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1/2/48

SECRET/73(A)

SUEZ CANAL

Signor Martino's letter (Translation of Flag A).

This is a sorry performance but I do not think we should really be surprised. One must remember the uncertainties in Signor Martino's personal position which was strong enough to allow him to suppress the reservation which he was instructed by Rome to attach to his acceptance of Mr. Dulles' proposals, but not strong enough it seems to resist a number of pressures which are apt to arise when Mediterranean matters in particular are involved. These include an endemic suspicion and jealousy of Great Britain, a desire to cut a figure with the Arabs and a tendency to side with the Americans rather than with ourselves.

2. Any reply which attempted to criticize this state of affairs would inevitably cause friction without changing the situation in our favour and might well cause embarrassment to Signor Martino personally. I therefore suggest that the Secretary of State should not reply.

/At

3. At the same time I might perhaps be authorized to see the Italian Minister, ostensibly on some other matter and in the course of conversation inform him that Signor Martino would not be receiving a written reply. I think I could explain the reasons without giving offence. We should also inform H.M. Embassy in Rome.

*A.D.M. Ross*

(A.D.M. Ross)  
September 12, 1956

*Sir J. Ward first*

This was to be expected from the present Italian Government. We had a warning from their attitude over Cyprus that we cannot count upon their friendship and support for our policies in the Eastern Mediterranean. They are intending to keep out of trouble, knowing that we will not hurt their interests if we come off best, while if we go down they hope to inherit some scraps of our former position in the area.

/2. I agree

2. I agree with Mr. Ross that there would be no advantage in taking the Italians up and embarking on a written controversy, thus advertising the rift in the Western camp. I think that the Italian letter is in this way in a different category from the one which has just come from the Soviet Government. To mark our disappointment at the Italian attitude, I would advise that the Secretary of State should not even acknowledge the letter and that his decision to let it pass in silence should be notified to the Italian Embassy as Mr. Ross proposes.

*T. S. Ward*

September 13, 1956.

Sir Patrick

I agree.

*J. P. Patrick*  
13.9.

Can I have a translation?

See to the S.S.

*J.P.*  
17/9.

Mr. Ross

*J.S.W.*  
17/11/56

Il Ministro degli Affari Esteri

Paris, le 10 Septembre 1956.

*11/9/56*

*This is the same as the advance letter from Count Zoppi.*

Monsieur le Ministre,

Au cours des conversations que j'ai eues avec vous pendant la Conférence de Londres, j'ai eu l'honneur de vous faire part de certaines objections et de certaines réserves du Gouvernement italien au sujet des propositions à soumettre au Gouvernement égyptien pour une solution de la question de Suez.

Toutefois, pour ne pas affaiblir, d'aucune façon, la position des Gouvernements anglais et français dans la négociation avec Le Caire, je me suis rallié à la formule proposée par le Secrétaire d'Etat des Etats-Unis.

Je profite de cette occasion pour vous confirmer, Monsieur le Ministre, que tant qu'il s'agit de négociations le Gouvernement anglais peut continuer à compter sur la solidarité pleine et entière du Gouvernement italien.

Les conversations des Cinq au Caire viennent malheureusement de s'achever sans un résultat favorable: l'opinion publique italienne est - je me sens en devoir de vous le dire en toute franchise - très troublée par la situation

./.

Monsieur Selwyn Lloyd  
Ministre des Affaires Etrangères  
de Grande Bretagne et d'Irlande du Nord  
Foreign Office  
L O N D R E S

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Al Ministro degli Affari Esteri

2.

très grave qui en découle et par les incertitudes de l'avenir.

Les Puissances occidentales, dont l'Italie, ont toujours soutenu non seulement la thèse du respect des obligations internationales, mais aussi le principe du règlement pacifique des controverses internationales, surtout par l'entremise des organismes des Nations Unies. Au cours de toutes ces années une des supériorités incontestables du monde occidental par rapport à nos adversaires a été le respect de ces principes, même à notre désavantage. Et ceci en opposition à l'usage direct ou indirect de la force dont les autres, à plusieurs reprises, se sont rendus responsables.

Ces principes ont jeté des racines profondes dans l'opinion publique italienne. C'est pourquoi je considère obéir à mes devoirs de Ministre des Affaires Etrangères d'un pays ami et allié en vous prevenant que l'opinion publique italienne n'admettrait pas facilement un recours à la force sans passer préalablement par les instances des Nations Unies.

Je vous prie d'agréer, Monsieur le Ministre, l'expression de mes sentiments les plus amicaux.

*G. Lattuada*

Il Ministro degli Affari Esteri

Paris, le 10 Septembre 1955.

*Handwritten:*  
 Paris le 10 septembre 1955  
 Monsieur le Ministre des Affaires  
 Étrangères

Monsieur le Ministre,

En ce qui concerne les conversations que j'ai eues avec vous pendant la Conférence de Londres, j'ai eu l'honneur de vous faire part de certaines objections et de certaines réserves de l'ensemble des États au sujet des propositions à soumettre au Gouvernement d'Égypte pour la solution de la question de Suez.

Malheureusement, pour ne pas aller, d'aucune façon, à l'encontre des intentions du Gouvernement français dans la négociation avec le Caire, je n'ai pu aller à la formule proposée par le Gouvernement d'Égypte aux États-Unis.

Je profite de cette occasion pour vous confirmer, Monsieur le Ministre, que tant qu'il s'agit de négociations le Gouvernement français peut continuer à compter sur la collaboration pleine et entière du Gouvernement italien.

Les conversations des Cinq au Caire viennent malheureusement de s'achever sans un résultat favorable: l'opinion publique italienne est - je me sens en devoir de vous le dire en toute franchise - très troublée par la situation

Monsieur Selwyn Lloyd  
 Ministre des Affaires Étrangères  
 de Grande Bretagne et d'Irlande du Nord  
 Foreign Office  
 LONDRES

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Il Ministro degli Affari Esteri

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Ces principes ont jeté des racines profondes dans l'opinion publique italienne. C'est pourquoi je considère obéir à nos devoirs de Ministre des Affaires Etrangères d'un pays ami et allié en vous prevenant que l'opinion publique italienne n'admettrait pas facilement un recours à la force sans passer préalablement par les instances des Nations Unies.

Je vous prie d'agréer, Monsieur le Ministre, l'expression de mes sentiments les plus amicaux.

*G. Trainor*

JE 16/11/73

SUEZ CANAL

At lunch at the Italian Embassy today I brought the conversation round to Signor Martino's letter of September 11 to the Secretary of State.

