

Nasir privately admitted an attack on Turkey or Iran would make immediate base activation desirable, he suggested that Egyptians consider extending their formula to something like "an attack on Turkey or Iran which threatens security ALCSP states". Stevenson said that this idea appeared to make some impression. Although he is not hopeful, he said he got impression that Egyptians might not be "irreducible" re this point.

4. Neither side suggested another meeting. Egyptians promised study British ideas. Stevenson feels that he has got as far as possible with this Egyptian group: "I plan to tackle Fawzi tomorrow re availability".

JONES

No. 1266

874.00 TA/12-3153: Telegram

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

SECRET PRIORITY WASHINGTON, December 31, 1953—2:20 p. m.

713. *New York Times* Dec 30 carried London story British Government circles concerned at possibility US military or economic aid to Egypt and on December 31 carried Hanson Baldwin article criticizing US failure support UK more strongly. FYI only Dept has informed British Ambassador its displeasure at first story.

AP Washington story Dec 30 cited "authoritative sources" saying US reported to have informed UK it intends give Egypt military and economic aid.

In response queries prompted by first *NY Times*, Department replied that question of economic aid to Egypt still under consideration. Dept continues take this line in response further press inquiries. Re military aid we will say we have no present plans.

In response Egyptian Embassy, Dept making following points:

1. US doubts extension economic aid during present delicate stage Base negotiations would be conducive chances of settlement. Announcing aid now might evoke such violent reaction London that talks would be doomed. It will be recalled that it was Egyptian public criticisms which first gave wide publicity to connection between Base negotiations and US aid.

2. Recent official Egyptian advocacy of neutralism jeopardizes immediate extension economic aid. Even if deterrent mentioned preceding para not operative, US could not appear to be granting aid in direct response this type of Egyptian pressure, not only because of adverse domestic (especially Congressional) reaction, but

¹ Repeated priority to London as telegram 3436.