

No. 1321

741.56374/4-1354: Telegram

*The Secretary of State to the Department of State*¹

TOP SECRET NIACT

LONDON, April 13, 1954—1 a. m.

Secto 8. For Acting Secretary from the Secretary. Egypt was discussed at morning meeting April 12 between Eden and myself. Kirkpatrick, Roger Allen and Shuckburgh as well as Ambassador Aldrich, Butterworth and Merchant were present. After Eden confirmed to me that base proposal communicated to us several weeks ago had been approved by Cabinet, I asked what plans British had for re-establishing contact with the Egyptians. Eden emphasized British intention to push ahead rapidly. He said next requirement was to communicate with industry group or groups in England, to work out details which he planned to arrange promptly. If these conversations reveal no practical difficulties, plan is to immediately thereafter drop hint to Egyptians of willingness reopen talks.

I noted that when they had their plans for base maintenance worked out, we would like to discuss with them certain details. I referred to the fact that the President had approved proposal in general principle though some quarters in our government were not too enthusiastic. Eden expressed appreciation for our cooperation and for rapidity with which we gave our reply to British proposal.

Eden mentioned that Stevenson is not enthusiastic over plan. He believed that margin of superiority over old formula is slight.

Incidentally, Eden mentioned with enthusiasm happy experience of joint construction Aden Refinery by British and American private firms which may have been genesis of British proposal for Suez Base. Eden gave every impression of desiring to push ahead rapidly in negotiations.

Eden brought up, however, political difficulties which he faces in House and fact that if Nasser lost control at conclusion or when in midst of negotiations, he would face difficult political situation in London.

I said that our latest estimate indicated army group likely keep control with which Eden concurred but mentioned that on this point Stevenson somewhat less confident than Caffery. Kirkpatrick said he had recently talked with Picot, Managing Director Suez

¹ Repeated to Cairo for the Ambassador as telegram 119. Secretary Dulles was in London and Paris from Apr. 11 to Apr. 15, for a series of meetings at the Foreign Minister level preparatory to the North Atlantic Council meetings which took place in Paris on Apr. 23. For documentation, see vol. v, Part 1, pp. 508 ff.