- 4. Stevenson said that as result meeting he is "even gloomier than before". Same group will get together again tomorrow. No word of Saturday get-together has appeared in press. Both sides have agreed, if pressed, to say that they are "in continuing contact".
- 5. Stevenson said that only-result American economic aid at this juncture would be to encourage Egyptians to "dig in their toes" in negotiations—particularly on point of availability "in which US is so interested". At present he can foresee no circumstance in which negotiations would be advanced by US aid.

JONES

## No. 1264

641.74/12-2953: Telegram

The Charge in the United Kingdom (Butterworth) to the Department of State <sup>1</sup>

SECRET

LONDON, December 29, 1953-7 p. m.

2792. Foreign Office today gave us statement of HMG's understanding of points agreed and not agreed in Suez talks Department telegrams 3133, 3167, and 3178; Paris telegrams 2311 and 2320; and Embassy telegram 2687). 2 Document, which is quite detailed, being transmitted by air pouch. 3 It covers following nine points on which British delegate attempted secure agreement on principles (or "heads of agreement") at October 21 meeting: (1) duration, (2) consultation, (3) withdrawal troops, (4) number technicians, (5) availability, (6) uniforms, (7) air matters, (8) organization base, and (9) navigation Suez Canal. These are same nine topics covered Cairo's 488, October 22, and we believe substantially all points made in document already familiar to Department and Embassy Cairo. In general, document takes position consistent with that outlined in Embassy telegram 2603, i.e. there evidently are a number of issues in addition to availability and uniforms on which agreement has not been reached.

Document concludes by pointing out that after announcement of agreement on principles, two sides would start discussing a definite

<sup>&</sup>lt;sup>a</sup> Repeated to Cairo as telegram 72.

<sup>\*</sup> Telegram 3133 is printed as telegram 656 to Cairo, Document 1252. None of the other reference telegrams is printed.

<sup>&</sup>lt;sup>3</sup> Not printed; this statement of points agreed and not agreed in the Suez talks as of Oct. 21, 1953, was transmitted to the Department in despatch 2275 from London, Dec. 29. (641.74/12-2953)