2. I said that looking back the fact that we had received messages from Nehru "and others" on or about September 11 warning us against the use of force suggested to me that something very unpleasant had been expected to happen at the end of last week. Signor Prunas agreed and remarked that the feeling of crisis had evidently been particularly intense in Paris from where Signor Martino had written.

3. I then said that while we quite understood the Italian Government's position and that of Signor Martino personally, it seemed to us a pity that one of our closest European friends should have thought it necessary to send us a written message. The position of H.M.G. had now been made perfectly clear in Parliament and this being so the kindest thing might be to send Signor Martino no reply. Signor Prunas retorted that this would not be at all kind. The Minister of Foreign Affairs could not tell his colleagues in Rome that his letter had remained unanswered. Moreover, it would be quite easy for the Secretary of State to send a reply simply referring to the debate in the House of Commons which had now made all clear. Indeed, he understood - and this Count Zoppi confirmed - that the Secretary of State had indicated to the Italian Ambassador in person that this was in fact his intention.

4. Count Zoppi went on to press me for an answer to his enquiry about the possible inclusion of Signor Martino in the Secretary of State's preliminary meeting with Mr. Dulles

/and



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and Monsieur Pineau. This, according to the Ambassador, had been mentioned by the Secretary of State to Signor Martino in Paris on September 15 and Signor Martino was accordingly planning to arrive very early tomorrow morning. I said that as far as I knew the Secretary of State hoped to have a private conversation with Signor Martino at 7 o'clock at which Monsieur Pineau might possibly be present too, and to entertain him at dinner together with the other representatives from Western Europe. Count Zoppi reminded me that the Italian Government could not accept the view that important international questions were automatically discussed in the first instance between the U.S., the U.K. and France. The question whom to consult should be decided on the merits. In the present case Italy had a better right to be consulted than the United States. She was a Mediterranean country and had a greater stake in the Suez Canal in respect both of flag and trade. For the same reason he, Count Zoppi, could not admit that the inclusion of Italy would mean the inclusion of other powers.

5. Finally, Count Zoppi said that we had put Signor Martino badly out of countenance by announcing our plan for CASU without prior consultation. In fact Signor Martino had just reported to the Cabinet in Rome what was supposed to be the latest developments but had hardly finished when the newspapers carried the news of our plan. I made the obvious reply.

6. Presumably the question of the letter will come up when the Secretary of State sees Signor Martino tomorrow. Now that we have registered our feelings I would suggest, subject to Sir J. Ward's views, that the Secretary of State might now be advised to give Signor Martino a written reply on the lines

/which

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which apparently he discussed with the Italian Ambassador.

Copy to:

(A. D. M. Ross)  
September 17, 1956.

Private Secretary  
African Department

I agree that its not worth having a row over the letter, particularly as the Italians have a grievance over the procedure whereby CASU was announced.

JGward  
18/ix

Registry  
No.

Top Secret.  
Secret.  
Confidential.  
Restricted.  
Open.

Draft letter to  
Signor Martino

NOTHING TO BE WRITTEN IN THIS MARGIN.

Letter despatched by  
Private Secretary's Dept  
18/9/40

In view of this  
statement and  
of the valuable  
discussions  
which I was  
glad to have  
with you in  
Paris

From:  
Secretary of State

*Attorneys*  
18/9

I am grateful for your letter of the 11th of September in which you frankly set out certain preoccupations of your country with regard to the solution of the Suez Canal problem.

In your letter you said that Italian public opinion would not readily accept a resort to force without the question having first been submitted to the United Nations. Since it was written, H.M.G.'s position has been restated in the Debate in the House of Commons on the 12th and 13th of September, and you will doubtless have seen that the Prime Minister dealt with this question specifically in his closing speech. Speaking of the proposals that H.M.G. have put forward for a Users' Association and the situation which would arise if the Egyptian Government refuses its co-operation he said that it would certainly be H.M.G.'s intention, if circumstances allowed, to refer a matter of that kind to the Security Council. I am confident therefore that there is no real difference between the attitude of our two countries on this important question.

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September 18, 1956

I am grateful for your letter of September 11 in which you frankly set out certain preoccupations of your country with regard to the solution of the Suez Canal problem.

In your letter you said that Italian public opinion would not readily accept a resort to force without the question having first been submitted to the United Nations. Since it was written, Her Majesty's Government's position has been restated in the Debate in the House of Commons on September 12 and 13, and you will doubtless have seen that the Prime Minister dealt with this question specifically in his closing speech. Speaking of the proposals that Her Majesty's Government have put forward for a Users' /Association

His Excellency Signor Martino.

Association and the situation which would arise if the Egyptian Government refuses its cooperation he said that it would certainly by Her Majesty's Government's intention, if circumstances allowed, to refer a matter of that kind to the Security Council. In view of this statement and of the valuable discussions which I was glad to have with you in Paris I am confident that there is no real difference between the attitude of our two countries on this important question.

(Sgd.) SELWYN HURD

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SE. 14211/1736

SECRET

FROM FOREIGN OFFICE TO JEDDA

Cypher/OTP and by Bag

FOREIGN OFFICE AND  
WHITEHALL DISTRIBUTION

No. 647  
September 20, 1956

D. 3.45 p.m. September 20, 1956

PRIORITY

SECRET

Addressed to Jedda telegram No. 647 of September 20  
Repeated for information to Cairo Damascus

UKHC Karachi  
and Saving to Bagdad No.581 Moscow No.702  
Ankara No.844 Washington No.4297  
Bahrain No.150 UKHC New Delhi

Suez Canal - Pakistani Policy.

Mr. Noon has informed me that he has sent a personal message to King Saud. Its gist is that, although Pakistan spoke "for Egypt" yesterday, it is imperative that King Saud should bring his influence to bear on Nasser to negotiate. Mr. Noon asked King Saud to warn Nasser against the Russians and Indians as "psuedo friends" of the Moslem world: the message says that otherwise Egypt and Syria will find themselves "in grave danger".

666666

**SECRET**

JE. 14211/710 ✓

J

The attached article in today's New York Herald-Tribune, by Marguerite Higgins, has all the air of being inspired at some level in the State Department. It will give increased impetus to the argument that the Americans are pressing us to compromise. The passage at A about suggesting a supervisory board, based directly on the 1888 Convention, is similar to Mr. Dulles' recent proposal.

A. R. Moore  
 (A. R. Moore)  
 September 7, 1956.

Mr. Ross

Copy to

Private Secretary  
 Mr. Dodson.

Seen by SCS

APL  
 8/11

Seen by in N.Y.  
 8/9

Mr. Ross ✓  
 Again  
 A.R.M.  
 10-9.

