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EXCISE

CONFERENCE OF  
MIDDLE EAST CHIEFS OF MISSION

(Istanbul, February 14-21, 1951)

AGREED CONCLUSIONS AND RECOMMENDATIONS

DEPARTMENT OF STATE A/CDC/MR  
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CONFERENCE OF MIDDLE EAST CHIEFS OF MISSION

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Strategic interests and roles of the United States and the United Kingdom in the Middle East,\* and the problem of achieving more positive cooperation from the area in support of United States objectives

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A. CONCLUSIONS

1. The Conference concluded that, in the cold war period, the United States has the following military-political objectives in the Middle East: (a) to mobilize strength for the containment of communism; (b) to restore and/or to strengthen confidence in the West on the part of the Middle Eastern states; (c) to build sufficient military strength in each country so that it can maintain internal security and contribute appropriately to general area defense; (d) to construct and insure the availability of Allied air, naval, and army bases; (e) to organize joint staff planning for the defense of the area as a whole or of such parts of the area as may be dictated by strength availabilities; and (f)



In the event of war, the Conference agreed that it is the objective of the United States to insure in the Middle East maximum support of the Allied war effort as directed by the designated Allied agency.

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2. All Middle Eastern states are, if not already working in cooperation with the West, moving in that direction. However, Iran, although basically oriented towards the West, has shown recent signs of adapting to the Soviet power position on her border. As regards the obstacles to greater cooperation with the West, it was agreed that the fear of Soviet reprisal for such cooperation is not at the moment a dominant factor, except in Iran. In addition, resentment over the Palestine issue is not today an insuperable obstacle in relations with the West.

3. All states in the region recognize Turkey's exposed situation and its importance to Middle East defense. They would approve further aid and support to Turkey. Most of them would be expected to view with approval a special, formalized security commitment to Turkey even if it were not extended to them, although such action would doubtless lead to increased demands on their part. It is probable that the Middle Eastern states, or at least those adjacent to Turkey, would be receptive to the principle of building

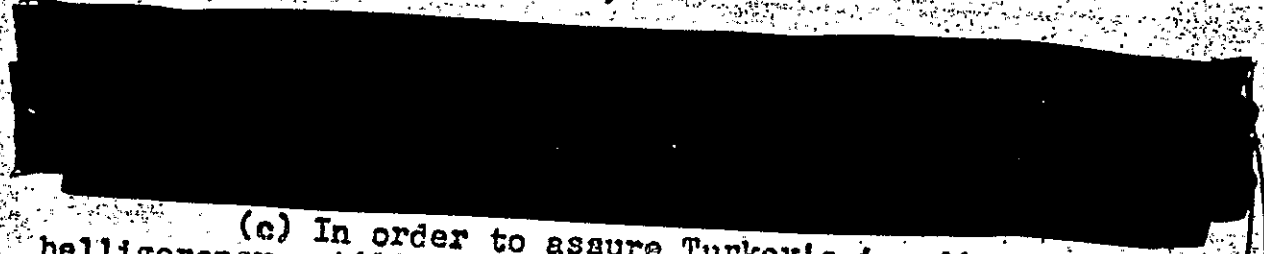
\* The term "Middle East" as employed herein, denotes the entire area comprising Greece, Turkey, Iran, the Arab states, and Israel. The term "Near East" applies only to the Arab states and Israel.



up Turkey in the role of a "center of attraction" around which closer regional military cooperation could be built.

4. With respect to Greece and Turkey, the Conference concluded that

(a) The political situation in Turkey at present reveals such a strong popular as well as official demand for a security commitment as to assure the United States of maximum flexibility in the arrangement offered and the minimum commitments required;



(c) In order to assure Turkey's immediate co-belligerency, utilization in collective security action of the military potential which Turkey is building, and immediate United States and Allied utilization of Turkish bases in the event that the United States is engaged in hostilities, a commitment on the part of the United States is required;

(d) If a security arrangement is offered Turkey, it must at the same time be offered to Greece; apart from this important political consideration, Greece can contribute strong defensive forces and bases;

(e) The moral commitments which the United States has already made to Greece and Turkey, both through the United States aid programs and through the United Nations, and the advantages accruing to the United States, would probably dictate that we take the same line of action, with or without prior legal commitment, to support them in the event of attack. If such be the case, the United States should move to get credit with Greece and Turkey now, and to make clear its support of both, as a deterrent to the Soviet Union;

(f) The price which the United States would have to pay for a security commitment to Greece and Turkey would consist of practicable naval and air support plus practicable resupply support, and would not involve commitment of ground forces.

Greek and Turkish accession to the NATO would not have a seriously harmful effect on United States relations with Iran, provided some separate assurance (not a commitment)

is given the latter. Egypt should not be invited to associate herself with the NATO at this time, since this might well raise concurrently the question of the association by other southwestern Mediterranean nations and thus delay positive action on the major proposal for a commitment to Greece and Turkey.

5. The Conference examined the outline of the proposed NSC paper on United States policy toward the Arab states and Israel, and gave it general endorsement. The conferees concluded that an essential condition to restoring stability in the Arab states and Israel in cooperation with the West is a clarification and a positive demonstration of United States-United Kingdom responsibilities for the area. This may be achieved through a unilateral United States statement of policy or through regional arrangements. In any such arrangements, it is desirable that the present leading position of the United States in Turkey and Greece be maintained. Any arrangement with the United Kingdom concerning the Arab countries should preserve the United States special interest and position in Saudi Arabia. Questions concerning the apportionment of United States-United Kingdom responsibilities in Iran, and the means of relating Iran defense problems to an eventual regional grouping were left unresolved.

6. The importance of Israel in the defense picture of the Middle East is recognized. The Arab states would not countenance the use of Israeli troops in their territories; would not like to see an armament industry being built up in Israel; and would in no circumstances use such arms. However, eventual use of Israeli small arms production outside the Arab states would be politically practicable. [The Arab states either would not object to, or would acquiesce in, a regional defense program, sponsored and supported by the United States and United Kingdom, which included participation of Israel, provided the Arabs were not required to deal directly with Israel.]

7. The Conference reviewed existing collective security arrangements in the Middle East.

[REDACTED SECTION]

The 1937 Saadabad Pact between Turkey, Iraq, Iran and Afghanistan, is of negligible current interest to any of the signatory states. The Arab League, even if strengthened by the recently initialled League collective security pact, offers little if any basis for Arab-Allied military collaboration. While the tripartite declaration of 1950, promulgated by the United States, the United Kingdom, and France, has been a

useful

useful factor in stabilizing the Near East, it is not deemed to be of importance in the field of military and strategic consideration. With reference to joint Turkish-Greek staff planning talks, both Greece and Turkey believe that such talks can be profitably continued only within the framework of broad NATO planning for the defense of the Mediterranean region.

