

interpretation. Furthermore, he was prepared to re-negotiate the terms of this agreement to the extent necessary to satisfy the United States Government and the major oil companies, subject to the limitation that he would not "double cross" the Saudi Arabian Government. He personally owed his start in life to the oil companies and was not unmindful of his debt. He intimated that he would be prepared to again urge upon the Saudi Government the acceptance of a provision limiting offtaking by the Saudi Arabian Tanker Company Ltd. to a percentage of the total offtake from the country. Presumably this would be proportionate to the foreseen size of the Saudi tanker fleet, 500,000 tons, and would insure that this amount of shipping was kept fully occupied. With respect to tanker rates, he indicated a willingness to be flexible in the absence of any true U.S. Maritime Commission rate and the fact that market rates were well below the last published Commission rate.

Throughout the conversation Mr. Onassis gave the impression of being a man who is in a tight spot who wishes to make an accommodation to save himself further ill-will. He made brief reference to the indictment against him.

Mr. Byroade thanked Mr. Onassis for his explanation and indicated that he would have to discuss the points raised by Mr. Onassis with a number of other people in order to obtain clarification of their significance.

Note: On the following day, May 27, 1954, it was reported by Mr. James Terry Duce, Vice President of Aramco, that Onassis was that day consulting with Aramco at its offices in New York.

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Memorandum of Conversation, by the Officer in Charge of Arabian Peninsula-Iraq Affairs (Fritzlan)

SECRET

[WASHINGTON,] May 27, 1954.

Subject: (1) Buraimi Dispute; (2) Onassis Agreement

Participants: Mr. Duce, of Aramco
Mr. Chapman, of Aramco
NEA—Mr. Byroade
NE—Mr. Hart
NE—Mr. Fritzlan