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PROBABLE CONSEQUENCES OF THE EGYPTIAN ARMS DEAL WITH THE SOVIET BLOC

(Advance Copy)

Submitted by the

# DIRECTOR OF CENTRAL INTELLIGENCE

The following intelligence organizations participated in the preparation of this estimate: The Central Intelligence Agency and the intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and The Joint Staff.

Concurred in by the

# INITILIZENCE ADVISORY COMMITTEE

on 12 October 1955. Concurring were the Special Assistant, Intelligence, Department of State; the Assistant Chief of Staff, G-2, Department of the Army; the Director of Navel Intelligence; the Director of Intelligence, USAF; and the Deputy Director for Intelligence, The Joint Staff. The Atomic Energy Cormission Representative to the IAC, and the Assistant Director, Federal Bureau of Investigation, abstained, the subject being outside of their jurisdiction.

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#### CENTRAL INTELLIGENCE AGENCY

11 October 1955

SUBJECT: SNIE 30-3-55: PROPABLE CONSEQUENCES OF THE EGYPTIAN ARMS
DEAL WITH THE SOVIET BLOC

#### THE PROBLEM

To estimate, in the light of the recent Egyptian arms deal with the Soviet Bloc: (a) the likelihood of Israeli or Egyptian-instigated hostilities assuming no change in present US policy; (b) the effect of certain possible US courses of action on the situation; and (c) the outlook for Soviet exploitation of this and possible similar deals with other Arab states.

#### CONCLUSIONS

A. The Soviet-Egyptian arms deal has substantially increased the risk that Israel will launch a "preventive war." Such Israeli action is not likely within the next few weeks. The Israelis will probably

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by Soviet Bloc willingness to arm the Arabs, to exploit the favorable trend of Western public opinion, and, most importantly, to determine how far Israel can realistically depend on Western and particularly US support in maintaining its territorial integrity. In the absence of convincing evidence of Western determination to preserve the territorial status quo, there is very real danger that Israel will undertake "preventive war," possibly in the next few months, and it would almost certainly be more willing to take risks which could touch off a new round of hostilities. An Israeli "preventive war" may start in the form of border raids where responsibilities and intentions may initially be obscure. (Paras. 5-6a)

Al. If it became unnistakably clear to both sides that the US was prepared to use any means necessary, including military force, to halt aggression, it is almost certain that no "second round" would develop. However, if the US declined to guarantee the territorial status quo in a new and more direct pledge than that contained in the Tripartite Declaration, it would be extremely difficult to deter Israeli preventive action, since neither the Israelis nor the Arabs would be likely to believe that the US would in fact intervene effectively against Israel. (Para. 9)

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- B. Assuming that it is actually implemented the arms deal is likely to strengthen a tendency toward Egyptian militancy, and increase the danger that local clashes will develop into large-scale fighting. However, pending absorption of the new equipment Egypt will probably feel constrained to avoid serious difficulties with Israel. Over the longer run, the growth of Egyptian military strength will almost certainly stimulate some Egyptian interest in a "second round" against Israel. (Faras. 2, 7-8)
- C. Should a "second round" occur in the near future, in which the US simply let events take their course, an Israeli victory would be almost certain. Under these circumstances Israeli ability to seize and hold considerable portions of all its neighbors' territories would be limited largely by its lack of reserve supplies and the probability of UK intervention if Jordan were invaded. The effects of a "hands off" policy on the part of the US would have an extremely adverse effect on its position in the Arab world and would retard US efforts to build indigenous Middle East defense. (Paras. 11-12)
- D. A convincing indication of US determination to intervene effectively in the event of aggression would reassure both sides.

  Nevertheless, the Arabs would regard it primarily as a guarantee of

Israel's present position. Arab resentment would in time increase, particularly if growing Arab military capabilities placed the Arabs in the position of the ones being restrained. (Para: 10)

E. Seviet arms aid to Egypt will camplicate if not block the achievement of two major US objectives in the Middle Erst: an Arabarran settlement and the creation of effective regional defensairman penents against Communism. It is likely to stimulate neutralist tendencies in Egypt and other Arab states, and to enhance the for subversion and political penetration. expabilities of local Communists/ Although we believe that the RCC is determined to avoid close political alignment with the Seviets, increasing military and economic dependence on the Bloc might eventually deprive it of some of its freedom to choose its orientation. (Paras. 13-16)

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## The Arms Deal and its Military Explications

