

proved request and funds. An administrative allocation was made of these items.

3. However, in accordance with the desire of the Department of State made known to this office, 28 July 1952, all action on this transaction has been stopped and the case is now being held in abeyance. The Department of the Army has removed the items from the agenda of the Allocations Committee (Army) and suspended all action which had begun to prepare the equipment for shipment.

4. This memorandum confirms verbal request of the State Department to suspend all action. It is requested this office be informed of any change in the aforementioned status which may be desired.

GEORGE H. OLMSTED

No. 1001

774.00/8-752 Telegram

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

SECRET

CAIRO, August 7, 1952—7 p. m.

295. Re Deptel 230, August 4.²

1. Present relations between Wafd and new regime is definitely not running as smoothly as Nahas and Serageddin had hoped when they took initiative in returning to Egypt re mytel 294, August 7.³ Whereas Army feared power of Wafd at beginning of coup, now that coup has succeeded, it has lost much of that fear and envisages a Wafd-less future for an Egypt led by Ali Maher with strong army support as his more or less silent partner. In his previous premiership, Maher placated Wafd because of his complete lack of support from sources other than Palace. Today he has awakened Army behind him and is in less need of Wafd. So long as there is possibility of his making a go of governing in collaboration with military, Nahas and Serageddin can expect only trouble from him.

¹ Repeated to London as telegram 91 and unnumbered to Paris, Ankara, Rome, Moscow, the Arab capitals, Tehran, Tel Aviv, Tripoli, and Tangier.

² In telegram 230 to Cairo, Aug. 4, not printed, the Department instructed as follows:

"Dept wd appreciate ur present evaluation (1) relationship between new regime and Wafd as repd by Nahas and Serageddin; (2) relationship new regime and Moslem Brotherhood; and (3) possibility Salaheddin and younger elements Wafd may be able reach understanding with new regime." (774.00/8-452)

³ Not printed.