8. It is apparent that there are better prospects for real progress, both for defense and for essential economic programs, from bilateral or regional arrangements, outside of but not necessarily unconnected with the United Nations, than from arrangements directly under the United Nations.

9. The relationship of the Middle Eastern states to the United Nations has two aspects, immediate necessities and long-range international cooperation.

(a) For the first, emphasis is on the defense problem. It was agreed that, although the efficacy of the United Nations in the conduct of hostilities should not be over-rated, there would be a definite advantage to Middle Eastern security in following the precedent of United Nations action with respect to Korea in the event of aggressive action against Turkey, Greece, or Yugoslavia, and probably in the case of Iran. In the event of such aggressive action, the Conference recognized that the United States would have to take the lead and bear the major part of the load.

(b) From the long-range aspect, operations under the United Nations would be helpful in promoting the achievement of economic and social objectives, since over a period of years the United States would probably not wish to assume a major responsibility for the Middle East, in view of our heavy commitments elsewhere.

10. Even in areas under predominant British influence, the demand for increased United States aid is growing.

11. The Conference noted that the administrative organization of the three Title II military aid programs, those of Greece, Turkey, and Iran, is of the highest standard, as are the training capacities of the members of the United States military missions in the three countries.

12. With respect to our policy towards cash reimbursable and military grant aid, the latter facilitates materially the obtaining of reciprocal benefits, which is not the case with cash reimbursable aid. Moreover, it was noted

that



that the singling out of a given country, such as Saudi Arabia, for cash reimbursable aid rather than military grant aid, because of its relatively sounder fiscal position, would react unfavorably on United States political relations with that country in the event that other countries receive grant aid.

B. RECOMMENDATIONS

1. The Conference, having concluded that the attainment of United States political and military objectives in Turkey and Greece, and consequently in the entire Middle Eastern area, requires that the United States enter at the earliest possible moment into reciprocal security arrangements with Turkey and Greece, recommended that the following alternative methods of securing such an arrangement, listed in order of preference, be considered urgently by the Department:

(a) Through adherence by Turkey and Greece to NATO, either

(1) As a separate regional grouping, or

(2) Directly;

(b) Through bilateral arrangements between the United States and Turkey, and the United States and Greece;

(c) Through a multilateral arrangement among the United States, United Kingdom, Turkey, and Greece;

(d) Through some other plan which, taking into account the complex political, military, and administrative problems involved, would still accomplish the purpose of bilateral security undertakings as between the United States and Greece and Turkey, having always in mind the factor of urgency.

Moreover, if it should be deemed urgently essential to the security of the United States that a military commitment be obtained from Turkey before the normal processes for its accession to the NATO could be accomplished, it was recommended that the Departments of State and Defense consider such steps as might legally be taken to that end.

2. It was further recommended that Greece, for military planning purposes, be considered as belonging to a Western or Mediterranean region rather than to the Middle East; that it continue to receive military aid substantially as at

present

present, with necessary supporting economic aid; and that it be encouraged to seek appropriate arrangements for military cooperation with Yugoslavia and Turkey.

3. Turkey should be considered as having a dual interest in the Mediterranean and the Middle East regions; conversely, plans for both Mediterranean and Middle Eastern defense should take Turkey into consideration; and Turkey's military strength should be increased as an independent operation as a matter of urgency, through the extension of appropriately increased military aid and economic support for the military effort.

4. Joint staff planning with Greece and Turkey should be conducted within the framework of Allied Mediterranean defense planning. Separate Turkish-Middle Eastern defense planning should be encouraged, under the principle of Turkey's dual interest in the Mediterranean and the Middle East.

5. Iran should be considered as an element of the Middle East. It should continue to receive military aid substantially as at present, and necessary economic aid, but a continuing reappraisal of the Iranian situation should be made, with a view to a possible increase in military assistance in the light of changing circumstances. In addition, the possibility of Pakistani support for Iran should be explored. Providing such exploration warrants further action, steps should be taken to endeavor to assure Pakistani support, in the event that Iran is attacked and offers serious resistance, as a possible major contribution to area security.

6. The United States should seek an early clarification of the United States-United Kingdom military responsibilities for the Middle East. However, even though performance under such an agreement with the United Kingdom as to responsibilities be achieved through some regional arrangement, the present leading position of the United States in Turkey and Greece should be maintained, and the United States special interests and position in Saudi Arabia should be preserved.

7. The United States should issue a unilateral public statement making known its willingness, in coordination with the United Kingdom, to assist the Near Eastern states to strengthen their capabilities to defend themselves against aggression. Such a statement would constitute an important contribution to restoration of confidence in the West; a manifestation of United States confidence in and support of the British military position; and an expression of the continuing interest of the West in the defense of the area.

8. After agreement with the United Kingdom as to the appropriate division of military responsibility, there should be developed, in collaboration with the United Kingdom, a system of military staff discussions and a system of military aid programs under which the United States would provide immediately on request small training missions, individual service technicians, and token arms deliveries to the Near Eastern states.

9. There should be no attempt at this time, because of foreseeable and obvious difficulties, to organize a Near Eastern-Middle Eastern regional security pact. However, useful orientation could be achieved and useful planning efforts undertaken, in such a manner as to be adaptable to the expected wartime theater organization. Mobilization of resources and coordination of planning should be carried out through the medium of coordinated aid programs and a closely related system of military discussions, on the basis of close United States-United Kingdom collaboration.

10. While recognizing the strategic importance of Egypt, the Conference recommended that it be brought into the general scheme of defense planning by other means than through a possible association with the NATO.

11. While the Turkish-Iranian mountain barrier cannot be regarded at the present time as a realistic defense line, it should be deemed the ultimate defense objective of the United States in the Middle East, with a view, apart from strategic considerations, to strengthening the morale of the Middle Eastern states.

12. In the event of satellite military action against Greece, Turkey, or Iran, the United States should participate as strongly as circumstances permit in a line of collective action under the United Nations.

13. With respect to the division of military assistance between Greece, Turkey, and Iran, the Conference recommended the following:

(a) Owing to limited Greek manpower and Greece's defensive military potential, United States military aid should be predicated on plans for reasonable defense against overwhelming assault.

(b) Military aid to Turkey should be the most extensive; predicated on assurances that Turkey will not be neutral, such aid should be designed both (1) to strengthen

and

and accelerate the training of existing forces with a view to increasing Turkey's substantial capacity to pose serious opposition to direct attack, and (2) to generate offensive power;

(c) For the present, military aid to Iran should be considered primarily as a cold-war measure and should not be of such volume as to be of material benefit to the enemy if Iran were overrun; but steps should continue to be taken systematically to build up a strong defensive army and to supply equipment as rapidly as it can effectively be absorbed.

