Dear Rob:

It must have crossed the minds of quite a few people, maybe the President himself, that you could play some kind of special role in the present Arab-Israeli crisis. I am sure you can, but whether you would want to or not in another matter, I certainly wouldn't advise you to do so unless you can take out ‘Harriman insurance’—i.e., start out on the assumption that failure is almost certain so that if you succeed you will have won a smashing victory but if you fail no one will blame you.

For your own information, and for purposes of explaining the situation to others, here is the analysis I recommend:

1. Point number one is that Nasser’s economic, political, and politico-economic situations are all desperate. If anyone argues to you that he is getting himself into a lot of trouble, reply that he couldn’t be in more trouble than he is already in. To make your point, you might give your own version of the attached paper on Egypt’s balance of payments deficit—although I would advise you to make your remarks general, and not to rely on the complete accuracy of the figures I give. My friends in Cairo, both US Embassy and Egyptian Finance Ministry, say I am correct in my arguments and conclusions but that a nit-picker would find fault with one or another of the actual figures.

2. Point number two is this: Experience has taught Nasser that you don’t get what you want out of the West by being nice, but by being “a factor to be contended with.” Every major advance he has ever made has been on the heels of some gigantic, dramatic, and usually designed to show the world that Nasser whether we like him or not we must at least take him seriously—e.g., the original Soviet arms deal, the nationalization of the Suez Canal Company, etc. etc. Every one of his extravaganzas have advanced his interests—including, it can be argued, the Anglo-French-Israeli attack.

3. Point number three is that Nasser always has been, and is even more at present, a man given to thinking in terms of desperate solutions to his problems. Why? Because his problems are very high insoluble; at any rate, they are not solvable by conventional solutions. Do not remember what the Arab Little people told him back in 1955. “Even should Egypt be 100% successful in raising the extraordinary amount of foreign capital it needs, even should 100% perfect plan of development be devised, and even should these plans be followed without a single hitch, the most Egypt can expect is to keep the standard of living from going backwards.” In other words, Egypt’s increasing population will eat up all the gains of Nasser’s most ambitious plans. In 1954, Nasser decided if he were to stand, tin cup in hand, alongside Nori...
and Chahmaq and the others who were willing to "stand up and be counted" he would only get some trifling amount of aid from what he needed. He had to think of something drastic. He did. And it worked! We have taught Nasser to behave as he does.

4. Point number four is that Nasser would rather go out with a bang than with a whisper. It might be argued that he his present behavior is a matter of chasing the bang rather than pushing the whisper which will be all that is left to him should he simply sit passively and let his present problems run him over. Rotterdam. Any "five points" or "seven points" our Government offers him leading to a reasonable compromise solution fall on the ears of a man now able to talk in such terms.

To support points two, three and four you might read the loose pages I enclose which are taken out of a long paper on Nasser's motivations I am preparing for Pan American. They are very crude, but I think the points are made well enough for present purposes.

As you may know, John Sveringen was in town through all this, having come to attend the formal opening of the Kharg oilfield. I did a number of reports on the developing situation, and it's difficult to reproduce them now. For purposes of now giving you a quick briefing, here are the main points:

1. Zaharia now tells us very frankly that the beginning of the end was when you confirmed Nasser's suspicions that failing to come to terms with IMF would result in failure to do big business with all Western financial institutions, and when Nasser saw that the only way he could come to terms with IMF would be to abandon his factor-to-be-continued-with approach to life in favor of the approach Secretary Dulles used to recommend to him: Be a good boy like General Anwar and Habib Bourghiba (or, in the old days, Mufti and Chahmaq) and we will help you. Zaharia tells me that Nasser's estimate of his own economic situation was much worse than IMF's, not better as we have imagined, and that he therefore knew that going the IMF way could at best be only a stopgap solution.

2. Nasser's need to find a totally new way of living in this world ("poor benamies' club," a complex of trade agreements with bloc countries etc. -- I think I sent you my paper on this) would have to be satisfied by a solution which would be politically as well as economically satisfactory to the Soviets -- or, if not "satisfactory," at least compelling in factor-to-be-continued-with terms. But as he looked around him his enemies Feisal and Musa dan doing okay, and his natural allies (the Syrians, the Iraqis, etc.) doing as they damn well pleased and even stealing the show from him in the "alliance war against imperialism." He needed a local recup of his political position, and, this characterizedly, he decided that this could be managed only by a dramatic move.

