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Prime Minister
CONFIDENTIAL
PM/S/53/274

SUDAN (Part II)

46

In your minute M244/53 of July 24, you asked about the Foreign Office position on the question of the Sudan joining the Commonwealth.

2. Under the agreement of last February, the Sudanese have a choice at the time when they determine their destiny of
- (a) "linking the Sudan with Egypt in any form", or
 - (b) "complete independence".

The Secretary of State made it clear in Parliament on February 17, and the Minister of State at a Press Conference in Khartoum on March 25 of this year, that a completely independent Sudan would have complete freedom to decide its own foreign relations, and that there is nothing in the Sudan agreement to prevent the Sudanese expressing a wish to join the British Commonwealth.

3. The Egyptians know the position perfectly well, but in their propaganda at home they like to pretend that they have left no opening for the Sudanese in this direction; and they want to create an impression on the Sudanese that, because there is no specific reference to joining the British Commonwealth in the agreement, an independent Sudan would not be able to take a decision. The Sudanese are not likely to be taken in.

4. I attach a report of what the Minister of State said in Khartoum on this subject.

LM
Sahabing

July 27, 1953.
K 287

Duplicate noted & returned 30/7/53.

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Whether Sudan chose union with Egypt or independence, Her Majesty's Government would desire continuing friendship. If union chosen, Egypt would presumably conduct foreign affairs, and any arrangements would depend on Egyptian Government. If independence chosen, Her Majesty's Government would welcome any relationship which could properly be entered into between two sovereign independent countries.

As regards reference to Commonwealth, difficulty arose from genuine misunderstanding. Commonwealth is association of completely free and independent peoples and it is open to any country, which has been connected with British Commonwealth and Empire, to seek membership of that association. Nothing inconsistent between independence and membership of Commonwealth. India, Pakistan, Ceylon today completely independent. All countries of Middle East have part to play in regional defence agreement and free and independent Sudan should have rightful place in any such arrangement. Important to remember threat to free world at present time presented by military communism.

Sansbury

Sudan (Pt II)
A
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INWARD SAVING TELEGRAM
FROM CAIRO TO FOREIGN OFFICE

By Bag

FOREIGN OFFICE AND
WHITEHALL DISTRIBUTION

Mr. Hankey
No. 175 Saving
July 18, 1953

R. July 22, 1953

Addressed to Foreign Office telegram No. 175 Saving of
July 18

Repeated for information Saving to: Washington B.M.E.O.
Paris

Replying to listeners' questions in a half-hour broadcast on July 16, Major Salem, Minister of National Guidance, made the following statements:-

- (i) The Sultana Malak (widow of Sultan Hussain) would continue to receive a pension as the Revolution was humanitarian and wished to spare the Sultana any humiliation especially as she was an old woman who had done no harm to Egypt.
- (ii) The property of the former Royal Family would not be confiscated because the régime was not bent on plunder. These persons had not done so much harm as certain other Egyptians and they were now ordinary citizens fulfilling their obligations and enjoying their rights as such.
- (iii) The maximum salary of Cabinet Ministers would not be reduced to £E.150 a month because after certain essential expenses had been deducted from the present salary of £E.162 a month, only £E.130 remained.
- (iv) Under the Sudan Agreement the Sudanese could not choose to join the British Commonwealth.
- (v) New development projects would provide work for the majority of new graduates from the Universities.
- (vi) The cost of living was a world problem. With the increase of production in Egypt, the cost of living would fall.
- (vii) The Liberation Rally was in no way a political party.

/(viii) Statues ...

A

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Cairo telegram No. 175 Saving to Foreign Office

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- (viii) Statues of members of the Mohamed Ali dynasty would not be removed because they represented an era of Egyptian history. Whether good or bad, history could not be ignored.
- (ix) The present transitional period of three years was quite sufficient and would certainly not be extended to 10 years.

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THIS DOCUMENT IS THE PROPERTY OF HER BRITANNIC MAJESTY'S GOVERNMENT

*Printed for the Cabinet. July 1953*SECRETC. (53) 197
7th July, 1953

Copy No. 2

CABINET

THE SUDAN

MEMORANDUM BY THE MINISTER OF STATE

In (C. (53) 168), I described my conversations with Sir Sayed Abdel Rahman el Mahdi during his visit to this country for the Coronation.

2. Since the Mahdi's return to Khartoum, the Umma Party have discussed their next moves amongst themselves, and with Mr. Luce, the Head of the Governor-General's Office. They have shown signs of weakening in their determination to break with the Egyptians. Neguib has withdrawn his tactless letter of 23rd May and has promised that any misunderstandings can be smoothed out; the Umma are consequently inclined to give the Egyptians another chance to mend their ways. They have said, however, that their Executive has decided that if the Egyptians either refuse to give the assurances demanded by them or, having given such assurances, fail to carry them out fully within about a month, then the Umma Party will state publicly that the Egyptians have broken their Agreement, will launch an all-out press and propaganda attack against Egypt and the pro-Egyptian party, and will co-operate openly with us. They have also said that they will discuss with the Socialist Republican Party working arrangements for constituencies where these two pro-independence parties are in conflict.

3. Our latest information is that Neguib has now told Abdulla Khalil, Secretary-General of the Umma Party, that he would favour real independence for the Sudan, with treaty relations to safeguard the mutual interests of the two countries but that he dare not say so publicly. We also learn that his Minister for Sudan Affairs—Major Salem—has given assurances that support of the National Unionist Party will cease. The Umma are accordingly waiting about three weeks to see what happens; but in the meantime Salem is paying a visit to the Sudan with the alleged object of bringing the Mahdi and his rival, Sayed Ali, closer together.

4. We may not in fact get any explicit denunciation by the Umma Party of their Agreement with the Egyptians, but I think they might in certain circumstances go so far in non-co-operation with the Egyptians and in conducting an all-out electoral campaign against the pro-Egyptian party that we could support them without too much risk of their letting us down again. If, on the other hand, they succeed in persuading the Egyptians to call off their improper activities, the situation would be quite different; we might still be able to co-operate with them, if we were satisfied that they had really changed the Egyptian attitude.

5. The Governor-General returned to Khartoum on 5th July and will be reporting on the present situation.

6. With regard to the elections, the only important development is that the Egyptian and pro-Egyptian Sudanese members of the Electoral Commission have staged a walk-out on an issue concerned with the right of tribal leaders to take part in politics. It was an issue on which the Indian Chairman, the United States member and the Umma Party member of the Commission were at first almost wholly in sympathy with the pro-Egyptian point of view. We have our member of the Commission, Mr. Penney, to thank for the fact that the two advocates of extreme courses were thus in the end isolated. The Commission adjourned in mid-June until mid-August, and it seems probable that the Egyptian member, and possibly the pro-Egyptian Sudanese, will return when the Commission reassembles. In any case, preparations for the elections (to be held in October and November) are complete.

S. L.

*Foreign Office, S.W. 1,
7th July, 1953.*

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THIS DOCUMENT IS THE PROPERTY OF HER BRITANNIC MAJESTY'S GOVERNMENT

Printed for the Cabinet. June 1953

SECRET

C. (53) 168

11th June, 1953

Copy No. 2

CABINET

THE SUDAN

MEMORANDUM BY THE MINISTER OF STATE

As foreshadowed in the last paragraph of C. (53) 131, the Umma have now been overtaken by a healthy fear of Egyptian money and propaganda. The Umma leaders are in correspondence with the Egyptians and, on 23rd May, Sayed Sir Abdul Rahman el Mahdi (S.A.R.) received a letter in which Neguib explained that even an independent Sudan would have common economic and defence policies with Egypt. This has further frightened the Umma.

2. On 27th May I had a long conversation with S.A.R., who was accompanied by Abdullah Bey Khalil, Secretary-General of the Umma Party, and Ibrahim Ahmed, one of the Sudanese members of the Governor-General's Commission. S.A.R. told me that he regarded Neguib's letter as quite unsatisfactory. In his opinion, the Egyptians were entitled to assurances about Nile waters, but apart from this the Sudan must be quite independent of Egypt. In a conversation with Abdullah Khalil at Cairo airport, Neguib had tried to deny that the Egyptians were spending money to influence Sudanese opinion, and had argued that it was the British who were making propaganda in the Sudan. This conversation became so heated that S.A.R. himself had had to move away. S.A.R. told me that he did not accept Egyptian denials and had pointed out to Neguib that while the Egyptians had an interest in persuading the Sudanese to choose union with Egypt, there was no direct British interest involved in the choice of independence.

3. I was told that Abdullah Khalil would soon return to Khartoum (he left on 7th June) and the Umma executive would draft a reply to Neguib's letter. They will say that, unless the Egyptian Government cease their active support of the Unity Party in the Sudan, the Umma will announce that the agreement reached between them and the Egyptians last October is at an end. I warned S.A.R. not to be drawn into an endless, inconclusive correspondence. He said he was alive to this danger; he thought a break with the Egyptians was almost certain and the time had come for the Sudanese and the British to work together. I agreed.

4. In a discussion of tactics and possible Egyptian moves, I said that it was quite clear that the Egyptians had broken their promises to the Umma, and the latter should make their position clear publicly. If they declared that, because the Egyptians had consistently broken the agreement, the Umma would no longer be bound to it, then Her Majesty's Government would have the opportunity to support them publicly by saying that the Egyptians had consistently worked against the "free and neutral atmosphere" prescribed in the Anglo-Egyptian agreement of February and that they were determined that the Sudanese should have a genuine opportunity to choose independence.

5. I told S.A.R. that, if Her Majesty's Government were to co-operate with the Umma, there were certain pre-requisites:—

- (a) the Umma should make their position clear in relation to the Egyptians;
- (b) the supporters of independence should form a common front—the Umma and the Socialist Republican Party should come to an understanding;
- (c) in order to get the support of the South, the Umma should give firm assurances that the British administrators would remain in the South for some considerable time.

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6. S.A.R. thought that these conditions could be met. He added a suggestion that the date of self-determination should be brought forward. He said that relations between the Sudanese and the British had been shaken and might deteriorate further if self-determination was delayed, but he was sure they would come right once an independent Sudan came into existence.

7. I said that there seemed to me to be two phases:—

- (i) In the period between now and the autumn it was necessary to build up an independence front which would go out to win the elections.
- (ii) If the elections went satisfactorily, then Her Majesty's Government, the pro-independence Sudanese Government and the British Administration would together be in so strong a position that they would not need to worry too much about Egypt in deciding what to do.

8. S.A.R. then asked me whether Her Majesty's Government would buy his cotton at a favourable price, *i.e.*, at one well above the market price. I said that it would be impossible to conceal such a purchase, and it would greatly damage S.A.R.'s own position. I said, however, that we would consider how we could help over his cotton, and that we would also consider whether there was any other way in which we could help him and the Umma.

9. When I entertained S.A.R. to lunch on 3rd June, there was further discussion about cotton, and I hope that he and perhaps also his son will go to Manchester and Liverpool to discuss his problem. I hope that he will see representatives of the Raw Cotton Commission and the private interests concerned. We are arranging for him to be made a fuss of.

