

the Israel-Jordan frontier has been relatively quiet for over two months.

On the Arab side there is likewise evidence of some improvement. Egypt is cooperating in the project for refugee settlement in Sinai and the Arab states in general continue their support for an equitable division of the waters of the Jordan. The Egyptian Foreign Minister has indicated a desire to re-examine with us some of the basic problems of the area, including Arab-Israel relations. While King Hussein of Jordan reiterated the regular Arab line of "no peace, no negotiations with the Jews" in his speech from the Throne on November 1, he let it be known to the British Ambassador in Amman that he had objected to this but had been "overruled". The King intimated that he might personally have to take in hand the matter of a settlement of this long-outstanding issue. The Jordan Prime Minister has indicated indirectly his feeling that an overall settlement might be worked out, particularly if Egypt were to take the lead. It must be remembered that these Jordan statements were forthcoming in the atmosphere of two months' peace on the border.

There have been dark spots in the picture as well—incidents in Gaza; continued official Israel statements criticizing U.S. policy; talk of a "second round" by the new Syrian Prime Minister, etc. On balance, however, and with full recognition of the urgency of the problem, I think we are in a position where we can give the matter the detailed consideration it requires.

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*The Secretary of State to Certain Diplomatic and Consular Offices*¹

TOP SECRET

WASHINGTON, November 22, 1954.

CA-3378. Subject: Arab-Israel Settlement.

The purpose of this instruction is to solicit the assistance of the addressees in working out the elements of a final settlement of the Arab-Israel problem and in determining the most effective tactics to this end, including timing. To serve as a starting point, certain preliminary views developed in NEA are set forth.

It should be made clear at the start that we are under no illusions as to the complexities of the problem the emotions present and the basic conflicts of interest. NIE 36-54 on "Probable Develop-

¹ Sent to Amman, Baghdad, Beirut, Cairo, Damascus, Jidda, Tel Aviv, and Jerusalem; repeated to London and Ankara.