

	<h1>V</h1> <p>LEVANT DEPARTMENT</p>	<h1>V 1051/2</h1>
--	-------------------------------------	-------------------

FROM Sir C. Johnston,
Government House,
Aden to Sir R. Stevens.

SUBJECT:

CONFIDENTIAL

U.K. Policy in the Middle East

No. CHJ/P
Dated January 6
Received January 10

Comments on F.O. Despatch about U.K. Policy towards Jordan; thoughts on Arab Nationalism.

References

VJ1051/8 } '60
VJ1055/6 }

E1051/1

MINUTES

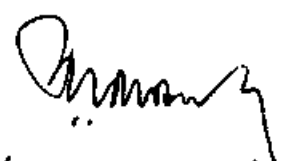
Sir Charles Johnston pulls out a typically vivid passage about the reduction of Nasser to a willi. But I wonder if his criticism of our despatch is quite soundly based:


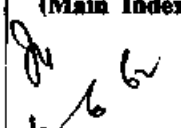
- (i) he says that because Anglo-Arab partnership still applies in Aden and the Gulf, our despatch exaggerated in regard to the Arab world as a whole: but, as he himself emphasises, we deliberately excluded the Gulf and Aden from our generalisation. Is not Sir C. Johnston in danger of falling into the opposite extreme viz. claiming that because Anglo-Arab partnership is still needed in a special part of the Arab world, it therefore applies elsewhere?
- (ii) He argues that the anti-British bias of Nasser-type Arab nationalism need not prevent us from getting to grips with Arab nationalism in the long run. I should have thought that he underestimates the forces at work in the world to-day which militate against a partnership between the emerging Afro-Asian countries and the old imperialist powers. In other words, the exhaustion of Nasser-type nationalism would not necessarily lead to a form of Arab nationalism which was easier for us to get on with.

(Printing Instructions)

(Outward Action)

off) Sir C. Johnston,
Aden from Sir R. Stevens - Feb 24.
off) Mr. Neville, Col. off.


 (P.H. Moberly)
 January 11, 1961.

(Action completed)	(Main Indexed)
 13 APR 1961	 12/6/61

E1051/1

We/

We can hope, with Sir C. Johnston, that Arab nationalism will not always be anti-British, & that Nasser, at any rate in his present mood, will not always represent it. But he does represent it, & lead it & voice it at the moment & whatever the future holds, it will not be King Hussein who replaces him in this rôle.

2. The normal relationship we desire with the independent states of the ME is to some extent prevented or soured by the special status of 'partnership' we enjoy in Jordan, the Gulf, Aden etc which is regarded widely as an unequal partnership between the powerful & the small & therefore derogatory to the other partner, & a partnership with the out-gate ~~which~~ Arab societies, & therefore a feeble effort on our part to perpetuate the past.

3. Our despatch did not question the necessity of continuing in special areas for special reasons (strategy, oil etc) the special relationship, but Sir C. Johnston did scarcely claim that, eg, Aden is in the main stream of Arab nationalism & political development with which we have to seek an accommodation, or that what works there will work elsewhere.

R. W. Regan
13/11

I understand very well how Sir Charles feels but his arguments do not convince me. His letter is a bit of special pleading and the passage about Nasser as a willi seems to me to weaken, rather than strengthen, the argument. Just because we try to look at Nasser dispassionately, neither over-nor under-estimating him, it is not fair to write us off as having "lost confidence in ourselves" or being "hypnotised by Nasser's propoganda".

2. We get so many reports from all over the Arab world, including the Gulf, which suggest that Nasser is still the principal symbol of Arab

/nationalism

Number of copies.....

Number of copies of enclosures.....