10. It will be seen that there is a chance that the Umma will in the course of the next week or two break clear of their Egyptian entanglement, and that we shall then be able to work out a plan for co-operation with them which will ensure that Egyptian attempts to prevent the emergence of an independent Sudan do not succeed. It may be that the Egyptians will then accuse us of wrecking the Agreement, and themselves repudiate it, calling on the pro-Egyptian parties in the Sudan to boycott the elections. This would, of course, enable us to carry on with the policy of self-government and self-determination with the co-operation of the strongest Sudanese political party, and, I hope, of all but a minority of Sudanese.

11. We do not in any case want to allow the Umma to get out of step with us, and thus give the Egyptians a fresh opportunity of exploiting our differences. Our trump card is our willingness to let the Sudanese have their independence; and the Egyptians will neglect no opportunity of exploiting any action on our part which seems to cast doubts on this. If relations with Egypt deteriorate to the point at which the Agreement becomes unworkable, there is a good chance that we shall be able to take the Sudanese with us in any measures which are necessary in the Sudan. But it will be essential to persuade the Sudanese that our actions are in their interests (they are only too ready to suspect our motives), and that responsibility for the breakdown of the Agreement (if it occurs) lies squarely on Egyptian shoulders.

12. Meanwhile we are going ahead with our activities. The Trade Commissioner's Office with its Information Section is now established in Khartoum. The question of re-opening the British Council depends on the provision of the necessary funds. If we are to embark on a policy of co-operation with the Umma party we may also have to give them and the other independence parties some help. This will, of course, have to be kept secret.

13. In considering the prospects in the Sudan, it is necessary to remember that S.A.R. and his son are tricky customers, but I think that they genuinely want the independence of the Sudan.

14. Finally, I am glad to be able to report that we seem to have dislodged the conviction in the minds of the Sudan Political Service that their rôle is to be neutral spectators of events.

S. L.

Foreign Office, S.W. 1,
11th June, 1953.

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Add to Section 11/544

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P.M./M.S./53/207

CONFIDENTIAL

PRIME MINISTER

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The Mahdi

One of our troubles in dealing with the Mahdi and his supporters is their reluctance to come ^{opt} into the open. As I said in my minute of June 4 (PM/MS/53/189) ^{- flag 'X'}, I think there is a more than even chance that they will repudiate their agreement with the Egyptians, but even then there is a danger that they will want to avoid committing themselves to us publicly, and thus leave the way open for them to rat again if it suits them. At present, they think it is good tactics to match their attacks on the Egyptians with attacks on "British imperialism". Their newspapers, for example, keep up a running fire against the British administration in the Sudan, and against the Trade Commissioner's Office we have set up there. They take the Egyptian side on the Canal Zone issue; and the Mahdi's son, Siddik, who is President of the Umma Party, has himself said publicly in reference to the Anglo-Egyptian dispute that "his party supports Egypt in her struggle for full freedom and independence".

2. I think it would be salutary if you mentioned to the Mahdi when you see him on Wednesday that we do not think much of friends who are ashamed to admit their friendship for us. If we are to have a policy of co-operation between us to secure Sudanese independence against Egyptian designs, we shall expect his newspapers at least to avoid a hostile attitude. You might
/add

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add that it is particularly unfortunate that Siddik should have made his statement supporting Egypt, and ask how the Mahdi and his supporters can complain of Egyptian bad faith, and then in the same breath say that they support Egypt in breaking her treaty with us.



June 9, 1953
K.

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SECRET

No. 1
(1050/5/53)

Office of the United Kingdom
Trade Commissioner,
P.O. Box 801,
KHARTOUM.

19th May, 1953.

Sir,

I have the honour to inform you that the suspension of the Anglo-Egyptian talks on the Suez Canal base has caused uneasiness among the politically conscious Sudanese and speculation as to the effect which a complete breakdown of the negotiations might have on the Anglo-Egyptian Agreement of February, 1953 and the constitutional development of the Sudan. It was in the light of this situation that the Governor-General felt it necessary to issue the public statement contained in his telegram No. 538 of the 12th May to you.

2. In so far as the Sudanese have any strong sympathies in the Anglo-Egyptian dispute they lie with the Egyptians. In the case of active members of the National Unionist Party this goes without saying and the telegram of support sent by Ismail el Azhari, the head of the party, to General Neguib on the 30th April, was only to be expected. It is more instructive and important to consider the attitude of the main party favouring independence - the Umma. This party through its President, Sayid Seddik el Mahdi, has issued a statement to the effect that it supports Egypt in her struggle for full freedom and independence.

/3. Too much

Sir Winston Churchill, K.G., P.C., O.M.,
etc. etc. etc.,
Foreign Office,
London. S. W. 1.

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3. Too much significance can of course be attached to such a statement particularly when it continues by expressing the hope that Egypt will similarly want the Sudan to achieve independence. But it remains of importance as an indication of an attitude of mind which it would be foolish to ignore. The Umma is an independence party and only incidentally a pro-British party. It will work with us primarily for tactical purposes and in so far as we can help it to achieve the goal of independence. It is true that the older leaders have a long record of cordial and close collaboration with the British administration of the Sudan and that their partial loss of confidence in the administration which followed the self-government debate of December 1950, and developed with the formation of the Socialist Republican Party in the following year, and the events attending the Anglo-Egyptian Agreement of February, 1953 is being overcome. But they have to take account of the feelings of the younger members of the party who like all literate Sudanese have been exposed to anti-western, anti-imperialist and pro-Egyptian propaganda by press and radio. It would be unnatural for these people to remain entirely uninfluenced by the political ferment in the Middle East which followed the war or not to be impatient with the older generation of gradualists who are apparently content to work with the "colonisers". Moreover, all sections of the party, like all intelligent Sudanese, realise that whatever the future regime of their country they will have to live with Egypt geographically, and to a large extent culturally and economically and that

/unfriendly

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unfriendly relations can only be harmful to both countries and perhaps particularly so to the Sudan. Under present circumstances too the party is naturally anxious to do nothing which would make it more difficult to secure Egyptian adherence to the agreement made between them in October, 1952, to abstain from propaganda in the Sudan, rather than to become committed to the great expense of organising adequate counter-propaganda. Finally, Umma party members in common with most Sudanese feel admiration and even affection for General Neguib personally. After the frustration of the condominium it was he who at last cut the knot and achieved an agreement which paved the way to self-government and self-determination. He is half Sudanese and therefore almost one of them himself. Even the most anti-Egyptian Sudanese have spoken admiringly to me of the General's interest in and kindness to Sudanese visiting Cairo both before and after he attained his present eminence. Any criticism is met with the reply that he is not entirely his own master; any praiseworthy act is the General's alone. I think it is true to say that many Sudanese genuinely believe in the General as a new kind of Egyptian with whose régime it should be possible to co-operate cordially and honourably.

4. It is of course impossible to say in what way and to what extent difficulties arising out of the Canal Zone negotiations will affect the situation in the Sudan but in the light of the above considerations I suggest that whatever happens Her Majesty's Government should remain guided in their policy by the principle of attempting to carry out as far and as quickly as possible in consultation with the Sudanese, the arrangements envisaged in the

/Anglo-Egyptian

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Anglo-Egyptian Agreement of 1953. Otherwise in addition to the hostility of the pro-Egyptian elements the Sudan Administration and Her Majesty's Government may find themselves confronted with the suspicion and even hostility of the independence elements as well. In particular I suggest that:-

- (a) It would be preferable to leave the Agreement theoretically in being with Egypt as a non-co-operating party than to denounce the Agreement. If denunciation ever does take place it must be under circumstances which make it plain to the Sudanese that the responsibility rests squarely on Egypt.
- (b) If additional armed forces are required in the Sudan the minimum necessary should be sent.
- (c) The Commonwealth and foreign countries participating in the Governor-General's and Electoral Commissions should be urged to maintain their nominees in their posts even if Egyptian and pro-Egyptian Sudanese nominees withdraw. The continued existence of the commissions would be one valuable means of maintaining the confidence of the Sudanese in our intentions, and, in the case of the Electoral Commission would take the sting out of the boycott of elections which would inevitably be organised by the National Unionist Party.

5. As regards the Sudanisation Committee, this does not as yet exist but the absence of Egyptian representation on any committee that is set up should enable the Sudan

/Government

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Government to adopt a more realistic attitude towards this question, particularly in regard to the Sudanisation of the administration in the south. The chief defect of the Anglo-Egyptian Agreement in the eyes of the administration would thereby be removed but it would still be important to accept with good grace the increasing pace of Sudanisation which I feel the Government of a self-governing Sudan will inevitably wish to set.

I am sending a copy of this dispatch to Her Majesty's Ambassador at Cairo.

I have the honour to be,
with the highest respect,

Sir,

Your obedient Servant,

D. M. H. RICHES

(D.M.H.Riches)

It is understood that the agreement which the Umma party signed with General Neguib last autumn was based on the solemn assurance by Neguib that the Egyptian Government would refrain from carrying out any propaganda or other activity in the Sudan in favour of unity with Egypt.

It is further understood that since the signing of the Anglo-Egyptian agreement the Egyptians have been carrying on an unbridled propaganda in favour of unity and subsidising the National Unity party on a very large scale.

The Umma party and Sayed Abdul Rahman el Mahdi himself have protested strongly to Neguib about these activities and have received most unsatisfactory replies.

Should not the Umma party therefore free themselves from the agreement by openly and publicly denouncing it?

It is certain that the Egyptians will not refrain from continuing to subsidise the Unity party and this will give them a very great advantage in the elections next autumn over the independence parties, since the latter are dependent for their financial resources on the private means of the Mahdi himself.

The Mahdi cannot be expected to bear this burden himself and compete with Egypt and provided certain conditions are fulfilled it might be that the question of finance could be arranged.

These conditions would be:-

- (a) that the Umma party openly and publicly denounce their agreement with Neguib and any other agreements with the Egyptians on the same basis.
- (b) that an endeavour be made to form a solid front at the elections of all independence groups.
- and (c) that the South be assured that any independence government which is formed will look after their interests.

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FROM KHARTOUM TO FOREIGN OFFICE

119/53 111

Cypher/OTP

P R I S E C

Sir R. Howe
No. 340
May 6, 1953

D. 7.14 p.m. May 6, 1953
R. 9.07 p.m. May 6, 1953

PRIORITY
CONFIDENTIAL

Following personal for Prime Minister

I saw Sayed Abdul Rahman El Mahdi yesterday and the Secretary-General of U.M.M.A. party today who gave me a full account of their party delegation's visit to Neguib to complain of Egyptian propoganda and bribery. The delegates had taken a strong line with Neguib who pleaded not guilty and put the blame on his subordinates. The delegates had pressed Neguib to make a statement to the effect that he would prefer an independent Sudan to unity of the Nile valley brought about by improper means. A reply had been received from Neguib but was not considered satisfactory and a further approach is being made to Cairo.

