

FIRST DRAFT OF SECOND MONTHLY PROGRESS REPORT TO THE SECURITY COUNCIL

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The United Nations Palestine Commission herewith renders to the Security Council its Second Monthly Progress Report as provided for in paragraph 14, Section B, Part I of the resolution of the General Assembly on the Future Government of Palestine (document A/516).

A. Scope of the Second Monthly Report

The Commission, in its First Special Report dated 16 February 1948, drew the attention of the Security Council to the security problem in Palestine (document A/AC.21/9). Except for Section 6 of this report, dealing with the problem of militias, the present report is primarily concerned with the preparatory work which the Commission has undertaken since its First Monthly Report.

B. Consultations with the Mandatory Power

1. In the concluding sentence of its First Monthly Report, the Commission emphasized that "in view of the complicated and often highly technical nature of the problems incident to the implementation of the resolution, and the limited time at the disposal of the Commission before the termination of the Mandate, the Commission attaches the greatest importance to the progress of its negotiations with the Mandatory Power." Consultations have continued with the representative of the United Kingdom, Sir Alexander Cadogan and his associates. Mr. Creech-Jones, United Kingdom Secretary of State for the Colonies, also met with the Commission during his recent visit.

2. In addition to the more formal procedure of submitting written questions to the Mandatory Power and holding hearings in the full Commission, a procedure of exploratory conversations between individual members of the Commission and the Delegation of the United Kingdom has been followed. Members of the Commission designated to discuss particular subjects with the Mandatory Power report from time to time to the Commission on the progress of their conversations.

C. Consultations with the Jewish Agency

Consultations with representatives of the Jewish Agency have been pursued during the month of February, particularly in connection with economic and financial problems.

D. Questions connected with the discharge of the future administrative responsibilities of the Commission in Palestine.

1. The Commission had indicated in its First Monthly Report (Section 10) that, while it had received answers to the questions put to the Mandatory Power as regards immigration, it was expecting replies to a number of questions

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relating to the security problem and to the discharge of the Commission's future administrative responsibilities in Palestine. These replies were received on 30 January and subsequently the answers to questions concerning security have been summarized in the First Special Report to the Security Council.

2. The following questions put by the Commission and the answers given by the Mandatory Power indicate the extent to which the Commission will be able or unable to discharge its administrative responsibilities:

a) Question

Having regard to the statement of Sir Alexander Cadogan at its sixth meeting on 14 January, to the effect that the United Kingdom Government will relinquish its responsibility for the government of Palestine "... as a whole. They cannot agree to relinquish it piecemeal", what interpretation does the United Kingdom Government place upon and what are its plans with regard to paragraph 2, Section B of Part I of the General Assembly's resolution, which reads as follows:-

"The administration of Palestine shall, as the Mandatory Power withdraws its armed forces, be progressively turned over to the Commission, which shall act in conformity with the recommendations of the General Assembly, under the guidance of the Security Council. The Mandatory Power shall to the fullest possible extent co-ordinate its plans for withdrawal with the plans of the Commission to take over and administer areas which have been evacuated.

"In the discharge of this administrative responsibility the Commission shall have authority to issue necessary regulations and take other measures as required.

"The Mandatory Power shall not take any action to prevent, obstruct or delay the implementation by the Commission of the measures recommended by the General Assembly."

Answer

His Majesty's Government in the United Kingdom assume that paragraph 2 of Section B of Part I of the Plan of Partition with Economic Union applies only after the termination of the Mandate. With effect from

the date of the termination of the Mandate therefore, the whole of Palestine will be at the disposal of the Commission subject to overriding control by the General Officer Commanding in those areas in which he is in military occupation, which will be progressively reduced. The Commission will be informed in advance of the reductions contemplated.

b) Question

Is it to be understood from Sir Alexander's statement to the Commission at its sixth meeting on 14 January, that his Government would be "prepared to agree to the Commission's arrival in Palestine shortly before the Mandate is terminated, in order that there may be an overlap of, say, a fortnight during which the Commission can take up its responsibilities", that the Government of the United Kingdom would not regard favourably a decision of the Commission to come to Palestine at an earlier date if the Commission should consider this necessary for the discharge of its functions?

Answer

His Majesty's Government in the United Kingdom would not regard favourably any proposal by the Commission to proceed to Palestine earlier than two weeks before the date of the termination of the Mandate.

c) Question

What measures is the Mandatory Power, as the sole authority in Palestine until the termination of the Mandate, prepared to take with regard to the security of the Palestine Commission in Palestine? What facilities is the Mandatory Power prepared to provide for the accommodation and transportation of the Commission in Palestine?

