

## No. 1341

641.747-1254

*The Secretary of State to the Secretary of Defense (Wilson)*<sup>1</sup>

SECRET

WASHINGTON, July 12, 1954.

DEAR MR. SECRETARY: During the course of the recent visit of Prime Minister Churchill the United States Government was informed that the United Kingdom will shortly present new proposals to Egypt which, it is hoped, will result in Anglo-Egyptian agreement concerning the Suez Base. During the conversations between the President and Prime Minister Churchill it was agreed that if the Suez Base talks start satisfactorily the United States would begin negotiating the economic and military assistance agreements which are required before grant United States aid can be extended. It was understood that these agreements providing for the extension of United States aid would not be signed prior to the signature of the Heads of Agreement between Egypt and the United Kingdom.

United States policy contemplating grant military assistance to Egypt is reflected in NSC 155/1<sup>2</sup> and in the letter of July 15, 1953 from President Eisenhower to Naguib. You may recall that on March 14, 1953, President Eisenhower made a determination that Egypt meets the criteria of Section 202(a) of the Mutual Security Act for the purposes of military assistance limited to training.

It is highly important that the United States Government take at this time the preliminary measures which will enable it to extend full military assistance to Egypt promptly under the circumstances contemplated above.

It is therefore requested that the Department of Defense concur in a recommendation to the Director of the Foreign Operations Administration that:

(a) the President be requested to make a determination that:

(1) the strategic location of Egypt makes it of direct importance to the defense of the Near East area,

(2) military assistance to Egypt is of critical importance to the defense of the free nations, and

(3) the immediately increased ability of Egypt to defend itself is important to the preservation of the peace and security of the area and to the security of the United States;

<sup>1</sup> This letter was drafted by Norbert L. Anschuetz, Politico-Military Adviser to the Assistant Secretary of State for Near Eastern, South Asian, and African Affairs.

<sup>2</sup> For text, see Document 145.