

tenance and operations provisions could be covered by general statement outlining main characteristics control authority.

We would like to work out as soon as possible with the UK details especially technical arrangements for operation and maintenance. Perhaps this could be accomplished most expeditiously by discussions here or in London. Request British views.²

We may wish to submit additional comments after further study.

DULLES

² Ambassador Aldrich in telegram 4365, Apr. 5, not printed, reported that the Foreign Office had been informed of American approval in general of the tentative British proposals regarding the Suez base negotiations. Foreign Office officials were gratified at the Department's reply and promised to inform the Embassy as soon as a decision was reached regarding the preliminary approach to the Egyptians. (741.56374/4-554)

No. 1319

774.00/4-564: Telegram

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

SECRET

CAIRO, April 5, 1954—6 p. m.

1258. At the urgent suggestion of the British Ambassador, he and I have reviewed our joint appreciation of February 4,² in the light of subsequent events and are agreed on the following conclusions:

Begin Verbatim.

1. Events of March severely shook the RCC. Nevertheless, the regime's immediate prospects appear to be fairly good. Although situation has not yet returned to normal and university students have still to be brought to heel, chances are that RCC, with army behind it, will be able to bring situation under control, possibly in matter of days, provided there is not an outbreak of assassinations or terrorist activities.

2. The outlook in the longer term also is not unpromising. Internal unity both of RCC and of armed forces as a whole is likely to be maintained at least for some time and RCC may be able to reach some *modus vivendi* with Muslim Brotherhood. RCC continuation in power, however, will depend very largely on prospects of an Anglo-Egyptian settlement. If negotiations are reopened, confidence will gradually return and the regime will be strengthened. If, on other hand, negotiations are not resumed within a reasonable time, the regime's position will again become precarious. In that case, with every month that passes, the risk of further dissension within RCC and in army increases, as does possibility of Naguib refusing to accept role of figurehead. There is also risk that in attempt to

¹ Repeated to London as telegram 417.

² See telegram 871 from Cairo, Document 1277.