NSC BRIEFING 1 April 1954
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THE DEVELOPMENTS IN EGYPT

After a month of feverish maneuvering, which began on 25 February with the ouster of General Nagib, the political situation in Egypt appears to be unchanged in at least two major aspects. Colonel Nasr and the Revolutionary Command Council are again back in top position, with renewed determination to carry out their "Revolution" without compromising with political factions. General Nagib is also back as a figurehead for the regime. His prestige is less; his position somewhat weakened. He is apparently ill. Nagib retains, however, considerable popular following.

Three new factors have been introduced into the situation as a tepresenting the Corollation, result of the month-long struggle for power between Nasr and Nagib, wasproved for Release 2000/05/30: CIAED 8080/1443R600200210001-7

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The Nagib-Nasr contest represents the clash between the authoritarian Revolutionary Council and the popular forces demanding a return to parliamentary government. Until it is resolved there can be no political stability in Egypt and no hope for constructive developments Approved For Release 2000/05/30 CJA-RDF 2000/1443R0000200210001-7

AAppreventFat Releaser2000/05/30cockATRPFROR01443E0002002100019 seems possible. At the moment Nagib appears on the decline physically and prestige-wise. Opposition elements, however, may continue to use him as a rallying point.

The rise of Nasr poses all the problems inherent in a military dictatorship. Nasr and the Revolutionary Council are unpopular and lack widespread support. Even in the armed forces certain groups, particularly among the cavalry and artillery, are believed opposed to continuation of the Revolutionary Council's rule.

If Nasr succeeds in establishing himself firmly and absolutely in power, he will make a concerted effort to reach an agreement with Britain on the Suez base. With full compressed for Release 2000/05/30 g DIA-RDP80R01448R000200210004s Ition to

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coapproved For Release 2000/05/30 Che-RUP80R07443R000200210001-7 estore order and permit Britain to approach the conference table. The latest British proposals for a Suez settlement, <u>full</u> evacuation within two years and maintenance of the base by civilian contract labor, if presented with some give and take, could probably be accepted by the Revolutionary Council and sold to the Egyptian people as achieving "unconditional evacuation" of the British forces.

Settlement of the Suez question would provide the Revolutionary Council with an important political victory which it sorely needs.

Only then can the regime attempt to tackle the deep economic problems which confront it.

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