This mitigates our  
 offence if there is any  
 leakage!

AR  
 10/9

AR 17  
 11-9

# Cairo's Consequences

By Marguerite Higgins

EGYPT'S decision to talk things over with the London committee has temporarily taken some of the heat out of the Suez crisis. But both Britain and France are still conspicuously buckling on their armor. And the big question is what happens if—as is almost certain—President Nasser refuses to give over actual control and operation of the Suez Canal to a supra-national board?

Are the British and French serious in saying that they will settle for nothing less than this plan of international control? Are they set on going to war despite the fact that the United States is reflecting increasing apprehension about this approach?

Three important events have taken place since the Mid-East crisis erupted July 26 over President Nasser's nationalization of the Suez Canal Company. Contrary to persistent public misunderstanding, the Egyptians did not seize the Suez Canal Zone. The canal was already in Egypt's complete physical possession due to the 1954 Anglo-Egyptian treaty. What the Egyptians did was to occupy the buildings and take over the assets of the Suez Canal Company, which is chartered in Egypt but which has primarily British and French citizens as stockholders. The events essential to a realistic appraisal of Mid-East alternatives are:

1. The old Suez Canal Company last week gave public notice that it is asking former employees in the canal to leave their posts in the canal if Nasser does not shortly come to some reasonable agreement. The company's move is expected to have its greatest effect on maritime pilots, of which there is already a shortage. So it is quite possible that traffic snarls will develop in the canal and that President Nasser will be unable to keep his promise of moving ships through on schedule. A traffic snarl would provide an excuse for British and French intervention in the Suez if they want to invoke one.

The Arab League has publicly served notice to the world that war with Egypt would mean war with the entire Mid-East. This confirmed warnings already given through diplomatic channels by every competent diplomat on the scene.

In the last few weeks, the United States has abandoned its hope that the Soviet Union would provide a moderating influence in the Mid-East. This pessimism is partly a result of Russian violent anti-Western propaganda in Egypt. But there was also a highly disturbing statement in Moscow by Communist party boss Khrushchev to the effect that Soviet "volunteers" would fight on the side of the Arabs in case of a Mid-East conflict. Indeed, the Americans have decided that the Russians may be ready to go to their own brink of war.

Yet despite all these dangers, the belief in Washington remains that a peaceful solution can yet be found if the real aim of our Western European allies is to insure freedom of navigation in the Suez Canal. This is an important aim.

For there are strong and vocal factions in Britain and France who consider the Suez crisis a much-needed opportunity for getting rid of Pan-Arab nationalism, exemplified by Col. Nasser, and which they view as the real long-term threat to the Western position in the Mid-East.

Now, many highly placed Americans share Europe's distaste for Col. Nasser's shrill methods. And more concretely, many Americans understand France's fury at such things as Egyptian encouragement of Algerian rebels and the French effort to silence the brain trust which is making pacification of Algeria so difficult. But the United

States is decisively opposed to a war directed at Arab nationalism because we know it would be violently opposed by the vast majority of the world. Under the circumstances, it would create far more ills—and possibly fatalities—than it would cure.

Many Americans also think that public attention should be directed to a much overlooked fact: the hard reality that no international board, no matter how powerful and respected, could protect navigation in the Suez Canal unless Egypt supports the board's aims. Egypt itself has always had the real physical control over the zone. Even when the British had 85,000 troops on the west side of the canal she was powerless to prevent Egypt from refusing passage to Israeli ships. And it is because Egypt is in complete physical possession that any solution must have her co-operation.

What is Egypt's attitude as the fateful Cairo talks proceed? It is authoritatively learned that President Nasser has informed key Western capitals that he is willing to go a long way toward meeting Western demands for a formula insuring that politics be kept out of the canal and guaranteeing freedom of access. But he will not—and in light of Egyptian public opinion cannot—agree to transfer sovereignty over the canal to a supra-national board.

But isn't there some middle ground for restoring the international trust and confidence that the West deems essential for efficient use of the canal?

What the West needs, essentially, is some legal basis for quick intervention if its worst suspicions concerning Col. Nasser and the canal should ever be realized. There are many diplomats who believe the Constantinople Treaty of 1888 contains the nucleus around which this legal basis could be built.

The idea is especially attractive, since Nasser has publicly reaffirmed his adherence to this treaty, which guarantees freedom of navigation to all nations. Indeed, Nasser has indicated his willingness to broaden and extend this international agreement. Why not take him up on it?

The crucial article in the treaty is the eighth, which has never been put into practice. The opening sentence says: "The agents in Egypt of the signatory powers of the present treaty (including Great Britain, France, Germany, Italy, the Netherlands, Russia, Spain, Turkey and Austria) shall be charged to watch over its execution."

This clause, it is felt, points handily to the creation of a supervisory board located in Egypt that would check on freedom of navigation as guaranteed in the 1888 treaty and report instantly if it were violated.

Article Eight also stipulates that in case of any event threatening the security of the free passage of the canal, they (the members of the board) shall meet on the summons of any three of their number in order to make the necessary verifications. The board is empowered, according to the article, to take steps against actions the object or effect of which might be to interfere with the liberty and the entire security of navigation.

The merit of reviving Article Eight as the basis for a workable formula for guaranteeing freedom of navigation is that it would allow both sides to save face. Nasser could say that he was living up to a treaty the continuing validity of which he has steadfastly acknowledged. The West would have achieved the method for an impartial check on the canal and a basis for action if trouble should develop.

Article Eight is but one way out of the crisis if both sides are flexible. And this comes back to the essential question of whether the real aim is to keep Suez traffic flowing. This limited objective, Washington believes, can be accomplished. But if Britain and France are determined on the broader target of crushing Arab nationalism, the prospects point toward another messy, dirty war.



M. Higgins

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SECRET

SUEZ CANAL.

At the Ministry of Transport's meeting this morning with representatives of the Admiralty, Treasury, the Ministry of Fuel and Power and the General Council of British Shipping, the ship owners were anxious to obtain Government approval for a certain measure of diversion of shipping from the Canal, since in their view adequate congestion of shipping for the purposes of Operation Pile-up was already guaranteed by shipping known to be in the Canal or approaching it. This was on the assumption firstly that Operation Pile-up would only be required for a few days, prior to the introduction of "Operation Convoy", and secondly that there would be no substantial diversions by foreign owners of shipping within three days distance of the Canal at present. The Admiralty reported that according to Lloyds some 115 ships were already at Port Said or Suez or expected shortly to arrive there, while ships were approaching the Canal at the rate of about 25 ships daily to each end.