Answer

Responsibility for the security of the Commission will be accepted by the Mandatory Power so long as the Mandate continues, provided that the period between the Commission's arrival in Palestine and the termination of the Mandate does not exceed two weeks. This responsibility can only be accepted if the Commission is prepared to accept the advice

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of the Government of Palestine by limiting its activities to those for which the Government of Palestine could undertake to offer protection. As regards accommodation and transportation, the Government of Palestine will give all possible assistance to any staff that the Commission may wish to send to Palestine for the purpose of finding accommodation and making arrangements for the necessary facilities but it is not in a position to provide these itself. Additional information on this point has already been supplied to the Commission.

d) Question

Does the Mandatory Power propose to maintain administrative services unchanged in areas from which its forces have been evacuated prior to the date of termination of the Mandate?

Answer

Yes, although the extent and efficiency of administrative services provided in these as in other areas will depend upon the degree to which it is possible to maintain order.

e) Question

In what manner is the Mandatory Power prepared, prior to the termination of the Mandate, to facilitate the work of the Commission respecting the measures it must take to establish the new frontiers?

Answer

The Mandatory Power cannot facilitate the delimitation of frontiers on the ground although it is prepared to make available to the Commission all information in its possession which may be relevant to subsequent delimitation.

f) Question

How will the Commission have access to the files and information of the Palestine Administration prior to the termination of the Mandate?

Answer

It is suggested that the Commission or its staff should take up this question on arrival in Palestine.

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On the appointed day for the termination of the Mandate, is it the Mandatory Power's intention to turn over to the Commission "the whole complex of governmental responsibilities for the whole of Palestine" without any reservations?

Answer

It will be open to the Commission on the date of the termination of the Mandate to assume full responsibility for Government in the whole of Palestine, subject to the overriding military jurisdiction of the General Officer Commanding in areas to be specified by him. Details of the powers of the General Officer Commanding will be brought to the notice of the Commission as soon as they are available.

h) Question

What is the time-table and what are the details of the United Kingdom's plan of withdrawal with respect to matters of civil administration?

Answer

Civil administration will be maintained throughout Palestine as far as the security situation permits until the date of the termination of the Mandate. As the Commission have already been informed, the responsibility of the Mandatory Power will be relinquished as a whole on that date.

His Majesty's Government in the United Kingdom would like to take this opportunity of making clear to the Commission their views as to the position of Palestinian staff after the date of termination of the Mandate. As the Government of Palestine, the present employer of all British and Palestinian staff, will cease to exist on 15 May, all appointments, contracts and agreements with that employer must, therefore, be terminated by that date. It will be open to the Commission or to any successor authority to offer employment to any personnel thus released. There can be no question of the outgoing authority handing over to the Commission their former servants under any obligation, by the terms of their employment, to continue service with the Commission. In these circumstances, it is essential that the Commission should announce at an early date the terms which it is proposed

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to offer to Palestinian officers and also to those British officers who may decide to terminate their appointments with the British Administration so that the Commission may be given information as to what personnel are likely to be available in Palestine.

1) Question

Is the Mandatory Power prepared, in view of paragraph 12 of Section B, Part I of the Assembly Resolution, to include in the assistance which it may render to the Palestine Commission the temporary secondment to essential posts in Palestine of any of the personnel in the Palestine administration for service under the Commission during the transitional period?

Answer

British personnel cannot be seconded to the staff of the United Nations Commission for service in Palestine because His Majesty's Government in the United Kingdom have frequently made it clear that they are unable to provide any part of the machinery of implementation. It will, of course, be open to any British officers who do not intend to remain in the service of the Crown to volunteer for service with the Commission.

3. As indicated above, the consultations with the Mandatory Power have confirmed that the latter firmly intends to retain undivided control in Palestine until the date of the termination of the Mandate (15 May 1948), and that it "would not regard favourably any proposal by the Commission to proceed to Palestine earlier than two weeks before" that date. While the Commission would thus in fact be prevented from exercising any administrative responsibility in Palestine prior to 15 May, it would have to assume full responsibility on that date, except in those areas in which the British General Officer Commanding would be "in military occupation, which would be progressively reduced."

4. Faced with a situation over which it has no control, the Commission has endeavoured to discover how it might best prepare to cope with the difficulties which will confront it on 15 May, when full authority is to be transferred to it, overnight, in fact, within two weeks after its anticipated arrival in Palestine.

5. Following a suggestion by the Mandatory Power that although the Commission itself could not now come to Palestine, it might wish to send a few members of its staff for the purpose of finding accommodations and making arrangements for facilities with the Palestine Government, the Commission, following negotiations on the matter, decided to send an advance party to Palestine composed of six members of the Secretariat. The Commission has made it clear to the Mandatory Power that this advance party is in Palestine for purposes of observation and exploratory discussions only, and that it is in no sense to be interpreted as an acceptable substitute for the Commission itself, even in the preparatory work. The advance party left New York on 22 February, stopped for a few days in London and on the advice of the Colonial Office, timed its travel schedule so as to arrive in Palestine on 29 February. The advance party, under the protection of the Palestine Government, is now working in Jerusalem.