Minutes

nationalism and that people like King Hussein who attack him are doing themselves harm thereby, that we are forced to the conclusion that Nasser has not yet lost much of his magic for the Arabs. We are glad to know that he has suffered one or two setbacks recently. It was fortunate that the collapse of the Hashemite régime in Iraq, which was so strongly pro-West and pro-British in complexion, did not turn to Nasser's advantage; though this was not entirely surprising owing to the almost inevitable rivalry between Baghdad and Cairo. In general it is difficult to think of any example where a régime in the area has been strengthened internally by any form of Anglo-Arab partnership such as Sir Charles advocates. We see only too clearly that a régime like Jordan is weakened by excessive beating of the pro-Western and anti-Communist drum.

3. One could write endlessly on this topic but I think that the answer to Sir Charles, in a nutshell, is that we want to continue to help our friends in Aden and the Gulf, where we still have direct responsibilities. But we can best help them by firm support of their interests and by avoiding anything which looks like undue meddling in the rest of the Arab world. It would not help our position in Aden and the Gulf if we were seen to be trying to exert outdated patronage in the rest of the Arab world.

for R. Beith
Arabia
Dept
Eastern Dept.

John Beith
(J.G.S. Beith)
January 13, 1961.

I agree with these comments and since Sir Christopher Dutton wrote his letter mainly because of the Aden situation I thought I should draft a reply in conjunction with the Colonial Office, which reassure him, if necessary, about our attitude towards the Gulf and Aden. Perhaps the very last sentence of paragraph 6 of your despatch was rather too compressed and give rise to this reaction. TDC

NOTHING TO BE WRITTEN IN THIS MARGIN

Ref: FO 371 / 158740

88025

Please note that this copy is supplied subject to the Public Record Office's terms and conditions and that your use of it may be subject to copyright restrictions. Further information is given in the enclosed 'Terms and Conditions of supply of Public Records' leaflet

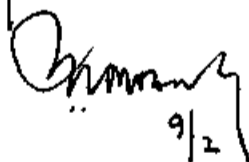
Minutes

Partnership is the last word most Iraqis would use for our special position in Jordan, the Gulf + Aden. Even our friends are concerned that we should leave the last two more quickly. However since our new relationship with Iraq began Iraqi feelings of genuine friendship and recourse to our aid have become steadily warmer. The main impediment to the development of this relationship is the existence of other ones in the Middle East which Iraqis feel not to be entirely free on both sides. Self interest only blinds partially. In Iraq is far less the embodiment of Arab Nationalism than the person most likely to offer material aid in overthrowing Qasim. The concept of Arab Nationalism in Iraq is of a single Arab Nation not dominated by any one figure

Fillaynard

25/

I submit a draft. I suggest that, when it has been seen in the Dept, we should send it in draft to the Colonial office for clearance.



9/2

I have made a few alterations in Mr. Moberly's draft and I would now be grateful if Mr. Beaumont would clear it from the point of view of his department.

2. As regards Mr. Crawford's minute of January 18, I am not sure that Sir Charles Johnston was really basing /himself

NOTHING TO BE WRITTEN IN THIS MARGIN

Ref: FO 371 / 158740 88025

Please note that this copy is supplied subject to the Public Record Office's terms and conditions and that your use of it may be subject to copyright restrictions. Further information is given in the enclosed 'Terms and Conditions of supply of Public Records' leaflet

NOTHING TO BE WRITTEN IN THIS MARGIN

Minutes

himself very firmly on the Aden situation. I think he could hardly bear to leave the argument without a further contribution and that he was writing more from Amman than from Aden. I am not too keen on clearing this sort of thing with the Colonial Office in detail (they have not much to contribute) but we could always send a copy before despatch to Mr. Melville, as a matter of courtesy. It would in fact be normal for us to send the letter through the Colonial Office but I do not think we need ask for comments.

