I. THE UNITED ARAB REPUBLIC

1. Background

The course of US relations with Egypt, later the United Arab Republic (UAR), has been erratic ever since the Egyptian Revolution of 1952. We welcomed the latter event as a progressive step against a corrupt and inefficient monarchy and hoped that the new revolutionary leaders might be able to reach an accommodation with Israel which would bring stability to the area. There was a reciprocal interest in the United States on the part of the Egyptian leaders, and a period of friendly relations ensued. Relations soon began deteriorating, however, over the question of arms supply and of Egyptian political activities inimical to our interests in other Arab states. There was a brief recovery when we opposed the Tripartite attack on Egypt in 1956, but it was quickly vitiated by the Joint Resolution on the Middle East, commonly known as the Eisenhower Doctrine, which Egypt and Syria interpreted as being directed against them.

Our relations reached their apparent nadir with the American intervention in Lebanon in 1958, when we were in direct confrontation with Egyptian interests there. Both sides soon drew back from that confrontation, however, and a slow amelioration in our relations began. The United States even came to the point of renewing technical and food assistance to Egypt in the closing two years of the Eisenhower administration. When President Kennedy took office, the United States decided that massive assistance would not only give Egypt an alternative to dependence upon the USSR for assistance, but it would also generate for the United States goodwill and perhaps a measure of moral influence in Egypt. Furthermore, it would give Egypt the wherewithal to sustain hope in self-development and permit the Egyptians to deal with their internal problems rather than seeking to divert attention from them by foreign adventure. This did not prove to be the case in the event.

Both President Kennedy and President Nasser apparently thought that their youth would enable them to understand one another. They carried on a personal correspondence in an

effort to discover and define common goals. President Nasser is said to have enjoyed these exchanges with President Kennedy even when they disagreed, and, by and large, relations were good throughout the period of the Kennedy Administration. The UAR intervention in the Yemen conflict starting in 1962, and UAR bombing of Saudi Arabia in the spring of 1963, introduced a discordant element, however.

2. Policy of the Johnson Administration

Upon his advent to the Presidency in November 1963, President Johnson was determined to continue the policy of the Kennedy Administration toward the UAR. However, in November 1963, the US Senate inserted a provision in the foreign aid act barring further assistance to countries engaged in or preparing for aggressive military effort. It was clear to the UAR that this provision was meant by the Senate to refer to the UAR's missile development program, which had received increasing press attention since its revelation in the spring. The Senate action and the death of President Kennedy created fear and apprehension in the UAR that the change in Administrations had allowed forces unsympathetic to the UAR to gain

the upper hand in Washington.

The new US Administration made repeated efforts[1/] including a letter from President Johnson to President Nasser,[2/] to reassure the UAR of US friendship, but these were unavailing. Our efforts to persuade the UAR to find a solution to the Yemen problem were misread as support for the UAR's adversaries. A speech by Under Secretary of State U. Alexis Johnson on January 20, 1964, and a speech on desalinization by President Johnson on February 6, 1964, to the American Committee for the Weizmann Institute of Science were taken as signs that the United States was adopting a pro-Israeli position to the detriment of the Arabs.

That a real parting of the ways was in progress was further evidenced by President Nasser's attack on Wheelus Air

---

1/ From Cairo, Telegrams 1679, January 27, 1964 ~~(CONFIDENTIAL)~~, 1874 and 1889, February 20, 1964 ~~(SECRET)~~, and 2316, April 5, 1964 ~~(SECRET)~~; Memorandum of Conversation between President Johnson and UAR Ambassador Kamel, May 25, 1964 ~~(SECRET)~~.

2/ From Cairo, Telegram 1995, March 4, 1964 ~~(SECRET)~~; Department of State Telegram 3968, February 27, 1964 ~~(SECRET)~~.

Base in Libya in his speech on February 22, 1964, and the increasingly harsh criticism to which the US was subjected in the Cairo press throughout the rest of 1964 on issues ranging from Vietnam to the Congo, from Cyprus to Cuba. In the Congo, the United States supported the central government and the UAR supplied the rebels with Russian arms. The Belgian-American rescue mission to Stanleyville on November 23, 1964, provoked a critical reaction in Cairo; a student mob there, largely composed of Africans, attacked and burned the USIS Library on Thanksgiving Day. This was followed on December 19 by the shooting down of an unarmed aircraft owned by the Mecom Oil Company of Texas as it was making a routine flight over the UAR. In both cases, the UAR was tardy in making apologies or explanations, thus adding to the damaging effect on US-UAR relations.