2. The Ministry of Fuel and Power pointed out that the Government's oil plan also required diversion of tankers from the Canal at a fairly early stage. It was agreed that there would be no objection to re-routing some tankers to the Caribbean from those normally collecting their oil in the Middle East, but that for the moment tankers already committed to the Suez Canal should not be diverted. The owners thought that this could only be maintained if the Americans were also not to divert their tankers from the Canal. They hoped the Government would obtain assurances from the Americans. Mr. Proctor, who took the meeting, asked the ship owners, after consulting his Minister, to hold the position as agreed yesterday, namely to allow shipping to proceed towards the Canal as previously planned. It was agreed to let this stand for the present and to reconsider the position to-morrow morning after the Prime Minister's announcement.

3. The General Council of British Shipping are holding a meeting of British ship owners this afternoon to put the Government's policy to them and a meeting has also been arranged for to-morrow morning with certain foreign shipping representatives.

4. During the meeting further doubts were expressed about the feasibility of Operation Convoy. It was pointed out that fresh water supplies for large quantities of shipping immobilized at Suez and Port Said will be a serious problem. The ship owners remain convinced that it would be difficult to operate the User Club Scheme without ground cooperation. This view was shared by the French rep<sup>y</sup> of the Suez Canal Co. whom Mr. Proctor saw this afternoon.

Halls  
September 12, 1956.

Mr. Beeley.  
(Copies sent to African Dept & CRD)

(2011/45/56)  
CONFIDENTIAL



BRITISH EMBASSY,  
BEIRUT.  
September 13, 1956.

JE 14211 (75)

Dear Department,

The Lebanese Prime Minister and Minister of State continue to express themselves openly in favour of President Nasser. Commenting on the Egyptian note issued after the departure of the Menzies Mission, proposing an international conference to consider how to assure guaranteed freedom of navigation in the Canal on the basis of the 1888 Convention, M. Yafi told the reporter of "Le Jour": "This note is a masterpiece of clarity and concision; it shows how well-founded is the Egyptian thesis, and proves the sincere desire of the Egyptian Government to guarantee liberty of navigation and to respect in every detail the principles of the United Nations ..... Egypt has opened the way to negotiations to find a peaceful solution which would satisfy all the countries using the Canal. For, in a word, what matters is to assure free traffic in the Canal. President Nasser has reminded us in the clearest possible manner that he is ready to negotiate with all interested states to conclude a treaty guaranteeing this freedom within the framework of the United Nations ..... I think every Englishman and Frenchman who reads the Egyptian proposals in an objective spirit, and political prejudice apart, could only approve them. I believe that human conscience is not dead nor the spirit of justice and equity completely lost".

2. M. Saeb Salam told the same paper: "We hope the latest developments in the Suez crisis have prepared the ground for a satisfactory solution by peaceful means; the more so because President Nasser, while maintaining his sound attitude on Egyptian sovereignty, has opened the way in his last note to negotiations for a settlement safeguarding the interests of everyone".

3. A subsequent report, not confirmed, says that the Prime Minister caused a memorandum on the lines of his above-mentioned statement to be delivered on September 12 to the Egyptian Ambassador here.

4. We are sending copies of this letter to the Chanceries at Damascus, Amman, Cairo, Bagdad and Jedda.

Yours ever,

Chancery.

Levant Department,  
Foreign Office, S.W.1.

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(1422/241/56)  
UNCLASSIFIED



BRITISH EMBASSY, ✓

BEIRUT.

September 13, 1956.

E. 1422/1732 ✓

Dear Department,

--- You and the Foreign Office Legal Advisers may be interested to see the enclosed article which appeared in the Beirut daily paper "L'Orient" on August 16 and September 12.

2. Me. Rabbath is by no means unfriendly to the West. M. Rondot we do not know. It is encouraging however that such a comparatively objective study of the legal position of the Suez Canal should have been published and that M. Rondot should have been permitted to make his comments in public.

3. Alongside M. Rondot's article "L'Orient" gave the text of the 1888 Convention. Unfortunately they have omitted the preamble; but we are asking them to publish it in a subsequent edition.

Yours ever,

Chancery.  
K

Levant Department,  
Foreign Office, S.W.1.

L'orient

MERCREDI 12 SEPT. 1956

EN MARGE DE L'ÉTUDE DE Me RABBATH SUR SUEZ

La notion moderne « d'atténuation de souveraineté »

En marge de l'étude de Me Edmond Rabbath sur les aspects juridiques du conflit de Suez, nous recevons de notre éminent collaborateur Pierre Rondot une communication où, avec une parfaite objectivité, comme on le constatera, l'auteur expose l'évolution du droit international vers une notion « d'atténuation de souveraineté », qui commence à recevoir une application dans certains domaines :

Le remarquable article que Me Edmond Rabbath a donné dans votre numéro du 16 août sur « Les aspects juridiques de la querelle du Canal », fortement pensé et documenté, comme tous les travaux de cet éminent juriste, fait en particulier état d'une opinion du Professeur Charles Dupuis, qui conclut à la plénitude de souveraineté d'un Etat sur le canal maritime ouvert sur son territoire. « Il serait singulier, écrit le Professeur Dupuis, cité par Me Edmond Rabbath, que l'Etat vit sa souveraineté diminuée, altérée sur un sol par le seul fait qu'il aurait créé une voie de communication nouvelle ».

Quelques précisions

Sera-t-il permis, pour l'information de vos lecteurs, d'ajouter sur ce point important quelques précisions supplémentaires ?

Dans le cours précité, professé en 1924 à l'Académie de Droit International de la Haye, le Professeur Charles Dupuis ajoutait : « Si la souveraineté de l'Etat sur ces voies peut être atténuée, ce ne peut être du fait même de la construction du canal, mais le seul fait du consentement donné par l'Etat souverain à ce que le Canal soumis à son autorité serve non seulement à lui-même et à ses ressortissants mais à d'autres et, le cas échéant, à tous ». Il y a là, semble-t-il, un inféclissement sensible du principe antérieurement posé, puisque l'éminent professeur paraît ainsi admettre que, par le fait même du consentement de l'Etat dont il s'agit à ce que le canal serve à tous, sa souveraineté se trouve contractuellement « atténuée ».

