

discussion among themselves reached about the same conclusion as they did. He thought Ambassadors Henderson and Berry had thought about the problem and agreed with the conclusions of their study group. Mr. Withrow's only discussion with Ambassador Caffery was for about thirty minutes before the Ambassador was having an important meeting with the Egyptian Foreign Minister on the Suez Canal problem. Mr. Withrow did not consider that meeting very productive as he felt that Ambassador Caffery had other things on his mind and had not been able to concentrate on their problem.

Apparently the study by Mr. Withrow and his colleagues had to some extent been prompted by a suggestion of the Attorney General to the oil company attorneys that if they had any facts to lay before him on this question he would be glad to consider them. When they went back to lay the facts before Mr. Brownell and Mr. Barnes after their study, they were told that the agencies responsible for the questions to which their report was pertinent were State and CIA. Mr. Withrow said that their report had now been presented to State and CIA and, frankly, he did not know where the problem would go from there.

No. 329

886A.2553/2-554 Telegram

*The Ambassador in Saudi Arabia (Wadsworth) to the Department of State*¹

CONFIDENTIAL
PRIORITY

JIDDA, February 6, 1954—11 a. m.

333. 1. Aramco and Pacific Western Oil Company received on January 31 identical letters from Minister of Finance Abdullah Su-leiman stating agreement had been concluded between SAG and AS Onassis Company and quoting Article 4 thereof which in substance provides all oil shipped from Saudi Arabia by a concession and oil companies or their parent companies must be shipped (a) in tankers owned by companies and employed in transport Saudi oil prior December 31, 1953 or (b) in tankers of "Saudi Arabian Maritime Company" (presumably joint Onassis-SAG Company controlling Onassis-owned tankers). Letter instructed companies take necessary steps to put provisions Article 4 of agreement into effect.

2. Preliminary reaction Owen Aramco representative to SAG and according to him other Aramco officials is that Aramco cannot

¹ Repeated to Dhahran.