that "Jewish emphasis on peace negotiations now is sounder than present US and UN emphasis on truce and demilitarization and refugees".

Nevertheless, this govt has for months past been seeking possible bases for a settlement which, if not agreed to, might be acquiesced in, and has made several efforts to bring about negotiated settlement. Some efforts failed because of Arabs, some because of Jews. When you state that Jewish emphasis on peace negotiations now is sound, do you mean that PGI has any assurance that there is any Arab govt with which it can negotiate? Please telegraph on this point.

Provided Arab govts as a group can be induced to participate in peace conversations with Israel, which at the moment seems most improbable, or provided that PGI can initiate private peace talks with one Arab govt such as Transjordan, which seems more within limit of possibility, we feel that PGI would be wise in not insisting on too much. We had reluctantly derived impression from recent developments that PGI desired to obtain all that was recommended in GA Resolution of November 29, 1947 (and which they formally accepted by public proclamation in requests for recognition) plus such additional territory as is now under military occupation by Israeli forces, including the rich area of western Galilee and a portion of Jerusalem. We are aware of the problem presented by Extremists and internal political complications presented thereby. However, we would appreciate some indication of the true intentions of PGI in respect to their territorial claims.

For your own info, the US feels that the new State of Israel should have boundaries which will make it more homogeneous and well in-

tegrated than the hourglass frontiers drawn on the map of the November 29 Resolution. Perhaps some solution can be worked out as part of any settlement with Transjordan which would materially simplify boundary problem. Specifically, it would appear to us that Israel might expand into the rich area of Galilee, which it now holds in military occupation, in return for relinquishing a large portion of the Negev to Transjordan. This would leave the new State with materially improved frontiers and considerably enriched in terms of natural resources by acquisition of Galilee in return for the desert Negev.

Since Jerusalem is such a bone of contention between Arabs and Jews and is focal center of Christian interest in Palestine, we believe that it should form international enclave along lines recommended by GA resolution of Nov. 29, 1947, or by Trusteeship Council in its meetings in April and May, 1948. Any other arrangement satisfactory to both Jews and Arabs would, however, be acceptable to us, provided guarantees were given for access to and safety of holy places.

Please discuss foregoing suggestions with Ben Gurion and Shertok, making clear that although tentative and in the nature of "trying on for size" they are offered in an earnest desire of this govt to assist Israel to become a permanent factor for economic development and maintenance of peace in Middle East.

You should make clear to Shertok and Ben Gurion that we feel that demands in excess of foregoing suggestions would prejudice the possibility of a permanent peace in Palestine.

If authorities of PGI show any constructive response to these suggestions US is willing to present them to Mediator, in its role as member of SC Truce Commission, as being proposals which commend themselves to very serious consideration, and will take similar line with UK which can be expected to exert considerable pressure on Arab govts.

Adverting to concluding paragraph of reference telegram you should make very clear to Israeli leaders that this govt in Security Council will be zealous in advocating that Council apply measures, if necessary, under Chapter VII of Charter, to restrain resort to arms, whether by Arabs or by Israel. Leaders of PGI should be quick to see that non-military sanctions voted by SC as, for example, a ban on any financial transactions with aggressor state or modification of arms embargo, would have immediate consequences in such a state as Israel. In fact we are hopeful that wise counsels in Israel will perceive that new state cannot exist except by acceptance of international community and that PGI, of all new govts, should be most responsive to this fact.

We believe that leaders of Israel stand at moment of greatest opportunity for showing true statesmanship and thus to establish their

republic on impregnable moral basis which will lead to sound political and economic development. US stands ready to give Israel its assistance to this end.²

MARSHALL

² A marginal notation indicates that telegram 72 was approved by President Truman on September 1. No. 72 was repeated to London the same day in telegram 3469.

501.BB Palestine/8-2748: Telegram

The Secretary of State to the Embassy in the United Kingdom

TOP SECRET US URGENT WASHINGTON, September 1, 1948—6 p. m.

3468. Re para. 8 your 3878, Aug. 27, you are authorized to show Bevin text of my 72 to McDonald at Tel Aviv, sent today. This is repeated in our next telegram.¹ You perceive from this instruction to McDonald that our views on possible territorial settlement in Palestine are practically identical with those suggested in British working paper as reported your 3879, 3880 and 3881, Aug. 27.