14. With respect to United States policy towards cash reimbursable and military grant aid, it was recommended that all assistance should be granted on the basis of United States or Allied interests, and that reciprocal benefits should always be sought; that henceforth arms aid should be extended on the same terms to Israel and the Arab states, including Saudi Arabia, to prevent damaging charges of favoritism; that conversion of the Saudi program to a grant basis would facilitate the obtaining by the United States of long-term air-base rights at Dhahran; that arms to the other Arab states and Israel should also be on a grant basis; and that cash reimbursable assistance should be considered only as a useful supplement to military grant aid.

15. Continuing effort should be exerted to clarify the respective roles of the United States, United Kingdom, France and the United Nations in connection with economic and military assistance, both for short-term and for long-term programs in the area.

16. The United States should promote operations under the United Nations for the achievement of long-range economic and social objectives in the Middle East; however, with respect to programs which would involve large financial commitments on the part of the United States, preference should be given to the concept of bilateral arrangements, in order to reserve to the United States a greater flexibility in the execution of such programs.

17. Means should be sought to encourage the conviction in the countries of the Middle East that United States motivation for cooperation is not limited to seeking security and economic benefits, but that it represents also a fundamental desire to assist in general development.

II.

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Political and economic regional trends  
and cooperation in the Middle East

A. CONCLUSIONS

1. Cooperation between Turkey and Greece on the economic side is not extensive, but is adequate to the relatively minor common problems which exist. There is, however, a conscious effort on the part of both countries to achieve political cooperation, although the success of such efforts has been limited by lack of development of mutual security arrangements.
2. As between Turkey and Iran, cooperation is more in the economic field, particularly in use by Iran of Turkish transportation facilities, than in the political field.
3. The one regional political arrangement which has a bearing on Turkey and Iran, the Saadabad Pact, which also includes Iraq and Afghanistan, is of negligible importance.
4. The Arab League has a ten-year history of frustration because of its almost complete concentration on negative political objectives. Only lip service has been paid to constructive economic and social matters, but there is limited hope for progress along those lines. b-1  
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5. Although there is traditional desire on the part of the Arab peoples for some form of Arab union, the Greater Syria and Fertile Crescent schemes for Arab union are essentially dynastic in character, and encounter opposition both from those opposed to the dynastic system and from rival dynastic regimes. Syrian Prime Minister Qudsi's Arab union proposal differs in the sense that it would apply to all the Arab states and it is not dynastic in motivation, but there seems to be little receptivity to the idea either at present or in prospect. The conclusions regarding Arab Union reached at the 1949 Istanbul conference are still valid, i.e., that, in existing circumstances, Arab Union would pose more problems than it would solve, particularly since we regard short-term stability as essential.

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6. Except for certain bilateral arrangements arising from special circumstances or interests, the Greece-Turkey-Iran group and the Near Eastern group have not yet evinced interest in inter-regional cooperation with one another. However, Turkey would probably be prepared to play a role of leadership in the Near East if, as preliminary conditions, the Near Eastern states were sufficiently strengthened and Turkey itself were formally associated with the West.

7. Such interest as exists with respect to cooperation between the countries of the Middle East and of South Asia arises from the initiative of the Pakistan Government. Pakistan has an interest in creation of a regional arrangement to include Turkey, Iran, the Arab states, and Afghanistan, but is handicapped by her difficulties with India and by the potential if not present jealousy of Egypt. The International Islamic Economic Organization, largely the personal creation of the Pakistani Minister of Finance, has opened a channel for at least limited Middle Eastern-South Asian cooperation in the field of economic and social reform. Pakistan cultivates closer cultural ties with Iran, and at the same time neglects no opportunity to promote pan-Islamic cultural conferences. Pakistan's basic orientation is, however, to the West.

8. The initiation of economic and political cooperation has characterized the recent relations of Yugoslavia on the one hand and Greece and Turkey on the other. Thus far this cooperation has been only on a bilateral basis.

#### B. RECOMMENDATIONS

1. Cooperation between the Middle Eastern states in the military field should be encouraged as a contribution to increased political cooperation, and in this connection the positive results to be achieved from a regional security pact should be stressed as a supporting if not overriding justification for such a pact.

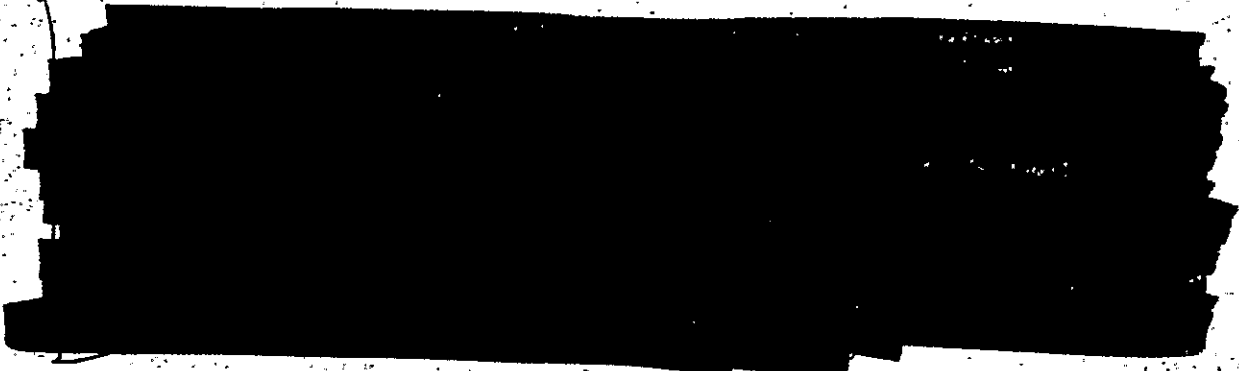
2. In its economic relations with Greece, Turkey and Iran, the United States should deal with these countries separately rather than as a group.

3. The United States should oppose creation of any new United Nations regional economic organization for the Middle East.

4. With full appreciation of the Arab League's inexperience and limitations, further effort should be made to encourage and assist the League to engage in constructive social and economic activities.

5.

5. The United States, while not opposing, should give no encouragement to any Arab union proposals, and should inject a note of caution and concern into any consideration of this question.



7. Although the concept of Pakistan playing a role of any importance in the Middle East is still in the nebulous stage, it presents possibilities from the economic, social, and political viewpoints, as well as from the point of view of regional security, which should be encouraged.

8. Although it would be premature to attempt to encourage regional economic and political planning between Yugoslavia and Greece and Turkey, bilateral cooperation should be stimulated. Military cooperation should be stimulated as soon as a decision is reached regarding the division of responsibility and relations between the NAT and a possible Mediterranean security grouping.