2. S.A.R. said that he would use all his resources to combat Egyptian activities here and hoped he would be supported by us and by Her Majesty's Government. They would wait a little to see if the Egyptians would mend their ways. If they did not Abdullah Khalil said the party would denounce the agreement with the Egyptians, boycott elections and take steps to see that the elections could not be carried out. They would prefer to go back to the situation before the Anglo-Egyptian Agreement and put off self-determination for years under our protection.

3. S.A.R. said that Egyptians had suggested that the money came from Sayed Ali Mirghani. S.A.R. did not think this a possible answer, but he did accuse his rival of openly supporting the Egyptian aims and using his position as a religious leader for political purposes. The Administration should withdraw their support from S.A.M. and British officials should throw their weight behind the U.M.M.A. party wherever possible.

Please see my immediately following telegram.

[Copies sent to the Prime Minister].

K K K K

f.l.

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FROM KHARLOUM TO FOREIGN OFFICE

Cypher/OTP

FOREIGN OFFICE AND WHITEHALL
DISTRIBUTIONSir R. Howe
No. 329
May 5, 1953.D: 11.35 a.m. May 5, 1953.
R: 3.12 p.m. May 5, 1953.PRIORITY
CONFIDENTIALAddressed to Foreign Office telegram No. 329 of May 5,
Repeated for information to Cairo.

My telegram No. 322.

Following from Riches. *(of the Umma (Independence) Party)*

I saw Sayed Abdel Rahman on the evening of [grp. undec. ? May 4]. He expressed concern at the success being achieved by pro-unity propaganda and said that it was well known that this was paid for by the Egyptians. The cost of countering it was not met by another Government but by the pro-independence Sudanese, and specifically by himself. His only resources were derived from the sale of his cotton but he had not yet disposed of his current crop. He admitted that he could sell it at market price but he wanted a good price to provide him with the means to counter the propaganda paid for by Egypt. Could Her Majesty's Government assist him in any way?

2. I said that both the Raw Cotton Commission and private British purchasers bought on a purely commercial basis, so that it was difficult to see how the arrangement suggested could be made, but that I would, of course, report what he had said to you.

3. Sayed Abdel Rahman was especially worried at reports of the unexpected progress being made by N.U.P. in the South. The Umma Party are sending a strong delegation headed by Siddik to the South about [grp. undec. ? May 15].

4. The other main point raised by Sayed was the suggestion that Her Majesty's Government should refrain from inviting Sudanese visitors (i.e. journalists and others) to the United Kingdom after the Coronation. The Coronation was of course a special case, but it was difficult to obtain from Neguib an undertaking not to invite the Sudanese to visit Egypt when the Egyptians could point to Her Majesty's Government's invitations. Moreover, the Egyptian treatment of visitors including provision of special aircraft, reception by Neguib etc., usually impressed the Sudanese more than our method.

/ 5. Sayed Abdel Rahman

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CONFIDENTIAL

Khartoum telegram No. 329 to Foreign Office

- 2 -

5. Sayed Abdel Rahman is seeing the Governor General on May 5.
My comments will follow.

Foreign Office please pass Cairo priority as my telegram
No. 209.

[Repeated to Cairo].

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PRIME MINISTER'S

SECRETARY OF STATE

CONFIDENTIAL

SERIAL No. T.113/53

FROM KHARTOUM TO FOREIGN OFFICE

133

Cypher/OTP

PRISEC

Sir R. Howe

D. 7.50 p.m. April 27, 1953

No. 312

April 27, 1953

R. 1.10 a.m. April 28, 1953

CONFIDENTIAL

flagged below

Your telegram No. 553.

Personal for the Prime Minister.

There is nothing in the agreement which states that the Governor-General shall not appoint an Acting Governor-General during his absences from the Sudan. Moreover, Article 2 of the Self-Government Statute, which was approved by the Egyptian Government and which came into force on March 21, states specifically that "Governor-General means the person from time to time appointed by the Governor-General to perform the functions of his office". To say, therefore, that the appointment of a British Acting Governor-General, which has been the normal custom for fifty years, is a violation of the agreement seems to (us) here to be wrong.

2. It was not our understanding here that the Egyptians gave up their demand for a Sudanese Acting Governor-General only on condition that the Governor-General's absences from the country would not be such as to prevent him from exercising his functions meanwhile (see Cairo telegram No. 199 paragraph 8), and the implications of this have not been thought out. Cairo telegram No. 674 to you seems to suggest that it is impossible for me to be away from the Sudan for more than a few days, which is (absurd).

3. That Egyptian reaction would be as described in paragraph 2 of Cairo telegram under reference does not surprise me. In this, they would be running true to the form they have consistently displayed in the last eight years. If it were not this question, it would be some other Sudanese question. They will make a major issue whatever the legal position may be. If we had retreated from our policy here in face of Egyptian pathological reactions on many occasions in the past, we should not be in the comparatively favourable constitutional position we are in now.

/s. I

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CONFIDENTIAL

Khartoum telegram No. 312 to Foreign Office

-2-

4. I had considered your criticisms in (i), (iii) and (iv) of your telegram which seemed to me somewhat modified by the fact that I could be in Khartoum within 12 hours if required.

(5. In the circumstances I withdraw my proposal subject to discussion on arrival in London.

[Copies sent to Prime Minister].

PPPP

The Queen }
Sir H. Brook } by No. 10.



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SECRET

C.(53) 131

COPY NO. 2

18TH APRIL, 1953

CABINET

THE SUDAN

Memorandum by the Minister of State

The main purpose of my recent visit to the Sudan (some notes on which were circulated in C. (53) 121) was to encourage the British officials not to lose heart and to stiffen the pro-independence Sudanese to stand up to the Egyptians.

2. An important subsidiary purpose, however, was to clear the way for elections to be held before the rains. Everyone agreed that delay would favour the Egyptians. I cleared up the difficulty over the appointment of the Governor-General's Commission and procured the issue by the Egyptian Government of the decree appointing the Commission. I also urged upon the Indian Chairman and the United States member of the Electoral Commission, and on many others, the necessity for early elections. When I left Khartoum, the prospects appeared to be reasonably bright. Unfortunately, the pro-Egyptian parties have obstructed successfully, aided by the fact that the Umma and Socialist Republican Party were not in agreement about the number of ~~pro-Egyptian~~ ^{British} constituencies where indirect elections should take place, and the pro-Egyptian Southern representatives threw an unexpected spanner in the works by saying that elections in the South were impossible after April. According to our latest information from the Sudan, it now appears obvious that the Electoral Commission will postpone the elections until the autumn. This is a set-back.

3. The Egyptians will make full use of the intervening period for propaganda, aimed at undermining British influence and securing the election of as many pro-Egyptian candidates as possible.

4. We must take counter-measures. The Governor-General has been taking a very restricted view of what is his duty. The Prime Minister has sought in his telegrams Nos. 513 and 533 to encourage him and his officials. But it is true that the Sudan Government must preserve an outward impartiality. Therefore, much of the counter-action in the Sudan must be undertaken by other agencies.

5. Since the Agreement of February, 1953 an official representative of Her Majesty's Government has been established in Khartoum. He is being given the title of Trade Commissioner, although his duties will include both political and propaganda work. The official chosen for this post is Mr. Riches, an experienced Arabist who has served under the Governor-General when the latter was in the Foreign Service. He arrived in Khartoum at the end of March, and is now actively engaged in setting up his Office.

6. He will be joined very soon by an Information Officer, also an Arabist and an experienced Publicity Officer, to assist him in publicity matters, and an Information Office is being set up. It will be supplied with the full service of material from the Central Office of Information designed for the purpose

- 160

of maintaining British prestige. Booklets already translated into Arabic will be supplied by our Regional Information Office at Beirut. British films and newsreels dubbed in Arabic will be sent by our Regional Films Officer in Cairo. A public reading room equipped with Arabic reading material, pictorial displays and wireless will be opened as soon as possible in Khartoum.

7. A sum of £10,000 was provided in the current budget against the possible need for information operations in the Sudan this year. The estimates for this sum were drawn up in the autumn of 1952. But in view of the deteriorating political situation and the intensification of Egyptian propaganda, an additional £10,000 will be required if the work of the Information Office is to play a full and effective part in the carrying out of our policy. This will have to be provided by supplementary vote, though it would doubtless be desirable to include this sum, if possible, inconspicuously in some larger amount, e.g. for the Trade Mission as a whole. Experience alone will show whether this total of £20,000 will be adequate to meet the special requirements of the Sudan.

8. In addition to the measures set out above, the B.B.C. Arabic Service and other British-controlled Arabic Services have been asked to pay particular attention to the Sudan in their programmes. They already take every opportunity of refuting false Egyptian allegations and have been instructed to plug the themes (a) that elections must be held as soon as possible, and (b) that the Sudanese should see to it their country is free to choose its own destiny.

9. Consideration is also being given to the possibility of increasing the power of the Sudanese Radio Station (Radio Omdurman) and to suggestions which might be put to the Sudanese Government for more effective programmes to be broadcast. Her Majesty's Government may have to finance some of these improvements.

10. If our prestige and influence in the Sudan are to be maintained over the long term it is important that the present high standard in the teaching of English should be maintained, and that the English language should continue to be a vehicle for instruction in advanced studies. When the Department of Education is Sudanised, direct British control over it will cease. Much can however be done in the way of maintaining standards by organising lectures in the Sudan for teachers of English designed to maintain and improve the standard of teaching, and by providing well-stocked English libraries and current information on educational developments in the United Kingdom. For this purpose it is urgently necessary that the British Council re-open in Khartoum, whence they were withdrawn in 1951 for reasons of economy. Their re-opening, for which the Governor-General has pressed, would also be very valuable locally as an indication that we intend British influence to remain in the Sudan. To re-start their work on an adequate scale a supplementary grant of £20,000, rising to £26,000 in a full year, would be needed.

11. I recommend that the expenditure proposed in paragraphs 7, 9 and 10 above be authorised.

12. There is now one English language paper in Khartoum running at a loss of £8,000 a year, and likely to close down at the end of 1953. We are seeking to prevent this and will also ask our Information Officer to make recommendations for subsidising an Arabic newspaper.

13. The effect of the above measures may not be great at first. The real task will fall upon the British officials in the Sudan. So far they have been, in my view, unnecessarily defeatist about the prospects of an independent Sudan, but they still have great influence which they should be encouraged to exert.

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14. There are other measures which should be taken which I will mention orally.

15. The brightest aspect of this matter is the fact that the Egyptians always over-play their hand. Our latest information is that Sayed Abdel Rahman is beginning to resent bitterly the Egyptian propaganda and bribery.

S. L.

Foreign Office, S. W. 1.

18TH APRIL, 1953.

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TSubject fileSECRETFROM KHARTOUM TO FOREIGN OFFICE

T.93/53

Cypher/OTP

P R I S E C

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Sir R. Howe

No. 275

13th April, 1953.

D: 1.17 p.m. 13th April, 1953.

R: 5.30 p.m. 13th April, 1953.

SECRET

Your telegram No. 513.

Personal for Prime Minister from Governor General.

Thank you very much for your telegram.

