

No. 1441

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*Memorandum of Conversation, by Robert Sturgill of the Office of
Near Eastern Affairs*

TOP SECRET

WASHINGTON, August 19, 1952.¹

Subject: Grant Aid for Saudi Arabia

Participants: Raymond A. Hare—US Ambassador to Saudi Arabia
S/MSA—Mr. Bryan
NEA—Mr. Daspit
NE—Mr. Sturgill

Summary:

Ambassador Hare² opened the conversation with a review of past and present considerations with regard to the problem of grant aid for Saudi Arabia. In alluding to his instructions to discuss grant aid with the SAG during the DAF negotiations May-June 1951, he said that no promise was made to the SAG but that it was made clear that the US Government was thinking strongly about such assistance for the general area and for Saudi Arabia in particular, and there was a clear implication of favorable action if legislatively possible. He said that reference during the negotiations to the possibility of grant aid was an important factor in obtaining the DAF agreement. At that time, he pointed out, the United States Air Force wanted DAF very badly. In answer to an inquiry from Mr. Bryan, the Ambassador added, however, that he could not say categorically whether the DAF agreement could have been obtained without mentioning grant aid to the Saudis.

Since conclusion of the 1951 negotiations, the Ambassador continued, the Saudis have mentioned grant aid to him several times, the most recent reference having come during the MAAG negotiations in July. However, Saudi allusions to grant aid were made only behind the scenes and not openly during the negotiations; but they were made in such a way as to leave no doubt that the SAG was expecting the USG to offer such assistance.

The Ambassador described the present situation somewhat as follows: Tactically, by use of proper timing, grant aid for Saudi Arabia could be tied to the present rather than the past. He said he had talked the problem over with General Day prior to coming to Washington and they had agreed that if authority could be ob-

¹ This memorandum of conversation was prepared between Aug. 20 and Aug. 22.

² Ambassador Hare had returned to the United States for a series of consultations on Saudi Arabia.