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4. No decision or action will be taken which might prejudice or otherwise affect the rights of a third country. The United States Government desires to reach a general agreement on oil at an early date which will include all parties concerned in the oil question. The United States Government have therefore decided to arrange with the other countries concerned for a general conference to be held to do with oil. When the United States Government announced that discussions would be held with the British Government they at the same time announced their preparedness to hold similar discussions with any other Governments in order to conclude agreements embracing mutual oil interests of these Governments and the United States.

5. The above communication was made to His Majesty by Mr. Moose who went on to raise yet another question, namely the laying of an oil pipe line in Saudi Arabia. Mr. Moose stated that this question would not be discussed in London although it might be mentioned by chance. It would not be aided by [grp.undec ?rapid] [grp.undec] as a matter for discussion. The United States Government will, at such a time as a definite scheme will have been elaborated, discuss details thereof with the Saudi Arabian Government.

6. His Majesty in reply thanked Mr. Moose and stated that he would discuss the question of the pipe line when a detailed scheme had been submitted to him.

7. Mr. Moose then spoke about the 10,000,000 rials to be minted for the Saudi Arabian Government for sale to the United States Legation and to the oil company. As regards dollar equivalent payable in respect of this sum, 60% thereof would be retained in the Federal Reserve Bank of New York and it was considered in American programme amounts could be used to obtain interest annually in view of His Majesty's objection to using it for the purpose of capital appreciation. It was therefore thought that the best way was for this sum to be invested in United States shares and bonds rather than left to lie idle in the bank, the interest being paid to the Saudi Arabian Government. His Majesty replied that he was strictly opposed to the idea of capital appreciation but that he agreed to the proposal to obtain interest by investment in shares and bonds as this was a legitimate procedure.

8. Mr. Moose next mentioned the 50 lorries which were ready in Egypt for shipment under lease-lend to Saudi Arabia and which were expected shortly as he had already informed Sheik Yusuf Yassin a month or so ago. His Majesty pointed out the difficulties confronting his Government as regards transport owing to the number of vehicles requiring repair and the death of large numbers of camels. His Majesty emphasised that if assistance to the Government was not immediately forthcoming in respect of any transport the whole supply question in the country would be gravely affected and there would be danger of famine. Mr. Moose replied that the question of transport was one of three questions which he wished to discuss namely transport, finance and supply matters. He stated that United States Government were anxious to assist Saudi Arabia and that they had decided to increase their

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