On question of Security Council power to lay down a permanent frontier for Israel and to regard failure to respect this line as breach of truce which would call for sanctions under Chapter VII (para. 6 and 14 (3) your 3380 [3880], para. 4 your 3381 [3881]), we desire further to study constitutional aspects of this question in light of position taken by this govt in Austin's speech to SC Feb. 24. Our views will be communicated to you shortly.

As for tactics to be followed we agree with Bevin that it is improbable that Jews and Arabs can be brought into face to face negotiations. However, PGI has repeatedly mentioned possibility of negotiations and for this reason that word was used advisedly in our reply to McDonald. We should be content with acquiescence of the parties to an equitable settlement.

As you have perceived from previous telegrams, Dept is not at all anxious to have Palestine issue ventilated at Paris session of GA and our view in this respect is identical with that of UK. You may tell Bevin that as result of private suggestions which we made to Bernadotte, UN Mediator now shares our view and has stated that he will report to Lie in Paris that he believes placing of Palestine question on agenda at this GA session would be unwise. However, it is obvious that both UK and US must be prepared for full-dress debate in event some other delegation lodges Palestine problem before Paris GA.

We should naturally welcome Bevin's comments on our views as expressed to McDonald.

MARSHALL

¹ As No. 3469, see footnote 2, *supra*. The Department, on September 3, telegraphed to London the second paragraph of Secretary Marshall's letter of August 31 to Mr. McDonald, p. 1364, because of its possible interest to Ambassador Douglas and Mr. Bevin (No. 3505, 501.BB Palestine/9-348).

867N.01/9-248 : Telegram

The Ambassador in the Soviet Union (Smith) to the Secretary of State

SECRET

Moscow, September 2, 1948—6 p. m.

1843. During long talk on Near Eastern situation Syrian Minister Zeineddine denied that he has received any instructions or made any move toward seeking Soviet support. He stated he has not seen or heard from Soviet Ambassador Solod and that he has had no information indicating latter is here in connection with any negotiations or possible deal between Syrian and Soviet Govts. Moreover, he claims to have no intimation of any weakening of Soviet support of Israel or of Soviet receptivity to Arab appeals or proposals.

While foregoing are factual statements emerging during conversation on subjects mentioned Deptel 1014, August 25 (sent Damascus 329) and Damascus 566, August 27 to Dept,¹ following digest of opinions expressed by Minister may be of interest: *Begin digest.*

Soviet Govt adopted pro-Israel line in May 1947 only after being sure of US position on this same line and deciding this line best ensured promotion chaos and weakening Anglo-American position throughout Near East. While Soviet Govt capable *volte-face* at moment's notice, as intimated to him by Vyshinski² (Embtel 1016, May 31), no such change is likely in the near future. Soviet interests in continuing chaos and "softening up" area better served by further support Israel, since growing Jewish strength and increasing menace Jewish expansionism, combined with Arab set-backs, arouses Arab populations and further discredits Arab Govts and ruling classes in eyes their peoples. Only great improvement in Israel position, including general recognition, large scale immigration and arms supply and actual expansion Israel borders, would impel Soviet Govt to aid Arabs. This might be done, covertly, to extent necessary ensure continuance conflict, while public pro-Israel policy maintained.

Arab Govts are in desperate situation. The popular and local press indignation now directed at US and UK would be aimed mainly at those govts if they were not protected by martial law. They are committed to and constantly pushed further toward policy of force and *intransigence* by popular opinion and are too weak to change direction later even if they wished. Most they could possibly accept in way compromise at this stage would be Bernadotte formula, coupled with curtailed borders autonomous Jewish state too small permit further significant immigration.

Since this unlikely, vital problem for Arab Govts is procurement arms. None could refuse a Soviet offer such arms and survive. If no progress made in GA toward acceptable solution and US and UK

¹ Latter not printed; it reported allegations that the visit of Minister Solod to Moscow was in connection with a Syrian offer to grant bases in Syria to the Soviet Union in return for arms to be used in defense of Palestine (861.20200/8-2748).

² Andrey Yanuaryevich Vyshinsky, Deputy Minister for Foreign Affairs of the Soviet Union.

continue arms export ban Arab Govts may in fact feel obliged to approach Soviet Govt for help, if only to force British and Americans to come to their senses. Arab leaders realize risks involved such course but Arab proverb justifies deal with devil when no other course open.

