

with some of the helpful things the British are doing for us. I thought that when the going got rough, it would be useful to Mr. MacArthur to have such a list. As you can imagine, he has very much in mind the EUR interest in the area and I hope will be in a good position to give the Secretary a more balanced view than the one he is likely to be presented with on this trip.

No. 1159

641.74/5-1253: Telegram

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

SECRET

CAIRO, May 12, 1953—1 p. m.

2416. For the President from the Secretary. UK-Egyptian negotiations on base agreement presently stalled on issue of whether British technicians shall receive instructions direct from London or whether they shall be communicated through Egyptian authorities. British are sticking to so-called "case A" of joint US-UK London paper. Believe some modification along lines "case B"¹ might permit agreement on this issue, however, complete distrust and ill will both sides constitute continuing major obstacle. Also no easy way to break present deadlock without loss of face for one side or another. Tension mounting daily and situation dangerous. Robertson told me yesterday that if the negotiations break down there will undoubtedly be serious incidents. He said "this means war although we may not call it such." Was with Naguib about five hours yesterday afternoon and evening.² He greatly appreciated your letters and gift. While my personal relationship with him most agreeable it does not correct deep basic distrust of British which is dominant consideration overriding any fear of Soviets. Exploring situation further today and will send you my further thoughts tomorrow.

CAFFERY

¹ Regarding "Cases A and B", see Document 1061.

² See footnote 4, Document 1155.