## III.

SECRET

Appraisal of the United Kingdom power position  
in the Middle East, and the adequacy of  
Anglo-American cooperation

A. CONCLUSIONS

1. The United Kingdom power position in the Greek-Turkish-Iranian and Near Eastern areas has weakened. It is in the United States' interest that the United Kingdom position be maintained in the Middle East, and strengthened where it serves our interest. This is particularly true with respect to Egypt.

2. Cooperation in the political and economic fields between the United Kingdom and the United States in the Middle East has been satisfactory, with the single exception of questions relating to the Anglo-Iranian Oil Company (see below, section X).

B. RECOMMENDATIONS

1. The United States should endeavor to bolster the United Kingdom position in the Middle East where this can most effectively serve the United States' interest (see above, section I, concerning support for the British military position in the Middle East).

2. The Conference should go on record as expressing appreciation for the generally fine cooperation from the United Kingdom during the past year in the political and economic field (with the exception of the Anglo-Iranian Oil Company problem, see below, section X).

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Appraisal of Communist strength and influence  
in the Middle East

A. CONCLUSIONS

1. For the short term, Soviet and communist influence are kept under fairly effective control through police action in the various states of the Middle East.
2. American aid to Greece and Turkey has been effective in enabling those countries to combat communist influence. However, the delay in extending aid to Iran has been made the basis of effective communist propaganda in that country. In addition, the policy of the Anglo-Iranian Oil Company has been a handicap in the control of communism in Iran (see below, section X).
3. The basic defects of the economic and social structure in the Arab States which are responsible for the comparatively large communist potential in that area are either not recognized or are neglected by the Governments of the Arab states.

B. RECOMMENDATIONS

1. It was recommended that the Middle Eastern Governments be encouraged to maintain and strengthen their police controls against communism.
2. It was further recommended that, in formulating programs of economic and technical assistance to the countries of the area pursuant to other recommendations of the Conference, full consideration should be given to the need for the correction of economic and social defects as an indispensable element in efforts to control the spread of communism.

Appraisal of rightist and ultra-nationalist strength and influence in the Middle East

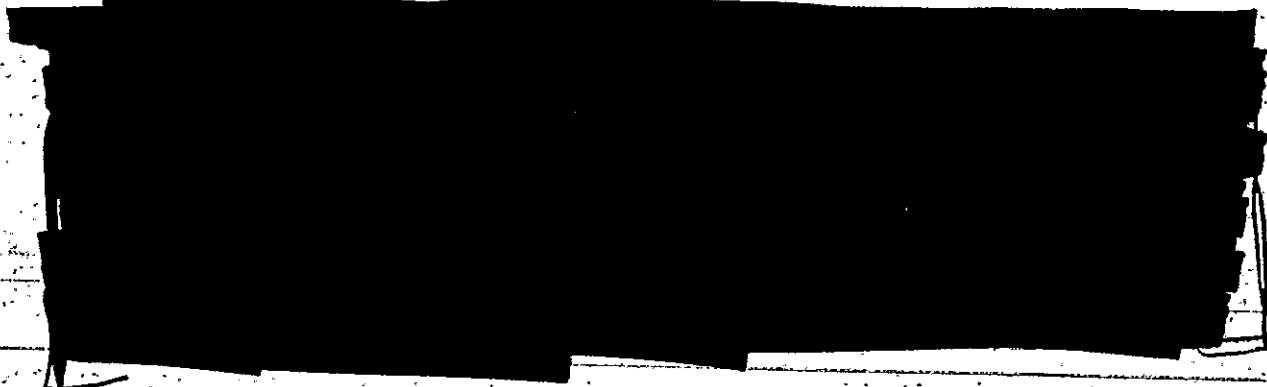
A. CONCLUSIONS

1. It was agreed that all political regimes in the Middle East, with the exception of Israel, are reactionary or rightist in comparison with our own. Note was taken of the reactionary influence of Islam and of the various vested interests in the area.

2. In the area comprising Greece, Turkey, and Iran, a political trend from the right to the center is apparent, and this is due in large measure to the more extensive influence and association of the United States with these countries. There is a reformist trend in Iran, exemplified by the land distribution and other reform policies followed of the Shah and the present Government.

3. The Conference found little real evidence of liberal trends in the Arab states, although the growing power of the parliament over the executive in Syria was recognized. However, the force of public opinion in these states, exemplified by the growing influence of Palestinians in Jordan, is becoming increasingly a factor which the Governments of the area have to take into account. In general, genuine trends towards liberalization in the Arab world are less evident in the dynastic states than in the republics.

B. RECOMMENDATIONS





Review and evaluation of United Nations action during 1950 with respect to the Palestine problem

A. CONCLUSIONS

Palestine Conciliation Commission

1. Lack of appreciable progress toward solution of the Palestine refugee problem continues to prejudice chances of improvement in relations between the Arab states and Israel. Essential to such progress are (a) clarification of the present position of the Government of Israel in relation to the question of repatriation, and (b) a clear understanding of Israel's conception of, and proposals for dealing with, compensation as an alternative to repatriation.
2. Some hope for possible progress in 1951 may be found in the fact that, during 1950, the Arabs moved away from their earlier insistence on implementation of the General Assembly partition plan, which they have repeatedly claimed under the Lausanne protocol of May 12, 1949 as the basis for solution of the Palestine problem. Although the Arabs have not abandoned the principle of repatriation, and may be expected to continue to reaffirm it, they show signs of becoming more realistic as to the obstacles to any satisfactory implementation of this principle, and are giving serious thought to the alternative of compensation and to the concept of reintegration.
3. During 1950 the Government of Israel also relaxed its position somewhat as regards the question of compensation, and has given assurance of cooperation with the Palestine Conciliation Commission and its compensation committee and with the new office established under the 1950 General Assembly resolution. The Government of Israel has also shown some disposition to give further consideration to the question of blocked accounts. Some progress had already been made during 1950 on this latter question, but it is still the subject of Palestine Conciliation Commission discussions with the Government of Israel. These discussions are seeking to persuade the Israelis to recognize that these accounts offer them an opportunity to give evidence of good will, and so contribute to improvement of the general atmosphere in their own interest and to the immediate benefit of refugees concerned, by settling a recognized obligation with little actual sacrifice on their part.

4. Arab-Israeli negotiations, either directly or through the Palestine Conciliation Commission, for settlement of other outstanding questions cannot be expected before there has been some evident progress toward solution of the refugee problem, with reasonable assurance of continuance of effective efforts toward its final settlement.

United Nations Relief & Works Agency  
for Palestine Refugees

5. The hard core of approximately 800,000 refugees, on relief and in temporary shelter, constitutes a serious threat to stability, and an important impediment to peace between the Arab states and Israel. On a minimum basis, these refugees cost the international community \$25 million a year for relief.

