

314. Draft Telegram From the Department of State to the Embassy in Egypt¹

Washington, undated.

Embtel 2165.² Believe it useful emphasize³ limited nature present . . . operation In countries outside Egypt we taking steps designed improve position of West and in this context reduce Egyptian influence. With respect to Egypt itself we endeavoring . . . to make clear friendly relations between US and Egypt are based on reciprocity. . . .

Do not believe . . . operation as now being conducted will of itself cause Nasser decide obstruct efforts UNSYG. Nasser must have noted already change in our attitude and some speculation in press re possibility of policy revision. Alteration in Egyptian press and radio and cooperation given Hammarskjold to date may be his way of responding. By such means he may have taken first step indicating he is not unfriendly to West and thereby induce us to resume policy of full cooperation.

With specific reference your proposed remarks to Nasser you may wish take account following:

1. Purpose of 2d Embtel 2598⁴ was to dramatize Egyptian willingness cooperate through UN on Arab-Israel problem. Although Fawzi more familiar with details, his presence at SC would not have same impact in area and we question whether Nasser would entrust him with discussions basic matters bearing on Arab-Israel problem.

2. Re Jordan Valley, we believe it impracticable proceed on piece-meal basis and thus lose momentum achieved during past two years. Our efforts must be directed at securing agreement on unified development. Nasser's assistance and ability to accomplish will represent real test of his sincerity.

3. If Nasser raises High Aswan Dam, you could say Egyptian counterproposal altered premise on which offer of US-UK grant was made for which reason counterproposal required new consideration. This consideration is now taking place. If Nasser further presses question in context of Senator George's statement⁵ you could inquire what progress has been made in negotiations with Sudan on Nile waters and related problem of redemption Egyptian currency

¹ Source: Department of State, NEA Files: Lot 59 D 518, Omega. Mr. Rountree (for NATO Meeting May '56). Top Secret, Omega. Drafted by Wilkins and Burdett on April 30 and cleared in draft with Rountree. A note from Allen to Wilkins attached to the source text reads: "I don't see that any reply to Cairo's 2165 is called for. We'll carry on this debate forever." No record has been found in Department of State files to indicate this telegram was transmitted to Cairo.

² *Supra*.

³ At this point on the source text, Allen wrote, "to whom?"

⁴ Document 310.

⁵ See footnote 3, *supra*.