

ment would have to have a very strong case to take to DMS; so it would be better to go back to Admiral Smith.

The Ambassador inquired whether it would be possible to push ahead anyway, even if it weren't possible to get a more positive endorsement from Defense? Mr. Martin said he thought so but that the Department should try first to get something further from Defense. Mr. Daspit and Mr. Bryan agreed to approach Admiral Smith on the matter.

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*Editorial Note*

The second stage of negotiations for the Military Assistance Advisory Group Agreement between the United States and Saudi Arabia were held in Riyadh from October 4 to October 13. Despatch 103 from Jidda, October 19, transmitted the record of the discussions, and suggested that a reading of the report was essential for an understanding of the redrafted text of the agreement. (786A.5 MSP/10-1952)

Despatch 104 from Jidda, October 20, transmitted the redrafted text and an analysis of the changes. The Ambassador advised the Department of State that he and General Grover considered the sections of the agreement in which they were able to gain their objectives much more important than those sections where they were not. They recommended approval of the text as it stood, considering it a workable agreement with which the United States could live. (786A.5 MSP/10-2052)

The agreement covered the conditions that would govern the United States Military Assistance Advisory Group to Saudi Arabia, in implementation of the agreement for assistance in procurement of military arms concluded between the United States and Saudi Arabia on June 18, 1951. The first five paragraphs dealt with administrative matters concerning the Advisory Group. Paragraph 6 covered tax exemptions granted by the Saudi Arabian Government to supplies and personal property of the military personnel of the Advisory Group and civilians attached to the group, provided that official bills of lading and manifests were submitted for personal effects; that the quantities would be within reasonable limits; and that appropriate authorities of the Saudi Arabian Government would be notified in cases where personal articles were sold, so that taxes could be collected.

Paragraph 7 stated that the Advisory Group and all United States civilians and personnel attached to the Group, together with