that he would be considered in Iran as "having sold out to the West". Referring to the Iranian situation as a whole, Mr. Acheson expressed the conviction that it was necessary to introduce a new element of substance without delay as the old proposals were now worn out and were discarded automatically by Mosadeq as soon as mentioned.

Mr. Snyder raised the point of how the International Bank would be able to withdraw from its position as a trustee for oil funds under the scheme now being discussed between the Bank and the Iranian Government. He said that, while it would be a simple matter for the Bank to accept this responsibility, it might be very difficult for the Bank to withdraw from it.

Mr. Eden made the point that, while the Labor Government had taken the position that it refused to negotiate further with the Iranian Government, the New British Government, on the contrary, has expressed its desire to negotiate. However, if the Iranian Government remains obdurate, there will have to be some change in our approach to the Iranians as has been the case for Egypt.

Mr. Churchill stressed that close US-UK cooperation in the Middle East should "divide the difficulties by ten".

The President declared that US-UK agreement was necessary for any settlement of Middle Eastern problems.

Mr. Churchill said that the cards had now been laid on the table, that Mr. Eden and Mr. Acheson could proceed privately and perhaps he and the President might discuss the Middle East again. and in particular, the Iranian situation when he returned from Canada next week.

[Here follows discussion of matters of common concern in Asia.]

No. 57

780.5/1-1552

Memorandum of Conversation, by the Officer in Charge of Turkish Affairs (Moore)

SECRET

[WASHINGTON,] January 15, 1952.

Subject: Turkish Views on the NATO Command Relationship Participants: Mr. Feridun C. Erkin, Turkish Ambassador

> Mr. Burton Y. Berry, Acting Assistant Secretary, NEA

Mr. C. Robert Moore, GTI

Ambassador Erkin called on Mr. Berry today to discuss with him the Truman-Churchill conversations with particular reference to

176