It is inconceivable that Arab-Jewish conflict might eventually be settled by act of realistic statesmanship like Venizelos-Ataturk 1930 agreement³ ending ages-old Greco-Turk strife. Situation is not parallel because Israel is frankly expansionistic (as witness even Ben Gurion's recent interview with *Time* correspondent) and because no Arab leader exists with strength and stature comparable Ataturk. *End digest.*

Source must be protected.

Sent Dept 1843; Dept please pass Damascus 2, Beirut 4, London 194, Cairo 2, Jerusalem 14, Baghdad 5, Jidda unnumbered.

SMITH

³ Treaty of Friendship, Neutrality, Conciliation, and Arbitration between Greece and Turkey, signed at Ankara, October 30, 1930; for text, see League of Nations Treaty Series, vol. cxxv, p. 11.

Editorial Note

The Secretary of State, in a note of September 3 to Eliahu Epstein, replied to the latter's note of August 26 requesting that the United States military authorities in the American zones in Germany and Austria be instructed to remove restrictions on the emigration of men of military age from these zones to Israel. The note of September 3 informed Mr. Epstein that "further instructions have now been issued by the United States Government to the zonal military authorities. The instructions provide for the continued prohibition of the exit of emigrants for Israel identified as fighting personnel, and authorize the departure of those men of military age for whom accredited representatives of the Provisional Government of Israel submit to the zonal military authorities advance clearance for emigration obtained from the Mediator by such representatives." For the full texts of the exchange of notes, see Department of State *Bulletin*, September 19, 1948, page 386.

501.BB Palestine/9-348

Memorandum by Mr. Robert M. McClintock to the Director of the Office of United Nations Affairs (Rusk)

TOP SECRET

[WASHINGTON,] September 3, 1948.

Subject: Formulation of Joint UK-US Position on Palestine Settlement.

I attach Mr. Douglas' telegrams 3879, 3880, and 3881 of August 27, reproducing a proposed British working paper which might form

the framework for Count Bernadotte's recommendations for a peaceful adjustment of the Palestine problem, together with London's subsequent telegram 3927, September 1, setting forth a suggested timetable whereby Bernadotte's suggestions could be formulated and then approved by the Security Council. I likewise attach the Department's No. 72 to Tel Aviv, September 1, which sketches our views on a possible territorial settlement in Palestine, as approved by President Truman on September 1. The last enclosure is our telegram to Ambassador Douglas sent the same day, No. 3468, which indicates that our territorial views are almost identical with those of Foreign Secretary Bevin, but that we have pending for further study his suggestion that the Security Council in effect will lay down a permanent frontier for Israel and regard failure to respect this line as a breach of the truce which would call for sanctions under Chapter VII.

The issues before this afternoon's meeting would seem to be not the question of what the best frontiers for Israel would be, since the UK, US, and Count Bernadotte are all in general agreement. Rather, what must be presently determined are the following points:

a. Should the Security Council affirm Bernadotte's suggestions by possible Chapter VII action?

b. Should the Security Council seek to affirm Bernadotte's suggestions in light of the probability that, given UK-US agreement on a line of policy, the USSR may veto any recommendation we seek to have the Council support?

c. Should the General Assembly endeavor to make recommendations in support of Count Bernadotte's suggestions?

d. What timetable of action should be adopted by the US, UK, and the Mediator?

For what they are worth, my own views are that quite aside from the Charter grounds for possible Security Council action to enforce a political settlement in Palestine it would be inexpedient to bring the issue before the Council, because of almost certain Soviet opposition to any just settlement. It would similarly be inexpedient to ventilate the issue further in the Assembly unless there were prior acquiescence by both Arabs and Jews and one or both required the extra stimulus of an Assembly recommendation in order to convert their public opinion to accept a given settlement. I would suggest that the United Nations role at this delicate juncture should be confined to the activities of the Mediator and that the final pressures to be applied in order to achieve acquiescence to the Mediator's recommendations should be largely through diplomatic channels. Naturally, the Security Council would continue to discharge its responsibility for the maintenance of the truce in Palestine.

