

Egyptians could only be induced to lift blockade against Israel in return for some *quid pro quo*. It is possible Egyptians could be induced to "cooperate" in return for Israel action on compensation of refugees and acceptance of Jordan water development on basis Johnston plan.

As indicated before, Egyptians believe that Israel objectives in this case are those set out in last paragraph Tel Aviv's 311 to Department October 4. <sup>2</sup> That is, (1) create complication final stages Suez base negotiations, (2) embarrass US in its efforts to lead GOE into more constructive position in ME, (3) maintain Arab-Israel tension in effort to compel UN and West to force Arab's meet with Israel.

In replying to my representations Egyptian Ministry Foreign Affairs referred with emphasis to their action taken yesterday lodging complaint with MAC and requesting MAC investigation. He takes stand that all further developments must await outcome of this investigation.

In other words, Egypt is buying time. This is an impossible moment for Egypt to make the slightest friendly gesture toward Israel, in view of what Egyptians term recent Israel provocative actions. Any such gesture now would be seized upon by Moslem brother and Communism opposition to use against him, particularly in face of upcoming final agreement with British US aid question, and approaching opening of universities.

CAFFERY

<sup>2</sup> Not printed.

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No. 905

674.84A/10-854

*Memorandum of Conversation, by the Officer in Charge of Israel-Jordan Affairs (Bergus)*

SECRET

[WASHINGTON,] October 8, 1954.

Subject: Possible U.S. Measures to Allay Israel's Apprehensions.

Participants: The Secretary of State

The Under Secretary of State

Mr. Abba Eban, Ambassador of Israel

Mr. Reuven Shiloah, Minister, Embassy of Israel

NEA—Mr. Byroade

NE—Mr. Bergus