

attack by Israel or the Arab states on the other—such an undertaking is practically a *sine qua non* to breaking the psychological log jam which now prevents peace; (3) grant economic assistance to the Arab states and Israel expanded in some cases plus continued aid to the refugees; (4) a program of grant military assistance to certain Arab states and also some military assistance at the appropriate time to Israel.

France should not be associated with the initial undertaking, and should not be informed of the plan at least until after the approach to Egypt.

(NEA hopes that Francis Russell, who is due in the United States next week, may be assigned to work out our thinking on this problem. We hope he could have the aid and guidance of Ray Hare. We think that Russell and/or Hare should probably make the trip to London in January.)

No. 929

684A.86/12-1054: Despatch

The Ambassador in Saudi Arabia (Wadsworth) to the Department of State

TOP SECRET

JIDDA, December 10, 1954.

No. 100

Ref: CA-3378, November 22, 1954

Subject: Prospects for Arab-Israeli Settlement

The Embassy's views covering the feasibility of undertaking steps at this time designed to bring about an Arab-Israel settlement are forwarded in accordance with the request made in reference airgram.

Prospects for Arab-Israeli Settlement

General Comments

Before actually tackling the problem of peace between the Arabs and the Israelis, every effort should be made to create a more favorable atmosphere. Any premature effort to seek a peace could conceivably touch off a fatal chain reaction of opposition. By creating an atmosphere of receptivity based on confidence in our general area objectives, we might eventually move the Arabs from their present intransigent position.

With regard to any approach to the problem it might be noted, by way of precedent, that there are still traces of bitterness in the U.S. between fellow American citizens over the civil war which ended nearly one hundred years ago. If the universal prosperity and opportunity in America have not been sufficient to heal the