3. As regards the last sentence of paragraph 6 of our despatch, I have no pride of authorship about this particular sentence but it seemed to me to say more clearly than any other passage in the despatch exactly what we meant. I would certainly not wish to qualify it. Jordan is an exception because it is a fully independent Arab state, having no treaty relationship with the U.K. but nevertheless enjoying very close relations with us and considerable financial, economic and military support from this country. Of course, Aden and the Gulf enjoy our support to an even greater extent but, frankly, we must bear in mind that one is a Colony and the other relies on us for the management of its external relations under Treaty arrangements. Jordan is an absolute exception to our policy in regard to the normal country of the area without treaty relations with the U.K.

J.G.S. Beith

(J.G.S. Beith)
FEBRUARY 13, 1961.

I was not intending to assail Mr Beith as an author but only suggesting that the very short sentence in question contained (and perhaps concealed) a much but more complicated thought, namely the one deployed in the final paragraph of the above minute.
Albarford 2/12
11/24/12

Ref: FO 371 / 158740

88025

Please note that this copy is supplied subject to the Public Record Office's terms and conditions and that your use of it may be subject to copyright restrictions. Further information is given in the enclosed 'Terms and Conditions of supply of Public Records' leaflet

Minutes

✓
Feb 27

Mr. Hiller to see.
gaw

NOTHING TO BE WRITTEN IN THIS MARGIN

W
Jan 10
M. G. B. L.
then later
9/6

RECEIVED IN
ARCHIVES
10 JAN 1961
VJ1051/2

GOVERNMENT HOUSE,
ADEN.
6th January, 1961.

CONFIDENTIAL

CH/P

My dear Roger

VJ1051/8

Thank you very much for sending me a copy of your Despatch No: 101 (VJ 1051/6) to John Henniker commenting on my valedictory Despatch NO: 49 from Amman.

- V 1051/6

2. There is nobody more boring than someone who insists on corresponding about his last job after he has left it. I would however, if I may, like to make one comment because it is a matter which seems to me important.

3. In para 6 of your despatch you say that the concept of Anglo/Arab partnership has lost most of its attraction and that except in the Gulf and Aden (my underlining) where we have special interests and responsibilities, it can not readily be reconciled with the need to disengage wherever possible from the local disputes of the area; also that the Arab world as a whole does not want it. With great respect, I wonder if this statement is really true. The fallacy inherent in it seems to me to be betrayed by the words which I have underlined. Obviously, if we leave out of account the Gulf and Aden, the areas where there is any future in Anglo/Arab partnership are greatly reduced. It was however precisely the Gulf and Aden which I had most in mind, apart from Jordan, in writing what I did about partnership in my despatch No. 49. In Aden Colony, and still more in the Protectorates, there is a crying need for such partnership to continue in one form or another for a long time to come and it would be quite untrue to say that the Arabs here as a whole do not want it. I do not yet know the Gulf, but I should imagine the same applies at least in certain parts of it. In fact, the more these areas evolve politically, the more we shall have to depend on the partnership concept if we want to hold on to our requirements in them, as we most certainly do. What shook me in your despatch was the suggestion that, because of our special position in the Gulf and Aden, they somehow do not count as Arab at all, and can therefore be left out of any general observations about Arab nationalism. One can understand a drafter in the Levant Department saying to himself, "Well, Aden is out because it's Colonial Office, and the Gulf is out because it's Arabian Department", but I would hope that the policy of H.M.G. towards Arab nationalism might be based on a somewhat more synoptic view of the picture.

40/...

Sir Roger Stevens, K.C.M.G.,
Foreign Office.

CONFIDENTIAL

CONFIDENTIAL

2.

4. Nor, I suggest, should we allow ourselves to be too much impressed by the identification of Arab nationalism and Nasser, as propagated by the controlled Cairo radio and the mercenary Beirut press. The Cairo/Beirut version is, rightly, conveyed to you with its full persuasiveness by our Embassies in those posts. Two or three years ago it was swallowed more or less whole by all British and American publicists writing about the area, and also in the State Department and the American Foreign Service. This school of thought has greatly dwindled under the impact of subsequent events. It implies a lack of scepticism, and an absence of critical faculty, of which I am sure that our own Service would never be guilty.