It was against this background that our Ambassador, Lucius Battle, was summoned by the UAR Minister of Supply on December 22, 1964, and asked about the status of a pending UAR request for $35 million worth of additional PL-480

assistance.[3/] Ambassador Battle politely indicated that, given the incidents described in the preceding paragraph, the time was not right to discuss the matter of aid. The next day, as visiting Soviet Deputy Premier Shelepin stood next to him, President Nasser boasted in a major address at Port Said that the UAR was sending arms to the Congo rebels, that it would continue to do so, and that if the United States chose not to give the UAR aid because of its Congo policy, it could go "drink from the sea."

Reaction in Washington to Nasser's speech was unfavorable, to say the least. A move in Congress to bar further aid to the UAR was averted only by the appeal of the Department of State.[4/] However, the United States felt constrained to shelve the UAR request for an additional $35 million PL-480 agreement.[5/]

3/ From Cairo, Telegrams 2162 and 2196, December 22, 1964 ~~(CONFIDENTIAL)~~.

4/ Department of State Telegram 4479 to Cairo, January 31, 1965 (LIMITED OFFICIAL USE).

5/ Department of State Telegram 5069 to London, February 12, 1965 ~~(CONFIDENTIAL)~~.

Release of some $37 million worth of aid under the current agreement was delayed until the United States could be certain that the UAR had ceased supporting the Congo rebels. But by June 1965, the rebel movement in the Congo had virtually collapsed and, with it, the problem of UAR assistance to the rebels. The balance of US aid under the current PL-480 agreement was released on June 22, 1965, just eight days before the agreement expired and just 30 days before the UAR's wheat supply would have been completely exhausted. 6/

A warming trend now began in US-UAR relations, which the United States sought to encourage. The UAR requested a new three-year PL-480 agreement worth $500 million or more. 7/ The United States considered the UAR request throughout the late summer and early fall; and in mid-November, the President authorized negotiation of a new agreement, 8/ which was signed

---

6/ Department of State Telegram 7797 to Cairo, June 22, 1965 ~~(CONFIDENTIAL)~~.

7/ From Cairo, Telegram 517, August 18, 1965 ~~(SECRET/~~ LIMDIS), UAR Embassy Aide Memoire, October 6, 1965.

8/ Department of State Telegram 2807 to Cairo, November 17, 1965 ~~(SECRET/LIMDIS)~~

on January 3, 1966. The new agreement was for only six months and the total commodity value of $55 million was less than for similar periods in past agreements. Moreover, 25 percent of the total sales were under Title IV and therefore payable in dollars. The limited character of the agreement reflected a threefold US aim: (1) to avoid having economic assistance taken for granted; (2) to allow time for economic self-help measures in the UAR to become effective; and (3) to provide an incentive for improved relations with the United States.[9/]

On March 10, 1966, the UAR requested a new PL-480 agreement, this time for one year and for a total commodity value of $150 million.[10/] By this time, however, President Nasser's critical references to the United States in his frequent speeches, indiscriminate personal attacks on President Johnson in the Egyptian press, and reports in the American press of the Egyptian use of poisonous gases in the Yemen had created a climate in the United

---

9/ Department of State Airgram CA-6562, December 27, 1965 (LIMITED OFFICIAL USE).

10/ From Cairo, Telegram 2297, March 10, 1966 ~~(SECRET)~~.

States which would not permit negotiation of a new aid agreement with the UAR. On instructions cleared by the White House, Ambassador Battle told the UAR Government in late June 1966 that the United States could not at that time give a favorable response to the UAR request.[11/] Ambassador Battle pointed out that this was not a negative decision, that we proposed to keep the request under consideration and sincerely hoped that the overall climate of US-UAR relations would improve sufficiently in the future to make a favorable response possible at a future date. He then offered the Commodities Credit Corporation export credits (repayable over three years) in the value of approximately $50 million to help it meet its food needs (predominately wheat) through the first half of FY 1967.

