



DEPARTMENT OF STATE
OFFICE OF THE SECRETARY
WASHINGTON

August 5, 1948

~~CONFIDENTIAL~~

SUMMARY OF TELEGRAMS

PALESTINE Our Consul General in Jerusalem believes that while it is still possible to secure the internationalization of that city, the first step should be the demilitarization of Jerusalem backed by an international force of such strength as to command the respect of both the Jews and the Arabs. If some force of this nature is not available immediately, he feels that the project for demilitarization should be abandoned.

IRAN Our Embassy in Tehran understands that the Soviet Ambassador to Iran has recently demanded the removal of the American military missions in that country and the cancellation of the present arms credit program. Both the Soviet Ambassador and Military Attache now plan to leave for the USSR, which one Iranian official believes may portend a very significant change in relations between the two states.

GERMANY The Soviet Military Government in Berlin has proposed through an intermediary the unblocking of all city and western sector Soviet mark accounts under certain conditions which would give the USSR tight control over currency issues. Two pro-western German papers have described the proposal as setting conditions which would give the Soviet Zone Currency Bank virtually complete control over the circulation of currency in the western sectors of the city.

Our Consul General in Bremen reports that the Berlin situation has had the effect of unifying all the non-Communist political parties and entirely isolating the Communists. There is now a feeling of common responsibility to strengthen western Germany, and in that way ultimately to help the eastern zone, which was lacking before.

DECLASSIFIED

E.O. 12958, Sec. 3-402

State Dept. Guideline, June 12, 1979

By NLT-HC NARS, Date 11-13-80 ~~CONFIDENTIAL~~