

We are exerting utmost efforts here to keep temperature down (see my next following telegram) ⁴ but I must warn Department that danger of open Anglo-Egyptian blowup exists. If it takes place all hope of Arab cooperation with West in foreseeable future will vanish.

Under these circumstances I can only recommend:

(1) That we resist British effort to delay our interim aid program which these proposals entail;

(2) That we redouble our efforts at all points to allay growing mistrust between British and Egyptians;

(3) That with absolute minimum of delay we implement program of interim military and economic assistance which I understand Department has in advanced stage of preparation.

This is the only policy which I can envisage that holds possibility for effective United States role as active mediating participant in most difficult negotiations ahead and which in the event of an Anglo-Egyptian impasse might preserve for the West through the United States some shreds of a residual position in Middle East. I fully appreciate strain which such course of action will place upon our relations with British. The stake is the Middle East and a good part of Africa. The Department can alone decide what price it is worth.

CAFFERY

⁴ Not printed.

No. 1064

7445/1-352: Telegram

*The Ambassador in the United Kingdom (Gifford) to the Department of State*¹

SECRET PRIORITY

LONDON, January 3, 1953—noon.

3635. There follows summary of two meetings held so far with British on Egypt. British delegation headed by Bowker with services group headed by Air Chief Marshal Baker, Vice Chief Air Staff.

First meeting December 31 was on UK memo on defense negotiations with Egypt.² Byroade expressed general agreement with

¹ Repeated to Cairo as telegram 183 and unnumbered to Khartoum.

² See telegram 1524 from Cairo, Document 1056.