

No. 504

262A.84A41/10-1752: Telegram

*The Acting Secretary of State to the Embassy in Lebanon*¹

SECRET

WASHINGTON, October 22, 1952--6:05 p. m.

769. Re Embtel 679 Oct 3 and 798 Oct 17.² Dept well aware growing Arab preference interpret Bonn-Israel agreement as being imposed on Germans by US. If US protests too much, Arabs feel their suspicions confirmed (Beirut 656 Sept 30) but silence also can be interpreted as sign guilt.

Dept suggests that on all appropriate occasions NE Missions might try divert Arab attn by stressing (1) successful conclusion Bonn agreement underscores and makes more feasible Israel's obligation for Pal refugee compensation; (2) successful efforts PCC on Israel release blocked Arab accounts; (3) PCC progress with Israel on determination of Arab property losses.

BRUCE

¹ Repeated to Amman, Cairo, Baghdad, Damascus, and Bonn.

² Neither printed.

No. 505

357.AC/10-2352: Telegram

*The Ambassador in Israel (Davis) to the Department of State*¹

SECRET

TEL AVIV, October 23, 1952--1 p. m.

665. During recent months there has been marked improvement in attitude of Israel leadership and [garble] interest in making peace with neighbors and becoming integrated in region. Israelis have commenced develop plans for all-out effort this direction, and have taken some important steps such as announcement of their readiness make available one million pounds sterling toward unblocking Arab accounts, confirmation of their acceptance in principle of obligation to pay compensation outside general peace settlement, PriMin's public peace bid to Egypt, change of policy to one of readiness to meet Arab reps at any time to discuss any subject, removal of Sgan Aluf Shaul Ramati who in past represented "treat

¹ Repeated to Amman, Baghdad, Beirut, Cairo, Damascus, London, and Paris; sent by pouch to Jidda, Ankara, and Jerusalem.