

debt repayment. In this event, effects loss of program goods on economy must be carefully weighed against consequences of default.

Transfer of initial responsibility for debt problem to Embassy TCA Israel would necessitate immediate sending of competent financial expert so that he could be briefed before departure of Mikesell and Patterson.

RUSSELL

No. 632

674,24A/6-3053

The Ambassador in Egypt (Caffery) to the Director of the Office of Near Eastern Affairs (Hart)

TOP SECRET
OFFICIAL-INFORMAL

CAIRO, June 30, 1953.

DEAR PETE: With reference to my letter of June 23, Gamal Abd Al Nasir has volunteered to an officer of the Embassy some further information about his Israeli contacts.

He confirmed that in addition to his friend in Israel he has contacts in Paris and in Turkey through whom he attempts to keep informed about the situation in Israel. He said that, although an eventual settlement with Israel is in his mind, his present contacts are for informational purposes only. He added that, in his opinion, any peace settlement is still a long way off.

Both Nasir and Abd Al Hakim Amir, the newly-appointed Commander-in-Chief, who was also a party to the conversation, displayed considerable lingering bitterness over the roles of the other Arab states, particularly Jordan, in the Palestine War. Mingled with this was an attitude of skepticism as to the seriousness of the opposition of the other Arab states to Israel.

Sincerely yours,

JEFFERSON CAFFERY