5. What it all amounts to, I suggest, is something like this. Arab nationalism is a force with which we have simply got to work. If we play our cards properly however this in no way excludes the continuation of fairly close Anglo/Arab partnership, in one form or another, in those areas of the Arab world which are already used to such partnership in the past. To despair of ever reconciling this partnership with Arab nationalism seems to me, with respect, to be sheer defeatism, based on the fallacious identification of such nationalism, which is a long-term affair, with the short-term and highly anti-British variety of it manifested by Nasser and his regime.

6. It is a commonplace to say that Nasser has recently lost a lot of ground in the Arab world. Putting together the impressions which I have gathered in Northern and Southern Arabia over the last few months, I would express this rather differently. Outside certain rabidly anti-Nasserite quarters, e.g. the court of Amman, or its miniature replica here in the Hashemite Amirate of Beihan, Nasser is still greatly liked and respected throughout the Arab world. The really striking thing however is that his image has aged. He is no longer the dynamic young revolutionary of the early middle 1950's, but a grey-haired avuncular figure who is very much part of the Establishment. Arabia, both north and south, is dotted with little domed tombs containing the bodies of local saints, or willis as they are called here. Everybody likes and respects them, and turns up for their annual festival, but no-one quite remembers who they were or what they did and sometimes there is even a certain haziness about their names. Incongruously - like Scobie, the joke-policeman in Durrell's Alexandria Quartet - Nasser is gradually being transformed into a willi. This seems to me an admirable process and one which we should warmly encourage.

7. At the same time of course Jamal has always had luck on his side and whenever he seemed to be going downhill has usually received some sort of fortuitous shot-in-the-arm: Mosul revolt, Cleopatra affair, suicide of Syrian pilot in Amman, etc. Obviously we must be prepared to see the Colonel rejuvenated by another fluke of this type. I do feel however, first, that we for our part should do nothing to impede the process of beatification; and secondly (and very strongly), that while recognising the Colonel is still a force to be reckoned with, we should not take him too tragically nor, having under

CONFIDENTIAL

estimated/..

1	2	cms	PUBLIC RECORD OFFICE	ins	1	2
Ref: FO 371 / 158740				88025		
Please note that this copy is supplied subject to the Public Record Office's terms and conditions and that your use of it may be subject to copyright restrictions. Further information is given in the enclosed 'Terms and Conditions of supply of Public Records' leaflet						

CONFIDENTIAL

3.

estimated him in the early fifties, make the mistake of over estimating him now. Above all we should not, I am convinced, allow ourselves to be hypnotised by his propagania into losing confidence in ourselves and believing that we ourselves have no longer any contribution to make in the Arab world.

8. Otherwise I entirely agree with your despatch and particularly with the conclusion in para 7.

9. I am sending a copy of this letter marked "Personal" to Eugene Melville in the Colonial Office.

Yours truly

Charles

(C.H. Johnston)

CONFIDENTIAL

1	2	cms	PUBLIC RECORD OFFICE	ins	1	2
Ref: FO 371 / 158740			88025			
Please note that this copy is supplied subject to the Public Record Office's terms and conditions and that your use of it may be subject to copyright restrictions. Further information is given in the enclosed 'Terms and Conditions of supply of Public Records' leaflet						

CONFIDENTIAL

February 24, 1961.

(V 1051/2)

Thank you for your interesting letter of January 6 commenting on our Despatch No. 101 about policy towards Jordan. In the Despatch we had deliberately tried to set Jordan in the wider Arab context, and I am glad that you took the opportunity of commenting from Aden.

2. I do not dispute your point about Jordan, as well as Aden and the Gulf, being as much a part of the Arab world as those countries where Arab nationalism is more in control. We did not mean to give the impression that they were being written off. Our point was that Arab nationalism (of which Nasser is for the moment the main symbol) is the moving force in the Middle East to-day and that in consequence our position in Aden, the Gulf and Jordan cannot be a pattern for our relations with the rest of the Arab world.

