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SUMMARY

NEAR EAST - AFRICA

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- 2. Former Egyptian Prime Minister rumored likely successor to Hilali (page 3).
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NEAR EAST - AFRICA

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1.	British bases in Iraq may be renegotiated this year:	
	The First Secretary of the British Embassy in Baghdad believes that the status of the British air bases at Habbaniyah and Shaiba will be renegotiated "within the year." He further reports that Iraq is quietly pressing Britain to relinquish certain privileges enjoyed under the 1930 Anglo-Iraqi treaty.	3.3(h)(2)
	Comment: Britain has been willing to give up control of these bases but insists that any revision of the 1930 treaty assure British use of them. Owing to local nationalist sentiment, Britain has not been able to secure revision of this treaty. Current Iraqi preference for a joint Anglo-American approach to Iraq's defense problem may make it even more difficult for Britain to maintain its present military role in Iraq.	•
0	Former Egyptian Prime Minister rumored likely successor to Hilali:	•
	The return of former Prime Minister Sirry Pasha from a vacation in Spain has started rumors in Cairo that he may succeed Prime Minister Hilali Pasha. The reasoning behind	3.3(h)(2)
	this speculation is that Hilali will probably	

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Egypt stresses		constitution	as	stumbling	block	to
negotiations:						

3.3(h)(2)

Britain and Egypt had almost reached an agreement in the recent Cairo discussions when, to Egypt's "great indignation, the

Sudanese Government took legislative measures tending to affect seriously the future status of the Sudan."

The Foreign Office added its firm conviction that "it is absolutely necessary that the British make the Sudanese Government suspend all legislative measures pending the outcome of the negotiations."

 $\frac{Comment:}{Anglo-Egyptian} \ \ \, \text{This statement re-emphasizes} \\ \text{the serious effect on the } \ \, \frac{Anglo-Egyptian}{Anglo-Egyptian} \ \, \text{crisis of the introduction by} \\ \text{the Governor General of a draft constitution for the Sudan.} \\$

WESTERN EUROPE

4. Adenauer assures Eisenhower on Allied-German treaties:

3.3(h)(2)

In his interview with General Eisenhower on 3 May, Chancellor Adenauer expressed confidence that the European Defense Community treaty and the Allied-German con-

tractual agreement would be signed about 20 May. He thought, however, that Parliament would approve the EDC treaty more readily than the contracts, about which serious difficulties had lately developed.

The Chancellor also stated that the Soviet Union's current unity program would not block West Germany's integration into the European defense system.

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Comment: Opposition to the contractual agreement is rising in West Germany as the terms are made public. High Commissioner McCloy has gained the impression, however, that disagreement between the Allies and the government coalition leaders will finally be resolved.

The High Commissioner's office believes that the EDC treaty will not be ratified by all members before October.

ე. □	Trieste draft will not hurt De Gasperi in local elections:
	The American Embassy in Rome believes that 3.3(h)(2)
	the draft agreement reached at the tripartite
	London talks on Trieste falls short of Italian
	hopes but gives the Italian Government enough
	concessions to avoid serious effects from the Trieste issue in the local
	elections. The agreement gives Italy a substantially larger role in the administration of Zone A.

Comment: Local elections are scheduled for 25 May in both Italy and Zone A of Trieste. Italian politicians in Trieste have been reported as resigned to "getting little results" from the London conference but prepared to propagandize any result as an Italian victory.

In the current negotiations for an American—Spanish economic aid agreement, the Spanish representatives are pressing for assurances that the United States foreign aid program for fiscal year 1953 will include aid for Spain over and above the 100 million dollars already allocated by Congress. The American Ambassador at Madrid believes that if the assurances are not given, the Spanish Government will seek support of members of Congress for a special additional appropriation.

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