He and FonOff advisers Eytan and Comay asked whether ownership land was in question. Without citing source I based reply on info from Col Taxis that issue not ownership but broader matters of policy. Stressed that altho Israel might have technical legal right work land, question cld not be isolated from gen situation and from viewpoint Israels broad interests it might be highly impolitic proceed exercise right in present circumstances.

PriMin said he appreciated having Emb views, which he found disturbing since his govt has no desire provoke incident. Since interest was expressed in why matter regarded as so important, I replied it was Emb's impression Syrians felt strongly Israel has extended police control over most of demil zone in disregard intent armistice agreement, May 18, 1951 SC res, and MAC chairmans requests re police and free movement to and from demil zone. Now consider project to plow up land east bank as attempt face Syria with further "fait accompli".

It was concensus all present that too much cld not be expected from first mtg because viewpoints so divergent, but I stressed desirability avoid deadlock and continue conferences:

Stated Emb does not undertake suggest what concessions might be made, confining itself to helping bring about direct negots; expressed hope however mtgs wild eventually result in liquidation Huleh controversy, which shid be possible since Syria does not seem opposed development project per se, but interested in political questions re demil zone and particularly adjustment demarcation line.

PriMin replied Israel is of course determined continue Huleh development project. As to frontier his govt's position well known, viz. border with Syria shid be that of Palestine under mandate. He added in summary however much depends on whether mtgs can lead to real step toward peace, in which case concessions might be made, but if Syria continues to say, and mean, it will take no step toward peace then Israel will have no choice but to maintain statusquo under armistice agreement.

DAVIS

No. 453

884A,10/6-3062

Memorandum by the Acting Secretary of State to the President

SECRET WASHINGTON, June 30, 1952.
Subject: Appointment with Israel Foreign Minister Mr. Moshe

Subject: Appointment with Israel Foreign Minister, Mr. Moshe Sharett.