3. Politically, Nasser has always found the Soviets easier to deal with than ourselves, because they think things they want him to do are things he wants to do already for his own reasons -- drive the British out of the
Arabian Peninsula, be anti-American on Viet Nam, etc. etc. Thus, he didn't find it difficult to choose a dramatic move which would suit the Soviet books as well as his own. In this quick Saturday morning report, I won't go into the details of this point in detail, but here it is in general: we are convinced that Warsaw cleared his present

4. King Hussein appears to be keeping his security lid on pretty well, but according to very strongly (rightly or wrongly) that the presence of

Egyptian sources claims that a group of officers did present themselves
to the Egyptian high command offering to defect to Egypt in support of Egypt (whatever he means by that) may save his skin until such time as he appears to be draging his feet. King Feisal's position, the Egyptians fondly hope will soon be as awkward as Hussein's. Whatever happens, the Egyptians claim, Nasser will wind up as the unquestioned leader of the Arab world, whether in defeat or in victory — and, as such, a factor to be reckoned with.

5. But what about the chances of Egypt's being defeated by Israel? Maxxie Egyptian estimates are (1) that the Syrian forces left to themselves probably would not make a good showing, but that, therefore, by the amount of vigor the Egyptians decide to exert on their own front they can enjoy the power of deciding how hard a time the Syrians have at the hands of the Israelis; (2) the Egyptian forces can hold their own well enough against the Israelis, possibly even pulling off a major victory; (3) the Americans are not going to sit quietly by and let Israel get really clobbered — thus, if the Egyptians are finally driven back it will be by the U.S., and it is no disgrace to be beaten by a great power; (4) the outcome, to be assessed whether an Egyptian defeat of Israel or an Egyptian loss to the U.S., will be a situation quite acceptable to the Egyptians — and to the Soviets. The U.S. will have emerged as the friend of the Israelis, the UN as the friend of the Arabs, and all Arab leaders who are friends of the U.S., including heads of the oil producing countries, will be acutely embarrassed and therefore no challenge to Nasser's position of leadership.
concession (there were seven which, by liberal interpretation, could be called serious ones) and saying that the winner would be the one most willing to go along with an arrangement most consistent with the UAR's "Arab socialist policies," i.e., rather than those offering the most realization. THEN, he said that final decision would be made by the Petroleum Committee of the Arab Socialist Union. In other words, things are now out of hand. I can't imagine Tenneco or Continental, or any other company not already here, continuing to be interested. You are well out of it all.

Conclusion: If you can take out Marrina's insurance, you may consider involving yourself in all this — but, not so much for the purpose of working out a solution. As for the purpose of halting hostilities while others work out a solution, and flexibility possibly for the purpose of merely getting the facts and making contact with these elements in the UAR which will take over should Nasser be burned on a Wagnerian funeral pile, the first step, I believe, would be to explore the possibility of a meeting between Nasser and Johnson, however risible this may sound when you first think of it. Zakaria insinuates this meeting very much, and assures me that Nasser will leap at the opportunity should he convince that it will not leak out that he took the initiative in expressing a wish for it. I told Zakaria that President Johnson would have the same feeling, even more strongly, and that our Government would hardly think this a time to "court" Nasser.

Well, but, as I read over the above I see that it is too hastily written, not complete, and not very clear, but it is the best I can do on a hurried Saturday morning. I have to get this into the mail within an hour or it may not get out of here until Tuesday — there being one of the busiest of all British bank holidays coming up. I sent you that cable this morning because I can easily imagine that you might be queried at any time about this situation, and I wanted you to know that something was on the way. If you do decide to get me involved in this (which I don’t recommend), I naturally want to help as much as I can, even coming back there for a really full briefing if this appears required. If there is USG interest John Sweringens would let me off, and pay my expenses incident to a Stateside trip, but you would have to call him and ask him cooperation as a matter of national interest.

Please let me know, one way or the other. Unless I get a cable from Vanderbeek saying his operation is directly suffering, I can wizk stay away from the situation down there for as much as a another ten days. Regards,