The problem of countering Egyptian action here is one of great difficulty, on which the Foreign Secretary knows my mind. The Governor-General is the agent of both the British and Egyptian Governments and in principle cannot therefore take that partisan attitude which any propaganda or counter-propaganda demands. Moreover the recent Anglo-Egyptian Agreement is based on the principle of building up a free and neutral atmosphere in the Sudan pending self-determination, which again precludes the administration from overtly taking sides during the transitional period. Our guiding principle here must primarily be to keep the ring on that account for the Sudanese themselves and to protect them as much as possible.

On the positive side there is little we can do within the above limits, but all the influence which we have here, and it is very great, will be directed towards convincing the Sudanese where their real interests lie. This influence must be largely exercised privately and unofficially by any and every British subject here and this is being done.

On the other side there is the unending strain of press and radio propaganda from Cairo and lavish bribery. Concrete evidence of this latter is impossible to obtain, but one can see signs of it in the way of living of pro-Egyptian Sudanese here. The leader of the Mahdist Party tells me that he knows that Egypt is prepared to pay £10,000 for every seat at the elections for the National Union Party.

Then there are the propaganda visits of Egyptian personalities. It does not help us here, whenever we take strong action against these gentry, such for example as Salah ed Din, to be asked to back down, on the plea that "Neguib's face must be saved" or "it would greatly assist in improving the atmosphere for military talks in Cairo" (reference Cairo telegram No. 643).

/ Our best propaganda

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SECRET

Khartoum telegram No. 275 to Foreign Office

- 2 -

Our best propaganda here is to stand firm against such Egyptian efforts, where necessary applying such sanctions as we have. Every successful action of this kind by the administration gives an immeasurable gain for British prestige. But we must have your support.

[Copies sent to the Prime Minister].

4444

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The Queen | by No. 10.
Sir A. Brook

CONFIDENTIAL

FROM KHARTOUM TO FOREIGN OFFICES

Cypher/OTP

FOREIGN OFFICE
AND WHITEHALL
DISTRIBUTION

Sir R. Howe
No. 270
12th April, 1953

D. 12.10 p.m. 12th April, 1953
R. 3.52 p.m. 12th April, 1953

IMMEDIATE
CONFIDENTIAL

Addressed to Foreign Office telegram No. 270 of 12th April
Repeated for information to Cairo and Washington.

Your telegram No. 503.

Pro-independence Sudanese allege that, in addition to the intensification of propaganda by newspapers, broadcasts and Egyptian visitors, money is also being sent to pro-unity elements. Concrete evidence of this on which to base a protest to Neguib is not yet available, but any obtained will be sent to you.

2. Your paragraph 2. Robertson meant in paragraph 3 of my telegram No. 254 that the British Element in the Sudan Government cannot openly take sides against the Egyptians. This is my own view. To preserve the integrity and efficiency of the Administration over the next two or three years we must prevent it becoming the subject of political controversy, and this can only be done by British officials maintaining strict impartiality in political matters. The most they can do is to advise and encourage their Sudanese friends in private conversations, and this is being done.

Foreign Office pass Cairo immediate and Washington as my telegrams Nos. 184 and 111 respectively.

[Repeated to Cairo and Washington.]

ADVANCE COPIES

- Sir W. Strang
- Private Secretary
- Sir J. Bowker
- Head of African Department
- Head of News Department
- Resident Clerk

DDD

Egypt
(Sudan Part 2)

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Printed for the Cabinet. April 1953 178

SECRET
C. (53) 121
7th April, 1953

Copy No. 2

M. W. Colville
see letter below for Robertson
R with it
10.12

The P.M. shown to Sir W. Shiang New P.A. J.P.

CABINET
—
THE SUDAN

NOTE BY THE SECRETARY OF STATE FOR FOREIGN AFFAIRS

I circulate for the information of my colleagues the attached notes by the Minister of State on his recent visit to the Sudan.

A. E.

*Foreign Office, S.W. 1,
7th April, 1953.*

1. *The Anglo-Egyptian Agreement of February 1953*

It was right to make it. If the 60 or 70 expatriate officials whom I met were representative, that fact is fully realised by those now serving in the Sudan. Unless we had made the Agreement we would have lost all support in the towns and all parties would have engaged in an anti-British campaign which would have spread in due course from the towns. The police and even the Sudan defence force could not have been trusted to hold out against these pressures indefinitely (there had been one police strike not very long ago which might have caused an unpleasant situation). The country could have only been kept quiet by steadily increasing the numbers of British troops in the Sudan.

2. *Egyptian intentions*

They are strictly dishonourable. They feel that they must have the Sudan for two reasons:—

- (i) *Water.*—The 1929 Agreement was in favour of the Egyptians and they feel that an independent Sudan might seek to make a better bargain for the Sudanese.
- (ii) *Troops.*—The military régime in Cairo wants to make something of the Egyptian armed forces and they know that they can only do it with Sudanese manpower. I am confident that Neguib's assurance to me that he did not want the Egyptians to interfere in Sudanese elections was given solely for tactical reasons because he knows that recent Egyptian activities, particularly those of Selah el Din have frightened some Sudanese. The Egyptians had obviously been touched on the raw by my answer at the Press Conference that if there was union between Sudan and Egypt, presumably the conduct of Sudanese foreign affairs would lie with the Egyptian Government. The Egyptians do not want the agreement to break down. My statement to Neguib that the agreement was threatened by the present propaganda campaign, did have some effect. They seemed genuinely anxious to reassure me.

3. Egyptian tactics

- (i) They will continue the propaganda campaign but will seek to use more indirect methods in the Sudan itself. They will put all they want to say against the British into the mouths of the Sudanese political parties.
- (ii) They will continue their theoretically non-political activities, e.g., the Egyptian mosque in Khartoum, the Red Crescent activity, free tours for Sudanese to Egypt, &c.
- (iii) They will seek to disparage British officials by every way possible and in particular by trying to get the Northern parties to attack the British Administration in the South.

4. Sudanese reactions

- (i) *National Unity Party (pro-Egyptian)*.—At present it is in full cry and feels that it has got the other Sudanese on the run.
- (ii) *The Watan*.—The Watan Party is a fragment of little importance following a religious leader. It will back the winner.
- (iii) *The UMMA (The party of the Mahdi)*.—It is still for independence but it is nervous of being publicly associated with the British Administration; most of them still have feelings of friendship for us but they were made profoundly suspicious by the formation of the Socialist Republican Party which they believed was founded, with British support, to weaken the Umma and not just to attract supporters from the Khatmia sect. Even Sayed Abdel Rahman is still suspicious that the Administration may put its full weight behind the Socialist Republican Party.
- (iv) *The Socialist Republican Party*.—Its strength is an enigma. If there are indirect elections in the North, they may get a number of seats but I believe they have very little money. They are anti-Egyptian and would be prepared to co-operate with the Umma for independence.
- (v) *The Religious Sects*
 - (a) *The Ansar*, the followers of the Mahdi, are all with the Umma Party, although in places where there are indirect elections and the local leaders are not Ansar, the full Ansar voting strength may not be revealed in the results.
 - (b) *The Khatmia*, the followers of Sayed Ali Mirghani, are divided into three sections politically. A substantial one is in the National Unity Party. Another section of doubtful size is in the Socialist Republican Party. There is a third independent section and there is some talk of independent Khatmia candidates. The difficulty is that as Sayed Abdel Rahman, and therefore the cause of Sudanese independence, appears to gain strength, Sayed Ali Mirghani is bound to move in the opposite direction towards a link with Egypt.
- (vi) *The South*.—It is doubtful whether they will be able to withstand the onslaught of the Northern parties and organise themselves into a solid Southern bloc. Even if they do and, as a result of the elections, return a Southern bloc, it is doubtful whether the individual members will retain their political integrity when Parliament meets.

5. British Policy

I assume that our objectives should be:—

- (a) That the Sudan should choose independence with treaty relations with Great Britain for defence, &c., and at the same time in agreement with Egypt over matters like water.
- (b) The South should get a fair deal.
- (c) The hand over of power by the British to the Sudanese should take place with dignity and goodwill.

I suggest that our policy should be:—

- (i) Support of the Sudan Government in administrative action to preserve law and order and to ensure free elections.

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- (ii) Reaffirmation on all suitable occasions that whatever happens in Egypt we will see that the Sudanese get self-government and then self-determination.
- (iii) The promise that, if the Sudan chooses independence, Great Britain will stand by the country and be willing to enter into treaty relations.
- (iv) Exposure of Egyptian propaganda and firm action to stop Egyptian misdemeanours; seeking to avoid trouble with the Egyptians when they misbehave will not pay in the long run.
- (v) Support for British Community and friendly Sudanese by honours, visits, maintenance of British newspaper, &c.
- (vi) Hastening the decision as to the future of British officials. I deal with this matter separately in the next paragraph.

6. *The Future of British Officials*

There is undoubtedly great anxiety and uncertainty among British officials as to their future. Of the 1,100 there now, only about a fifth or sixth will necessarily have their posts Sudanised. Nevertheless they feel that as political power is transferred their conditions of service will be so changed that they will not be able to stay on. It was urged upon me by all officials that a fixed date should be announced by the Sudanese Government on which all contracts would be terminated with suitable compensation arrangements. New terms of service should be arranged for those who wished to stay on. The advantages of this action would be that it would be an earnest of our good faith that power is to be transferred, it would confront the Sudanese with the fact that they will have to accept responsibility, it would enormously improve the moral among British officials and in the long run it would probably mean that more British officials will stay on. The disadvantages are that whatever may be the arrangements for compensation they will be denounced by the pro-Egyptian parties, and the new Sudanese Government may not have the courage to agree to a reasonable scheme. I had a long discussion on this matter with the Governor-General and his leading Advisers as well as the representatives of the officials' association. On balance I think that it is right as soon as possible to fix a day—perhaps 1st January, 1955. The Sudan Government is hastening the formulation of a scheme, but the Governor-General will await the decision of the Electoral Commission about the elections before deciding how and when to put it to the Sudanese Government. The Governor-General has reserved powers under the Agreement to deal with this matter, and he may have to use them.

See separate file Egypt (April 1963)

I advise that a Committee to consider the re-employment of officers who cannot or do not desire to stay on should be appointed.

7. A number of other matters were brought to my notice during my visit. I am dealing with these through the department.

S. L.

2nd April, 1953.

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Part 1

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Printed for the Cabinet. January 1953

Middle East (Policy)
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C. (53) 17 Revise
14th January, 1953

CABINET

EGYPT: DEFENCE NEGOTIATIONS

MEMORANDUM BY THE SECRETARY OF STATE FOR FOREIGN AFFAIRS

When the question of defence negotiations with Egypt last came before the Cabinet in October (C.C. (52) 91st Conclusions, Minute 7) it was agreed that further studies should be carried out as a matter of urgency with a view to finding a basis of fresh negotiations. Meanwhile Her Majesty's Ambassador at Cairo was warned that the studies were being carried out and was told if necessary to play for time. In point of fact the Egyptians have not broached the question of defence negotiations since then, being preoccupied with internal problems and with discussions with Her Majesty's Government over the Sudan.