[ROBERT M.] M[CLINTOCK]

501.BB Palestine/9-348: Telegram

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

TOP SECRET

LONDON, September 3, 1948—4 p. m.

3962. Bevin being absent substance Department's 3468, 3469 September 1¹ was conveyed September 2 to Sir Orme Sargent, Wright and Burrows. I have no doubt that Bevin's personal reaction will be as favorable as that of officials named to the general tenor of these messages. Because British Cabinet has given FonOff full authority to approach Mediator in conjunction with us (my 3879, August 27) and because Department's forthright approach to PGI has considerably advanced the matter, FonOff officials lost no time in formulating definitive British views which follow:

2. FonOff considers Department's action in putting to PGI through special representative McDonald substance of US-UK thinking has added major new element to situation. Officials were pleased by the character and content of line taken by Department with Israel. At the same time they point out that there is extreme danger of leaks occurring in Tel Aviv. They fear that if through leaks a Jewish-American label should become attached to US-UK thinking this would stiffen Arab resistance to proposals when US and UK voice support for Mediator and ask Arab States to acquiesce in them. Officials feel it important that from moment proposals become known they should carry as label "Mediator—made in Sweden."

Since FonOff has cabinet authority to approach Mediator with proposals, officials suggest that time table in my 3927 September 1 should be speeded up and US-UK proposals placed in hands of Mediator by US and UK at earliest possible moment. As put by one official "now cat is half out of bag, quicker bag is handed to Mediator the better."

3. Officials believe desirability early action with Mediator seems to be supported by recent press reports from Rhodes to effect that Mediator may summon Jews and Arabs there in relatively near future and that he may report to SC on or about September 20.

4. While officials see that there would be some advantage in knowing in advance Israeli reactions to US representations, they see no objection and much to be gained by US and UK taking parallel action with Mediator in very near future without reference to PGI response.

5. Re US approach to PGI, officials inquired whether it meant that Department is coming around to view that circumstances are such that USG will be largely responsible for dealing with PGI and British Government for dealing with Arabs. Embassy replied that it doubted

¹ Regarding the latter, see footnote 2, p. 1369.

that Department had given up principle of similar approaches by US and UK to both Arabs and Jews (paragraph 5 Department's 3187, August 12). Incidentally FonOff recently queried Arab capitals as to effectiveness US-UK approach as compared to approach by UK alone. Replies received today show that British Chiefs of Missions almost unanimously express preference for joint approach. Is Embassy's reply correct?

6. FonOff study Department's messages has given rise to certain queries. FonOff asked whether Department's 3469 in light of Department's 3468 constitutes Department's reply to my 3880 and 3881 August 27. In particular officials asked whether they might assume that paragraph 1 Department's 3468 means that US concurs with ideas re Israeli frontiers as set forth in my reference messages. On basis paragraph 4 and 10 of Department's 3469 re Jerusalem they asked whether they could assume that US does not favor Jewish corridor to Jerusalem. Officials noted that Department did not refer to free port at Haifa and expressed hope that US still regards this as important point. Officials also hoped that Department's strong line with PGI re Arab refugees (paragraph 5 Department's 3469) would prove effective and that US agrees that Mediator's proposals should refer specifically to Arab refugees (my 3880, paragraph 15).

7. Officials were pleased to learn that Department would be content with acquiescence of parties to an equitable settlement since all evidence available to them (see my 3954 September 3²) is unfortunately, to effect that face to face negotiations are presently out of question and that Abdullah of Transjordan is not strong enough to ride out storm which would arise in Arab states were he to embark on bilateral negotiations with PGI.

8. Officials understand fully Department's desire to study constitutional aspects (paragraph 2 Department's 3468) of SC power to lay down a permanent frontier for Israel. They remarked that they would welcome Department's views in this regard and said they were not unshakably wedded to their conclusions if Department had some better ideas. They are inclined to consider this problem "secondary" although they reiterated belief that prolonged debate on Palestine issue at UNGA would be unfortunate. Officials were glad to know that Department has succeeded in convincing Mediator that it would be unwise for him to report in first instance to GA.

9. Wright expressed personal view that despite serious risks of leak (paragraph 2 above) Department's action in giving such a categorical warning to PGI was well-timed since uneasy character truce continues to be matter meriting deep concern. He said that FonOff is continuing to urge utmost restraint upon Arabs and mentioned in this connection

² Not printed.

paragraph 8 of British policy guidance Embassy's 3909 August 30.³ He added that additional warning in same sense will be despatched to all Middle East Missions very shortly.

