Wednesday, May 13th, 1953.

Dinner at Mr. Sharett's home.

During the meal Mr. Dulles talked to Mr. Sharett fairly freely about his experiences in Egypt. He had found Naguib an honest person but obviously dependent on the good will of the group around him. He had met the members of the Junta who, though possessing no official status, had recently started coming out into the open, taking direct part in the talks with the British and generally making their presence felt. He was astounded by the narrowness of their outlook — and that went for Naguib as much as for the officers. To them the eviction of the British from the canal zone was the only problem that mattered. They were completely blind to the far-reaching changes in the balance of strength and the world-wide repercussions which the transfer of the canal base from Britain to Egypt would bring about.

He himself had tried to open their eyes, but failed. In an after dinner speech, in a lighter vein than was possible in official conversation, he had described his own international experiences in past years, indulging as it were in self-criticism and explaining how he had found national problems interlocked with world affairs. He thought the implication would be clear. Yet when Naguib rose to reply all he had to way was again to repeat the shibboleths that the British had to quit, that this was the only way for Egypt to regain her complete independence, etc.

On the way from Cairo to Israel their aircraft flew over the canal at a fairly low height and he could personally get a general idea as to what the installations were like. He was tremendously impressed by what he saw. He realised that it was out of the question simply to deliver these enormous defence assets into the hands of the Egyptians, particularly when their minds were conditioned the way they were.

The position was grave. Each side was the prisoner of its public opinion. Naguib was committed up to the hilt to the policy of complete and immediate evacuation and could not retreat without risking the loss of power. Churchill was likewise unable to get his public to accept a simple walk-our. He himself had drawn up a compromise plan which he had communicated to Washington. Once back, they (the U.S.) will start talking to the British.

A concealed query, couched in the form of an affirmative statement, to the effect that Mr. Dulles' plan was probably based on the formulation of successive stages of withdrawal and substitution, elicited no response.

Mr. Dulles was obviously unhappy about Mr. Churchill's speech in Parliament, as showing rifts in the Western camp. While this general criticism was conveyed by innuendoes, the reference to the passage on Israel in that speech was explicitly negative. That statement, Mr. Dulles thought, was most untimely. It was too blatantly an attempt to play off Israel against Egypt. The Egyptians were incensed with the speech. Their hatred of the British was, in general, infinitely fiercer than that of Israel, but they

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didn't love Israel more for seeing it as a possible pawn in the British game against them.

Mr. Dulles emphasised repeatedly that there had been no change in the overall defence policy of the U.S. with the advent of the new Administration or the Russian alleged peace offensive. He cited their very prompt and effective response to the S.O.S. of the French in Indo-China - the despatch of American planes to that front - as a case in point.

While the Anglo-Egyptian conflict was the main topic of Mr. Dulles' conversation at table, he suddenly left that subject to say something about Jerusalem. He hoped that if we did move the Ministry to Jerusalem, we would not do it while he was around: it would embarrass him greatly. Mr. Sharett hastened to assure his guest that nothing as precipitate as that was intended. Mr. Dulles went on to say that his advice to us would be, a propos of the transfer to Jerusalem, to make a public statement on the Holy Places more or less on the lines of the Foreign Minister's explanation to him in the office that afternoon.

Mr. Rokach, who was seated on Mr. Dulles' left and was listening, remarked that our attitude on the problem of the Holy Places had been made known times out of number. To this Mr. Dulles replied that there were things which bore endless repetition and he would certainly advise to us to restate our position on that occasion.

Having risen from the table, the party broke in two by previous arrangement.

In Mr. Sharett's study a discussion took place on Israel's economic problems in which Mr. Eshkol, Mr. Avriel and Mr. Kollek took part for Israel and Mr. Stassen, Mr. Matteson, Mr. McDaniel and Mr. Jones for the U.S. The main topic was Israel's foreign exchange position.

At the same time the political discussion was resumed in the lounge.
Mr. Sharett had with him Mr. Rokach, Mr. Eytan, Mr. Comay, Mr. Shiloah
and Mr. Bendor. In addition to Mr. Dulles there were present Mr. MacArthur,
Mr. Byroade, Lt.Col.Meade, Mr. O'Connor, Mr. Hadsel, Mr. Russell and
Mr. Fried. Later, Mr. Stassen, Mr. Eshkol and their friends joined the
main body in the lounge.