The UAR accepted this offer, but it continued to press throughout the fall and winter of 1966 for a favorable response on its earlier request for a new PL-480 agreement. At the same

---

11/ Department of State Telegram 6653 to Cairo, June 20, 1966 ~~(SECRET/EXDIS);~~ Cairo's Telegrams 3267, June 23, and 148, July 9, 1966 ~~(SECRET/EXDIS)~~.

time, the UAR press and President Nasser in his speeches began to charge that the United States was waging a war of starvation against the UAR. Meanwhile, the hand of the UAR in the troubles in Aden became all too evident, in spite of our repeated urgings to Cairo not to interfere in that unhappy situation.[12/] Then, during Ambassador Battle's farewell call on him on March 4, 1967, Nasser withdrew the UAR request for food assistance, saying that the UAR was a proud country and would not yield to "US pressure" whether it be on the Yemen question, the Arab-Israel question, or the Aden question.[13/]

Relations between the United States and the UAR continued to deteriorate during the spring of 1967. President Nasser apparently had come to believe that the United States was out to topple his regime, and he suspected US involvement in several abortive coup attempts against him. Thus, when the Arab-Israel

---

12/ From Cairo, Telegrams 2870, May 3, 1966 (~~SECRET~~), and 4955, March 2, 1967 (SECRET); Memorandum of Conversation, Mr. Richard B. Parker, Counselor of Embassy (Cairo) for Political Affairs; Mr. Harold H. Saunders, White House Staff; and Dr. Mahmoud Fawzi, UAR Deputy Prime Minister for Foreign Affairs, February 23, 1967 (~~CONFIDENTIAL~~).

13/ From Cairo, Telegram 5030, March 4, 1967 (~~SECRET~~).

crisis flared up again in May 1967, the UAR believed that the United States was siding with Israel. When the war broke out on June 5, 1967, Nasser believed reports that we were involved in the war on the side of Israel, and the UAR broke formal diplomatic relations with the United States on June 6, 1967.

Several months after diplomatic relations were broken, informal talks began in Cairo on the possibility of their resumption. In an interview in Look Magazine in March 1968, President Nasser admitted that his charge that the United States had participated in the June war on the side of Israel had been based on faulty information. We subsequently informed the UAR that we were prepared to resume formal relations whenever they were.[14/] However, the UAR decided for reasons of its own in March that it was not yet ready for a resumption of relations.

14/ Department of State Telegram 1571 to Cairo, March 9, 1968 ~~(SECRET/NODIS)~~.

GREECE

J. GREECE IN POLITICAL CRISIS

At a critical period in its own national development, Greece became a key postwar ally of the United States. Almost continually since the Italian invasion of 1940, Greece has been sorely tried by external threats. Simultaneously it has faced the problem of coming of age in an industrialized world. It was to help Greece grapple with the effects of the interplay of these problems, specifically the postwar Communist threat, that the United States in 1947 inaugurated its Truman plan for Greece. By the early 1960's Greece had reached a plateau of sorts.

Like most developing countries, Greece found the problems of economic development tough but not insuperable. Its progress was such as to warrant cessation of United States grant economic aid in 1962. The problems of political modernization were a harder nettle to grasp. And it was in fact the endemic problems and nagging deficiencies in this sector which (except for the relative stability of the Karamanlis regime from 1956 until 1963) accounted for a measure of

political instability. It is an irony of history that the almost inevitable retrogression in Greece's political order in the late 1960's coincided with its special strategic value and (in enhancement of that) its deep moral commitment to its Western orientation. It has been, and still is, the task of United States policy to sort out and try to reconcile the divergencies.

The date of the military coup, April 21, 1967, marked a denouement as well as a deviation (not the first) in Greek political life. For some time prior to that date, political processes had been undergoing a gradual degeneration which was especially marked in the 21-month period preceding the coup. The summer of 1965 had been a time of particular tension and impasse, climaxed by a head-on clash between the King and Prime Minister George Papandreou and culminating in the resignation of the Papandreou government. The subsequent interval saw a steady decline of parliamentary life and proprieties, a rash of street demonstrations, sporadic strikes and a kaleidescope of political combinations resulting in a succession of three more or less passive

governments. The question, which ultimately was posed by the failure of the Greek political world to effect an orderly succession of government after the unprecedented relative stability of the eight-year Karamanlis regime, became not whether force majeure would be applied to the political situation but rather who would apply it.