10. Both Sargent and Wright expressed strong hope that US will agree to joint approach to Mediator (paragraph 2 above) along lines of stage two (paragraph 3 Embassy's 3927 September 1) since they understand from Department's telegrams under reference that stage one is now virtually concluded.

DOUGLAS

³ Not printed; this paragraph directed British diplomatic representatives in the Near East to emphasize to Arab leaders the importance of not breaking the truce. The paragraph also stressed that resumption of fighting would be welcomed by and profitable to the Jews, especially if responsibility could be pinned on the Arabs (501.BB Palestine/8-3048).

501.BB Palestine/9-648 : Telegram

*The Consul General at Jerusalem (Macdonald) to the
Secretary of State*

JERUSALEM, September 6, 1948.

1256. Situation Jerusalem shown marked improvement since Thursday noon when agreement reached under auspices chief UN observer here between Arab Legion, Egyptian and Jewish commanders to cease all fire. Although occasional rifle fire still heard, mortar and automatic fire has practically ceased. Number complaints by both sides of truce violations greatly decreased.

On 4th opposing forces evacuated Red Cross zone including Government House, Jewish training farm and Arab agricultural college. Demilitarized area successfully established including Red Cross zone and surrounding territory. All fortifications in process removal.

Sent Department as 1256, repeated Beirut as 76, Baghdad as 14, Cairo as 118, Damascus as 33, Jidda and Tel Aviv by pouch.

MACDONALD

501.BB Palestine/9-1248

*Memorandum of Conversation Prepared in the Office of the Special
Representative of the United States in Israel*¹

TOP SECRET

[TEL AVIV,] September 7, 1948.

(Note: Mr. McDonald with the assistance of Messrs. Knox and Cummings² had a very carefully phrased statement, incorporating

¹ Transmitted in despatch 58, September 12. The conversation took place at 3:30 p. m., September 6, at the Israeli Foreign Office, with Messrs. McDonald, Shertok, and Knox participating.

² Herbert J. Cummings, a career official in the Department of Commerce, detailed for temporary assignment to the Mission at Tel Aviv.

in paraphrase all of the important points contained in the Department's TS No. 72 of September 2 [1], 5 [6] p. m., so that Mr. McDonald could read the statement to the Foreign Minister thus eliminating any possibility of misunderstanding or misinterpretation thru verbal lapse. A copy of this prepared statement is attached as Appendix A to this memorandum.)

After an exchange of amenities Mr. McDonald explained that he had something of primary importance to communicate from his government and that he preferred to read it, and that he would add nothing to it verbally, suggesting that the Foreign Minister might care to make notes as he proceeded.

Mr. McDonald read, slowly and clearly the contents of the prepared statement. Mr. Shertok took extensive notes.

When the reading was finished, Mr. Shertok commented as follows; first, he said he greatly appreciated that the U.S. was taking an active interest in the problem of a peace settlement; second, he thanked Mr. McDonald for the expressions of willingness on the part of the U.S. to assist Israel in establishing peace and in building the state into a constructive force for good in the Middle East; third, he stated that as regards Jerusalem he was pleased to note that the suggestion allowed for some flexibility; fourth, he stated that of course he was not prepared to comment at this time on the suggestion regarding an exchange of territory; fifth, as to the specific interrogation as to whether the PGI would give any assurance that any of the Arab States were willing to negotiate peace he went into a lengthy explanation, the substance of which is as follows:

That about two months ago the PGI had sent some officials to Paris in the hope of contacting some Arab representatives there. The efforts were not successful although the PGI agents did have discussions with the Ministers in Paris of Syria and Lebanon, and with the Transjordan Minister to Great Britain who made a special trip to Paris to see them; these conversations were in the most general terms and although very friendly did not progress to the "brass tacks" level. Also contacted were several prominent (though not official) Egyptians whose attitude was not unfriendly but who could not contribute anything concrete. As regards the Transjordan Minister in London it was anticipated by the PGI that he would come back to Paris for further discussions but he never returned, possibly owing to British interference.

