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*United States Record of the Fourth Session of the United States-
United Kingdom Talks on Middle East Oil*¹

SECRET

[WASHINGTON,] September 24, 1953.

Subject: Fourth Session—U.S./U.K. Talks on Middle East Oil

Participants: British Embassy Team—

Mr. Harold Beeley, Counselor

Mr. R. W. Bailey, Political Officer, Near East

Mr. J. A. Beckett, Petroleum Attaché

U.S. Team—

NE—Mr. Hart

NE—Mr. Robertson

OMP—Mr. Willis Armstrong

PED—Mr. Robert Eakens

L/E—Mr. Stanley Metzger

Mr. Beeley inquired whether we had obtained information from the American oil companies concerning their views on the legal aspects of the U.K. suggestion that British and American pipeline company representatives consult before and during the course of any negotiations for the purpose of meeting the demands of the transit countries.

Mr. Robertson indicated that we had consulted the American companies and had obtained the following information. A Tapline official indicated that his company was considering the transit problem in terms of establishing a separate pipeline company with a published tariff and revenues accruing to the transit countries on a basis of taxation of the profits. While these views have not been one hundred per cent accepted, there were senior officials in each of the parent companies thinking along these lines. Information obtained informally indicated that the British companies in IPC are also considering the transit problem along similar lines. In reply to an inquiry, the Tapline official had responded that while it would be desirable to hold consultations at the management level with the British companies and for the negotiators to consult on the ground during the course of negotiations, his company would be reluctant to follow such a course in view of the risks involved under anti-trust legislation. An official of one of the American participants in IPC had informed us that his company would welcome the opportunity of closer consultation between IPC and Aramco on the

¹ Drafted by Robertson.