Encore cette inflexion vers l'idée d'un caractère international des grandes voies d'eau n'a-t-elle pas semblé suffisamment nette à certains autres maîtres du droit international. C'est ainsi que le Professeur Georges Scelle, dont on connaît l'esprit libéral et la grande autorité, citant dans son « Cours de Droit International Public » (Domat-Montchrestien, 1948), page 450, note le fragment du cours du Professeur Dupuis, le fait suivre de ces réflexions :

« Singulier raisonnement, qui implique que la souveraineté est considérée comme un droit subjectif et non comme un faisceau de compétences, et qui refuse à l'ordre juridique international la fonction de réglementer ou même de supprimer les compétences gouvernementales. C'est la négation même de cet ordre juridique. Autant dire qu'un département pourrait légaliser la construction d'une route départementale sous prétexte que l'usage en profiterait à tous les ressortissants de l'Etat et qu'elle pourrait quelque jour être classée dans la voirie nationale. On touche ici du doigt comment une certaine conception doctrinale peut être de nature à refouler toute évolution de l'ordre juridique international vers l'institutionnalisme nécessaire ».

Dans cette section de son cours, le Professeur Georges Scelle développe toute sa pensée sur ce point :

on peut se demander si elles demeurent dans le Domaine public étatique, ou s'il s'est opéré une sorte de classement dans le Domaine public international par évolution coutumière » (p. 441). En traitant du régime des détroits, non sans noter que « c'est dans le même esprit que se pose le problème des canaux » (p. 449), il écrit : « L'idéal à proposer, en ce qui concerne le régime des portes de mer, est celui de leur classement dans le Domaine public international, sur une base normative uniforme, avec des réglementations techniques locales, et sous l'autorité d'organismes ou Commissions internationales armées d'un pouvoir de contrôle et de moyens d'exécution ou de police effectifs » (p. 448). C'est à la communauté internationale qu'il appartient de concevoir et d'éla-

borer le régime nécessaire de liberté et de sécurité, en le dotant au besoin des organismes d'exécution adéquats » (p. 449). — Les passages soulignés l'ont été par l'auteur.

L'exemple de la C.E.C.A.

Certes, cette idée d'une limitation de la souveraineté des Etats sur certains biens constituée une conception assez nouvelle. Mais pourquoi les systèmes juridiques ne pourraient-ils évoluer dans la voie du progrès ? On notera d'ailleurs que pareille conception est déjà, en certains cas, entrée en application effective. En confiant leurs industries de la houille et du fer à la gestion supranationale de la Communauté européenne du Charbon et de l'Acier (C.E.

C.A.), la France et cinq autres Etats de l'Europe Occidentale ont consenti une atténuation de souveraineté engageant des intérêts nationaux au moins aussi considérables que ceux que représente pour l'Egypte le Canal de Suez. Mais ces Etats ont compté que les sacrifices particuliers ainsi consentis par chacun d'eux procureraient un plus grand avantage commun, dont ils seraient appelés à bénéficier ultérieurement pour leur juste part.

Il n'est pas interdit d'espérer que des formules de cette sorte, expérimentées avec sérénité et patience, pourraient contribuer à procurer la solution de certains problèmes, obscurs d'abord par le choc d'intérêts certes légitimes, mais trop étroitement particuliers ou locaux.

S. P. RONDOT

# LES ASPECTS JURIDIQUES DE LA QUERELLE DU CANAL

PAR M<sup>e</sup> EDMOND RABBATH

La nationalisation du Canal de Suez, qui sera le thème central de la conférence maritime de Londres, pose aujourd'hui un problème politico-économique et surtout juridique d'une importance évidente. L'acte de saisie est-il conforme aux principes de souveraineté ? Le Gouvernement égyptien a-t-il le droit de prendre possession de la Compagnie ? Existe-t-il en droit une notion de société de commerce à caractère international ? Enfin, l'internationalisation de la gestion du Canal, dans quelles conditions serait-elle possible ?

A ces questions, un éminent juriste libanais, M<sup>e</sup> Edmond Rabbath, répond aujourd'hui en distinguant entre le statut du Canal en droit international et le statut de la Compagnie universelle du canal maritime de Suez.

## I. DE LA SOUVERAINETE TERRITORIALE DE L'EGYPTE SUR LE CANAL

La différence des voies naturelles, destinées, par leur configuration géographique même, à l'usage international, tels que les Détroits (Dardanelles, Gibraltar, Baltique, Magellan, Behring, etc.), au sujet desquelles certains principes de droit commun ont pu être dégagés, les canaux maritimes demeurent régis, du fait qu'ils n'ont pu être percés qu'avec l'assentiment d'un Etat déterminé sur son propre territoire, par un statut strictement contractuel. C'est que « les canaux maritimes, ainsi que le soulignait fortement, dès 1924, dans un cours à l'Académie de Droit International de La Haye, l'éminent internationaliste que fut Charles Dupuis, ne sont pas des voies de communications naturelles, mais des voies de communications artificielles, créées sur l'initiative ou avec l'autorisation de l'Etat sur le territoire duquel ils sont ouverts ». Il serait singulier que l'Etat vit sa souveraineté diminuée, altérée sur son sol, par le seul fait qu'il aurait créé une voie de communication nouvelle. En réalité, l'Etat ne perd rien, n'abdique rien de sa souveraineté, quand il construit ou permet de construire un canal, que ce canal unisse deux mers ou deux cours d'eau.

A cette règle de droit, le Canal de Suez n'a point échappé. Dans les actes concessionnels qui en ont permis le percement et la mise en exploitation, cette préoccupation majeure transparaît constamment, de la part du Khédivé Mohammed Saïd qui les avait octroyés, comme de celle de l'Empire ottoman qui les avait approuvés. La Convention de Constantinople du 29 octobre 1888, qui définit le statut international actuel du Canal, repose en entier sur cette reconnaissance des droits de souveraineté qu'exerçait l'Empire Ottoman, et qu'exerce aujourd'hui l'Egypte, sur le Canal, considéré par la Doctrine comme une portion indivisible de son territoire maritime.

C'est ce que spécifie expressément son article 13, qui déclare qu'« en dehors des obligations prévues expressément par les clauses du présent Traité, il n'est porté aucune atteinte aux droits souverains de S.M.I. le Sultan et aux droits et immunités de S.A. le Khédivé, tels qu'ils résultent des Firmans ».

Le Traité de Constantinople est l'aboutissement d'une longue suite de firmans, de notes diplomatiques et d'accords, en lesquels s'étaient déjà exprimés les principes qu'il a fini par consacrer en ses dix-sept articles.

