

ment, if it should desire to do so, to obtain some of the outstanding shares.

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*Agreed Minutes of the Fourth Session of the United States-French
Talks on Middle East Oil*

SECRET

[WASHINGTON, December 21, 1953.]

Present:

French

M. Clauzel
M. Maillard
M. Blancard
M. Benard
M. Carraud
M. Queuille

Department

NE—Mr. Hart
NE—Mr. Gay
OMP—Mr. Armstrong
PED—Mr. Eakens
L/E—Mr. Czyzak
NE—Mr. Fritzlan
PED—Mr. Miller

Fourth Meeting, December 21, 1953, 3:00 p. m.

This final meeting began with a discussion by the group of the Iranian oil problem focusing attention primarily on the possible impact of its return to the world markets.

M. Clauzel outlined the French attitude concerning this problem. He noted that the most desirable solution would be for AIOC and the Government of Iran to negotiate a settlement between themselves. This would serve to uphold the important principle of the sanctity of contracts. M. Clauzel observed that the orderly return of Iranian oil to the world markets might require international cooperation. If a consortium should prove necessary then CFP believes it should be represented.

M. Blancard mentioned a few additional points of concern to France. He expressed the hope that any new solution proposed would not adversely affect existing concessions in neighboring countries. He noted that any additional advantages accruing to Iran under the settlement are sure to be requested by the neighboring countries. With respect to the marketing of Iranian oil, M. Blancard stated that the ideal solution would be for the oil to return to the world markets at a pace that would allow the increased production to be absorbed by the steadily increasing world consumption. However, if cutbacks in production in other countries should prove necessary, then they should preferably be applied world-wide rather than just in the Middle East. He noted that the