One month ago, upon the conclusion of the Fast of Ramadan, the Belgian Consul General in Jerusalem sent the customary letter of congratulations to King Abdullah, concluding with a final sentence which hoped for peace. The Belgian Consul General informed Mr. Shertok that, to his surprise, the King seized upon the last sentence of the letter, asked the Belgian Consul General to visit him personally,

and told him verbally that he was most anxious for peace with the Jews, making in that connection several complimentary remarks about Mr. Shertok and asking the Consul General to suggest to Shertok that the Jews and Arabs meet in Cyprus to talk matters over. Shertok sent word back to the King, through the Consul General, that the PGI was equally anxious for peace but suggested that Paris would be a better place to meet than Cyprus. The King is reported to have agreed to Paris as the rendezvous and stated that his representative would appear there in due course to meet with the PGI representatives. Shertok says that nothing has happened in the meantime although the PGI is waiting; Shertok felt that the British had probably gotten wind of the King's move and advised him not to carry it thru.

Shertok then launched into an extremely brilliant historical summary of British policy in Palestine and stated that, although it was pure conjecture on his part, he was now convinced that the British were deluding themselves and the Arabs into believing that the truce if carried long enough would so soften up Israel that she would be forced to her knees before peace plans would be allowed to materialize. He stated that last week the British Consul in Jerusalem, Mr. Sherringham, stated informally to an Israeli official that the truce would be dragged out deliberately until Israel was on its knees and begging the Arabs for mercy. Mr. Shertok said he believes this attitude is the latest phase of immutable British policy to weaken Israel and that in reply thereto he could only say that the Jews were a determined and resistant people with a remarkable adaptability and that, if necessary, time would tell who would hold out the longest under conditions of truce.

Mr. McDonald said that he had instructions to discuss our government's suggestions with the Prime Minister also and that he hoped for an early reply from the PGI. Shertok agreed to this procedure stating that the issues involved were very important and would have to be discussed in strict confidence with the government.

Appendix A

The Special Representative of the United States in Israel (McDonald) to the Israeli Foreign Minister (Shertok)

Memorandum: (Note: This memo was read verbally by Mr. James G. McDonald to the Foreign Minister on Sept. 6, 1948)

My Government has asked me to express: 1. its hope that Israel will become a great force for constructive rebuilding within Israel's own territory and will be able to exercise a beneficent influence upon this whole area; and, 2, its desire to aid in every proper way in this creative development.

I am also requested to reemphasize in the clearest possible terms the statements which I made to Your Excellency and separately to Mr. Ben Gurion during our first talks more than a fortnight ago. The United States is determined to use all of its influence to prevent a violation of the truce and—should unhappily such a violation occur—will support in the Security Council immediate action, if necessary under Article 7, against the aggressor. My Government feels strongly that such violation must not be tolerated because the maintenance of the truce is an essential prerequisite to peace negotiations.

My Government would be grateful if the PGI would let it know through me if the Israeli authorities have any assurance that any one Arab state or group of such states is prepared to initiate peace negotiations.

In order to determine whether there is a basis for facilitating peace negotiations, my Government in the strictest confidence desires to learn the reaction of the PGI to the following suggestions—suggestions which, although tentative and in the nature of “trying on for size”, are put forward by my Government in its earnest desire to aid Israel in becoming a permanent force for the maintenance of peace and economic development in the Middle Eastern area:

The suggestions are advanced that:

1. perhaps a solution can be worked out as a feature of any final understanding with Transjordan which would exchange a large portion of the desert land of the Negev for that portion of fertile Western Galilee which Israel now occupies militarily.

2. while my Government believes that Jerusalem should be an international enclave along lines recommended by the GA resolution of November 29 or the TC resolutions of April and May, the U.S. would consider acceptable any other arrangement satisfactory to both Israel and Arab States, provided the safety of, and access to, the Holy Places is guaranteed.

3. The PGI consider some constructive measures for the alleviation of Arab refugee distress, which is a factor influencing world opinion.

It should be clear that my Government feels that demands which exceed the suggestions 1 and 2 would be prejudicial to the possibility of effecting a permanent peace in Palestine.

If the PGI is prepared at this time to make known to my Government constructive views in response to the above suggestions, the U.S. is willing to commend above program to Mediator and to British Government which, it is contemplated, can exert considerable influence on neighboring governments.