

cated formula. We would prefer this although recognize ten years may be difficult.

Procedure is complicated by the fact that Egyptians do not accept us as co-negotiators with UK and UK unwilling recognize us as mediators. Therefore next step must be resumption presumably on informal basis of contacts at Cairo between Robertson and Egyptian representatives. Also situation complicated by political factors which are strong influence London as well as Cairo.

Egyptian initiative in approaching us has been valuable as it enabled us to have frank talks with Salisbury and Robertson which we believe will be reflected in greater flexibility unless London political factors prevent. However, Egyptians will have to show patience and flexibility also. Believe Robertson personally shares our view that what is to be done must now be done quickly. He also shares your concern of split within RCC and fears elements favoring no agreement will grow in strength.

You will be advised later as things develop, and as appropriations become firm, action to be taken by you in connection with President's mention of your role in economic and military assistance discussions.

DULLES

No. 1206

641.747-1553 Telegram

*The Secretary of State to the Embassy in Egypt*¹

TOP SECRET
PRIORITY

WASHINGTON, July 15, 1953—9:20 p. m.

69. There follows text of President's reply to Naguib's letter of July 11 for delivery by you.

Begin text.

"Dear Friend: I was happy to receive through Ambassador Caffery your letter of July 11 together with the suggestions contained in the new formula of your Government regarding the Suez Canal Base. The assurances which you convey of Egypt's readiness to play her full part in furthering the military strength and economic and social stability of the Middle East are particularly welcome.

The proposals advanced by your Government constitute a significant step forward although in some respects they leave certain difficulties unsolved. I believe I must state to you in all candor that I find certain points adversely affecting the security interests of my

¹ Repeated to London for the Ambassador as telegram 274. Drafted and approved by Byroade after being cleared by the President.