6. Reintegration of 800,000 refugees is a major economic enterprise of the order of several hundred million dollars of economic investment over a period of perhaps five years. The Agency can spearhead the task through direct reintegration, especially in rural areas, financed by international funds. Many refugees of urban background and special skills should be picked up in a program of general economic development financed through other funds.

7. The United Nations has endorsed a program of reintegration, and the Arab states, notably Syria, finally have agreed to cooperate. However, the capacity of the Near Eastern countries to contribute to such a program is limited, and they desire some indication of adequate and sustained financial assistance.

8. Reintegration should be approached as an economic undertaking and service to the refugees, and political issues should be kept to a minimum.

B. RECOMMENDATIONS

Palestine Conciliation Commission

1. The Commission should direct its efforts through its new office and its compensation committee toward clarification of the attitude of the Government of Israel as

regards

regards repatriation, and toward determination of a reasonable compensation total and a proposal of the basis and procedure for compensation payments. The Commission should make every effort to get Israel to make maximum concessions in both of these respects. These efforts should be expedited to provide essential information for early Commission consideration and eventual discussions with the Governments of Israel and the Arab states, [REDACTED]

[REDACTED] It is important to maintain as a basic principle for compensation individual property rights and individual property losses, even though compensation may finally be set up in the form of lump-sum payments under some trusteeship control.

2. Simultaneously the Commission should pursue discussions with the Government of Israel with the objective of effecting complete settlement of blocked accounts without further delay.

3. It should continue to seek a basis for negotiations to settle other outstanding questions, and to encourage such negotiations between Israel and the Arab states.

4. The United States in support of the Commission should point out to Israel that it has the territory, and the Arabs have the refugees, and that concessions have to be made by Israel. Israel needs peace more than the Arabs do, since it is now completely dependent upon air and sea communications which can be completely severed in time of war. Consequently, Israel must in some way, through unilateral, partial, or overall negotiations, make substantial concessions in the fields of territorial adjustments or refugee repatriation.

5. United States diplomatic representatives at their discretion should take advantage of appropriate occasions to encourage the parties to enter into direct talks looking towards negotiation of final peace.

United Nations Relief & Works Agency  
for Palestine Refugees

6. The Relief and Works Agency channel of the United Nations should continue to be utilized for direct reintegration of the refugees, with closely coordinated supporting effort by the Palestine Conciliation Commission.

7. On the basis of the new evidence of cooperation on the part of the Arab states, increased efforts should be made to finance the refugee program contemplated in the United Nations resolution, as a minimum approach to the speedy liquidation of the problem.

8. The multilateral grant aid program for refugee reintegration should be supplemented by and coordinated with economic development projects financed by local Government funds, loans, the proposed new program of United States grant aid and any other outside aid available.

9. The Relief and Works Agency should, both in administration of relief and integration programs, rely to the maximum extent possible on the local governments.

Reappraisal of the tripartite declaration  
on Near Eastern arms and security

A. CONCLUSIONS

1. The tripartite declaration has proved a useful stabilizing factor in the Near East. The declaration was handicapped initially by the inference given through the mechanics of its issuance that the three powers were creating new areas of influence. However, it has acquired more prestige with time, particularly as a result of United States and United Nations collective action in

B. RECOMMENDATIONS

1. Without raising the declaration in any new light, United States representatives should on appropriate occasions reaffirm continued United States support for the declaration and our determination to take effective action within and without the United Nations in event of violation of the declaration, pointing out in this connection prompt United States and United Nations action in Korea.

2. References to French participation in the declaration should be minimized, and accusations of creation of spheres of influence should be countered by statement of the facts.

3. Although each reported infringement should be considered most seriously, application of the declaration to minor and irrelevant issues should be refused. All

infringements



infringements under the competence of the Mixed Armistice Commissions should be promptly referred to those bodies, not investigated independently.

4. In the event of reported or impending infringement, the United States should, in consultation with the United Kingdom and France, investigate the case immediately and, in the event it appears substantiated by the facts, take immediate action in the United Nations along the lines of that with respect to Korea and whatever other unilateral or joint action the situation calls for.

Role of the United States in encouraging  
political and social progress, and  
means of extending our contacts to  
the population at large

A. CONCLUSIONS

1. The United States has a high responsibility and a delicate political role to perform in those countries to which it is giving extensive economic aid. We are required to develop techniques of more or less open intervention which will insure not only that our own aid is used wisely and effectively, but that the general economic policies of the recipient governments are sound and public spirited and, if necessary, that political and governmental reforms are undertaken which will make it possible to carry out these policies.

2. The Conference noted great dangers in such intervention:

(a) Our programs may offend national pride;

(b) There are frequent attempts at wholesale transfer of American practices and institutions which may be inappropriate to the local situation;

(c) There is the danger of trying to change ancient habits overnight; the danger of building up a living standard which cannot be maintained in the long run on the basis of local resources; the danger of carrying reforms to their logical extremes before the intermediate steps have been assimilated; the danger of assuming such wide responsibility that the local authorities and population lose initiative and relax into total dependence;

(d) United States intervention is certain to arouse resentment because it attacks vested interests and infringes the authority of the recipient government.

3. In administering our aid programs, we must follow a middle course: we should not insist on perfectionism; we should not try to impose our will; we can only advise and influence in the direction of achievements of permanent value, if we are to build the capacity of the people to do things in a democratic way. In addition, our approach depends not only on adopting the proper attitude, but on careful choice of personnel, and on ingenious and patient adaptation.

4. To the maximum extent possible, we have to support influences corresponding to our own, since our moral force is our greatest asset. We cannot be opportunistic. By our moral force we must attempt to persuade or dissuade. Where it is possible in our aid programs to adopt the servicio principle, with Americans working side by side with the nationals of the recipient country, there is an opportunity to infuse our spirit into the people.

5. The "grass roots" program set forth by the Department is a positive and constructive approach to meeting one of the greatest needs of the area, namely, broadening the base of contact between the United States and the people of the Middle East. This need is intensified by the success of Communist tactics within the several countries.

6. The program's success will depend in large measure upon the existence of substantive aid which demonstrates in concrete form the interest of the United States in the welfare of the people. Thus in Greece and Turkey, and to a lesser extent in Iran, the existence of economic and military aid adds great weight to the approach; Point Four and other aid to the Near East will provide some such tangible evidence.

7. The success of the program also depends in large measure upon the leadership of the Chiefs of Mission, and upon the effectiveness of efforts to orientate Mission officers in the objectives, purposes and methods of the approach. Wives of officials can be of great value in pursuing the objectives of the program and should be made an important part of the effort.