Dès le Firman initial du 30 octobre 1854, par lequel le Khédivé Mohammed Saïd octroyait « à son ami », Ferdinand de Lesseps, le privilège de cons-

truire et d'exploiter le Canal, ce principe apparaissait dans toute sa rigueur. Cet acte, qui constitue la charte fondamentale du Canal de Suez, précise bien que celui-ci fait partie du territoire de l'Egypte. « C'est en effet seulement, souligne Fauchille, le droit de construire et d'exploiter un canal à travers l'Isthme de Suez que le vice-roi d'Egypte a accordé à M. de Lesseps ; il ne s'est en aucune façon dévoué en sa faveur du territoire sur lequel le canal doit être établi ; le firman est non pas un acte de concession, mais un acte de « concession » : la concession consentie est même limitée à une durée de 99 ans... »

Les textes ultérieurs n'ont fait que le rappeler avec plus de netteté.

Vrai dire, les Firmans de concession, qui se sont succédé à partir de 1854, n'avaient pas organisé internationalement le régime juridique du Canal. Ce n'était pas la Compagnie, mais l'Etat sur le territoire duquel le canal avait été creusé, qui continuait, par conséquent, à en assumer les responsabilités, au regard du droit international.

La première mesure de nature internationale qui fut prise en ce sens, à la suite de la guerre franco-allemande, date des 6-18 décembre 1873. D'autres textes ont jalonné la route qui a mené à la Convention de 1888. De l'amas de documents, qui forment aujourd'hui le dossier de l'affaire du Canal, sous son aspect juridique à tout le moins, se détachent tout particulièrement : a) la « Déclaration de Londres au sujet des Finances de l'Egypte et du libre usage du Canal de Suez », du 17 mars 1885, qui n'a permis à la France et à l'Angleterre, rivales en Egypte, de trouver un terrain d'entente pour l'organisation du statut du Canal, qu'à la faveur de la crise financière que traversait l'Etat du Khédivé, que l'Angleterre venait d'occuper ; b) la Convention signée à Constantinople par l'Angleterre et la Turquie, le 22 mai 1887, aux termes de laquelle le Gouvernement de Sa Majesté britannique prenait l'engagement formel de « retirer ses troupes de l'Egypte » à l'expiration d'un délai de trois ans (art. 5), engagement capital, en échange duquel le Sultan s'obligeait à inviter les Puissances signataires du Traité de Berlin (1878) « à approuver une Convention, qui aura pour but de mieux assurer la liberté de la navigation par le Canal de Suez » (art. 2). Ce fut la Convention de Constantinople, l'année suivante, que la Turquie, Puissance suzeraine, a signée à la charge de l'Egypte, avant que le Traité de Lausanne du 24 juillet 1923 (art. 16 et s.) n'en ait consacré l'indépendance à l'égard de l'Empire Ottoman.

(La suite en page 3)

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BRITISH EMBASSY,  
BELGRADE.

(210)  
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September 15, 1956.

JEN 21/753

Dear Department,

In our telegram No. 556 of September 14 we reported the remarks made by President Tito on the Suez question, at the formal luncheon given for Dr. Sockarno, together with the Yugoslav reply to the Egyptian proposal for the formation of a negotiating body. Two rather objectionable leading articles from 'Borba' and 'Politika' respectively were also mentioned in the telegram. We now enclose texts of all these, and have included, for good measure, a copy of another article from the September 13 issue of 'Borba' under the heading "Bad Pilots", plus some extracts from an article by 'Politika's' special correspondent at Port Said which appeared this morning. For the violence of its invective this report gains an uncontested first prize over any we have seen in the Yugoslav press during the past eighteen months.

2. In the course of a dinner at this Embassy a few days ago Mr. Price mentioned to one of the guests that the Yugoslav press had perhaps erred in lumping all the Western powers together and had tended to overlook the Americans and ourselves on the Suez question. Since that time, however, and no doubt as the result of an F.O. directive, there have been several indications that these difficulties are overlooked no longer. Please see for example the enclosed article by Smole, 'Borba's' foreign editor.

3. We are sorry to burden you with such a plethora of translations, but we think you should see something of the quantity, as well as the tone, of these articles, which are of course duly echoed in the provincial press.

4. We are sending a copy of this letter, with enclosures, to Cairo Chancery.

Yours ever,

CHANCERY.

Southern Department,  
Foreign Office,  
London, S.W.1.

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During the luncheon, which passed in a very pleasant atmosphere, President Tito and President Soukarno exchanged toasts.

Toast By President Tito.

President Tito said the following in his toast :

"Mr. President,

"Dear Friends,

"Comrades all,

"I am glad at being able to express, in behalf of the peoples and Government of the Federative People's Republic of Yugoslavia, as well as in behalf of myself, cordial welcome to Your Excellency and to Your associates and to send through You warm greetings and expressions of friendly feelings to the noble people of the friendly Republic of Indonesia.

"In your person, Mr. President, we greet the man and the statesman who, by his work and activity, has contributed so much towards the realization of the aspirations of the Indonesian people towards freedom and independence. The peoples of Yugoslavia, who in their old and recent history experienced great probations on their road to independence and equality, followed up with a lot of understanding and sympathies the efforts and struggle of the Indonesian people for acquiring their independence. Our peoples are following up, with the same sympathies and understanding, even today, the efforts which the Indonesian people are making and the successes which they are achieving on the development of their country under your successful leadership, Mr. President, and under the leadership of your Government.

"The devotion to the ideals of national independence, for which the peoples of our two countries have made great sacrifices, and the fact that both countries are confronted with the task of general and especially rapid economic development, have contributed towards our mutual sympathies developing into sincere friendly feelings. It is with pleasure that I wish to note that the relations between our two countries, although they are of a recent date, are inspired by a spirit of understanding and mutual desire for expansion and strengthening of mutual ties and cooperation in the political, economic, cultural and other fields. Our hitherto experiences and the similarity of our views regarding many of the international problems and methods for settlement of these problems - which found particular expression in the joint work at the United Nations - have confirmed in the best way the identity of aspirations of our two peoples towards the strengthening of mutual friendship and thus contributing as much as possible to the strengthening of peace in the world and to the development of a constructive and positive international cooperation.

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"We are confident, and the development of events just of late has also shown it, that peace and general social progress can only be secured by adoption and implementation of the policy of active and peaceful coexistence of peoples and states, founded upon the principles of equality and respect for the sovereignty and territorial integrity, non-interference in the domestic affairs of others, and recognition of right to every people to an independent development, regardless of the existing ideological, socio-economic and other differences.

"It is for this reason that we are following up with anxiety the certain revival of the out-dated methods of sabre-rattling in the solving of individual controversial questions. At the present stage of development of international situation, at the time when signs of lessening of the danger of a general war were already clearly visible, the main danger to peace and to further relaxation of world tension is represented by the possibility of local conflicts, with all the uncertainties which may result from them.