Mr. Dulles said he would like to say something about the trend of Soviet policy. People were usually engrossed in their local problems and did not pay attention to the danger from Communism. Such was the case in Egypt where the officers were trying to restore integrity and honesty and regain the attributes of national sovereignty without giving heed to world problems.

The great question overshadowing everything else was whether the Judeo-Christian civilisation was going to survive, with all the moral and spiritual values for which it stood.

Soviet philosophy treated human beings as animals - paying attention only to their material well-being.

Our civilisation was gravely threatened. It was important that there be people who saw the problem in its broad aspects. Israel did, because the people of Israel had a sense of history.

From that point of view, the difference between this dinner in the Foreign Minister's house and the dinner the previous night with Naguib was as between day and night. With us he felt he had a common language.

The question was whether the values we cherished were to be saved or submerged, maybe for the next thousand years. To prevent this would require vital strength and it would not be done by people who had no real sense of mission. He believed that Israel had done great things in that respect. He did not agree with us in all matters. U.S. policy had not always been in the best interests of the total situation. It had been affected by political considerations.

Yet Israel's vitality and what she had created justified faith in our common sense of values. This was a symbol of what could be done.

He had always been sympathetic to giving us a chance. When in 1947 there were rumours in the U.N. corridors that hordes were sweeping down on Israel, he told Gen. Marshall that if people were prepared to die for what they believed in, they should be given a chance. We had shown that we were prepared to die for our cause. Our success was a great encouragement to those who shared our common ideals.

The U.S. Government had made mistakes with regard to the situation in the Middle East. However much he might disagree with us in details, he had great admiration for what we had done - it was a creative effort of those who had faith similar to theirs.

The Foreign Minister expressed his appreciation of the remarks of Mr. Dulles. He said that Israel's opposition to Communism was basic. Communism conceived human progress as one great military operation conducted along a world-wide front by a supreme central authority which imposed absolute discipline and exacted blind obedience. To us history was a creative process depending upon free initiative from below. An enterprise like ours particularly required a regime of free creativeness which only democracy could ensure.

There was another aspect. Jews everywhere were a minority. They could only hope to conduct their Mon collective life if the regime around them allowed groups and individuals a full chance of self-expression. This was not the position behind the iron curtain where no form of free self-expression was allowed and where Jewish life was consequently doomed.

Mr. Dulles said that the Russians believed that human troubles came from disharmony. Their solution was to eliminate all differences and not to tolerate divergencies.

The Foreign Minister added that they flattened out all human personality. That bore on us particularly for we were a delicate growth ("not so delicate!" exclaimed Mr. Dulles). Even Tsarist Russia allowed certain scope for freedom of expression so that the Zionist movement was able to arise and develop in those days.

Mr. Dulles said he would like to have the Minister's interpretation of the trial of the Jewish doctors in Russia. Was it really intended to serve mainly as a sop to the Arabs? And why the retraction?

The Foreign Minister said that the Arab aspect of that affair was only an incidental by-product. The main trend which expressed itself in the Slansky trial in Prague and in the indictment of the doctors in Moscow was preparedness for war. The anti-Jewish line was a derivative. The Soviet system was built on severe isolation - the complete severance of ties between the Soviet population and the world outside. That was practicable because the ethnic groups composing the Soviet bloc were coeval with the system - except for the Jews.

By merely being aware that they are Jews, they formed part of a world fraternity which had the bulk of its membership and its main centres - Israel and U.S. Jewry - outside the Soviet system. The Russian rulers were not sure where the hearts of the Jews would be in an hour of trial and they therefore came to the conclusion that the connections of the Jews with Israel and American Jewish organisations were dangerous. The next step was to warn against such connections - to terrorise the Jews themselves by se warning them of possible reprisals and to prepare public opinion for such eventuality. So the charge of disloyalty and criminal plotting was brought against a few prominent people who might serve as an example.

The Russians were thereby serving notice on the Jews and on the population generally.

If that theory was corrent, then the reversal of the charges against the doctors was dictated by the retreat from war-mongering, as part of the peace offensive. They had to show that there was no longer any tension. They also probably wanted to remove the stigma of anti-semitism which might otherwise militate against their peace offensive being accepted as genuine by certain circles.

The reversal might also have been an internal matter - the squaring of accounts between Beria and Malenkov - but this did not contradict the former explanation.

