

**December 28, 1960**

**Memorandum from Under Secretary of State for  
Political Affairs Livingston Merchant to Assistant  
Secretary of State for Near Eastern Affairs G. Lewis  
Jones**

**Citation:**

"Memorandum from Under Secretary of State for Political Affairs Livingston Merchant to Assistant Secretary of State for Near Eastern Affairs G. Lewis Jones", December 28, 1960, Wilson Center Digital Archive, RG 59, Records of Special Assistant to the Secretary of State for Atomic Energy and Outer Space, Records Relating to Atomic Energy Matters, 1948-1962, box 501, CF 21.50 Israel F. Reactor 1960.  
<https://digitalarchive.umd.edu/document/121950>

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*S/AE The Farley*

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December 28, 1960

TO:            NEA - Mr. Jones  
THROUGH:    S/S  
FROM:         M - Mr. Marchant

SPECIAL ASSISTANT  
TO THE SECRETARY  
S/AE  
DEC 28 1960  
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*Reuter*  
**S/AE FILE COPY**  
*[Handwritten marks]*

There was considerable discussion of the Israeli nuclear reactor at OCB lunch today. John McCone was not present, but Allen Dulles emphatically voiced his view that the Israeli Government had by no manner of means yet come clean with us. There was also some annoyance expressed at the affirmative action last week of the DLF Board in approving the Israeli loan notwithstanding the unanimous view expressed at the previous OCB meeting that action on this should be delayed. On the latter point I explained that there were mechanical reasons justifying proceeding but that I had instructed that all aware of the action should be cautioned against any communication of it to the Israeli and that any public announcement of the DLF action was to be withheld pending further instructions.

Gordon Gray emphasized that the President still expected us to follow-up, but not necessarily publicly, with the Israeli in an effort to secure their agreement to submit the operations of the reactor to the standard IAEA safeguards. I said that, in light of the large amount of uncalculated newspaper publicity and the violence of Arab reaction, the Department was not anxious publicly to prolong the discussion of the reactor in the press. I said, therefore, our further efforts in line with the President's wishes could be expected to be conducted quietly through diplomatic channels.

I would appreciate it if you would bring me up to date on what has been done in this connection and what is further planned.

I would also appreciate it if you would let me know the status of the Treasury Department's examination of the tax deductibility of certain classes of contributions to Israel made in this country.

cc: S/AE - Mr. Farley

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By TB/DAL NARA, Date 11/30/11

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