2. Discussions were held in London from 31st December to 7th January with United States diplomatic and military representatives regarding Her Majesty's Government's proposals to the Egyptians on a defence settlement. On the United Kingdom side we took as our basis a Chiefs of Staff paper (D. (52) 50) approved by the Defence Committee on 11th December (D. (52) 12th Meeting, Item 4). The United States and United Kingdom representatives agreed on the papers annexed hereto covering a general settlement with Egypt, to comprise—

- (a) a phased withdrawal of British armed forces from Egyptian territory;
- (b) the maintenance of a Canal Zone base in peace with a view to its immediate use in the event of war;
- (c) an arrangement for the air defence of Egypt;
- (d) the participation of Egypt in a Middle East defence organisation; and
- (e) a programme of military and economic assistance by the United Kingdom and United States to Egypt.

3. The most important result of these talks was an American undertaking, subject to the approval of their Government, to work for a settlement on the Canal Zone base as close as we can get to Case "A" in the Chiefs of Staff paper approved by the Defence Committee. It was agreed that it was in the strategic interests of both countries to get as close as possible to a solution whereby a phased withdrawal of British forces from Egyptian territory would be accompanied by commitments on the Egyptian side to participate in a regional defence organisation in the Middle East and to retain sufficient British technical aid to make possible the immediate re-activation of the Canal Zone base in the event of war. The United States Government would also work for Egyptian acceptance of an Anglo-Egyptian Air Defence organisation.

4. The only serious divergence between the Americans and ourselves was over the supply of arms before the start of negotiations. The United States Government wanted to tell the Egyptians that they can have \$10 million worth of military

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equipment (a large proportion of which would be grant-aided) now, whereas we strongly impressed it upon them that we thought it would be a mistake to let the Egyptians have any more lethal weapons until we were clearer whether they were going to co-operate or not. The United States representatives agreed to withhold delivery of this equipment if Anglo-Egyptian relations became critical and in fact little of it would leave the United States of America in the near future. I have told the United States representatives that if the United States Government, in spite of our views, decide to release equipment to Egypt before negotiations start, at least I would hope that they would release not more than \$5 million worth immediately and only consider the further \$5 million worth subsequently.

5. The United States representatives made one important reservation, to the effect that if Her Majesty's Government and the Egyptian Government failed to reach a settlement over the Sudan, the attitude of the United States Government towards defence negotiations would have to be reconsidered. Indeed, if the Sudan talks fail, the atmosphere so far may deteriorate as to make it impossible to start defence talks. If on the other hand they are successful, we should start our defence talks without delay.

6. I suggest that, if the Cabinet approve the conclusions of the Anglo-American discussions, new instructions should be sent to Her Majesty's Ambassador to the effect that, at a moment to be agreed between Her Majesty's Government and the United States Government, he should start discussions with the Egyptian Government in concert with his United States colleague. In accordance with our agreement with the United States representatives, the two Ambassadors would inform the Egyptian Prime Minister that we are willing to discuss a general settlement comprising the five topics listed in paragraph 2 above. They would indicate that if British troops are to be withdrawn from the Canal Zone it is imperative that alternative arrangements be made at the same time for the defence of the Middle East as a whole and for this reason all the items comprising the proposed settlement should be treated as inter-dependent and discussed simultaneously. If the Egyptians accepted this, discussions would start.

7. My colleagues will have noticed a number of menacing statements by Egyptians in authority about the renewal of guerilla warfare, if our troops are not withdrawn. I am convinced that Her Majesty's Government should not withdraw their forces from Egypt in the face of Egyptian threats and we must therefore show the Egyptians that, when we do withdraw, it will be because we consider it to be in our interest to do so. There can be no withdrawal of British troops from the Canal Zone until defence negotiations have been started and are seen to be progressing favourably. Her Majesty's Ambassador at Cairo is instructed to impress upon General Neguib and his colleagues that, if our negotiations are to have any result at all, they must be preceded by a policy of self-restraint on the part of the Egyptian Government.

8. If we can start negotiating on this basis and, with the co-operation of the United States, achieve a general settlement on the lines here agreed, there is some chance of achieving our objectives. If, on the other hand, we do not negotiate, but simply stay put in the Canal Zone in the face of Egyptian opposition, we shall almost certainly be confronted with a situation where the only alternatives will be the military occupation of Egypt or an evacuation with no arrangements for the defence of the Middle East and the international waterway to take the place of those at present subsisting.

9. I attach at Annex copies of the papers agreed here with the American representatives.

Recommendations

I therefore recommend that:—

- (a) subject to final approval by the United States Government of the papers annexed, Her Majesty's Ambassador at Cairo should be instructed to enter into negotiations for a general settlement with the Egyptian Government in concert with his United States colleague in the manner described in them at a moment to be agreed between Her Majesty's Government and the United States Government;

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- (b) there be no withdrawal of British troops from the Canal Zone until the negotiations have made a start, but that if the Egyptian Government agree to co-operate in a regional defence organisation and to provide the means of re-activating the Canal Zone base in the time of war, we should start by the withdrawal of the combatant troops used to reinforce the Canal Zone garrison when Egypt abrogated the 1936 Treaty;
- (c) the old Commonwealth Governments, the Turkish and French Governments, be informed of the action proposed.

A. E.

*Foreign Office, S.W. 1,
14th January, 1953.*

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CASE 'A'

ANNEX

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TOP SECRET

Copy No. 159

UNITED STATES/UNITED KINGDOM TALKS ON EGYPT

Held in London from 31st December, 1952, to 7th January, 1953

The following papers have been agreed between the United States and United Kingdom sides, subject to the approval of their Governments.

- (1) United Kingdom Memorandum on defence negotiations with Egypt.
 - (2) Memorandum on the proposed membership, functions, and structure of the Middle East Defence Organisation, together with a cover note concerning Egyptian participation in that organisation.
 - (3) Memorandum on procedure for defence negotiations with Egypt.
 - (4) Memorandum concerning the supply of arms to Egypt.
 - (5) Memorandum concerning the possibility of according economic assistance to Egypt.
2. The two sides have agreed that paper No. 2 should be passed to the other sponsoring Powers of the Middle East Defence Organisation, and that their intention to open defence negotiations with Egypt should be communicated to them.
 3. The two sides have also agreed that the North Atlantic Council should be informed in advance of their intentions with regard to the supply of arms to Egypt.
 4. Agreed minutes of the meetings are being issued separately.

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PAPER No. 1

UNITED STATES/UNITED KINGDOM TALKS ON EGYPT

UNITED KINGDOM MEMORANDUM ON DEFENCE NEGOTIATIONS WITH EGYPT

Introduction

1. The United Kingdom is proposing to negotiate with Egypt a settlement that would involve:—

- (a) Agreement over the Suez Canal base and an evacuation formula.
- (b) The participation of Egypt in a Middle East Defence Organisation.
- (c) A programme of military and economic assistance to Egypt.

2. The participation of Egypt in M.E.D.O. is considered an essential part of any settlement. Separate consideration is being given to the military and economic aid to Egypt that could be afforded by the United Kingdom, and it is understood that the United States are also considering this aspect. This paper is therefore confined to setting out the basis for negotiations over the Suez Canal base and to considering an evacuation formula.

Middle East Strategy

3. The strategic concept of the defence of the Middle East is that the Russian threat should be met at the earliest possible moment on the frontiers between Iraq and Persia. To implement this it is planned to deploy on the outbreak of war one British Division, two Arab Legion brigades and two Iraqi Divisions. These would be reinforced by approximately D+6 months by two further British Divisions, and by approximately D+12 months by a New Zealand Division and it is hoped by three Australian and one South African Divisions. The initial air deployment is planned to be 192 aircraft rising to 294 by D+6 months. There is therefore an urgent need for a working base in the Middle East that will be capable of supporting the Allied forces which it is planned to deploy.

The Base in Egypt

4. The base in Egypt took a period of 3½ years to build. In addition to workshops, storage depots and installations for supply, repair and administration, it contains airfields, communications, power stations, hospitals and other amenities. The equipment at present in the base includes 700,000 tons of stores and 14,000 vehicles. A map showing the lay-out of installations at present in use in the Egypt base is attached at Appendix A, and details of Army and R.A.F. stores in depots in the Canal Zone are given at Appendix B. As a further indication of the scale to which these facilities have been developed, it should be noted that the total cost has been of the order of £500 million.

5. In addition to the installations outlined above, any base requires ports, transportation, communications and labour before it can function. Only in Egypt can all the facilities be found on the scale required, and nowhere else in the Middle East could existing facilities be expanded to form a substitute, except at prohibitive cost.

6. There are two further important reasons why the base in Egypt should be retained. These are:—

- (a) With a "back door" to the Red Sea, Egypt is the only area in the Middle East in which a base could continue to function if the Mediterranean were closed to through convoys, and if the Suez Canal were also closed.
- (b) The establishment of a substitute base elsewhere would take a considerable time. The defence of the Middle East would be seriously prejudiced if war occurred during the period between the closing of the Egypt base and the opening of a substitute.

7. In addition to the requirement for a base in Egypt, Allied naval forces will require immediately on the outbreak of war, or when war appears imminent, the use of Alexandria, Port Said and Suez; without these, naval operations in the Eastern Mediterranean would be seriously handicapped.

8. A working base in Egypt is essential to the Allies in war, and it cannot function except with Egyptian agreement and co-operation. In order to obtain this, and also the naval facilities that will be required, considerable concessions will have to be made so as to secure Egyptian goodwill and promise of assistance in war.

The Evacuation of United Kingdom Forces

9. The rate at which United Kingdom forces are to be withdrawn from Egypt is likely to be a major issue. The present strength of the British troops in Egypt is 81,000 and their dispositions are shown in Appendix C. The rate of withdrawal is conditioned by the time required for:—

- (a) The removal of stores and equipment to alternative localities.
- (b) The establishment of a new Headquarters and Command Organisation including the extensive telecommunication facilities necessary.
- (c) The building of alternative accommodation for British personnel and stores withdrawn from Egypt.

Should agreement be reached and withdrawal started within the next few months it is hoped that the process will be completed before the end of 1954. Even so, forces will have to be accommodated in tents and a large number of families will have to return to the United Kingdom. Withdrawal would start as soon as possible after agreement is reached and would be progressive throughout the period.

Concessions to Egypt

10. It is clear that negotiations with Egypt will have little chance of success unless requirements are kept to the minimum essential for the defence of the Middle East. Appendix D lists three different cases illustrating the concessions that may have to be made and their implications. Case "A," the optimum requirements, is militarily and financially by far the best, but Egyptian agreement is believed to be unlikely. Case "B" is worse, both militarily and financially. Should the Egyptians prove completely intransigent Case "C" might have to be accepted although this involves the abandonment of any effective control over the facilities which are essential to the Allies in war and which the Egyptians are considered incapable of maintaining. Acceptance of Case "B" would therefore involve risks and delay before the Allied base could be made operational in war. The implications of Case "C" would be very much more serious in that the Allies would not have a working base for at least 90 days after the outbreak of war.