Mr. Dulles said that people thought that because the U.S. Government was cutting expenditure, it meant they were basically altering their policy. That was not the case. What had been wrong with previous planning - and he said this in no criticism of the former Administration, since the fault was general - was that it was thought possible to forecast with a fair degree of accuracy at what point of time the danger of war would reach its

peak, and plan accordingly. So there was a time when 1950 was assumed to be the critical year, then 1952 and 1954. It was comparable to a man being told to run a race of 100 yards, then when he was just about to reach his goal he would be told that the course had been extended to 250 yards, then again to 500 yards. Such a man would collapse. But if he knew in advance that he was in for a much longer race he would husband his resources and win.

Experience had shown that it was not possible to foresee with accuracy when the phase of greatest danger would be.

The result of forecasting was an unbalanced budget. When a country was at war or faced with a certainty of war, it threw away all considerations of balancing the budget. But if there was no war, there had to be a balanced budget while at the same time military establishments had to be kept at the same level, and progressing. They had to guard all the time against the evils of inflation.

At the last meeting of the NATO Council, it was decided to concentrate on quality and training and to pay more attention to infrastructure. In that way a sustained effort could be kept up for a long period of time within economic bounds. The Western Powers did not wish to exhaust themselves. They adapted themselves to a more realistic view of the peril, which they were convinced had not passed and which was not less serious. On that basis the U.S. could maintain an adequate military establishment for a long time without dislocating its economy.

The Foreign Minister said that as people much interested in the survival of democracy and determined to defend themselves, they were much heartened by what Mr. Dulles said. But they were not among those who received military aid so they did not suffer from the easing off!

Mr. Dulles had mentioned the insensitiveness of Egypt to the problems of the region and the world. We had been at pains to stress this point for years. There were two ways of rationalising this neutralist attitude. As far as the Arabs alone were concerned, it was a matter of elementary short-term expediency. The Arab reasoning was very simple. In any world conflict there were two sides. One must be stronger and the other weaker. But there was no telling till the end of the conflict which was which. Be the outcome as it might, the stronger party did not need their help while the weaker did not deserve it. Hence the only wise course was to sit on the fence, watch the contest carefully and jump off the fence to join the victorious side not too soon to be embroiled yet not too late te forego a possible share in the spoils.

But inasmuch as the Arab attitude reflected a more general orientation, shared by other Asian and African peoples, its explanation went deeper and was something more serious and far-reaching, - also much more dangerous - than mere short-sighted expediency. He had come up against this attitude at the Rangoon conference of the Asian Socialist parties. His impression

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was that the Asian tendency was to regard the whole conflict between Western democracy and totalitarian communism as an internal family quarrel which had broken out within the world of Western civilisation, and with which Asia and the real East had historically nothing to do. This was a plague on both your houses kind of attitude. It is in the ideological struggle with this kind of philosophical neutralism, which opened the way for communism to engulf Asia, that Israel thought it could play some part.

But coming back to problems of immediate importance, certain conclusions seemed to be imperative from the neutralist attitude of Egypt and the Arab States. For example, it was important that there should be an alternative to the Suez Canal if the latter were menaced. Such an alternative was a line from Elath to the coast of Israel. They had pressed for a long time past for help to develop communications along that line. Other preparations too could be made to meet any possible contingency. Jewish Palestine had been a highly valuable workshop in the second world war, despite its relative smallness and the fact that it was at loggerheads with the British Administration. Independent Israel, within which a technological revolution was in progress and which had already built up a much bigger industrial plant, offered much greater possibilities. The fullest utilisation of these again required preparatory work.

In conclusion the Foreign Minister wondered whether he might be told what the Secretary had in mind when he mentioned differences between the U.S. and Israel.

Mr. Dulles said that after the exposition he had heard that afternoon from the Foreign Minister he did not think there were any basic differences. There might be differences in tactics, such as, for example, on the question of refugees. The U.S. was anxious for peace substantially on the lines indicated by the Foreign Minister. Any differences there might be were not of basic principle, but on questions of procedure - when was the best moment to push, who was the best person to push, the interrelation between Arab-Israel peace, the Suez problem and collective security. These were essentially matters of procedure.

Mr. Dulles then said that he and his party would now have to leave. He understood the Prime Minister had a summer resort where he spent the summer. He had to visit him there on the morrow!

In parting, Mr. Byroade said to the Foreign Minister: Why don't you talk philosophy to me? - an obvious allusion to the "brush" which the two had had when they met recently in Washington.