- 1. On 21 September 1955 the Soviet Bloc agreed to furnish in exchange for Egyptian cotton a supply of arms at bargain rates which, according to the Egyptians, includes 200 jet fighters and light bombers; 100 "heavy" tanks; six motor torpedo boats; and two submarines -- and all together with necessary spare parts. An initial shipment of 37 light jet bombers and 63 MIG-15's is reportedly to be delivered by December 1955 and the 100 tanks are to be delivered at an unspecified early date. The Egyptians indicated that Bloc technicians would be unde available over a 90-day period to instruct the Egyptians in maintenance and operation.
- 2. Assuming that the Bloc actually supplies these items, in terms of military hardware alone the deal would: (a) give Egypt marked qualitative and quantitative superiority in combat aircraft over Israel, which is already inferior in numbers of aircraft to the Arab states as a group; (b) significantly reduce Israel's present numerical

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Superiority in tanks; and (c) furnish Egypt with means of hardssing Israel's shipping. Some of the equipment will probably be placed in operation within a few months after delivery. However, it is estimated that even under optimus conditions, involving large Blue training missions over an extended period, at least a year would probably be required after delivery before most of the equipment could be effectively used in unit operations.

# The Effect on Israeli Courses of Action

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Israel. At a minimum it will in time make the Egyptians more able and willing to stand up to or retaliate against Israeli military raids, thereby lessoning the likelihood that Israel's activist raiding tactics will force the Arabs to make peace. At a maximum it brings materially closer the spectre of a growth of Arab military strength which would leave Israel incapable of defending itself effectively. Although the Israelis probably recognize that the military effects of the arms deal will not be immediately felt, they probably believe that they have only limited time to adjust to the situation.

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These considerations are almost certainly stimulating increasing pressures within Israel for a bolder and more aggressive effort to resolve the basic problem of security once and for all. The Israeli government has responded with strong pressures on the US for compensating arms aid and for a specific security guarantee, and there will almost certainly be additional efforts, within the relatively narrow limits of its potential resources, to procure arms elsewhere if they are not available from the US. Leanwhile, . Israel is almost certainly canvassing the possibilities of military solutions. Prime Hinister-designate Ben Gurion had previously onnounced that Israel will take forcible measures if necessary to end the Egyptian blockade of the sea route to Elath on the Gulf of Ageba. The Israeli General Staff, which recommended expulsion of the Egyptians from the Gaza strip a few months ago, is probably. pressing for at least limited territorial advances for the purposes of eliminating trouble spots and otherwise improving Israel's position at toctically vulnerable places along the border. Foreover, consideration is probably being given to the merits of a "preventive war" while Israel still holds a decisive military edge.

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- 75. The Soviet-Egyptian arms deal has substantially increased the risk that Israel will launch a "preventive war." It is unlikely, however, that Israel will initiate such action in the next few weeks. Deferred cornitting themselves to an outright war policy, the Israelis will probably wish to determine more precisely the magnitude of the threat posed by Soviet Bloc willingness to arm to Arabs, to exploit the favorable trend of Western public opinion, and, more importantly, to determine how far Israel can realistically depend on Western and particularly US support in maintaining its territorial integrity.
- 6. Particularly if the prospects of UN and Western counteraction in curbing incidents are uncertain, we believe that Israel, in its present mood, will almost certainly be more disposed than before the arms deal to take chances in execution of its activist policies.

  Such a move night touch off a new round of large-scale hostilities, whether by design or otherwise. Israel's proposed move to force the Gulf of Aqaba might prove such a stepping stone to var, as might also an Israeli move to intercept arms shipments to Egypt or resumption of the work to divert the Jordan waters in the decilitarized zone at Jisr Banal Yacub on the Syrian border. Should Israel find itself engaged in major clashed with one of the Arab states it would probably be increasingly disposed to take advantage of the situation to seize the troubled area or otherwise improve its tactical position. Should

the intervention of other Arab states appear to be in the offing it would probably attempt to seize the initiative and in so doing make a general conflict inevitable.

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Sa. Moreover, in the absence of Convincing evidence of Western determination to preserve the territorial status quo, there is very a "preventive vor," real danger that Israel will undertake possibly within the next few months. The Egyptian arms deal, particularly if followed up by a similar deal with Syria, threatens Israel with an true race which it cannot afford to sustain with its own resources and which ultimately threatens to leave it imagable of defending itself effectively. Unless Israel obtains countervailing arms aid or a new and more direct US pledge of prompt and effective military intervention to preserve the territorial status quo than is now provided in the Tripartite Declaration, likely to conclude that war offers the only way cut. it is Under such circumstances, Israel is also likely to play down the possibility of effective Western intervention egainst a preventive var by Israel which the latter would portray as a defensive reaction to Arab aggression inspired and armed by the Soviet Union and which was accompanied by offers to negotiate a firm peace. An Israeli "preventive war" may start in the form of border raids where responsibilities and intentions may initially be obscure.

