

3. military assistance to Egypt is of critical importance to the defense of the free nations, and

4. 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.

It is also requested that in light of the foregoing determination you seek Presidential authorization to furnish grant training and end-items military assistance to Egypt subject to the negotiation of an agreement meeting the requirements of Mutual Security legislation, including a firm commitment that such aid will not be used to undertake any act of aggression against any other nation.

It is further recommended that you request the President that he keep his determination secret until an appropriate time for its disclosure is reached in discussions with Egypt.

Sincerely yours,

JOHN FOSTER DULLES

No. 1352

774.5 MSP/8-254: Telegram

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

SECRET

CAIRO, August 2, 1954—2 p. m.

144. I handed Egyptian Minister Foreign Affairs this morning drafts re economic and military aid.² He said he would study them at once and get in touch with me again very soon.

I emphasized following points:

1. United States aid will be for purpose assisting Egypt in implementing her plans for economic development and in strengthening her armed forces in order discharge increased responsibilities Egypt assuming under Suez base agreement;

2. Character timing and amount US assistance will necessarily be related developments in area including among other factors Egypt's fulfillment Suez base agreement;

3. President will be asked determine Egypt eligible for military assistance on grounds among other factors Suez base agreement constitutes arrangement which requires Egypt take important part area defense;

4. Because Congressional action on legislation not yet completed additional changes texts agreements may become necessary;

5. Re economic aid amount will depend on subsequent agreement on specific projects such as those discussed November 1953;

¹ Repeated to London as telegram 39.

² Not printed.