6. Another question which has required the attention of the Commission is that of the continuity of essential administrative services after the termination of the Mandate, as envisaged in paragraph 13, Section B, Part I of the Assembly's Plan. At present the extent and efficiency of administrative services is hampered not only by the security situation, but by the departure or impending departure of British personnel. The Commission had envisaged that the transfer of authority might be facilitated if, prior to the termination of the Mandate, the Mandatory Power would agree to partition, in consultation with the Commission, the functions and personnel of the Palestine Government Departments. The Mandatory Power has replied that for practical reasons it could not undertake to re-organize the functions or personnel of departments during the closing stages of the Mandate. It intends, moreover, to terminate by 15 May all appointments, contracts and agreements concerning not only the British but the Palestinian staff employed by the Palestine Government. No members of the staff would be available to carry on after that date except those who were ready to accept new employment under the Commission. The Mandatory Power has emphasized that it is not to be anticipated that any Arab staff would be prepared to accept such employment.



7. The Commission, which has been recognized by the Mandatory Power as the successor authority following the termination of the Mandate, has insisted on the necessity of ensuring continuity in the functioning of the administrative machinery as called for in the Assembly's Plan. The Commission does not accept the view that the termination of all staff contracts is an unavoidable consequence of the termination of the Mandatory regime. It has advised the representative of the United Kingdom of its considered opinion on the subject. It has, moreover, as a practical measure, requested the Mandatory Power to inform the employees of the Palestine administration that its policy "will be to ensure the maintenance of existing conditions of employment for all employees of the Palestine Administration who continue in service after the termination of the Mandate." Employees who desire to continue in service will be able to inform the Commission of their intention through the Palestine Administration. Moreover, in order to avoid, or at least to minimize, the depletion of Palestine's Treasury by the payment of compensation and other benefits to employees whose employment is to be terminated on 15 May 1948, the Commission is negotiating with the Mandatory Power on the subject of payment of abolition benefits.

8. The Commission is discussing with the Mandatory Power a number of other matters, including the continuity of postal services, the return of Jewish detainees from Kenya, the preparation of draft estimates for the budget of the fiscal year 1948-49, legislative changes proposed by the Mandatory Power, the public information service, and the disposition of various assets of the Palestine Government.

E. Impossibility of implementing within the prescribed time limit the provision of the Plan of the General Assembly concerning the Provisional Councils of Government

1. The Plan of the General Assembly (Part I, B, 4) provides that "if by 1 April 1948 a Provisional Council of Government cannot be selected [by the Commission] for either of the States, or, if selected, cannot carry out its functions, the Commission shall communicate that fact to the Security Council for such action with respect to that State as the Security Council may deem proper, and to the Secretary-General for communication to the Members of the United Nations".

2. On the basis of compelling evidence, the Commission has the duty to inform the Security Council now:

a) that the attitude of the Arab Higher Committee and Arab resistance in Palestine precludes the possibility of selecting a Provisional Council of Government for the proposed Arab State by 1 April;

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b) that, while the Commission can/and has in fact taken some preliminary steps toward the selection of the Provisional Council of Government for the proposed Jewish State, that Provisional Council will not be able to "carry out its functions", in the sense of the Plan, prior to the termination of the Mandate.

c) The position of the Mandatory Power, as indicated in the reply to a question of the Commission set forth below, precludes any possibility of fulfilling, by 1 April, Part I, B, 4 of the Plan, as regards either the Arab or the Jewish State.

The Commission had inquired:

"In what manner is the Mandatory Power prepared, prior to the termination of the Mandate, to facilitate the work of the Commission respecting measures it must take to establish the Provisional Councils of Government?"

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The Mandatory Power replied as follows:

"Subject to its overriding responsibility for the maintenance of law and order, the Mandatory Power would not impede any preliminary steps taken by the Commission with this object in view, although such Councils could not exercise any authority prior to the date of the termination of the Mandate."

F. Impossibility of taking preparatory steps for the formation of militias

1. In its First Special Report to the Security Council (VII,2) the Commission had indicated that it had approached the Mandatory Power in order to determine whether adequate preparatory steps might be taken with the end in view of enabling the armed militias provided for in the Assembly's Plan to be responsible for the maintenance of law and order immediately following the termination of the Mandate. The Commission had asked one of its members to discuss with the Delegation of the Mandatory Power a number of points in connection with this matter.

2. The Delegation of the Mandatory Power was informed that among the preparatory steps concerning the militia which the Commission had in mind were:

- a) designation of cantonment areas;
- b) recruiting by the Commission itself or by either Provisional Council of Government;
- c) training with or without arms;
- d) equipping;
- e) establishment of Cadres.

