

achieve popularity the regime might embark on violently anti-British and anti-Western courses.

3. In long term there is good chance that provided an Anglo-Egyptian agreement is reached and material and moral support is forthcoming from the West, the regime will survive in some form, possibly until end of "transition period" in January 1956, and also that it will be more zealous than any other Egyptian Government in prospect in carrying out its obligations. The regime has, however, proved itself to be one beset by recurrent crises, and, although an Anglo-Egyptian agreement would represent a major contribution to its stability, crises of one sort or another will almost certainly arise. Anti-British and anti-Western agitation will inevitably continue to some extent but with the removal of main irritant—the presence of British troops in Canal Zone—its intensity is likely to be far less.

4. Philosophy of RCC has not been altered by events. It is still anti-Communist and relatively pro-Western. RCC appears to be as anxious as ever to reach an agreement with UK provided it is compatible with its idea of Egyptian sovereignty.

5. There is no alternative government in sight which would be as satisfactory from point of view of the West.

6. As long as RCC (or any successor government created by it) is in power, it can be expected to carry out any commitments it has freely undertaken at least as faithfully as any government now in sight.

7. Skillful handling of public opinion during last stages of crisis suggests that RCC will be able to deal successfully with danger period immediately following announcement of an Anglo-Egyptian settlement. The strike weapon is double edged but RCC appears to be confident that it can exercise requisite control.

CAFFERY

No. 1320

74L56374/4-1254: Telegram

*The Acting Secretary of State to the Embassy in the United Kingdom*¹

TOP SECRET

WASHINGTON, April 12, 1954—7:28 p. m.

5367. After examination documents attached London's Despatch 3321² we suggest following procedure and tactics in advancing new Suez Base proposals.

Preferable procedure appears to be Anglo-Egyptian agreement soonest on general plan, with establishment of technical committee.

¹ Repeated to Cairo as telegram 1265. Drafted by Burdett and approved by Byroade.

² Not printed; see footnote 2, Document 1316.