## No. 149

780.5 MSP/8-3053; Telegram

The Ambassador in Egypt (Caffery) to the Department of State 1

## TOP SECRET

Cairo, August 30, 1953-noon.

- 271. Third RECNE meeting held Cairo August 28-29. Present: Caffery (chairman) Berry, Moose, Lynch, Russell, Bruins, Jones, Jernegan and Daspit (State), Paul (FOA), Sievers and Eveland (Defense). Summary record being prepared for pouching by September 11.
- . Highlights of meeting included:
- I. United States military aid 1954.
- (a) On basis assumption reported by Washington representatives that any possible requirements for Egypt-Iran-Pakistan would be met from reserve funds Title II RECNE accepted proposal whereby \$30 million from subsection 202(b) directed to other Arab States and Israel.

(b) Agreed as much as two-thirds of \$30 million should be allocated to Iraq and Syria with token programs in other Arab States and Israel and probably slightly larger program in Saudi Arabia (Jones, who did not arrive Cairo until after discussion this item dissents).

(c) Formula for preventing United States military aid being used for local aggression would be joint planning with United States participant. [Garble] believed acceptable to all receiving Near East countries. (Moose adds provided Syrian program large enough.) Suggest one MAAG to handle both Jordan and Lebanon if small size of programs justifies.

(d) ACSP pure propaganda document and can play no useful role our military planning in area except be possible source of language for use in eventual regional agreements. Setting up United States-United Kingdom-French-Turkish MEDO in Near East would confuse and irritate Arabs. Attempts seek combinations Arab States with Turk-Pakistan would be premature for present. Military aid program should be kept bilateral at beginning.

(e) RECNE recommends following timetable of action for all countries except Egypt which special case (see Department tele-

gram 69 to Cairo); 2

1. Joint Chiefs of Staff should proceed with military planning taking into consideration broad principles set forth above

and presently available data.

2. At earliest possible moment, chiefs of mission should approach Near East governments informing them availability military aid. If Near East governments interested, United States Government would like send out small survey team for

<sup>1</sup> Repeated to London, Paris, Tel Aviv, Ankara, and the Arab capitals.

<sup>&</sup>lt;sup>2</sup> Telegram 69 to Cairo, July 15, transmitted the President's reply to a letter of July 11 from Naguib regarding the Suez Canai Base. For documentation on this subject, see Documents 947 ff.