3. The following answer has been received from the Government of the Mandatory Power:

"Generally speaking, none of these activities can be permitted in Palestine prior to the termination of the Mandate, although it is possible that some preliminary steps might be taken during the last fortnight of the Mandatory period."

The Commission has informed the Mandatory Power that its position on the question of the militias is unsatisfactory.

4. In view of the above answer, and since effective, responsible militias cannot be organized, trained, and equipped in a matter of days, the Commission can only confirm the conclusion stated in its First Special Report. In the absence of adequate non-Palestinian forces available for the preservation of law and order after the termination of the Mandate, there will inevitably be a security vacuum in Palestine.

5. In this connection, the Mandatory Power has pointed out that "Municipal Police Forces are being formed to ensure as far as possible at least a measure of local security during the period between the termination of the Mandate and the organization by the successor authorities of some machinery for the preservation of law and order". The Mandatory Power has added that "the Commission may be assured that the creation of such Municipal Police Forces, far from adding to the dangers of conflict between the Jews and the Arabs or affecting the formation of militias, will represent the best contribution that could be made to the maintenance of security in purely Jewish or Arab areas".

6. In view of the negative attitude of the Mandatory Power concerning preparations for the formation of militias and the implementation of the Assembly's Plan in general, the creation of local Police Forces may be considered by it as the best contribution that it could make. In the view of the Commission, however, this is an inadequate, if not dangerous, device.

7. The Commission has already expressed an opinion on this point in its First Special Report to the Security Council. It has pointed out that on the date of the termination of the Mandate there would be "no legally constituted overall security organization in either State, since Arab and Jewish local police will be scattered throughout the country in Arab and Jewish areas without regard to the boundary lines envisaged in the plan of partition. Moreover, the local Arab police in the Jewish State, because of their possible hostility to the work of the Commission, may well constitute an additional security hazard".

G. Economic and Financial Questions

1. The Commission has not yet been able to complete the membership of the Preparatory Economic Commission, since none of the several nominees so far approached for the two remaining positions have been able to accept. It is expected, however, that as a result of steps now being taken the organization of the Preparatory Economic Commission will shortly be completed.

2. The question of maintaining an adequate flow of imports of allocated foods and fertilizer to Palestine after the termination of the Mandate has been fully considered by the Commission. A serious food shortage, especially of bread cereals, will develop in Palestine after 15 May unless the Commission is able to make effective arrangements for further shipments within the next few weeks. The Senior Economic Adviser to the Commission, accompanied by a food expert, recently visited London at the invitation of the British Ministry of Food to discuss future food problems in Palestine. As a result of these discussions and subsequent deliberations of the Commission, certain specific proposals have now been placed before the Mandatory Power with a view toward ensuring that the food situation in Palestine will be prevented from deteriorating immediately after the termination of the Mandate. The arrangements proposed thus far, however, will do no more than meet the needs of Palestine for a few weeks, and the Commission is now considering further plans. These plans visualize seeking additional financial assistance by way of a loan for a working capital fund secured against future revenues of Palestine.

3. On 22 February 1948 the Mandatory Power issued a Treasury Order blocking all of the accumulated Palestinian sterling balances held in London and excluding Palestine from the sterling area. This action was taken by the Mandatory Power without prior consultation with the Commission or notification of intention. The Commission is now considering the situation created by this Order and is in process of formulating its own plans. One consequence of the Order is that the Commission must very shortly negotiate with the Mandatory Power regarding releases of sterling balances after May 15.

4. The Commission has also taken up the question of the future of the Palestine Currency Board. It has decided to appoint immediately an observer to attend the regular meetings of the Currency Board, on the suggestion of the Mandatory Power, reserving the position which it will take on this question after 15 May.

5. The Commission has also heard the views of the representatives of the Jewish Agency regarding the Currency Board, the relation of Palestine to the sterling area, and the financing of food supplies.

#### H. Conclusion

1. Negotiations with the Mandatory Power and the Jewish Agency will be continued. The Commission is aware, however, that in view of the position taken by the Mandatory Power, and the steady deterioration of conditions in Palestine, the prospect becomes increasingly remote for the achievement of continuity in administrative services and for an orderly transfer of authority to the Commission upon the termination of the Mandate.

The Commission reports with regret that its preparations for the responsibilities which it must shoulder on 16 May are rendered extremely difficult by the policy of the Mandatory Power. The decision of the Government of the United Kingdom not to cooperate in the implementation of the Plan adopted by the General Assembly prevents in many vital respects a satisfactory coordination of the plans of the Commission with those of the Mandatory Power.

2. The Commission has the duty to reiterate that present indications point to the inescapable conclusion that when the Mandate is terminated Palestine is likely to suffer severely from administrative chaos and disorders of utmost gravity.