

which would be directed at me if we were to allow the *Bat Galim* case to dangle in air".

WHITE

No. 938

684A.85322/12-2054

*Memorandum Prepared in the Department of State*¹

SECRET

WASHINGTON, December 20, 1954.

CURRENT STATUS OF JORDAN VALLEY NEGOTIATIONS

When Ambassador Johnston left the Near East in June, 1954, the position was substantially as follows:

1. Both the Arabs and the Israelis had indicated acceptance of the principle of unified valley development, recognizing the larger benefit to be derived from a comprehensive approach. In general, the attitude on both sides was constructive.

2. No agreements had been reached with either side, Ambassador Johnston having deliberately left the situation as fluid as possible in order to permit further negotiation. However, during the second-round discussions, the positions of the respective parties on main issues had been clarified; and on most of the essential questions there had been indications that differences between the parties could ultimately be reconciled.

3. One of these was the question of using Lake Tiberias as a central storage facility for the Valley. While the Arabs were reluctant to put their water into an Israeli lake, it was understood that they would agree to do so provided the total plan allowed for "safety" storage on the Yarmuk and adequate neutral controls over the distribution of water from Tiberias. Ambassador Johnston indicated that he felt these Arab conditions could be met.

The Israelis were even more reluctant to utilize Tiberias as a central reservoir because they felt that "international supervision" of the Lake would impinge upon Israel's sovereignty. Their position revealed the political hazard of any undertaking which might be interpreted as a relinquishment of Israel's control over Tiberias. However, they stated that if and when necessity dictated the use of Tiberias as part of a total valley program, they would be favorably disposed, provided the control mechanisms were not of such a nature as to affect Israel's sovereignty. Ambassador Johnston indicated that he thought this condition could be met.

(On the question of storage in Tiberias, it might also be said that both sides perceive certain physical arguments in favor of using the Lake. Jordan needs Tiberias water to accommodate its total

¹ Drafted, by George Barnes of the Foreign Operations Administration; Oliver L. Troxel, Jr., of the Office of Near Eastern Affairs; and Arthur Z. Gardiner, Politico-Economic Adviser in the Bureau of Near Eastern, South Asian, and African Affairs.