8. Private American citizens, including Americans of foreign extraction returning to their home lands, can if properly oriented have an important impact upon the development of opinions favorable to the United States. In some countries it would be advantageous to create informal committees comprised of influential Americans to guide this aspect of the program.

9. Knowledge among the local peoples and Governments of conscious efforts on our part to organize sources of American influence would have an adverse effect upon the program.



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11. Naval visits, particularly to Greece and Turkey, have been of great "grass roots" value, and could be put to even greater use.

12. The oil companies in the Middle East can, by following increasingly progressive labor policies and more effective public relations programs, exercise a more constructive influence upon the peoples of the several countries and assist in their orientation toward the West.

13. Special national sensitivities make it necessary to develop "grass roots" programs in light of the situation prevailing in each country, since methods which might be effective in one country might not work in another.

#### B. RECOMMENDATIONS

1. In endeavoring to encourage political and social progress in the Middle East, we should pursue the middle road of persuasion, mutual cooperation, and development of indigenous leadership. The technique of intervention employed should be directed to two ends:

(a) To limiting United States intervention to the most vital issues and resisting the temptation to become involved in subsidiary issues wherein reform would be desirable but is not immediately essential;

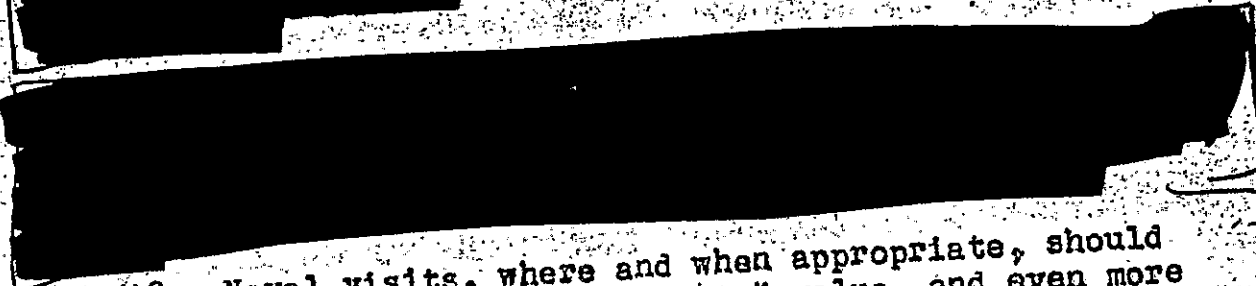
(b) To development of indigenous political leadership.

2. In selection of Chiefs of Mission and key personnel, particular emphasis should be given to individuals capable of leading the peoples of Greece, Turkey, Iran and the Near East, without appearing to impose their will. The timing factor is of great importance in determining how and when we should use our influence.

3. With respect to the problem of extending our contacts to the population at large, it was recommended that the Department and Foreign Service pursue the various elements of the "grass roots" approach along the lines outlined in the Department's memorandum.

4. The United States should provide, to the extent possible, substantive aid to the countries of the area to demonstrate in concrete form the interest of the United States in the welfare of the people, and thereby to give substance to the "grass roots" approach.

5. Each Chief of Mission should consider that one of his most important responsibilities is to provide leadership for the "grass roots" program in the country to which he is accredited.



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8. Naval visits, where and when appropriate, should be encouraged for their "grass roots" value, and even more effective use made of them.

9. Every effort should be made to encourage oil companies in the Middle East to follow increasingly progressive labor policies, and in their own self interest to be more active in the field of public relations.

10. In developing programs for individual countries, careful attention should be given to special national sensitivities and attitudes.

11. Every effort should be made to expedite the assignment of adequate USIE personnel to the Middle East.



Appraisal of economic policies and programs  
for the Middle East

A. CONCLUSIONS

1. Present economic policies are in general successful in Greece and Turkey, but it is now desirable that increased emphasis be given to support of the military effort and to short-term economic goals and economic self-sufficiency rather than long-term projects.
2. In Iran, the approach to economic assistance through loans has not been successful, either through the International Bank or the Export-Import Bank. A real need for economic assistance still exists.
3. In the Near East, the government budgets and foreign exchange needs are in general balanced, and private capital is accumulating. Grant economic assistance is needed, however, in varying degrees in all of the Arab countries, if the internal economic level is to be raised, because of (a) extraordinary expenditures for military requirements; (b) genuine capital needs in both the government and private sectors; (c) the present failure of capital to direct itself into enterprises for public benefit; (d) and the need for acceleration through United States technical assistance and administration of development projects, which can only be insured through United States grant assistance. There can, moreover, in many countries result a more general benefit to the economy through United States influence in governmental budget and financial policy, etcetera, as a result of the influence gained through this assistance.
4. The question of grants-versus-loans hinges not only on ability of the individual country to repay, but on urgency of need, psychological background, and the possibility of the country meeting banking requirements, both in presentation and administration. Loans are available in larger quantities; they serve to make demands more realistic; and they assure more careful use. However, some Arab states and Iran have difficulty in meeting banking requirements, and delays occur which result in disillusionment. Loans give less leverage to assure general objectives with the country concerned and do not generate counterpart to achieve specific objectives.
5. Loan assistance should in general be given first priority where the project and country qualify and the time

factor

factor is not important. Loans should in many cases fit well into a background of grants, which can get under way quickly and can provide more favorable bases for the loans. Any tendency to resist loans so as to obtain grants should be opposed.

6. Reactions by and between states as to what they may consider inequitable distribution of grants can be minimized by a regional approach which conceals country allocations. Allocations might then be on a project basis that minimizes the dollar component and maximizes technical assistance components to countries best able to pay or borrow.

B. RECOMMENDATIONS

1. In Greece, economic aid should continue substantially as at present, and should not be reduced below a level which could, through inflation, result in the loss of economic stability which has been achieved to date under the aid program, or hazard the attainment of hard-core economic goals. It is expected that the need for such aid will continue at least through 1954.

2. Economic aid to Turkey should be continued within the general framework of present policies, with emphasis on support of the military effort, on short-term as against long-term economic goals, and on countering inflationary forces.

3. A program of grant aid for economic development should be undertaken in the Near East and Iran as an essential supplement to loan assistance and local governmental funds.

4. Loan assistance in general should be given first priority where the project and country qualify and the time factor is not important. Loans should in many cases follow grants, which can get under way quickly and can provide more favorable bases for loans. Any tendency on the part of the governments of the Middle East to resist legitimate loan opportunities for grants should be opposed.

5. An integrated assistance program, whether loan, grant, or technical aid, should be worked out for each country, taking into account its special circumstances. Coordination among all agencies giving assistance, whether governmental, international or private, is essential.

6. In extending grant aid, even though modest in volume, emphasis should be placed on technical assistance as the best form of economic stimulation for underdeveloped areas.