If it were only a local problem, we could wait until they were ready. But it was not only a local problem because trouble in one area affected all parts of the world.

When the U.S. Government said "No" in Korea, they did the wisest thing in the world.

We did not want the Middle East to be the ground for a new world war.

Mr. Dulles interjected that two hours after the attack on Korea began, he had cabled Washington urging that action be taken.

The Prime Minister, reverting to the Middle East, said that the Arab States did not need territory. They had so much they could leave us with our little desert.

If the Arab States were not ready for peace, we had the right to demand the complete cessation of all hostilities - military, political, economic. This was the minimum that was essential in the interests of world peace.

The infiltration from the Arab countries into Israel was a kind of war. It was not impossible to put an end to it. Syria showed that this could be done.

The Security Council had decided that the passage through the Suez Canal should be free. It would be free, if the powers insisted that it should be.

Israel for her part was ready for cooperation with the Arab States - economic, cultural and even military.

If in their travels they found such willingness on the part of the Arabs, they would find Israel responsive.

Israel was prepared to make her contribution towards the settlement of the Arab refugees. The Arab States possessed fertile lands, water, oil and other resources. They had to show some of the determination and patience which we have shown in reconstructing our country.

To sum up: Firstly, there was need for a long-range programme to raise the cultural and economic levels of the people of the Arab countries. Secondly, there had to be at least complete cessation of all kinds of hostilities against Israel in the interests of world peace.

Mr. Dulles said he understood that the Prime Minister was making a suggestion that was new to him - the extension of the scope of the armistice agreement to eliminate what he (the Frime Minister) called economic hostility.

The Prime Minister interjected that he included all kinds of hostility - phsycological, economic, political.

The Foreign Minister said that it could all be brought within the terms of the Armistice agreements.

Mr. Dulles asked whether we felt that this would be more practical in the present conditions than to seek a formal peace.

The Prime Minister said that peace was easy to achieve if there was goodwill. If there was no goodwill then excuses could be found for delaying it, such as "the people are not ready" and so on.

The Foreign Minister said that it might be easier for the Arab States to do something negative - cease hostilities - than to do something positive - make peace.

Mr. Dulles said that for U.S. to play a useful role, they required the goodwill of the Arabs who had to have a certain amount of confidence in them. If they thought the U.S.'s only concern was with Israel, then the U.S. had no effective part to play in ameliorating conditions between Israel and the Arab States.

The Arabs felt with some justification that the prior administrations, those of Roosevelt and Truman, had been subject to Jewish influence and ignored the point of view of the Arabs. And it was known historically that decisions in this matter were taken under direct political pressure by Jewish groups who felt they had a right to exert that pressure because they had contributed to the election of Roosevelt and Truman.

The present administration of President Eisenhower did not owe that kind of political debt. President Eisenhower had been elected by the overwhelming vote of the people of the U.S. He felt a duty to the people as a whole and not to any particular segment. The President believed that U.S. policy had to continue to be one of support for Israel as being a great creative accomplishment which evoked the sympathy of the whole of the people of the U.S. and not only the Jews.

The whole American people admired the kind of thing which we had done - a tremendous creative accomplishment. That was the kind of thing the American people liked and wanted their government to support irrespective of religious or racial considerations. That was a very basic part of the foreign policy of President Eisenhower but it was also part of his foreign policy to make the Arabs feel that there was concern for them. They had to be helped towards economic improvement and that was the reason why Mr. Stassen was a member of the party.

One of the troubles was that there were some elements in the U.S. who felt that anything they (the U.S. Govt.) did at all which was sympathetic towards the Arabs, which they did to help them, was in some way against the interests of Israel. That, he was sure, was not the view the Government of Israel took, nor was it the view expressed by the Prime Minister or the Foreign Minister. It was a view which was held by certain elements who, whenever the U.S. Government did anything at all which looked as though they were sympathetic to the Arab problems, thought that that meant that they were unsympathetic to the Israel problems. Actually, as he saw it, the best interests of Israel were served by a more healthy environment and by the U.S. ability to be helpful to others and to bring about the conditions Israel would like to have. That could only be done if they (the U.S. Govt.) so conducted themselves in relation to the Arabs that they would look upon them as friends and not as enemies. For the U.S. to get into the role of enemy to the Arabs was not serving the best interests of Israel.