

No. 1035

774.09/11-2652: Telegram

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

SECRET

CAIRO, November 26, 1952—2 p. m.

1300. We concur with logic final para London's 2970, Nov 25, rptd Cairo 157, but there are certain peculiarities of present Egypt regime which require special consideration. First is fact that regime is itself a military dictatorship and officers composing Mil High Comite are convinced that they can only maintain support of armed forces by tangible show of mil aid from West powers. In this assessment, I believe they are right.

Second point is that Mil High Comite is finding difficulty in expressing Egypt's requirements for econ assistance. Officer charged with drafting Annex B to Naguib's memo of Nov 10 this morning informed Emb Counselor that he had not yet been able to complete a draft. This derives largely from econ ignorance and inability of young colonels to formulate a sensible program for econ development which cld be appropriately supported by US or UK.

From gen context of *aide-memoire* set forth Deptel 3409, Nov 18 to London rptd Cairo 1040, we query whether time might not be ripe to give serious consideration to suggesting that Egypt Govt sign agreement with US under provisions of Sec 511(a) of Mutual Security Act of 1951 in order that way might be opened for grant of econ or mil assistance to Egypt under Title 2.

As immed stopgap measure it is imperative that Brit buy cotton. Prompt action in this sphere will redound immeasurably to their benefit as polit gesture. Delay, however, followed by eventual action will negate polit capital which might otherwise be made.

CAFFERY

¹ Repeated to London as telegram 444 and unnumbered to Paris for Reinhardt, to Rome for Unger, to Ankara, and to the Arab capitals.