

Please clarify urgently as I am committed to present paper to British no later than Monday morning on proceeding with an immediate interim program in order magnitude of \$11,000,000.

British Joint Chiefs of Staff give every indication of moving quickly upon military supplies to Egypt once base problem and defensive arrangements are well under way. They indicate they are prepared to give sufficiently high priority to Egyptians to make equipment roll rapidly.

They feel that Britain should be the primary source of military equipment for Egypt but do not seem averse to some assistance from United States providing matter properly coordinated. I also believe they are not as averse to \$11,000,000 project as their Foreign Office officials.

There is one point here that must be borne in mind as we consider the composition of any list of United States equipment. British feel strongly about type of weapons being given to Egypt at this time which can readily be used in guerrilla warfare by Egyptians against them. I believe, even if we can secure agreement here in principle that we proceed without delay upon \$11,000,000 program, that we should reconsider our list in this regard after my return. ⁴

GIFFORD

⁴ In telegram 4409 to London, Jan. 4, not printed, the Department expressed the hope to Byroade that telegram 4399, which had crossed London's 3640, made the thinking in Washington regarding the interim arms program reasonably clear. (7745 MSP/1-453)

No. 1067

64176/1-353: Telegram

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

SECRET PRIORITY

LONDON, January 3, 1953—7 p. m.

3641. From Byroade. Afternoon January 2 we continued talks with British on Egypt and covered following points:

1. *Economic Assistance.* British said they had looked into this question urgently, particularly from following points of view: (a) Increasing cotton purchases; (b) Stockpiling cotton; (c) Further sterling releases. Results largely negative. Re (a), raw cotton commission operates as independent agency on commercial lines, and FDMG cannot interfere. Main difficulty is Sudanese cotton is six pence per pound cheaper. Present indications are that RCCs may

¹ Repeated to Cairo as telegram 186 and unnumbered to Khartoum.