From the early months of 1967 an "extralegal" intervention in the political processes had been bruited. Its possibility was enhanced by the existence of a longstanding contingency plan developed under the aegis of the General Staff and the King to prevent a Communist take-over of the country. Talk of forcible intervention had indeed reached such a pitch that in early April the American Ambassador pointed out to the King the extreme difficulty the United States would have in living with a coup. That remained the United States position; and, whatever inherent risks the electoral process held for internal order in the spring of 1967, the elections, scheduled for May 1967, remained the US preference.

If the idea of a coup was common talk, the identity of

its eventual perpetrators was not. The coup group of thirty to forty middle-grade military officers worked quietly over a period of time to perfect a plan which paralleled roughly that of the General Staff's long-standing plan to prevent a Communist take-over. It was the plan of the General Staff, with which some members of the coup group were plugged in at key spots, which provided the middle-grade officers with natural cover. This circumstance, together with the impeccable military records of the junior officers and their quiet, determined efficiency, afforded them that element of surprise necessary for the coup's implementation.

Their motivation was fear that the impending general elections of May 28 would result in post-electoral cooperation between the political Center and the extreme Left, with the extreme Left holding the political balance as it had in 1936 and again in 1944. The immediate impulse to act came from what the coup group took to be signs that the General Staff would not move in time to forestall such an outcome. In the event, this small group of officers, mostly of the rank of colonel, without the support of the high command or

the King or any civilian political leaders or outside power, acted on April 21 with remarkable efficiency and speed and virtually without bloodshed to take over the government.

Their actions to stabilize the situation and their own power followed with equal despatch. In the early hours of April 21, the Prime Minister and various political leaders were arrested. Martial law was imposed. Over 5,000 Communists, whose names were already on file with Greek Intelligence as falling within the "dangerous" or "C" category, began to be rounded up. Several key articles of the Constitution pertaining to protection of individual rights, freedom of the press and assembly were suspended. Within two days, Athens, the capital city, had returned outwardly to normal; tanks and troops were removed from the center of the city; international air traffic resumed; after one day's closing the banks reopened. The swearing-in of the new government began on the evening of April 21 and was completed on April 22. Under the nominal leadership of a civilian Prime Minister, a three-man junta -- two colonels and a brigadier -- emerged as the main protagonists

and the wielders of real power.

If the sense of surprise both within and outside Greece was total, the sense of indignation was almost universal. Despite its avowal that it had acted to save the country from Communism and/or chaos, the junta met with little sympathy except from the mass of ordinary Greek citizens, who, weary of endless political machinations and public unrest, and still warily mindful of the Communist rounds of 1944-45 and 1947-49, received the coup generally speaking with relief or tolerance. Almost everywhere else the junta faced opposition: from the King, whom the junta had by-passed; from the Greek political and intellectual world which found itself ideologically, professionally and socially denigrated; from the United States, supplier of military assistance to Greece; from the European Economic Community and the members of the NATO alliance to which Greece was economically, militarily and ideologically linked.

Within Greece, in the period just after the coup, the attitude of the King was the most urgent question. While the loyalty of the Generals, broadly speaking, was with him,

the tanks and the tommy guns were with the middle-grade officers. The junta was in control. But if the King was circumscribed initially by his regard for the safety of his family and for the institution of the Monarchy, and by his continuing concern lest a head-on collision with the junta provoke civil war, he had still, through his powers of legitimization, the ability to influence the course of events. He proceeded to do this after an initial period of confusion by applying a mixture of persuasion and resistance in his dealings with the junta which had as a general purpose the fulfillment of the regime's promise that it would return the country as soon as possible to Parliamentary government.[1/] At the same time, the King worked to re-establish his own power through the general officers who were chagrined by the take-over of the colonels.

