

railroad at this time. However USDe's Economic Committee and Ministerial Council have been authorized state that if our current examination Turk-Iranian loan application convinces us of economic and technical feasibility the project, US prepared render DLF support for it subject to appropriation FY-60 funds which are being requested by Administration.

8. We have concurred Defense proposal that USDe's Military Committee accept CMPS Land Force Goals Study for planning purposes, as written, even though we not able underwrite proposed force goals.⁸

Additionally, we firmly believe our substantial military and economic assistance programs with ME member states have made decisive contribution their military defense postures and their sound economic development. While ME member states' desires understandably exceed what available resources and US global obligations permit us give and will probably continue do so, they should be kept aware that we have gone long way meet their legitimate requests.

Bearing above observations in mind, we wish addressees strike strongly positive note in discussing forthcoming Karachi meeting with local officials. US emphatically supports BP and its objectives and, as in past, will do everything feasible further its progress. We see no need for apologia and, despite hard bargaining techniques individual ME members, believe that they not unaware benefits flowing to them from Pact membership and US support of Pact association.

FYI. Refel suggestion Vice-President of Secretary fly Karachi address Council not possible End FYI.

Dulles

⁸ As stated in a letter from Murphy to Irwin, January 16. (*Ibid.* 780.5/1-1759)

54. Editorial Note

On January 20, Assistant White House Staff Secretary John S.D. Eisenhower included the following preview of the Baghdad Pact meeting and related developments in his Synopsis of State and Intelligence Material reported to the President:

"As the Baghdad Pact meeting in Karachi approaches, we find many expressions of discouragement from its members. This, I am