

the previous Israel security policy, these Arab provocations would have produced reprisals. The present policy of restraint is that of Prime Minister Sharett. There are elements in Israel which favor a more militant attitude. Ambassador Eban hoped the West would so act as to give support to the moderates.

The Ambassador concluded the substantive part of the conversation by referring to two instances in which Arab intransigence not merely blocked good relations between Israel and the Arab States themselves but also between Israel and third countries. One of these involved Israel's desire to save money by buying Iranian oil. Her relations with Iran, although not fully normal, were friendly and Israel could buy oil from that country. The difficulty was that Egypt probably would prevent its passage through the Suez Canal. The second instance involved a sale of twenty spitfire aircraft by Israel to Burma. The sale had been completed and the aircraft transferred to the Burmese flag. They were to have been flown to Burma by a British firm but those which had begun the journey had been held up in Beirut and Baghdad simply because they had originally come from Israel. This showed the extent to which the Arabs carried their boycott.

The Acting Secretary assured the Ambassador that he would report to the Secretary on their conversation as soon as Mr. Dulles returned.

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Memorandum of Conversation, by the Acting Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Jernegan)

SECRET

WASHINGTON, December 17, 1954.

Subject: Proposed Talks on Arab-Israeli Settlement

Participants: Mr. Harold Beeley, British Embassy
NEA—Mr. Jernegan

Mr. Beeley came in with instructions from Mr. Eden to follow-up the talk Mr. Eden had with Secretary Dulles on December 16 on this subject. Specifically, Mr. Beeley was instructed to discuss the location, timing and "Cover plan" for the proposed Anglo-American discussions. He said it had been agreed by the two Secretaries of State in Paris that these talks should be held in early or mid-January.