11. The above Cases are not meant to be inflexible. It may be that the Egyptians will be prepared to accept some compromise between these, and we think that we should stand fast where we can, and give way where we must, without necessarily attempting to obtain the requirements all at the same level.

12. The defence of the Middle East and the support of Turkey's right flank depend upon the co-operation of the other Arab States in the Middle East notably Iraq, Jordan, Syria and the Lebanon, as well as Israel. The need for facilities in these States is a factor to be considered during negotiations with Egypt because it may be difficult to secure from them anything more than is obtained from Egypt.

13. In order to be able to support Allied operations in the Middle East in war from the outset, the facilities outlined in Case "A," or a near approach thereto, will be required. If these are not forthcoming interim maintenance facilities will be needed elsewhere than in Egypt to cover the period at the beginning of the war while the Egyptian base is being re-activated.

14. In all cases the base would require some air defences early in a war. We should make no secret of our belief that the Egyptian Air Force could not do this alone for many years to come. Case "C" is therefore unsatisfactory in this respect, but it is hoped that, with their participation in M.E.D.O., the Egyptians would in due course be induced to see sense.

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Conclusions

15. (a) The base in Egypt is essential to the Allies in war and it cannot function without Egyptian agreement and co-operation.
- (b) An essential condition of any settlement with Egypt is the promise of full co-operation in war and membership of M.E.D.O. in peace.
- (c) Facilities are needed from Arab States other than Egypt and from Israel, but it may be difficult to secure from the former anything more than is secured from Egypt.
- (d) Negotiations with Egypt should seek to obtain the best terms possible, recognising that:—
 - (i) Case "A" is the optimum requirement and every effort should be made to obtain as many of its provisions as possible.
 - (ii) Should agreement be reached and withdrawal started within the next few months it is hoped that the process will be completed before the end of 1954.
 - (iii) Case "B" would involve risk and delay before the base could be made operational in war.
 - (iv) The implications of Case "C" are even more serious and could only be accepted if the Egyptians proved completely intransigent.

APPENDIX B TO PAPER No. 1

ARMY STORES HELD IN CANAL ZONE BASE

Serial	Nature of stores	Quantities now in Canal Zone base		
		Tel-el-Kebir only	Base holdings other than Tel-el-Kebir	Total in whole Canal Zone base
(a)	(b)	(c)	(d)	(e)
<i>Engineers</i>				
1	Bridging Stores	—	20,000 tons	20,000 tons
2	Transportation Stores	—	16,000 "	16,000 "
3	Works Stores	—	214,000 "	214,000 "
4	"C" Vehicles	1,000	—	1,000 "
<i>Ordinance</i>				
5	Technical Stores	60,000 tons	8,500 tons	68,500 tons
6	M.T. Stores	6,000 "	75,000 "	81,000 "
7	General Stores	48,000 "	78,000 "	126,000 "
8	War Reserves	5,000 "	—	5,000 "
9	Ammunition	—	73,000 "	73,000 "
10	"A" Vehicles	1,500	—	1,500
11	"B" Vehicles	12,000	—	12,000
12	"C" Vehicles	650	—	650
<i>Supplies and Transport</i>				
13	Supplies	—	16,000 tons	16,000 tons
14	P.O.L.	—	54,000 "	54,000 "
15	Coal	—	3,000 "	3,000 "
16	Jerricans	—	8,000 "	8,000 "
17	Boat Stores	—	1,000 "	1,000 "
<i>Mechanical Equipment</i>				
18	Equipment consisting of machine tools, workshop plant, &c. ...	1,500 tons	—	1,500 tons
<i>Transportation</i>				
19	Railway track (not including track laid outside our own depots) ...	—	30,000 tons	30,000 tons
20	Machine tools	—	300 "	300 "
21	Locomotives	—	50 "	50 "
22	Wagons	—	900	900
23	Craft of various types	—	60	60
<i>Medical</i>				
24	Medical Stores	—	1,000 tons	1,000 tons
25	Totals	12,500 tons 14,150 vehs. of all types	597,800 tons	718,300 tons 14,150 vehs. of all types

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R.A.F. STORES HELD IN CANAL ZONE BASE

Serial	Nature of stores	Quantity
(a)	(b)	(c)
<i>General Equipment</i>		
1	Technical spares	35,000 tons
2	Workshop machinery	6,000 "
3	Barrack	1,000 "
4	Clothing	1,000 "
5	Explosives	36,000 "
6	Vehicles	3,000 vehs.
<i>Works Equipment</i>		
7	Workshop machinery	1,000 tons
8	Airfield construction and other mobile plant	2,000 "
9	General technical tools and spares	24,000 "
10	Movable station installations	7,000 "
11	Vehicles	250 vehs.
<i>Petrol, Oil and Lubricants</i>		
12	Avgas and Avtur	22,000 tons
13	Total	135,000 tons plus 3,000 vehs.

APPENDIX D TO PAPER NO. 1

FACILITIES REQUIRED IN PEACE AND WAR

Peace

Case "A"

1. The Canal Zone would be handed over to Egypt and the base area would be placed under Egyptian control. Within this base existing depots and installations would be retained and would be run and controlled on the analogy of our base in Belgium or the United States base in the United Kingdom.

2. The depots and installations would act as a working maintenance base for a proportion of the Middle East Land Forces in peace. The R.A.F. would not, however, carry out any maintenance from installations in Egypt in peace.

3. The Royal Navy would retain equipment in Egypt for the defence of ports and maintain it under British supervision and have the use of the existing commercial oil storage facilities and pipe-lines.

4. The Army would retain not more than 5,000 personnel to run these installations and the R.A.F. not more than 2,000 for the same purpose.

5. There would be an integrated Anglo-Egyptian Air Defence Organisation, including Headquarters, two British Day Fighter Squadrons and one British Night Fighter Squadron, C. and R. Organisations, &c.

6. An Allied-manned staging post would be maintained in Egypt.

7. *Implications.*—If the Egyptians could be persuaded to accept these conditions in peace-time, the Allies would be assured of having a working maintenance base in peace to which they could return and operate immediately in war, and which would be protected by an efficient air defence system.

Case "B"

8. The base would remain in Egypt and be placed under Egyptian control. The Egyptians would take over such depots and installations as the Allies wished to retain in Egypt for war, assuming full responsibility for keeping all communications, &c., in working order and for maintaining allied war reserves and heavy workshops in a state to be reactivated at short notice. There would also be some turnover of stores and equipment for use by the Middle East Land Forces in peace.

9. In order to assist the Egyptians in their task a rather smaller number than under Case "A" of Allied supervisory and technical Army and Air Force personnel would be required.

10. The Royal Navy would retain equipment in Egypt for the defence of ports and maintain it under British supervision and have the use of the existing commercial oil storage facilities and pipe-lines.

11. There would be an integrated Anglo-Egyptian Air Defence Organisation, including Headquarters, two British Day Fighter Squadrons and one British Night Fighter Squadron, C. and R. Organisation, &c.

12. An Allied-manned staging post would be maintained in Egypt.

13. *Implications.*—Under these conditions there would not be a fully satisfactory working base in Egypt in peace, but it should be possible to reactivate it within 60 days. Some stocks for the initial maintenance of Allied forces in the Middle East in war would have to be located outside the Canal Zone.

Case "C"

14. The base would remain in Egypt and be placed under Egyptian control. The Egyptians would assume the same responsibilities as for Case "B" (paragraph 8 above) except that there would be no turnover of stores and equipment for use by the Middle East Land Forces in peace.

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PAPER No. 2

UNITED STATES/UNITED KINGDOM TALKS ON EGYPT

MIDDLE EAST DEFENCE ORGANISATION

COVER NOTE

Egyptian Participation in M.E.D.O.

Egyptian agreement to participate in M.E.D.O. is an essential part of the "package proposal." The time-table which we contemplate is that, as soon as Egyptian acceptance of participation in M.E.D.O. is signified as part of the negotiations over the "package proposal," approaches should be made to the other Arab States* (if possible with Egyptian support) and to Pakistan† with a view to their participation in the Organisation. Should, however, the Egyptian Government consider it desirable to consult the other Arab States before signifying their acceptance, there would be no objection. Indeed the United States and United Kingdom would be prepared on behalf of, or in co-operation with, the other sponsoring Powers to make a prior approach to these States in order to enable the Egyptian Government to discuss the position with them on the basis that the other Arab States will equally have the opportunity to participate in M.E.D.O. Negotiations about the detailed arrangements for Egyptian participation in M.E.D.O. would meanwhile continue, and M.E.D.O. should be set up as soon as possible, with Arab participation. The nature, extent and willingness of Egyptian participation in the joint defence of the Middle East would thus become evident in practice well before the completion of the process of evacuating troops from Egypt.

2. The outline of the Middle East Defence Organisation in which the Egyptians are to be asked to participate is contained in the enclosed memorandum, suitable as the basis of a paper to be handed to the Egyptian Government. This is based on the earlier United Kingdom memorandum, and incorporates amendments suggested by the other sponsoring Powers.

* *Participation of Libya.* It is agreed that this question should not be raised until after the conclusion of the Anglo-Libyan Bilateral Agreement.

† *Participation of Pakistan.* It is agreed between the United States and the United Kingdom that we should envisage the participation of Pakistan in M.E.D.O. at the earliest politically feasible date.

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ENCLOSURE TO PAPER No. 2

MIDDLE EAST DEFENCE ORGANISATION

The defence of the Middle East is vital to the free world and can be secured only by the co-operation of all interested States. The establishment of a Middle East Defence Organisation would assist and support the States willing to join in the defence of the Middle East and develop the capacity of each to play its proper rôle in the defence of the area as a whole against outside aggression. Such an Organisation can be established by the general agreement of the States taking part, and need not be the subject of a Treaty. M.E.D.O. will not interfere in problems and disputes arising within the area and in no way affects existing arrangements relating to such matters.

Membership of M.E.D.O.

It is proposed that M.E.D.O. should consist, in addition to the United Kingdom and Egypt, of Iraq, Jordan, Syria, Lebanon, Saudi Arabia, the Yemen, the United States, France, Turkey, Australia, New Zealand and South Africa. The six last named States have already signified their intention to participate. It is hoped that Egypt will join them and the United Kingdom in encouraging the above-mentioned Arab States to become members of the Organisation. Once these States have formed the Organisation, applications from other States to join the Organisation will be decided in accordance with the views of those States already composing it.

The Functions of the M.E.D.O.

The function of the Organisation will be to provide a centre of co-operative effort for defence purposes. Initially, its tasks will be:—

- (a) To draw up plans for the defence of the Middle East.
- (b) To plan for, and provide the Middle East States with, assistance in the form of training and advice.
- (c) To co-ordinate requests by Middle East States for arms and equipment.
- (d) To make plans for the operations in war of all forces allocated for the defence of the area in co-ordination with the adjoining N.A.T.O. Commands in the Mediterranean and Asia Minor.
- (e) To reduce such deficiencies as exist at present in organisation and capacity for the defence of the area, with particular emphasis on the need to ensure that the Middle East States are made increasingly capable of themselves contributing to the defence of the area.

