

## THE WHITE HOUSE

WASHINGTON

~~SECRET~~

269a

Wednesday, June 7, 1967 -- 9:50 a.m.

Mr. President:

Herewith some thoughts as of this morning.

I. The Israeli Situation and Bargaining Position. It looks as though, with the assistance of Arab delay in implementing the Security Council resolution, the Israelis will end up controlling the west bank of the Jordan river, the whole Jerusalem area, and the whole of the Sinai Peninsula, including the east bank of the Suez Canal. They will also have in their hands the administrative control of perhaps two-thirds of the Arab refugees, depending on how many flee the west bank. Depending a bit -- but not much -- on whether and how fast the Soviet Union is prepared to replace Arab aircraft and tank losses, the Israelis for the moment are in a position to dominate militarily the region, including a capacity, if necessary, to move across the Suez Canal to the west bank.

II. The Arab Situation. The Arabs initially decided to turn down the Security Council cease-fire resolution. It is unclear exactly what they have in mind. It is possible that they may accept it shortly and are merely trying to appear for the moment not excessively eager or hasty. But it is also possible that they may be trying to maintain Arab unity on the Baghdad pledge of the oil-producing powers; that is, to deny pro-Israel western nations mid-East oil. Having lost in the field, Nasser may be trying to preserve something of his position and leadership by using the leverage of oil, pressure on other Western economic interests, and possibly the use of the Suez Canal.

III. The Central Issue. The struggle now moving from the battlefield to economic pressure and politics is probably this: whether the settlement of this war shall be on the basis of armistice arrangements, which leave the Arabs in the posture of hostilities towards Israel, keeping alive the Israel issue in Arab political life as a unifying force, and affording the Soviet Union a handle on the Arab world; or whether a settlement emerges in which Israel is accepted as a Middle Eastern state with rights of passage through the Suez Canal, etc.

IV. U.S. Objective. The U.S. objective is evidently to try to move from the present situation to as stable and definitive a peace as is possible. This will require Israeli concessions -- as well as important moves by others -- on the refugee issue. It also involves:

~~SECRET~~

DECLASSIFIED

Authority FRUS, Vol XIX, # 189  
By ng NARA, Date 12-20-04

~~SECRET~~

-2-

-- A transition from the present Arab radical mood towards that of Arab moderates.

-- Probably a larger Middle Eastern role for Turkey and Iran.

-- Regional arms control arrangements, optimally to be worked out within the region itself.

-- The beginnings, at least, of systematic regional cooperation in economic development, including, perhaps, a regional plan for development of water resources.

-- The emergence of a spirit of regional pride and self-reliance to supplant the sense of defeat and humiliation engendered in the Arab world in the wake of the failure of Nasser, his strategy, and his ideological rhetoric.

V. First Tactical Moves. It is obvious that if the result we wish to achieve is to be brought about, by definition it requires the U.S. to be in a position of quietly stimulating and encouraging the Middle Eastern forces which might wish to move in this direction but not appearing to dominate or dictate the solution. In an only slightly lesser degree, this is also true for the United Nations. The UN role should be to set a framework within which these things become possible but not to become excessively involved in detail. U.S.-USSR understandings, quietly achieved, could play an important role in this outcome; but, as during these days, it is clear that the outcome in our interest is directly contrary to Soviet strategy over the past years; they have suffered a setback of the first order of magnitude; and they will only react in ways consistent with our interests if the political forces on the spot, as well as the military situation, leave them no other realistic alternative.

In the light of this assessment, here are some initial possible tactical moves:

-- Quiet discussions with the Israelis about the concept of a definitive Middle Eastern settlement along the lines in paragraph III, above.

-- Quiet approaches to, say, President Sunay, the Shah, the King of Morocco, President Bourguiba, suggesting this approach.

~~SECRET~~

~~SECRET~~

-3-

-- Quiet beginnings of discussions with moderate Arabs along these lines, as opportunity offers. In this connection, men like Eugene Black, Robert Anderson, Raymond Hare, Kermit Roosevelt might be helpful.

-- Encouragement of arrangements which tend to split the Arab world; e.g., a Jordan-Israeli cease-fire; the revival of U.S. diplomatic relations with one or another Arab state to break the solidity of the bloc; efforts to break one or another Arab oil-producing state out of the Baghdad understanding; etc.

-- A willingness to broaden the mandate of Jack Valenti's mission to the whole field of water in the Middle East -- or the assignment of, say, Eugene Black to some such enterprise as a supplement to Jack's present mission.

At the heart of this approach, however, is a broad and imaginative movement by Israel on the question of refugees. The Johnson plan is a good initial base; but they, we, and others ought to get at this fast. They will -- and should -- make acceptance of these arrangements contingent on a general peace settlement; but they should move quickly, from their present position of strength and political unity in Israel, to an explicit willingness to play their part in a refugee settlement.

W. W. Rostow

cc: Sec. Rusk  
Sec. McNamara  
Mr. McGeorge Bundy  
Mr. Clark Clifford

~~SECRET~~