

denied this report. During a stormy cabinet session which followed this denial several of the Ministers demanded that Maher should take a stronger line with the Wafd and place on them the responsibility for January 26. Maher refused and resigned. Hilali Pasha, to whom the Premiership was offered on February 25, agreed within a few hours to form a new Government.

The significance in the appointment of Hilali Pasha is that the King now has a government in which he has confidence and one which according to all sources will deal sternly with corruption, graft and subversion. The members of the Cabinet are known principally as anti-Wafd. Most of them have previously been either ministers or under secretaries.

While Hilali Pasha has a reputation for honesty and integrity and is strongly anti-Communist, there is little reason to believe that Hilali will compromise on Egyptian nationalist aspirations. It is too early to know exactly what line Hilali will take, but evidence suggests that he will insist upon the evacuation of foreign troops from the Canal Zone and will require recognition of Egyptian sovereignty over the Sudan, possibly subject to later self-determination by the Sudanese. It may be expected that Hilali with the backing of the King will maintain internal security with a strong hand and will not tolerate the repetition of January 26 incidents. However, if Hilali is not able to achieve Egyptian nationalist aspirations, the Wafd may be expected to arise again, although this may take a considerable period of time.

No. 968

641.74/3-852: Telegram

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

SECRET

CAIRO, March 8, 1952—3 p. m.

1525, I too am concerned present Brit misunderstanding of current Egypt situation (Deptel 1360, March 5).² This talk about

¹ Repeated to London as telegram 737.

² In telegram 1360 to Cairo, Mar. 5, not printed, the Department of State asked Ambassador Caffery to assess the situation as it then existed in Egypt and to provide firm recommendations which the Department could use vis-à-vis the British to achieve a satisfactory Anglo-Egyptian settlement of the Sudan and Suez Canal Zone issues. (641.74/3-452)