Structure of the Organisation

The Organisation should be kept flexible and as small as is consistent with—

- (a) the need for efficient planning;
- (b) the participation of a number of different countries;
- (c) a smooth evolution into a full command structure if and when the participating States think this desirable.

The Organisation would consist of:—

- (a) Military Representatives Committee.
- (b) Planning Group.

Military Representatives Committee

The Military Representatives Committee would consist of representatives of all States participating in the Organisation. Its Chairmanship will rotate among the participating Powers. It will be responsible for the general direction of the Planning Group and would meet twice a year, or more often if required.

The Planning Group

The Planning Group will be an integrated structure composed of officers supplied by the participating Powers, under a British chairman. The Group will be divided into appropriate sections to handle, e.g., operations, plans, intelligence, administration and logistics, training, co-ordination of requests for military aid and equipment; liaison with non-participating Middle East States.

PAPER No. 3

UNITED STATES/UNITED KINGDOM TALKS ON EGYPT

PROCEDURE FOR NEGOTIATING DEFENCE

AGREEMENT WITH EGYPT

Objectives of the United Kingdom and United States Governments

1. The Governments of the United Kingdom and the United States intend to enter into negotiation with the Egyptian Government in order to secure the voluntary association of Egypt with the West in arrangements for the defence of the Middle East against outside aggression. They will therefore propose a general settlement comprising:—

- (a) a phased withdrawal of British armed forces from Egyptian territory;
- (b) the maintenance of the Canal Zone Base in peace with a view to its immediate reactivation in the event of war (see Annex);
- (c) an arrangement for the air defence of Egypt;
- (d) the participation of Egypt in a Middle East Defence Organisation; and
- (e) a programme of military and economic assistance to Egypt.

Tactics

2. The negotiations would begin by the United States and United Kingdom Ambassadors at Cairo informing the Egyptian Prime Minister that the two Governments are willing to discuss a general settlement on the above lines, since they believe it to be in the interests both of the Middle East and of the Western Powers that such a settlement should be speedily brought about. The Ambassadors would indicate that if British troops are to be withdrawn from the Canal Zone, it is imperative that alternative arrangements be made at the same time for the defence of the Middle East as a whole. It is for this reason that all the items comprising the proposed general settlement should be treated as interdependent and discussed simultaneously. Once this is agreed in principle, technical committees could be set up forthwith to deal with items (a), (b), (c) and (e) above.

3. As regards item (d) (the participation of Egypt in the Middle East Defence Organisation) it is likely that the Egyptian Government will prove reluctant to discuss it at all until arrangements for British withdrawal have been agreed, and will not wish to discuss it in detail until the withdrawal itself has been completed. Nevertheless, a binding commitment from the Egyptian Government to join an Organisation on the general lines contemplated by the Sponsoring Powers is essential, not only in order to avoid a vacuum in Middle East defence, but also to enable us to maintain our position in the other Arab States, and to justify the supply of arms to Egypt; the British and United States Ambassadors should therefore obtain the concurrence of the Egyptian Government in principle to participate in a Middle East Defence Organisation and at their discretion might hand to the Egyptian Government a paper on the lines of memorandum attached to paper No. 2. They could make it clear that if the Egyptian Government thought it desirable first to consult the other Arab Governments there would be no objection so far as we are concerned, and the United States and United Kingdom Governments would be prepared themselves, on behalf of or in co-operation with the sponsoring Powers, to make a prior approach to these Governments in order to enable the Egyptian Government to discuss the position with them on the basis that the other Arab Governments will equally have the opportunity to participate in M.E.D.O.

4. Attached as annex is additional guidance for the United Kingdom negotiators on the base requirements under cases A and B of paper No. 1.

5. The United States and United Kingdom Governments would be prepared to provide military aid on the basis of paper No. 4.

6. Egypt's economic difficulties might also be reviewed by the United States and United Kingdom Governments with a view to seeing what economic aid could be provided.

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7. These secret exchanges should, if successful, result in the issue of three governmental communiqués:—

- (i) by the United Kingdom Government stating their intention to evacuate their armed forces from Egypt by the end of 1954;
- (ii) by the Egyptian Government announcing their intention to enter a regional organisation for Middle East Defence, and to assume general responsibility for keeping the base in working order;
- (iii) by the United States Government publicly endorsing the positions taken by the United Kingdom and Egyptian Governments.

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ANNEX TO PAPER No. 3

ADDITIONAL GUIDANCE FOR UNITED KINGDOM NEGOTIATORS
ON UNITED KINGDOM BASE REQUIREMENTS IN CASES A AND B
OF PAPER No. 1.

1. The base area would be handed over to Egyptian control. Within this base area the existing depots and installations would either:

- (a) be run and controlled by the British, employing both British and Egyptian personnel, on the analogy of other installations in the N.A.T.O. organisation located in territory of another nation, such as the British base in Belgium (case A), or
- (b) be run and controlled by the Egyptians, with the assistance of British technical maintenance and inspection personnel (case B).

2. In both cases the depots and installations would act as a working base for the maintenance in peace of the Middle East Land Forces, but not of the R.A.F.

3. In both cases the Egyptians would undertake to maintain in working order all the facilities and communications required for the operation of the base and ports in war, so that the whole base could be brought into full operation at short notice. The Egyptians would also be responsible for guarding all communications, facilities, depots and installations and their contents.

4. In case A, the Army would retain not more than 5,000 personnel to run the depots and installations and the R.A.F. not more than 2,000 for the same purpose.

In case B there would be a lesser number of British personnel, but sufficient to ensure proper technical maintenance and inspection.

In both cases the British would undertake to train Egyptian maintenance inspection and supervisory personnel with view to the gradual reduction in the numbers of British personnel employed.

5. In both cases the contents of the depots and installations would remain the property of the British, but all the buildings, communications, and facilities would be the property of the Egyptians.

6. In both cases detailed discussions would be held between British and Egyptian military representatives in order to determine the exact form of co-operation and to decide all other outstanding matters, such as the detailed application of the principle of ownership outlined in paragraph 5 above, the arrangements for inspection from time to time of the facilities, installations and stores remaining in the base area, and the arrangement for training Egyptian technical personnel.

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PAPER NO. 4

UNITED STATES/UNITED KINGDOM TALKS ON EGYPT
SUPPLY OF ARMS

- The two sides discussed the question of the supply of arms to Egypt. Their views are set out in the two papers at Annexes A and B.
2. From these papers it appears that the two sides are in agreement
 - (a) that Egypt should be encouraged to look to her habitual sources of supply of arms,
 - (b) on the need for close consultation between the United States and the United Kingdom concerning the supply of arms to Egypt, and for close co-ordination of those supplies once negotiations with Egypt have started,
 - (c) that consideration be given to the possibility of United States financial aid to Egypt for purchase of military equipment in the United Kingdom.
 3. The two sides differ on the advisability of making an immediate release of military equipment to Egypt before the opening of negotiations.

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ANNEX A TO PAPER No. 4

UNITED STATES POSITION ON EXTENSION OF MILITARY AID TO EGYPT

1. The Governments of the United Kingdom and the United States are in agreement that the Government of General Neguib in Egypt affords the Western Powers their best opportunity of working out satisfactory arrangements for the common defense of the area, not only with Egypt but eventually with the other Middle Eastern States.
2. The United Kingdom Government has concurred in the answer which the United States made to General Neguib on 6th October, 1952, in response to his enquiry of 18th September, indicating that it was ready to examine the possibility of extending material aid to Egypt, if Egypt for its part was ready to examine the possibility of entering into arrangements with the Western Powers for mutual defense.
3. General Neguib in a Memorandum to the American Ambassador at Cairo dated 10th November, 1952, indicated the willingness of his Government to consider the eventual entry of Egypt into a system of Middle Eastern Defense with the Western Powers, provided some solution could be found to the problem of British evacuation from the Canal Zone. With this communication he made formal request for military and economic assistance from the United States.
4. The United Kingdom and United States Governments are in agreement that it is in their best interests to maintain the Neguib régime in power. General Neguib has on numerous occasions indicated to the United States and United Kingdom Ambassadors in Cairo that, if he is to remain in power, he urgently needs aid from the West. The only foreseeable force able to overrun General Neguib would appear to be dissatisfied elements in the Egyptian armed services. The morale of the Egyptian services therefore is an important element in the situation. He has made specific requests of the United States for military and economic aid which have thus far met with no response.
5. The United States is convinced that an immediate interim response to General Neguib's request for aid is essential not only to maintain the General's confidence in the West but also to set the stage for the forthcoming negotiations between Egypt, the United Kingdom and the United States for settlement of the defense problem. Since it does not appear possible to formulate a programme of economic assistance which could be carried out with any effect in the next few months, it is the belief of the United States that an interim military aid programme is required. The military character of the present régime would seem to underscore the importance of such a programme.
6. In light of these circumstances the United States Government considers it most desirable to make available to Egypt arms and military equipment to the approximate value of \$10 million, some of which might be furnished as grant aid.
7. Arms and equipment in the \$10 million interim programme of military aid would be selected from the list submitted in Annex I of the Egyptian memorandum of 10th November, 1952, and would so far as possible, comprise arms and equipment which could not be used by the Egyptian armed forces in guerrilla or other armed attack on British troops stationed in the Canal Zone.
8. In informing General Neguib of the readiness of the United States immediately to make available the \$10 million shipment of military equipment in addition to the million dollar order of so-called "police equipment," the furnishing of which has already been agreed to by the United Kingdom Government, the American Ambassador at Cairo would inform General Neguib that this step was taken as earnest of the friendly attitude of the United States and its desire to bring to a successful conclusion negotiations with Egypt which would place that country on the side of the free Western Powers in some system for mutual defense of the Middle East. The Ambassador would make it clear that the United States would not make any additional shipment of equipment to Egypt unless definite progress had been made in the negotiations.

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PAPER No. 4

UNITED STATES/UNITED KINGDOM TALKS ON EGYPT

SUPPLY OF ARMS

The two sides discussed the question of the supply of arms to Egypt. Their views are set out in the two papers at Annexes A and B.

2. From these papers it appears that the two sides are in agreement

(a) that Egypt should be encouraged to look to her habitual sources of supply of arms,

(b) on the need for close consultation between the United States and the United Kingdom concerning the supply of arms to Egypt, and for close co-ordination of those supplies once negotiations with Egypt have started,

(c) that consideration be given to the possibility of United States financial aid to Egypt for purchase of military equipment in the United Kingdom.

3. The two sides differ on the advisability of making an immediate release of military equipment to Egypt before the opening of negotiations.

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ANNEX A TO PAPER No. 4

UNITED STATES POSITION ON EXTENSION OF MILITARY AID TO EGYPT

1. The Governments of the United Kingdom and the United States are in agreement that the Government of General Neguib in Egypt affords the Western Powers their best opportunity of working out satisfactory arrangements for the common defense of the area, not only with Egypt but eventually with the other Middle Eastern States.

2. The United Kingdom Government has concurred in the answer which the United States made to General Neguib on 6th October, 1952, in response to his enquiry of 18th September, indicating that it was ready to examine the possibility of extending material aid to Egypt, if Egypt for its part was ready to examine the possibility of entering into arrangements with the Western Powers for mutual defense.