3. To recognise this point is not to question the importance of putting our best efforts into the maintenance of our interests in the Gulf and Aden (though our position in the Gulf is constantly evolving and it is important that it should be if we are to preserve our interests). For our part we entirely agree with you that there is much we can and must continue to do, especially when the people there look to us to do it. It should be our aim to help our friends in Aden and the Gulf, not only by political and economic support, but also by avoiding any attempt to exercise outdated influence in the rest of the Arab world. As I think you have said in the past, we do not want to become a "Nonnie figure". Equally, our

/friends do not

Sir Charles Johnston, K.C.M.G.,
Aden.

CONFIDENTIAL

1	2	cms	PUBLIC RECORD OFFICE	ins	1	2
Ref: FO 371 / 158740				88025		
Please note that this copy is supplied subject to the Public Record Office's terms and conditions and that your use of it may be subject to copyright restrictions. Further information is given in the enclosed 'Terms and Conditions of supply of Public Records' leaflet						

CONFIDENTIAL

friends do not make it easier for themselves - or for us - when, as in Jordan, they beat the pro-Western drum too blatantly.

4. Basically, at the risk of being called defeatist, I do not agree with the last sentence of paragraph 5 of your letter. I do not believe partnerships with Britain and Arab nationalism are reconcilable - certainly not in the short or medium run. What we are doing at the moment is trying to live as comfortably as we can with both - and that seems to me perfectly sensible as a piece of pragmatism but quite unrealistic in terms of political philosophy.

5. There are, as you say, various signs that Nasser's appeal is diminishing in some places, though it is still very far from being spent. But Nasser will not necessarily represent Arab nationalism for ever. With the tide of independence among Afro-Asian countries running ever more strongly we are likely to have to deal with a pretty uncompromising style of Arab nationalism for a long time yet. This is the situation to which we must adapt our policy.

6. The situation I have in mind is, I think, well-illustrated by the concluding sentences of Humphrey Trevelyan's Annual Report on Iraq for 1960. I enclose a copy of his Despatch in case you have not seen it.

7. I am sending a copy of this letter to Eugene Melville at the Colonial Office.

ROGER STEVENS

CONFIDENTIAL

CONFIDENTIAL

Registry
No.

Top Secret.	PHM
Secret.	JGSSB
<u>Confidential.</u>	13/2
Restricted.	
Open.	

Draft. letter

Sir Charles
Johnston,
Aden.

From

Sir R. Stevens.

copy sent
Copy

Mr. Eugene
Melville, CMG
C.O.

Arabian Dept
first 10/2

John Beith

Feb 13

Alkranford

Thank you for your interesting letter of January 6 commenting on our Despatch

No. 101 about policy towards Jordan.

In the despatch we had deliberately tried to set Jordan in the wider

Arab context, and I am glad that you

took the opportunity of commenting from Aden.

2. *do not dispute*
I ~~take~~ your point about Jordan, as well as Aden and the Gulf, being as much a part of the Arab world as those countries where Arab nationalism is more *in control* ~~developed~~.

~~Of course they are.~~ We did not mean to

give the impression that they were being

written off
~~discounted.~~ Our point was that Arab national-

ism (of which Nasser is for the moment the main symbol) is the moving force in the Middle East today and that in

consequence our position in Aden, the

Gulf and Jordan cannot be a pattern

for our relations with the rest of the

Arab world. ~~On the contrary,~~

3. To recognise this point is not to

question the importance of putting

our best efforts into the maintenance

of our interests in the Gulf and Aden

(though our position in the Gulf is

constantly evolving and it is important

that it should if we are to preserve our

interests). For our part we entirely

agree with you that there is much we can

and must continue to do, especially

when the people there look to us to do it.

