

contribution as both are known to favor more positive efforts to create better atmosphere for improvement Arab-Israel relations. Over period of time program could be carried out step by step depending on results achieved. There is gen agreement that one of immed advantages of such program wld be that it wld prevent or at least reduce actions and pronouncements contemplated worsen Arab attitude toward settlement.

DAVIS

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week was for a briefing on the latest developments in the Middle East and for consultation concerning the forthcoming session of the U.N. General Assembly. (320/9-1052)

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783A.00/9-1252: Telegram

*The Minister in Lebanon (Minor) to the Department of State*

CONFIDENTIAL

BEIRUT, September 12, 1952—3 p. m.

511. Totee. From Tannous. In view of mounting polit tension in Leb, current cabinet crisis and increasing difficulties we have been encountering in our Point IV program operations I deem it necessary to supply Dept with fol summary of situation:

(1) Indications of purposeful negative stand by GOL toward our program include: (a) delaying tactics by Council of Mins in signing present agreements, (b) refusal by Council of Mins consider distribution of 1953 program funds despite repeated attempts and requests by US, (c) occasional intimation by responsible officials that Point IV program has been imposed by US rather than sought by Leb, (d) GOL requiring US assume responsibility for any possible damage resulting from olive spraying operations, (e) lack of courtesy accorded our staff in clearing recent livestock shipment through customs, (f) persistent obstructionism by customs and other responsible officials in clearing official and personal shipments, culminating in present demand all TCS imports pay municipal and excise taxes, 86 shipments dating back to Feb still in customs, seriously delaying some programs.

(2) We see two major reasons for this attitude and these difficulties. First, disappointment of GOL in small magnitude of aid program. Their hopes of large-scale econ aid were not realized and their disappointment was increased by smaller technical aid program for 1953. Second, and possibly more basic is realization by certain elements within present ruling regime and vested interests that they cannot twist Point IV operations and exploit them for their polit and economic benefit. Furthermore, some pro-French elements have been active in obstructing program.

(3) Our conclusion is that the program will continue to be obstructed and frustrated as long as present situation persists. There