

No. 1059

774.6 MSP/12-3152

*Memorandum of Telephone Conversation, by the Special Assistant
to the Secretary of State (Kitchen)*

TOP SECRET

WASHINGTON, December 31, 1952.

Participants: Mr. Harriman
Mr. Acheson

Secretary Acheson telephoned Mr. Harriman. Mr. Acheson said that he had a letter addressed to Mr. Harriman asking Mr. Harriman to ask the President to have Egypt made eligible for grant military assistance. The JCS want to send between 5 and 10 million dollars of material for the Egyptian Army and it has been worked out with the JCS and representatives of Naguib. The Secretary said that there would be a great deal of pressure on Mr. Harriman and the President to have Israel brought into this. Mr. Harriman agreed that pressure was already on.

Mr. Harriman said the Israelis were talking about two conditions: (1) that we won't give grant aid to Egypt unless we bring Israel into it; and (2) Egypt starts peace discussions. The Secretary said that those conditions are both impossible, as far as public announcements were concerned, and would defeat the aim of helping Naguib. If they were put on, it would be better not to offer aid at all.

Mr. Harriman inquired as to how much 5 or 10 million would do, and the Secretary said that it gives Naguib something from us, something for internal security and prestige of the army—the continuing support of which he badly needs. We haven't been able to do much for him economically.

Mr. Harriman inquired what the nature of the material was. The Secretary said that he did not know, but he could have that information developed for Mr. Harriman. Mr. Harriman said that if it is for internal security, that is different.

Mr. Acheson asked Mr. Harriman if he wished him to send a letter over to him, or wait until he got the list of items. Mr. Harriman said that either way was all right. He thought that both he and the Secretary would have to talk to the President about it, after talking it over with each other. The Secretary said he would send the letter over, and that Mr. Harriman would probably get it on Friday, the second. The Secretary asked Mr. Harriman when he would be working on the matter. Mr. Harriman said that he thought on Friday, in so far as he could work on it.