## No. 1315

774,00/2-3054: Telegram

The Ambassador in Egypt (Caffery) to the Department of State 1

CONFIDENTIAL PRIORITY CAIRO, March 30, 1954-8 p. m.

1215. Re my telegram 1213. In conversation with Hart and Embassy officer on March 21 (see Embassy despatch 2262) Nasir gave hint as to his plans, which in view then-existing circumstances, appeared have no great chance of success.

Nasir deliberately allowed political situation to deteriorate in order to inspire counter-reaction in armed forces. He was then able to point to impressive demonstration of army solidarity (my telegram 1189) without having seemingly sought it.

At same time he arranged to use organized labor under liberation rally direction for "activist" phase of his plans and avoided use of army except to insure law and order. It appears, moreover, that he envisages alliance with labor and professional syndicates as permanent and looks upon projected national advisory council as instrument for developing this relationship. This is designed also to keep labor out of Communist hands.

In carrying decision to retain Naguib (despite insistence of Gamal Salim and Baghdadi that he should go) Nasir was convinced that adverse reaction here and abroad to renewed break with President would be more dangerous than chastened Naguib in hands of RCC. Nasir, furthermore, is well aware that Naguib, when cooperative, is definite asset to regime. It is to be hoped that both men now realize extent to which their own and Egypt's interest requires that they work together.

CAFFRRY

Repeated to London as telegram 4047-to Beirut as telegram 98, to Baghdad as telegram 56, to Damascus as telegram 46, to Jidda as telegram 38, to Amman as telegram 82, and unnumbered to Paris, Rome, Tel Aviv, Valletta, and Bonn.