

advising the company of the Onassis agreement. In this letter the Company specifically pointed out that this agreement was in violation of the concession but further said that the company was agreeable to abide by it if rates were competitive. Mr. Hadfield said that this letter was dispatched to the Finance Minister February 15, 1954.

No. 349

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*Memorandum of Conversation, by the Deputy Director of the Office
of Near Eastern Affairs (Dorsey)*

SECRET

[WASHINGTON,] July 15, 1954. ¹

Subject: Onassis Agreement

Participants: Mr. R. G. Follis, Chairman, Board of Directors,
Standard Oil Co., Calif.
Mr. M. J. Rathbone, Director, Standard Oil Co., New
Jersey
Mr. S. A. Swensrud, President, Gulf Oil Corporation,
Pittsburgh
Mr. B. B. Jennings, President, Socony Vacuum Oil
Co., New York
Mr. J. W. Foley, Vice Pres., The Texas Co., New York
Rear Adm. Thos. J. Kelly (Ret.), Washington
representative, Socony
G—Mr. Murphy
NE—Mr. Dorsey

Mr. Murphy explained the Department's serious concern over the Onassis agreement. He welcomed this opportunity to meet with the heads of the Aramco parent companies in order to obtain their individual ideas on a possible solution to the problem. Messrs. Follis and Rathbone outlined the problem facing the parent or shipping companies and expressed concern that they would be faced with a virtual ultimatum to use an Onassis ship any time within the next six weeks. Mr. Jennings reiterated the Company's position as set forth to Mr. Jernegan several days before; viz. the parent companies would refuse to accede to the agreement and place cargo on any Onassis ship, although they realized the danger of subsequent shutdown and even possible nationalization.

¹ This memorandum of conversation was prepared on July 20.