Otherwise we fear continued harmful discussion in Security Council and repeated incidents similar to that of Rat Galim.

FYI Israelis understand Egyptians plan to put erew across Gaza frontier January 1 and say if this is done it will greatly impair possibility quiet settlement this matter. We realize unlikely Egyptians will respond this suggestion but believe important we do not neglect any possibility avoiding further dispute. Request prompt report. End FYI.

DULLES

No. 946

984A,53/12-3154; Telegram

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

SECRET PRIORITY CAIRO, December 31, 1954—3 p. m.

867. Re Deptel 994. ² Message conveyed Riad this morning persuasively as possible. He said it was out of question for ship to pass canal in any way explaining "Arabs already attacking GOE be cause we are releasing crew and ship and accusing us of trying make peace with Israel and we are not ready for more demonstrations against us. Release ship is contrary law of February 6, 1950 and we are making big concession to try reduce tension".

Riad then told Embassy officer in confidence he had sent Loutfi instructions yesterday to announce in SC on January 4 that cargo can be taken thru canal or any neutral ship and to suggest that arrangements for release of ship be discussed in MAC. Riad added he hoped all GOE legal arrangements for release ships would be completed by January 10. Re crew Riad said he will go ahead with plans release them at kilos 95 tomorrow. Gohar trying hard to get foreign newsman attend release but having little success due holidays. In absence neutral witnesses Gohar will get crew members sign document acknowledging release to prevent "any Israeli trick".

CAFFERY

Repeated to London, New York, and Tel Aviv.

² Supra.