7. The procedures of the Export-Import Bank and the International Bank should be simplified in the interest of effectiveness and speed, and adapted to the particular problems of the underdeveloped countries.

8. Procedures relating to the extension of grant aid, particularly technical assistance under the Point Four program, should be simplified to permit implementation on a rapid, emergency basis as required.

Appraisal of policies of foreign oil companies  
in the Middle East, in relation to  
United States policies and interests

A. CONCLUSIONS

1. The Conference reviewed the operation of foreign oil companies in the Middle East in the light of the fact that oil is the most important single factor in United States relations with the area. Economic and political stability in the area is dependent upon realistic policies with respect to oil, and stability is being threatened by the failure of certain oil companies, in particular by the British companies, to act in conformity with and in support of the joint United States-United Kingdom policy in the Middle East.

2. The low royalty pattern followed in the past by the Iraq Petroleum Company and the Anglo-Iranian Oil Company, the failure in the past of the former company to develop adequate production rates, and the continuation by both companies of colonial methods in dealing with local governments have led to increasing hatred of foreign oil operations. While on the one hand the British Government has agreed with the United States on the necessity for stability of the area, on the other hand, agencies of the British Government have not in fact been able to assure that British oil companies are acting in conformity with that policy.

3. The recent agreement between the Arabian-American Oil Company and the Saudi Arab Government represents a significant step forward in the development of a proper relationship between oil companies and local governments, although it is recognized that increased royalties may in fact come in part, though indirectly, from the United States Treasury. The company has considerably improved its employee welfare program, including education and training. While much is yet to be done before an ideal situation has been created, the company is headed in the right direction.

4. The policies of the Anglo-Iranian Oil Company in Iran are regarded as highly unsatisfactory, and are responsible to a great degree for the present economic problems and lowered Western prestige in that country, and throughout the entire Middle East. The British Foreign Office has had

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scant influence upon the company, although the British Government is the majority shareholder. While there has been some indication that the company has finally recognized that it cannot force through the Iranian parliament the supplementary oil agreement without further concessions, and has agreed to advance some 35 million pounds to help meet the immediate financial crisis with which the Iranian Government is confronted, the Conference was not optimistic as to the likelihood that there had been any fundamental change in company policy, nor that there would be so long as it is under its present management. Under present circumstances the company is one of the greatest political liabilities affecting United States-United Kingdom interests in the Middle Eastern area, since it reflects the dominant control of the Iraq Petroleum Company by the minority British interests represented by the Anglo-Iranian Oil Company.

5. In Iraq the situation is also regarded as highly unsatisfactory. Royalties paid by the Iraq Petroleum Company in the past have been so low that the Iraqi Government has never received more than \$10 million per annum for its tremendous oil resources, which could produce quantities comparable to the present Iranian and Saudi Arabian output. The country resents the fact that it has oil and is getting little for it.

B. RECOMMENDATIONS

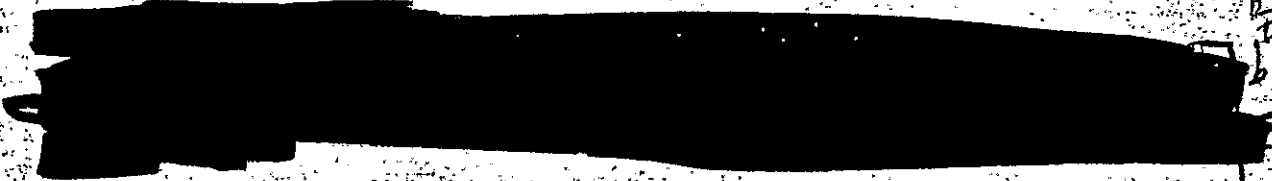
1. In view of the Conference findings that certain oil companies, in particular British companies, have in the past threatened stability in the Middle East through reactionary and out-moded policies with respect to the countries concerned, vigorous representations should be made to the Foreign Office to the end that henceforth British companies be brought to conform to the existing joint United States-United Kingdom policies designed to promote stability in the Middle East.







SECRET



Appraisal of USIE operations  
in the Middle East

A. CONCLUSIONS

1. USIE operations in the Middle East are in general adequately staffed, provided the present tables of organization are filled.
2. USIE programs generally support the objectives of US foreign policy in the conference area, although their degree of success varies from country to country. Iran presents a special problem in this regard, because of the attitude of the population, the difficulties created by the Iranian Government, and the virtual propaganda monopoly of the Soviets in northern Iran. The lack of success of the USIE program in Egypt is largely due to inadequate staffing.
3. The effectiveness of media varies from country to country. In general, mobile units are one of the most effective media, in countries where the rate of illiteracy is relatively high, and in rural areas generally. Printed matter is a less effective medium, save in countries of relatively high literacy or with important concentrations of literate elements, such as Greece, Lebanon, and Pakistan. The exchange of persons programs are of high importance. In the Near East, the Voice of America has not yet achieved satisfactory effectiveness because of inexperience, irrelevant or ill-chosen programs, "high pressure" tactics, and lack of medium-wave broadcasting facilities.
4. In most cases, USIE has been effectively integrated into our missions. However, in countries which have ECA programs, difficulties are noted in achieving successful correlation between USIE programs and the public information programs of ECA.
5. It would be a grave error to remove the public information program from the policy control of the State Department, because of the necessity for integrating the program with our foreign policy objectives.
6. It was suggested that the possibility be explored of collecting local cultural patterns and activities, to send back to the United States, as an experiment in the

sharing

sharing of technical cooperation and a means of expressing our interest in the area. However, the difficulty of organizing such a program on a reciprocal basis was recognized.

B. RECOMMENDATIONS

1. USIE should refrain from too rapid expansion and should avoid direct pressure or salesmanship tactics. The USIE staffing pattern should be examined critically, with a view to avoiding its over-expansion or placing undue emphasis upon its operations in the minds of the Middle Eastern Governments and people.
2. In ECA countries, the Chief of Mission (or his Public Affairs Officer) should be given a specific directive authorizing him to coordinate all public information activities in the country of his responsibility, in order effectively to integrate USIE and ECA public relations programs.
3. In the light of the present international situation, the possibility should be explored of preparing in Washington a USIE fortnightly newsreel for dissemination abroad through mobile units and, if possible, dissemination to commercial movie houses.
4. The possibility of producing periodical news bulletins on a regional basis should be explored, since publication of news bulletins by small diplomatic missions is too complex an operation.
5. We should explore the possibility of making greater use of posters, which have been found to be highly effective in areas where there is a high rate of illiteracy.
6. The Voice of America should endeavor to obtain more time on local stations.
7. We should attempt to facilitate the supply of newsprint to the Middle East where direct public relations advantages can be obtained.
8. It was strongly recommended that the public information program remain under the policy control of the Department, in the interests of its effective integration with United States foreign policy objectives.
9. The possibility of initiating collection of local cultural patterns and activities should be explored, with a view to creating a greater measure of reciprocity in this regard.