## Effect on Exptian Courses of Action

- We believe that Egypt's acceptance of Bloc arms has been 7. notivated for less by thoughts of a "second round" than by: (a) he necessity to shore up armed forces norale; (b) by an acute sence of vulnerability to Icraeli military harassment and possible invasion; and (c) by its desire to follow through on its announced policy of independence from both great power blocs. However, the arms Seal, assuming that it is actually implemented, /is likely to strengthen a tendency toward greater militancy vis-a-vis Israel already manifest in the Egyptian government's recent sponsorship of commendo operations in the Goza area. This will increase the danger that local clashes will develop into large-scale fighting. For the immediate future, the Byyptian regime will probably feel constrained to avoid serious difficulties with Israel, pending the arrival of the new equipment and the training of combat-effective units. However, even during this interin period the difficulty of holding Rayptian local commanders and troops in check will probably create increased hazards of a flareup.
- 8. Over the longer run, the growth of Egyptian military strength will almost certainly stimulate some Egyptian interest in a "second round" against Israel. Although the RCC regime has manifested concern over the fact that Israeli possession of the

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Negev cuts Egypt off from land communication with the other Arab states, it has no territorial ambitions of its own in Israel, will probably retain a healthy respect for Israeli combat effectiveness, and -- despite its attempts to free itself from dependence on the West -- will probably remain fearful of Western sanctions. Assuming that Egypt believes itself greatly strengthened by Soviet arms and support, it might be tempted to make war on Israel as a means of solidifing its leadership in the Arab world. While the deterrents mentioned are likely to prevent such action, at least in the near future, Egypt will almost certainly do its best to impress the Israelis with its will and ability to defend its interests and may therefore end up with fully as aggressive and activist a policy as that new being pursued by Israel.

# Consequences of a Strengthaning of US Policy Regarding Intervention

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If it became unmistakably clear to both sides that the US 9. was prepared to use any means necessary, including military force, to halt aggression, it is almost certain that no "second round" would develop. However if the US declined to guarantee the territorial status quo in a new and more direct pledge than that contained in the Tripartite Declaration of 1950, it would be extremely difficult to deter Israeli preventive action since neither the Israelis nor the Arabs would be likely to believe that the US would in fact intervene effectively against Israel.

effectively in the event of appression would reassure both sides. Nonetheless the Arabs would regard it primarily as a guarantee of Israeli's present position. Over the longer rum, the concept of the US as a policeman, even if backed by the UN, would be a source of increasing Arab resentment, particularly if increasing Arab military capabilities placed the Arabs in the position of the ones being restrained.

# Probable Consequences of a US "Hands Off" Policy in Response to an Israeli Attack

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future to a "second round," in which the US stood aside and let developments take their course, all the Arab League states would almost certainly become involved, and an Israeli victory would almost certainly be the outcome. Against Arab opposition alone, we estimate that Israel could now seize all of Arabcontrolled Palestine, portions of Egyptian, Syrian, and Lebanese territory contiguous to Israel, and some Jordanian territory east of the Jordan River. Israel would probably have to reckon with UN intervention. However, the most important limitations to Israeli's ability to consolidate these gains would be its own lack of reserve

supplies and the probability that the UK, because of its special treaty obligations, would feel compelled to intervene, at least with air and raval forces, if Jordan were invaded. Egypt's capabilities would be substantially improved if it could actually employ Soviet Bloc military personnel in using its new weapons against Israel. However, it appears unlikely that the USSR, under present circumstances, would be willing to accept the risks of hostilities with the West which such a move would involve. A defeat of the irabs would probably be followed by a period of disorder in one or more of the Arab states, a condition which the USSR would almost certainly attempt to exploit.

12. A "hands off" policy on the part of the US would have an extremely adverse effect on its position in the Arab world, and would retaid US efforts to build indigenous Middle East defense.

# Probable Soviet Objectives and Prospects for Success

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13. The arms deal with Egypt represents the most dramatic move in a Soviet compaign in the Middle East which has been underway for some time. A major objective of this campaign is almost certainly to stiffen Arab resistance to Western policies in the

commist defense arrangements and to retain their bases. Since the signing of the Eaghdand Fact, Egypt has led Arab opposition to Western defense efforts, and Syria and Saudi Arabia, the other recipients of Soviet arms offers, have been Egypt's chief supporters. Moreover, the USSR almost certainly appreciates that UB-UK difficulties in creating a defense system will be seriously increased: (a) by any heightening of Arab-Isrceli tensions; (b) by the Western Powers losing the advantage of being the only significant source of arms for the Arab states; and (c) by invidious comparisons in Arab minds between the spectacular arabit and easy terms of Soviet aid provised to Egypt, and the relative handful of material which Iraq has been receiving as a member in good standing of the "northern tier" group of nations.

