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MEMORANDUM FOR THE RECORD

SUBJECT: Resume of OCB Luncheon Meeting, 6 March 1957

PRESENT: Mr. Herter, Mr. Cutler, Mr. Dulles, ~~Mr. Sprague~~,
Mr. Larson, Mr. Hollister, Mr. Sprague, Admiral
Strauss, Mr. Gray, Mr. Staats

1. NSC Activities

Mr. Cutler reported on the NSC meeting of 27 February, and referred to the lively discussion on the Planning Board paper listing *seven* critical items of foreign policy. *Mr. Cutler reported the Secretary of the Navy had invited the members of the OCB and the staff to go to Jacksonville and board the Aircraft Carrier, USS President Roosevelt, for maneuvers April 15 - 16. Copies of the invitation are to be sent to the various members of the OCB.*

③ Mr. Cutler then discussed generally the work of the OCB and felt that it would be well to go back to a previous practice of discussing at lunch urgent problems *in the foreign field* of foreign policy where coordinated action was desirable. *④* Mr. Herter referred to the delay in advising Pakistan that we could not make funds available to them under PL 480, as funding under that section was exhausted. Mr. Hollister reported that during his recent visit to Pakistan he had

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clearly informed officials of Pakistan to that effect.

⑤ Mr. Herter reported that the Foreign Minister of Israel ^{advised} had ~~made it clear to~~ him that Israel was ready, when a settlement of pending problems was reached, to take back 25,000 of the Gaza refugees.

⑥ The DCI gave a brief report on the status of the Syrian situation.

⑦ DCI referred to the discussion at the NSC that morning with regard to aid to the Chinese refugees in the Hong Kong area. He said that this seemed to be a major problem as a million refugees were involved and the number was increasing at the rate of some 80,000 annually. He suggested that a full study of this matter might be desirable to ascertain where responsibility lay, and how we could prevent this from becoming an unending relief problem.

⑧ The DCI gave Mr. Hollister a report on the distribution of the Nile waters in answer to an inquiry he had made in an earlier meeting.

⑨ There was some discussion of an offer by Switzerland to buy a hundred F-86d's which had at one time been programmed for Yugoslavia and were now eating up funds as storage costs. Apparently pay cash the Swiss were ready to ~~buy these~~ to the tune of \$26,000,000 for these aircraft. It was generally agreed that this was a matter between

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State and Defense but that it would be a very desirable deal to consummate, particularly if it could be done without alerting the Yugoslavs to the fact that these planes had one time been programmed for them. It was felt that Yugoslav needs could be met out of later deliveries if the situation required.

ALLEN W. DULLES
Director

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