

No. 1371

774.5 MSP/11-1654: Telegram

The Ambassador Egypt (Caffery) to the Department of State

SECRET

CAIRO, November 16, 1954—3 p. m.

673. Egyptian Minister Foreign Affairs approached military aid this morning from another angle (mytel 642, November 11)¹. He asked if it were not possible to find some means of their obtaining military aid without having to sign an agreement. I told there was no way to avoid carrying out provisions of pertinent law.

If Department has any suggestions I should be glad to receive them.

CAFFERY

¹ In telegram 642 from Cairo, Nov. 11, not printed, Ambassador Caffery reported that Foreign Minister Fawzi had revived the question of military aid, indicating that in view of the much improved domestic atmosphere the Egyptian Government would like to make a new study of the projected military assistance agreement and would like to find out if it were possible to make certain changes in it. (774.5 MSP/11-1154)

No. 1372

Editorial Note

The document in this editorial note is located in Department of State file 774.5 MSP. It is not a ribbon copy. It was typed on a plain sheet of paper and contains no data which permits agency identification. Assistant Secretary of State Henry Byroade apparently was the drafting officer. The document's date is November 16, 1954, and it reads as follows:

"Believe following points should be made to Nasir.

"1. We surprised turn of events his conversation with Norman Paul November 13th. Had understood he favored use of \$5 million from economic aid for purchase military equipment. On this assumption officers had departed Washington and now waiting in Beirut.

"2. Additional economic aid funds to add to \$40 million for this purpose not available. US world-wide programs and present budgetary situation strained to limit for Egypt to come up with figure of \$40 million with relatively low loan component. US in fact now without funds previously planned elsewhere in Middle East.

"3. We understand Nasir's position and respect his judgment of his own internal problems. Difficulties here rule out possibility of using Section 401.