It should be our aim to help our friends

in Aden and the Gulf, not only by political */and*

CONFIDENTIAL

NOTHING TO BE WRITTEN IN THIS MARGIN.

1	2	cms	PUBLIC RECORD OFFICE	ins	1	1	2
Ref: FO 371 / 158740				88025			
Please note that this copy is supplied subject to the Public Record Office's terms and conditions and that your use of it may be subject to copyright restrictions. Further information is given in the enclosed 'Terms and Conditions of supply of Public Records' leaflet							

CONFIDENTIAL

At
-3 FEB 1961
V1051/3

Mr. Bassiouny, Second Secretary of the U.A.R. Mission, called on me today at his own request. He raised three subjects.

Israel Nuclear Activity

2. Mr. Bassiouny asked me whether H.M.G. had yet formed an attitude towards the reports that Israel was producing a nuclear weapon. I said that it was difficult to speak in these terms; all we had at present was an announcement that Israel was building a 24 MW reactor for research purposes, coupled with official denials of any military or weapons purpose from both the Israel and French Governments. We had no reason whatever to doubt those denials.

3. Mr. Bassiouny asked what the attitude of H.M.G. would be if it turned out that Israel did in fact possess or intend to possess a bomb. I said that, as he already knew, H.M.G. had made it quite clear that they would view with grave concern the dissemination of nuclear weapons to countries not already possessing them. Mr. Bassiouny said that he had, of course, heard of our "great concern" but he wanted to know what it meant. Was it shared by other Western powers? Did the Israel Government know of it? Did the Israel Government care about it? And just what would we do, anyway?

4. I told Mr. Bassiouny that, while I could obviously speak only for H.M.G., I believed that our concern would be shared in full by other Western powers; I had no doubt that the Israel Government was aware of the concern of those Powers; I was sure that the Israel Government would care very much about that concern. On the last point, I remarked that, for economic even more than for political reasons, Israel could hardly afford to ignore the feelings and the policies of the U.S.A., the U.K. and France. As to what we would do in practice if Israel or any other nation obtained an atomic bomb, I simply could not say; the question was impossibly hypothetical, as Mr. Bassiouny would realise.

5. Mr. Bassiouny then asked whether any action which we would take if Israel were to develop nuclear weapons would be in the context of the Tripartite Declaration. I said that I thought it most unlikely that we should treat any such issue in terms of the Tripartite Declaration; apart from anything else it would raise problems which were global as much as regional. But, in any case, I doubted whether there was any point in discussing detailed treatment of an issue which had not arisen. Our attitude on the principle at stake was clear and well-known. Meanwhile we had no reason to suppose that the principle had been challenged. Had it not been for the secrecy apparently imposed the new Israel reactor would probably have attracted comparatively little interest; I did not think that secrecy alone was sufficient evidence that Israel had any intention of producing a bomb and I was sure that it would be wrong and dangerous for any of us to arrive at conclusions ahead of the evidence.

6. Mr. Bassiouny then questioned whether the attitude of France was in line with our own. He asked whether I did not

/think

CONFIDENTIAL

1	2	cms	PUBLIC RECORD OFFICE	ins	1	1	2
Ref: FO 371 / 158740						88025	
Please note that this copy is supplied subject to the Public Record Office's terms and conditions and that your use of it may be subject to copyright restrictions. Further information is given in the enclosed 'Terms and Conditions of supply of Public Records' leaflet							

CONFIDENTIAL

think that exchanges of scientific information and personnel between Israel and France covered work on nuclear weapons and would enable Israel to produce her own atomic bomb at will. I said that I could not speak for France, but I was sure that the French object in all scientific exchanges with Israel was essentially peaceful and that France could have no reason whatever for helping Israel to acquire nuclear weapons, if only because of the inevitable repercussions on the Middle Eastern situation. In any case, "know-how" was not enough to produce an atomic bomb; it needed raw materials, large quantities of electric power and very great financial support - none of which did I see any reason to think that Israel possessed. X

7. During this conversation, Mr. Bassiouny also asked whether the West would take the opportunity afforded by intervention to prevent Israel obtaining a nuclear weapon in order to effect a solution to the whole Palestine problem. I said I was not sure what this meant, but that I could certainly say that we would not, on any pretext, attempt to impose a solution of a problem which we saw as soluble only by negotiation between the interested parties. Mr. Bassiouny did not revert to this rather obscure point.