"Sabre-rattling, no matter how it may be motivated, puts to the question some of the basic international principles which, as a big achievement of contemporary mankind, have been included in the United Nations Charter, in the first place the principles of independence, equality and sovereignty of states. These principles cannot be today only empty phrases and they are not exhausted by recognition of the formal right of individual state to international intercourse, and things like that. They are the expression of the aspirations and right of every people to be the master in its own house. It is self-explanatory that, with the existence of very developed connections between states and with the linking up of these connections into one whole, there is no country without obligations of an explicitly international character, obligations which it must observe. However, one cannot doubt the ability of an independent and sovereign country to fulfil these its obligations and to do this in the form of voluntarily and freely undertaken obligations and guarantees.

"It is only by means of acceptance of these principles and adoption of methods of parleys, as the only permissible method in solving of international problems, that dangers of sharpening of relations and of conflicts between states may be eliminated and world peace safeguarded for a longer period. For the realization of these aims, joint efforts of all peoples and countries are needed and it is only by these means that peaceful international cooperation can be secured as the only alternative to war.



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"We in Yugoslavia are devoting a special attention to the development of events in the areas of Asia and Africa, where your country is playing such an important role. The hitherto development of events in that broad area has shown that it is possible to strengthen peace and secure progress in that part of the world, provided the independence and equality of its countries are consolidated. We see in the useful and positive role of your country, which especially found expression at the Bandung Conference and after it, a strong process of affirmation of the countries of that area as equal members of international community. We consider that it is the duty of all countries to aid this process. In this respect, a special contribution would be represented by extension of an organized international aid through the United Nations for development of the still economically under-developed countries and areas. Such an aid would not only be of benefit to the economic development of these countries and of the world generally, but it would also eliminate one of the permanent dangers to peace which the unevenness in economic development represents.

"Mr. President,

"I am convinced that your visit to our country will provide an opportunity for you and your associates to feel the warmth of the friendly feelings which the peoples of Yugoslavia cherish towards the people of Indonesia and towards you personally, and that it will make it possible for you to acquaint yourself to a certain measure with some of our achievements, especially in the field of economic development of our country. You will also be able to see how much interest our peoples are displaying for the development of your country, deeply esteeming the efforts which you are making for consolidation of world peace and promotion of international cooperation. We are confident that your visit and our forthcoming talks will represent a strong stimulus for further strengthening of our ties of sincere friendship, and they will confirm the fact that there exist all the necessary grounds for the relations and cooperation between our two countries successfully developing for the good of our peoples.

"Wishing you a pleasant stay in our midst, I drink to your health, Mr. President, to further progress of the Republic of Indonesia, to general friendship between the peoples of our two countries".

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Sockarno's Reply to President Tito's Toast

"Your Excellency, Mr. President, sisters and brothers.

"I consider it as a great honour and advantage to find myself amongs you and because of that allow me to thank you for this opportunity on behalf of my friends and in my own name.

"Standing beside you, Mr. President, I still recollect the grand and spontaneous welcome which was given to me by the magnanimous citizens of Belgrade on my way from the Air Port to your Palace: because of that permit me to address to you and to the peoples of Yugoslavia the most sincere greetings of the Indonesian people and their gratitude for receiving us here, with the hope that this visit to Yugoslavia will strengthen further the already powerful relations between our two nations.

"We are no longer strangers to each other, Mr. President your untiring and constant efforts in administering your country are achieving its ideas and aims, since your people won its freedom by its own strength and provoked respect and admiration of all nations throughout the world, who are defending mankind, freedom, independence and progress. I came to Belgrade only the day before yesterday, but the rapid development of this beautiful town located on the banks of the Danube which I saw and the expressions of happiness and joy on the faces of your citizens welcomed me yesterday are a powerful proof that after the end of the National Liberation Struggle life over here has changed much to the better.

"In fact, Mr. President, there is a certain powerful similarity between the country and the peoples of Yugoslavia and the people of Indonesia. Both have had bitter experiences of war and devastation, both of them must accomplish the enormous and difficult task of reconstructing their respective countries. Perhaps you will agree with me, Mr. President, that two persons can immediately become close friends when they have experienced the same troubles and difficulties and in this connection, it is not necessary to say that Yugoslavia and Indonesia are two young countries in this unruly world which have been destined to become great friends now and in the future. In this direction we have considerable possibilities for cooperation.

In our efforts to achieve peaceful and friendly community in the world we must try to develop such a world. Accordingly, one of our duties is to fight in order to eliminate as soon as possible colonialism. There are also other fields, which you have mentioned, Mr. President, where we can cooperate, such as is the peaceful settlement of international tension as the world has its established trouble spots, I am quite certain that our cooperation will not remain only on words. In this light I am in fact speaking about the burning problems such as are, Algiers, Suez and West Irian in which we are personally interested.

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Colonialism is by no means dead. It still exists in Asia and Africa and our efforts and sacrifices which we have made are for the sake of liberating our people from colonial tyranny which has been going on for centuries long. Even now, we are still waging a struggle for West Irian, that part of Indonesia, which is still under the occupation of a colonial power. This struggle is still going on. This is still a struggle for simple human demands which the rest of the world believed that they have been satisfied a long time ago. For example, the Asian-African conference in Bandung, at which leaders of 29 states took part and which represented for more than half of the population of the world, was a clear indication in which all hues of the political spectrum were represented there and practically all countries which have just liberated themselves from colonialism. Many things united them, but in the first place, their feelings of disgust towards colonialism. They adopted a declaration, which expressed expressly their future resistance against colonialism in all its forms. In this connection, Mr. President, we are grateful because the government and the peoples of Yugoslavia are sympathising with the peoples of 29 nations which are fighting for the elimination of colonialism and for the progress and equality of mankind.

Mr. President, it is to be really regretted that my stay in Yugoslavia is fairly brief. However, I have established with great pleasure that there are many problems which are of common interest to us and that we are speaking the same language about various fields of activity in which Yugoslavia and Indonesia can cooperate for the benefit of our peoples.

In this connection, I am speaking about stronger cooperation in economic, cultural and other fields, which might be of mutual advantage for our peoples.

Because of that, on this happy occasion, allow me, Mr. President, to drink to your health, to further progress of Yugoslavia and for the permanent and true friendship between the peoples of our two countries.

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PRESIDENT SOEKARNO RECEIVES HONORARY DOCTORATE OF LAW FROM  
BELGRADE UNIVERSITY (Borba - September 14, 1956)

President of Indonesia Dr. Soekarno was promoted yesterday morning to the honorary degree of doctor of law of the Belgrade University, as a sign of recognition for merits in securing peace in the world and thorough cooperation among nations, for distinguished merits in strengthening and broadening Yugoslav-Indonesian relations of sincere friendship.