Administrative problems in the Middle East

A. CONCLUSIONS

1. Adequate housing for missions and mission personnel is indispensable for efficient operations. Although the Division of Foreign Building Operations has made some progress in the conference area during the past year, the Conference noted that much remains to be done, particularly in decentralization of authority and improvement of the organization of FBO, and expressed the hope that, by speeding up action, FBO will be able to prevent the newly created shortages of building materials from delaying its building program in the NEA area.

2. The frequency of transfer of officer and clerical personnel works to the disadvantage of continuity in the operations of our missions. Although there has been a slight improvement in the calibre of Foreign Service and other personnel supplied by the Department, more than half of the missions in the conference area are not only under strength on their tables of organization but, more important, in personnel on the spot. It was noted that leading sources of personnel problems in order of importance are health; homesickness; pay and allowances; lack of adaptability; lack of outside interests; poor housing; inadequate qualifications; family troubles; and mental misfits.

3. Reporting officers who might be spending their time on intelligence and political work connected with the stepped-up urgency of the cold war are burdened with the requirement of submitting unnecessary economic and commercial reports. The complex of administrative and budget reports required by the Department is also a heavy burden.

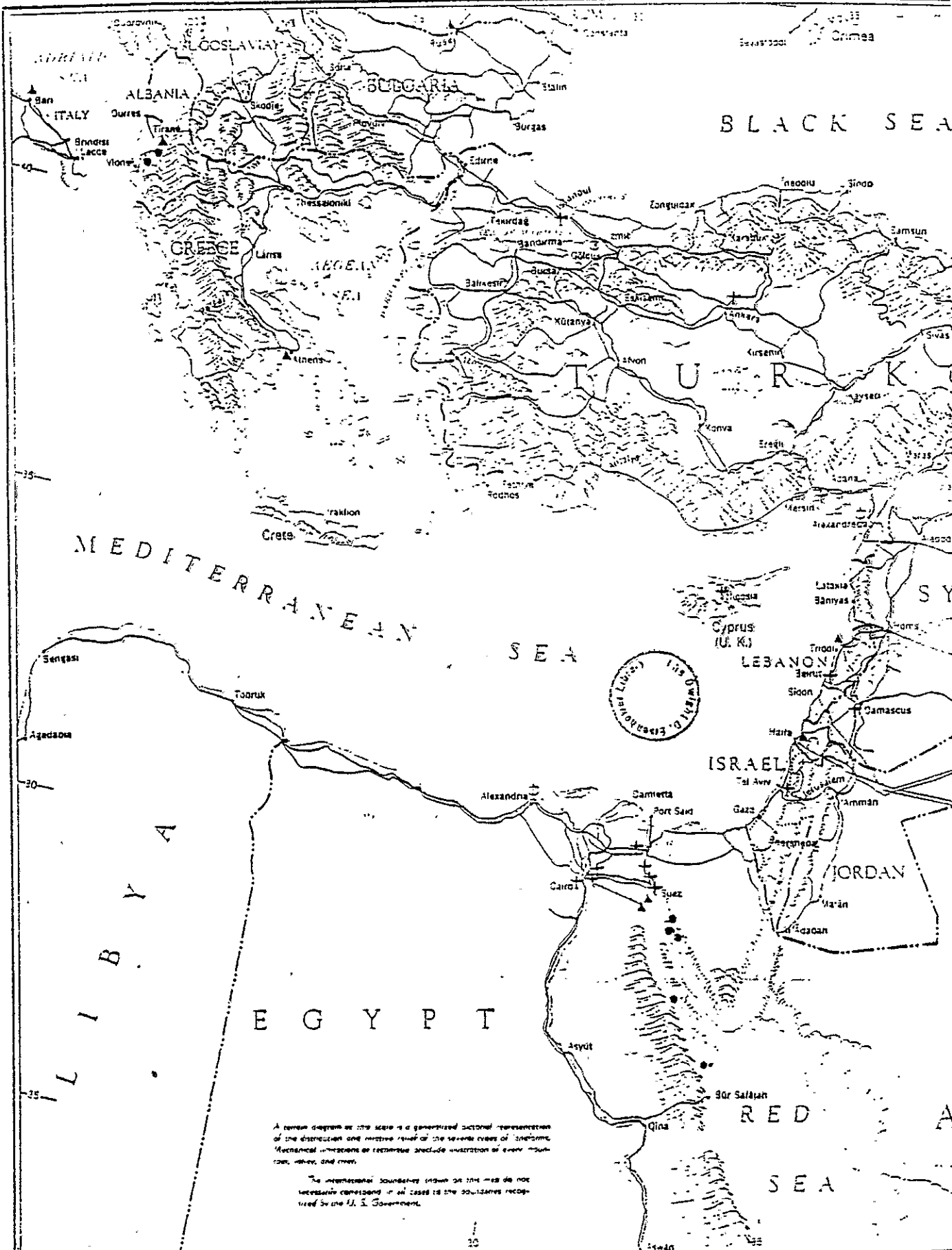
B. RECOMMENDATIONS

1. FBO should pursue its program in the NEA area with all possible speed.

2. The Department should avoid too frequent transfers and, as far as key officers are concerned, should consider lengthening tours of duty to approximately three years even in posts previously considered hardship posts.

3. Until the Department is able to fill all the positions on a post's table of organization, demands on the mission should be reduced in a realistic manner, to the end that some aspects of the work can be jettisoned and the remainder be redistributed.

4. The Department should work out with the Department of Commerce and other interested agencies a streamlined schedule of required reports; by the same token the needs of the intelligence agencies in Washington should be made more fully comprehensible to the missions in order that voluntary reporting will be along the most useful lines. Chiefs of Mission should be encouraged to recommend deletions from the schedule of required reports.



MEDITERRANEAN SEA

BLACK SEA

LIBYA

EGYPT

ISRAEL

JORDAN

RED SEA

A contour diagram of the state is a generalized pictorial representation of the distribution and relative relief of the several types of terrain. Mechanical connections or technical details are excluded. Illustration of every mountain, valley, and river.

The international boundaries shown on this map do not necessarily correspond in all cases to the boundaries recognized by the U. S. Government.

Underwood



# THE MIDDLE EAST

- Broad-gauge railroad
- Standard-gauge railroad
- Narrow-gauge railroad
- Main motor road
- Sand
- Salt waste
- ✚ Airfield (class 1 or 2)
- ✚ Principal naval base
- Oilfield
- ▲ Oil refinery
- Oil pipeline

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SECRET