14. In addition to its usefulness in undermining Western defence efforts in the area, the USSR probably regards the crus deal a means of strengthening neutralist tendencies in Egypt and other Arab states, if only by weakening their dependence on the West and increasing Soviet bargaining power. Egypt's decision to

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<sup>&</sup>quot; Turkey, Iroq, the UK, and Pokiston are now nembers of this pact.

accept arms from the Bloc in exchange for cotton, together with
recent agreements for substantially increased barter trade in
non-military items, would probably increase Egyptian reliance on the
possibly
Orbit for continuing training needs and maintenance supplies and a norbet for Egypt's primary expert item. Finally, the Soviets probably will see increased appartunities for subversion and political
penetration, not only through increased Soviet influence, but
also through the introduction of Soviet technical and commercial
personnel in the Arab states.

of close alignment with the Seviet Bloc. It is nost unlikely that

Egypt would pay a price for Seviet arms in the form of any kind

of political counitments when it has been unwilling to pay such a

price for Western arms. The same apprehensive, suspicious nationalism

that caused Egypt to reject alignment with the West in a Middle East

defense organization will probably work with equal force against

any efforts of the Experiment to obtain a special position in Egypt.

Should Egypt become increasingly dependent on the Bloc economically

and militarily, and at the same time none isolated from the West, it

might eventually lose some of its freedom to choose its orientation.

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neutralish are more promising and immediate. Strong neutralist tendencies already exist within the RCC and among its supporters. Egyptian receipt of Soviet arms aid is likely to strengthen this inclination, particularly since Soviet aid will raise Kayptian hopes of the advantages to be derived from playing off the Soviets and the West against each other. Initially at least, indigenous Carmunist standing will be improved by Egyptian acceptance of Soviet Bloc aid.

ability to handle both the short and longer-range risks of accepting the Soviet arms offer. The sheer technical problems of assembling and maintaining the relatively modern material involved, quite eside from training Egyptian personnel to use it effectively, will place the regime under strong compulsions to admit greater numbers of Bloe technicians and training personnel for longer periods than it probably now thinks will be necessary. Having acquired the arms, Maer will be reluctant to close Egypt's doors to the personnel needed to make then useful. Tarticularly if the USSR itself and the Bloe representatives sent to Egypt are careful

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versive designs, this reluctance will become even greater. And if
Israel should continue to provoke and frighten the regime by activist policies on the border, the pressures to seek Bloc technical.

and military help would be great. This, in turn, would lead to
increased Soviet bargaining power and opportunities for penetration, with consequent advantages to long-term Soviet political
gcals. Similarly, growing econorde dependence on the Bloc as a
ranket for Exptian cotton, might give the USSR increased power to influence
Expt either by threats or inducements. In accord with its
current policy of relaxation of tensions, the USSR will probably
be very circumspect in its relations with Egypt in order to encourage
maticus around the periphery of the Communist Bloc to adopt a
neutralist course as an inexpensive and, indeed, profitable means
of assuring their independence and security.

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- "independent foreign policy" has unde a profound impression in other Arab states and increases the chances that Syria would accept a Soviet arms offer. In view of the basic instability of the Syrian political situation, the greater potential of the well-organized Syrian Commist Party (whose leader is a member of Parliament) and the strength of leftist elements in the army, the possibilities of an increasingly leftist course in Syria are considered greater.
- 19. Saudi Arabia's resistance to blac penetration is probably much greater than Syria's and the chances of its accepting large-scale bloc arms aid may be considered less. However, its increasing conflict with the UK and the strong feelings of the ruling family regarding the threat from Hashenite Iraq and from Israel would incline the Saudi government to help finance Arab arms deals from whichever source as long as Arab capabilities against Israel are thereby strengthened and/or Iraq's plans for hegenomy among the Arab states checked.

## By-Products

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Apart from the improved prospects for local Communists and the encouragement to neutralism in the Middle East arising from the Soviet-Egyptian arms deal, it is possible that the USSR has in view the development of further contentions and difficulties in the Middle East. The appearance of a leftist trend in Syria, for example, would probably bring heavy pressures on the US and UK from Turkey and Iraq to permit intervention in Syria before the situation became irretrievable. This might confront the West with the choice of either permitting a serious increase in inter-Arab tensions or inperialling the Baghdad Fact structure. Furthermore, the greatly increased danger of arms traces and armed conflicts in the area resulting from the deal is likely both to set one part of the Arab world against the other and the Arab world as a whole against Israel. The fact that these basic cleavages in effect run at crosspurposes to each other is likely nevely to add to the confusion and to the prospects of general detericration that would probably offer much preater long run advantages to international Communication would the pursuit by the Arab states of neutralist policies. It is possible that the USSR will attempt both to exploit the "spirit of Geneva" and to disrupt the Western position in the Middle East by effering concellation of the Egyptian arms deal in return for US withdrawal from the Dhahran base and the abandonment of British military arrangements with Jordan and Kraq. The USSR might also propose a stabilization of the Arab-Israeli situation by a quadripartite (US, UK, France, USSR) guarantee.