the Arab governments. He understood UNSYG Hammerskjold plans to proceed to Jerusalem and convoke the conference himself.

The Secretary said that he has hoped for the past year to get Egypt to undertake peace negotiations with Israel. The best line seems to be to wait for the Anglo-Egyptian agreement to be concluded and then bring all possible pressure to bear on Egypt to make peace. Ambassador Eban said Israel would welcome an Anglo-Egyptian settlement and his government has expressed its sympathy with Egyptian national aspirations. Also, Israel would like any Anglo-Egyptian agreement to include a firm Egyptian commitment on free passage of shipping through the Suez Canal. One reason Israel might ask SC consideration of Suez Canal restrictions is that the discussions might extend to general peace talks. The Secretary referred to his understanding that some of Israel's friends were working against an Anglo-Egyptian agreement believing an agreement would give Egypt military advantage over Israel. He said there was nothing in the agreement whereby Egypt would inherit the British installations in the Canal Zone. That question might arise after seven years when, and if, British troops should all be withdrawn from the Canal Zone.

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The Chargé in Israel (Russell) to the Department of State 1

SECRET

Tel Aviv, January 15, 1954-6 p. m.

762. In conversation yesterday, Director American Section Israeli Foreign Ministry in connection with Brazilian Minister's idea of demilitarizing zone around Jerusalem (Department's Circular airgram 3150, December 11) categorically gave it as his belief Israeli Government would not consider demilitarization. Said Israel could not leave its capital in such an exposed situation.

Italian Minister Tel Aviv in discussing Brazilian plan said he is certain no fundamental change in Vatican insistence on corpus separatum but expressed belief Holy See would be willing give consideration any suggestions of temporary nature likely to reduce danger destruction holy places.

RUSSELL

¹ Sent by pouch to Amman, Jerusalem, and Rome.