Jordan Waters

8. Mr. Bassiouny then switched to the Jordan Waters, and asked whether H.M.G. agreed with Israel's unilateral plans to exploit the Jordan Waters. I said that I thought we should look first at the background. The Jordan was a great regional asset which had never been properly exploited; this was a tragedy. For both physical and legal reasons, the ideal solution would be an agreement by all the states concerned to apply a unified scheme of exploitation. Many attempts to produce such an agreement, culminating in Ambassador Johnston's missions, had failed. The States in the area had therefore been forced back upon unilateral plans. Israel had a plan; Jordan's scheme to tap the Yarmuk was well advanced; Syria had already carried out certain work. Nobody would maintain that such unilateral schemes were the ideal procedure, but, in the continued absence of any agreement, it could be argued that they were better than allowing the water to run to waste.

9. Mr. Bassiouny seemed to feel himself on weak ground here, and, having argued that the Johnston Plan had been unfair to the Arab States, he was forced to agree that it had in fact been accepted technically but had fallen down for political reasons. He finally got to the point of saying that the Arab States would never enter into any agreement while Israel retained her present boundaries and remained in breach of the 1947 U.N. Partition Resolution. Meanwhile it was insufferable that Israel should pursue a unilateral plan which exploited "Arab" lands. I asked Mr. Bassiouny what he meant by this and he said that his point was that Israel intended to draw water from the Jordan and to use it in order to develop areas in the Negev desert which had been given in 1947 to the Arabs. If H.M.G. were prepared to regard this passively, it was tantamount to supporting Israel in her defiance of the U.N. and its resolutions. I replied that H.M.G.'s position, in so far as it was passive, was apparently just as favourable

/to the

CONFIDENTIAL

CONFIDENTIAL

to the Arab case. It should certainly not be taken as any judgment on the Palestine problem as such, our attitude to which could be seen in the United Nations. In any case, I doubted whether there was much profit in either of us embarking on a discussion of U.N. Resolutions which had never been implemented. Mr. Bassiouny took this last point, said quickly that there were "special reasons" why the U.A.R. had not implemented the 1951 resolution on the Suez Canal, and changed the subject.

U.K. investment in Israel

10. Before leaving, Mr. Bassiouny asked me whether I could comment on reports that a British bank - he thought Lloyds - had just signed an agreement in Israel to buy a £300,000 share in the Israel Discount Bank. He had understood, he said, that special Bank of England permission was needed for an investment of this kind in any non-Commonwealth country. Had such permission been granted in this case? He added that he also understood that permission had recently been given for the shares of certain Israel companies to be quoted on the London Stock Exchange. Could I give him details of this?

11. I told Mr. Bassiouny that I was entirely uninformed about this question, but that I would look into it and let him know whether there was anything which I could tell him.

I.M.H. Smart
 (I.M.H. Smart)
 February 1, 1961.

Copy

A.E. & D. Dept.

E.R.D.

A difficult interview. I think Mr Smart spoke well, except that it wd. have been better not to have seemed to defend France (x in para 6). This interest in Israel nuclear activity might be a local UAR Missum initiative: it is on the agenda of the Arab League meeting in Baghdad.

Rowley
1/2

*Copy Cairo
 ✓ Tel Aviv*

He spoke very well, I think

*John Birch
 Feb 1
 I agree
 PRR 4*