

al financial aid to the countries concerned, and assuming that an offer of such additional aid may be necessary to conclude the matter successfully, within what financial limits may I negotiate?

Whatever amount may be indicated for this purpose, it should, of course, be in addition to amounts presently contemplated under the regular economic aid program for the region. Funds under that program might conceivably be used to help finance elements of the Jordan Valley project, but there would be little bargaining value in offering aid which the governments concerned are already anticipating.

I might add that the possibility of a change in U.S. economic aid attitudes and mechanisms at the end of fiscal 1955 leads me to feel that some assurance as to my position in this matter is doubly necessary.

I shall therefore appreciate the Department's taking such steps as may be necessary to determine policy and the limits available to me, and provide, on behalf of the Executive Branch as a whole, the assurance I feel to be essential.

Sincerely yours,

ERIC JOHNSTON

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No. 909

684A.36/10-854

*The Secretary of State to the Israeli Ambassador (Eban)*

PERSONAL AND CONFIDENTIAL

WASHINGTON, October 18, 1954.

DEAR MR. AMBASSADOR: Your letter of October 8, 1954, reached me just prior to my departure from Washington. I returned this morning but, as I told you when we saw each other on October 8, I must leave for Europe tomorrow afternoon where I shall remain until October 24.

I wanted you to know, however, that I have read your letter very carefully and appreciate its frankness. I am keeping this matter under my personal review and look forward to our continuing our talks on Israel's problems. However, as certain of the issues involved have found their way into the press and have become the subject of speculation in political circles in this country on the eve of an election, it is probably best that substantive discussions on these issues be postponed until the general atmosphere is calmer.

Sincerely yours,

JOHN FOSTER DULLES