

No. 266

887.2553/9-2452 Telegram

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

SECRET

WASHINGTON, September 24, 1952—7:39 p. m.

341. Re Iraqi Govt proposal divert Haifa pipeline at Mafraq, Brit Emb Rep disclosed IPC wld reply to Iraqis along fol lines:

(1) Diversion wld be more expensive way transport extra oil which IPC already planning send through Northern line. Increase in capacity over Northern line by increasing pressure wld be quicker and wld cost one quarter as much.

(2) New alignment from Mafraq to Sidon wld mean considerable delay while new way leaves being negotiated with Lebs and Syrians. Also line wld be dangerously close Israel border.

(3) IPC plans send three million extra tons oil through North in 1952, further three million in 1953. This wld be carried out in manner which wld not defeat the object by glutting market and reducing prices.²

ACHESON

¹ Drafted by Worcester and cleared by NEA. Repeated as telegram 2136 to London.

² Telegram 2327 from Paris, Oct. 15, informed the Department of State that IPC has answered Iraq's request to divert the Haifa pipeline by advancing alternate proposals which the Iraqi Government was studying. The Embassy reported the French had consistently pushed IPC for diversion, the British group was cool to the proposal because of the Haifa refinery, and the American group was neutral but had been largely instrumental in advancing the alternate proposals which had met with the approval of the IPC Board. (887.2553/10-1552)

No. 267

811.054/9-3052

Memorandum of Conversation, by the Secretary of State

CONFIDENTIAL

WASHINGTON, September 30, 1952.

Participants: The British Ambassador
Assistant Secretary Byroade
Mr. Acheson

In the course of his call upon me this afternoon, the British Ambassador covered a variety of matters which will be reported by Mr. Byroade.