3. General Neguib in a Memorandum to the American Ambassador at Cairo dated 10th November, 1952, indicated the willingness of his Government to consider the eventual entry of Egypt into a system of Middle Eastern Defense with the Western Powers, provided some solution could be found to the problem of British evacuation from the Canal Zone. With this communication he made formal request for military and economic assistance from the United States.

4. The United Kingdom and United States Governments are in agreement that it is in their best interests to maintain the Neguib régime in power. General Neguib has on numerous occasions indicated to the United States and United Kingdom Ambassadors in Cairo that, if he is to remain in power, he urgently needs aid from the West. The only foreseeable force able to overrun General Neguib would appear to be dissatisfied elements in the Egyptian armed services. The morale of the Egyptian services therefore is an important element in the situation. He has made specific requests of the United States for military and economic aid which have thus far met with no response.

5. The United States is convinced that an immediate interim response to General Neguib's request for aid is essential not only to maintain the General's confidence in the West but also to set the stage for the forthcoming negotiations between Egypt, the United Kingdom and the United States for settlement of the defense problem. Since it does not appear possible to formulate a programme of economic assistance which could be carried out with any effect in the next few months, it is the belief of the United States that an interim military aid programme is required. The military character of the present régime would seem to underscore the importance of such a programme.

6. In light of these circumstances the United States Government considers it most desirable to make available to Egypt arms and military equipment to the approximate value of \$10 million, some of which might be furnished as grant aid.

7. Arms and equipment in the \$10 million interim programme of military aid would be selected from the list submitted in Annex I of the Egyptian memorandum of 10th November, 1952, and would so far as possible, comprise arms and equipment which could not be used by the Egyptian armed forces in guerrilla or other armed attack on British troops stationed in the Canal Zone.

8. In informing General Neguib of the readiness of the United States immediately to make available the \$10 million shipment of military equipment in addition to the million dollar order of so-called "police equipment," the furnishing of which has already been agreed to by the United Kingdom Government, the American Ambassador at Cairo would inform General Neguib that this step was taken as earnest of the friendly attitude of the United States and its desire to bring to a successful conclusion negotiations with Egypt which would place that country on the side of the free Western Powers in some system for mutual defense of the Middle East. The Ambassador would make it clear that the United States would not make any additional shipment of equipment to Egypt unless definite progress had been made in the negotiations.

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9. The position of the United States Government with respect to any future programmes for military assistance for Egypt is that such programmes will have to be carefully co-ordinated with the progress made in obtaining Egyptian adherence to participation in a system of common defense planning. The scope and nature of United States assistance will therefore depend in the future in large measure on Egyptian performance, and on the general question of area relationships.

10. While the United States cannot agree that such a policy should exclude Egyptian procurement from the United States, the United States will continue as a matter of policy to impress upon General Neguib and his Government that the United States will expect Egypt to look to its habitual sources of arms supply. The United States would also be prepared to consider the possibility that its military assistance to Egypt might in part take the form of material of British type purchased by the United States in the United Kingdom for transfer to Egypt. The United States will, of course, undertake to maintain close consultation and co-ordination with the United Kingdom insofar as possible in the formulation of any arms programme.

ANNEX B TO PAPER NO. 4

UNITED KINGDOM POSITION ON EXENSION OF MILITARY AID
TO EGYPT

Since October 1952 both the United Kingdom and the United States have made available, as an exception to the embargo which had been in force for the preceding twelve months, relatively small quantities of military equipment to Egypt, little of which has actually arrived there yet. The main purpose of these consignments was to give political support to General Neguib's régime.

A.—In the Immediate Future

2. The United Kingdom Government are firmly opposed to the release of any further equipment except in the course of defence negotiations, for the following reasons:—

- (a) While the United Kingdom realise the necessity for building up an atmosphere of confidence between the United Kingdom and the United States on the one hand and Egypt on the other, experience over the release of jet aircraft to Egypt does not lead them to suppose that any further releases of military equipment would have this effect.
- (b) In the light of recent statements by a member of the Egyptian Higher Military Committee and a member of the Egyptian Government threatening renewed guerrilla activity in the Canal Zone failing the withdrawal of British troops, it will be difficult for the United Kingdom Government to be certain that any military equipment supplied to Egypt will not be used against British forces. Moreover, it will be practically impossible to convince Parliament and public opinion in the United Kingdom that it will not be so used.
- (c) The Government of Israel have already shown marked concern over the recent supplies of jet aircraft from the United Kingdom to Egypt and other Arab States. The Arab States maintain that a state of war still exists between themselves and Israel, and some of their leaders make provocative statements from time to time. Any supplies would be attacked by the Israeli Government as potentially for use against themselves and it would be difficult to justify them except as part of a defence settlement.
- (d) Any substantial supplies to Egypt before the opening of defence negotiations would increase the pressure by the remaining Arab Governments, as well as Israel, for further arms supplies without commitment to the West. Other countries might take a similar attitude.
- (e) Substantial release now by the United Kingdom or the United States to Egypt would make it more than ever difficult to restrain the North Atlantic and other friendly Powers from bringing their own embargoes to an end. This would mean that Egypt could obtain immediate delivery of very large quantities of modern armaments, including small arms and ammunition, which Egyptian purchasing missions have sought to obtain from these countries over the past few years.
- (f) The West would therefore have thrown away what might otherwise have been one of its most potent bargaining levers in the negotiations with Egypt.

3. It would, in the United Kingdom view, have a particularly unfortunate effect on the United Kingdom position in Egypt if the *United States* were to make a substantial release of arms to Egypt now because:—

- (a) Despite the United States statement that further United States shipments of arms would not be made until progress had been achieved in the negotiations, the Egyptians would tend to believe that in the last resort they would be able to obtain more from the United States and would be to that extent less convinced of the need for a settlement with the United Kingdom.
- (b) It might tend (contrary to the long-term aims of both Governments) to divert Egypt from looking to the United Kingdom as her habitual supplier of arms.

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- (c) It would be unfortunate if the United Kingdom and the United States representatives had to give evidence in the North Atlantic Council of a difference of opinion on such a vital point as the supply of arms in advance of negotiation.

B.—After the Opening of Defence Negotiations

4. When negotiations have started the United Kingdom Government propose to release equipment to Egypt in phases. The timing of each phase would depend on the course of negotiations. It would also depend on the availability of the equipment concerned (some of the known Egyptian requirements could, if supplied from United Kingdom sources, only be provided at the price of some detriment to United Kingdom and Allied forces). The most important items would be withheld until an agreement was reached.

5. The enclosure to this paper shows how the equipment now on order by Egypt from the United Kingdom would fit into these phases. Equipment of the types detailed in phase A would be released on the decision of the supplying Governments when they felt fairly confident of Egyptian participation in preparations for regional defence. Equipment in Phase B would be released when a settlement was reached, and this would be tantamount to a complete lifting of the arms embargo.

6. It is by no means certain that the Egyptians will require all of the equipment shown in the annex, some of which has been on order for a long time. At a suitable moment they would probably be invited to submit an up-to-date list, which would then be divided into similar phases.

7. The above policy would be entirely ineffective if other Governments supplied arms to Egypt without conforming to it.

ENCLOSURE TO ANNEX B TO PAPER NO. 4

PHASING OF UNITED KINGDOM EQUIPMENT

There are two criteria for deciding which types of equipment should come into each category:—

- (a) The extent to which a particular type can be used against British forces in the Canal Zone.
 - (b) Their usefulness and attractiveness in the eyes of the Egyptian Government.
2. Existing orders from the United Kingdom have been divided into two phases. Supply of equipment under these phases would be adapted to Egypt's present requirements. The major items in the phases are:—

ARMY EQUIPMENT

Phase A

- (i) Some static 3·7 inch anti-aircraft guns.
- (ii) Spare parts for Centurion tanks already held by the Egyptians.
- (iii) Wireless sets from War Office stocks.
- (iv) One or two radar sets Mark III.

Phase B

- (i) Centurion tanks Mark III and armoured cars (these could be supplied without detriment to the active forces but at some detriment to the first contingent of the Territorial Army).
- (ii) Machine guns, with some small arms and other ammunition, from War Office stocks.

The equipment in these phases would be drawn in roughly equal proportions from the trade, from the new production and from War Office stocks. The total estimated value of requirements so far made known by the Egyptians to the United Kingdom Government is some 8 million pounds of which the Egyptians have already made down payments to the value of 1 million pounds.

AIR FORCE EQUIPMENT

Phase A

- (i) The remaining jet aircraft and components already ordered, as follows:—
 - 12 Meteor Mark VIII Fighters
 - 22 Vampire Fighter Bombers
 - 16 Vampire Night Fighters
- (ii) 21 Spitfires for which the Egyptian Air Force recently enquired.
- (iii) Further components and parts for production of Vampire aircraft.

Phase B

- (i) Ammunition and armament spares now on order, for existing aircraft of the Egyptian Air Force.
- (ii) Any new orders for jet aircraft and for armament spares.

The value of the above equipment (excluding (ii) in Phase B) is about £3 million sterling.

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PAPER No. 5

UNITED STATES/UNITED KINGDOM TALKS ON EGYPT
ECONOMIC ASSISTANCE

The two sides have exchanged views on the possibility of giving some economic assistance to Egypt. This question is still under consideration by the Government departments concerned in Washington and London, and no conclusions have yet been reached. It appears unlikely, however, that it will be possible for either Government to accord assistance on a scale large enough to have much effect either in strengthening the position of General Neguib's Government in Egypt or in affecting the Egyptian attitude to the United Kingdom defence proposals set forth in paper No. 1. Such assistance as it may be possible to give would only go a very small way towards alleviating Egypt's economic crisis, and would be in no way commensurate with the request recently put forward by Egypt to the United States for \$100 million, and for assistance in the supply of wheat.

United States Position

2. The United States Government are considering
 - (a) the Egyptian request for assistance to the value of \$100 million for certain development projects,
 - (b) assistance in supplying all or part of Egyptian wheat import requirements of 800,000 tons.
3. The possibility of buying Egyptian cotton for the United States stockpile has also been considered, but does not appear feasible. It may however be possible for the Defence Department to arrange for an increase in purchases to the extent of about 14,000 bales of cotton (value about \$5 million) through commercial channels during 1953 to meet current defence needs. This amount would however be too small to have any appreciable effect on the Egyptian cotton crisis.
4. As regards proposal (a), the United States Government are increasing the scope of the industrial survey mission now in Egypt under Point 4. This mission might review existing Egyptian development projects and perhaps recommend one or two projects which could be put into effect in the near future.
5. The search for other ways in which the United States might give some economic aid to Egypt will continue.

United Kingdom Position

6. The United Kingdom Government has considered
 - (a) the possibility of buying Egyptian cotton for the United Kingdom stockpile;
 - (b) a special release to Egypt from her blocked sterling balances.
7. Both courses present great difficulties, and, while Ministers have not yet reached a final decision, it is most unlikely that Her Majesty's Government could give economic assistance to Egypt in these (or other) ways.