

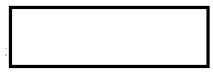
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NEAR EAST-AFRICA

1. **PALESTINE: Arabs demand return of refugees--Secretary General Azzam Pasha of the Arab League recently told an official of US Embassy Cairo that the Arab countries would refuse to discuss a Palestine settlement until the right of the Arab refugees to return to their homes had been acknowledged by the UN and accepted by Israel. Azzam Pasha added that he had proposed to UN Mediator Bernadotte that the UN undertake to resettle 100,000 refugees in Haifa and Jaffa, which would become neutral zones under UN control. Azzam Pasha also mentioned to Bernadotte the possibility of achieving a settlement through the cantonization of Palestine into Jewish and Arab districts according to population.**

(CIA Comment: It is extremely unlikely that the Provisional Government of Israel would agree to any of these proposals.)



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