For almost eight months the King pursued this precarious but moderately constructive course until in December 1967,

---

1/ From Athens, Telegram 4965, April 26, 1967 (UNCLASSIFIED); From Athens, Telegram 5002, April 28, 1967 (CONFIDENTIAL).

seeing his tangible (as distinct from his moral) power diminishing through the slackening hold of the generals, and encouraged by over-ebullient advisors, he undertook an abortive counter-coup. From that dismal failure he proceeded into self-exile and a position on the side-lines. The new regime dug itself in deeper, and Papadopoulos, primus inter pares of the junta, dropped his military rank and moved up into the position of Prime Minister.

The attitude of the US Government towards the coup was roughly analagous to that of the King although independent of it. Short of military intervention, which in view of the firm control of the junta ran the almost certain risk of plunging Greece into civil war, the United States had three broad alternatives from which to choose in deciding how to deal with the new situation: to support the junta unconditionally; to cut itself off from the junta (up to and perhaps including breaking diplomatic relations); or to assume a "cool but correct" posture designed to encourage the junta to return the country to constitutional, representative government. In choosing the third course the

United States reasoned that Greece represented a staunch and strategic ally within NATO (the new government gave a renewed pledge of loyalty to that commitment), and if it were to influence the course of Greek internal affairs it could only do so by staying in touch with the regime. This was what our Ambassador recommended.[2/]

On April 28th, Secretary of State Rusk made clear the United States position in a public statement which alluded inter alia to the fact that the United States was "now awaiting concrete evidence that the new Greek Government will make every effort to reestablish democratic institutions which have been an integral part of Greek political life." The Secretary also noted United States concern over the detention of political prisoners, and took note of the Greek Government's assurances for their safety.[3/]

In order to show its displeasure at the manner in which

2/ From Athens, Telegram 4795, April 22, 1967 (SECRET).

3/ State Department immediate Telegram 184665, April 28, 1967 (LIMITED OFFICIAL USE).

the new government had come to power and in order to put teeth into US efforts to move the regime back towards constitutional government, the United States decided soon after the coup to suspend major items of military aid to Greece, such as aircraft, ships, and tanks, but to continue delivery of small arms.[4/] Public announcement to this effect was made on May 16th.

During the period of formulating and initiating policy towards the new Greek Government, State Department representatives remained in close touch with Congressional leaders of both houses and held a number of formal and informal meetings with members of the House and Senate. United States officials also consulted with their NATO colleagues, a number of whose countries were particularly critical of the turn of events in Greece, but all of whose governments wished nevertheless to see NATO policies and tactics concerted insofar as possible.

4/ Joint State/Defense Telegram 3537, April 24, 1967 (SECRET); State Department's Circular Telegram 198166, May 19, 1967 (CONFIDENTIAL).

Political evolution in Greece following the coup moved in consonance with the purposes of United States policy, but slowly. At its inception the Greek regime set forth its foreign and domestic program: good relations with all its neighbors within the framework of its prior commitments to NATO and the West. Within Greece, the new government set itself a no less formidable task than that of modernizing the political processes through a reform of its institutions and the formulation and adoption of a new constitution. This was to be followed eventually by a revival of free political life and the holding of general Parliamentary elections. Neither in the domestic nor in the foreign policy fields did the new government put forward new ideological concepts. Its direction was reform rather than revolution, with a bias in favor of the formerly "dis-established" within the traditional governmental structure. The monarchic-parliamentary form of government was retained.

The regime continued to act consistently with its early commitments. In the field of international relations, it

proved exceptionally cooperative during the Middle East war; it was responsive to the Vance mission's efforts and did all it could to discharge Greece's responsibility in the Cyprus question; it pursued with a consistency reminiscent of Venizelos the improvement of relations with Turkey. It continued to stress its allegiance to NATO and the West.

Domestically, the government adhered to its constitutional time-table, and progress on that score was accompanied by a degree of relaxation in the sphere of civil liberties -- not, however, to the point of permitting free political activity or of endangering its control. No date for the promised general elections had been set as of September 1968, and it was the regime's stated purpose to remain in power until the goals of the regime's program were carried out.

What the United States hoped to achieve from its policy toward Greece was the preservation there of a strong eastward anchor to NATO and -- the internal corollary of strategic considerations -- a viable economy and stable political life within Greece. Given the Greek experience (however spotty) these <u>desiderata</u> pointed to a return to democratic practices, modernized to fit present-day needs.

[12]