The ceremony took place in the hall of the University and was attended by Vice-Presidents of the Federal Executive Council Edvard Kardelj and Svetozar Vukmanovic, President of the Serbian People's Assembly Petar Stambolic, Vice-President of the Federal People's Assembly Vladimir Simic, officials of the Federal People's Assembly, Federal Executive Council and the Serbian Executive Council, Chairman of the Yugoslav Academic Council Dr. Sinisa Stankovic, Chairman of the Serbian Academy of Science Dr. Aleksandar Belic, many academicians, university professors, cultural and public workers.

The high guest of our country arrived at 9 a.m. at the university accompanied by Secretary of the Federal Executive Council Veljko Zekovic. With President Soekarno were Foreign Minister Ruslan Abdulgani and other Indonesian state officials from his retinue, then Secretary General to the President of the Republic Joze Vilfan, Lt. Gen. Milos Sumonja, as well as members of the retinue attached to the Indonesian President during his stay in our country.

In front of the University building President Soekarno was met by Rector of the Belgrade University Dr. Ilija Djuricic and Dean of the Law Faculty Milan Zujovic. While entering into the hall President of Indonesia was greeted with a prolonged applause.

The formal meeting of the University Council was opened by Dr. Djuricic with a brief speech.

Then Rector Dr. Djuricic introduced the Dean of the Law Faculty Dr. Milan Zujovic who described in short the life and work of President Soekarno, his efforts and struggle for freedom and independence of Indonesia.

After reading the text of the diploma on promoting President Soekarno as honorary doctor of law of the Belgrade University, Rector Dr. Djuricic approached the high guest and handed over the diploma congratulating him.

Expressing thanks to Rector Dr. Djuricic, President Soekarno made the following speech:

"Your Excellency, Mr. Chairman, sisters and brothers, I am very grateful for being promoted as honorary doctor of law of the Belgrade University, a recognition which I personally hardly deserve.

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THE WORLD TODAY: THE ROLE OF THE USA AT SUEZ  
(Borba, September 15, 1956)

More and more, the Suez crisis enters its critical stage. The invitation sent to the foreign pilots to leave Suez and the decision of Great Britain and France to form a new "Association of Users of the Suez Canal" and to make it work independently of the will of Egypt - all these measures have created a dangerous situation. How things will further develop, whether in the direction of a conflict or in the direction of relaxation of tension, it all depends on many circumstances. But it must be particularly stressed that it depends in a large measure also on the attitude and concrete engagement of the United States of America. For, it is not necessary to say that in international relations and particularly in the western world the United States occupy a position which cannot help exerting influence on the development of the Suez crisis.

From the very beginning, the attitude of the USA with respect to the Suez dispute had its specific characteristics by which it differed considerably from the attitude of Great Britain and France. These differences did not refer to the essence of conception on the future organization and status of the Suez Canal, but to methods and means by which the common plan was to be realized. And whereas in the treatment of the Suez crisis much depends on the choice of methods and means, there is no doubt that "tactical differences" had so far played a rather important role. The United States, not being engaged in the Suez Canal to such an extent as is the case with Great Britain and France, is both objectively and subjectively in a position to consider the Suez problem and the interests of the West from a broader point of view. The United States can see better - at any rate better than Great Britain and France - where a hostile anti-Egyptian policy leads to. The United States can also more calmly ponder upon the consequences of such a policy with respect to the West. In one word, it is in a position to clearly see that application of force against Egypt would seriously affect international relations, and above all the interests of the western powers, because such a measure would be inevitably condemned by the world public.

From this point of view, and considering the fact that the interests of the USA seek development of good relations with the peoples and countries of the Middle East, the American policy was partly checking the intentions of Great Britain and France and therewith it was exerting a calming influence on the situation.

However, this is only one of the component parts of the American policy. The other component part refers to the interests of western solidarity and preservation of the Atlantic Pact which induce the United States to make important concessions to Great Britain and France.

The American policy is contradictory, i.e. within it opposite tendencies cross each other and enter into a conflict which, of course, appears also in its concrete manifestations.

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In regard to Suez, this contradictoriness is expressed in the fact that the United States has declared for a plan which is quite unacceptable to Egypt and at the same time it has declared against application of force to realize the plan. In this second element of the American policy is contained that positive something which so far was exerting a calming influence upon the consideration of the Suez problem.

President Eisenhower and Secretary of State Dulles have repeatedly stressed that the United States was against application of force and that the Suez crisis should be settled in a peaceful way. These statements and the concrete diplomatic steps in harmony with them have acted against the most dangerous tendencies.

This element of the American foreign policy, expressed in the support of peaceful settlement, was playing so far, in the development of the Suez crisis, a very important positive role.

Now, that the Suez crisis has entered a new, even more dangerous stage, the relation between the mentioned two opposite elements of the American foreign policy becomes even more important, because how things will further develop depends in a large measure on which element will prevail.

As it is well known, the United States has agreed to join with Great Britain and France in the plan of forming a new "Association of Users of the Suez Canal" but at the same time it again declared against application of force and for a peaceful solution of the Suez problem.

Now it depends a great deal to what extent will the United States engage this second element of its foreign policy, i.e. what will it concretely do to prevent the application of force, what efforts will it make to remove the dangerous situation and to create a different atmosphere in which a mutual agreement could be sought.

The day before yesterday, Secretary of State John Foster Dulles said that the United States "has no intention to shoot its way through the Suez Canal". Therewith he made it clear that the United States has no intention to participate in any military action against Egypt.

This statement is a positive one. But its positive effect would be even greater if it had been stated clearly what the United States would do to prevent at all any kind of "shooting through the Canal".

(Signed) J. Smole

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YUGOSLAVIA SUPPORTS EGYPTIAN SUGGESTION TO FORM BODY FOR  
NEGOTIATIONS

(Belgrade, September 14, 1956)

The Yugoslav Government has supported the proposal of the Egyptian Government to form a negotiating body composed of representatives of the countries-users of the Suez Canal with a view to peacefully settling the dispute by negotiation.

This proposal was made by the Egyptian Government on September 11 in a note to the countries accredited in Cairo and to the Secretary General of the United Nations.

In the Yugoslav reply which was given yesterday in a note by the State Secretariat for Foreign Affairs to the Egyptian Embassy in Belgrade it is said that "the Government of the FPRY, from the beginning of the dispute in connection with the nationalization of the Suez Canal and freedom of navigation through the Canal, was of the opinion that a settlement of this dispute should be sought exclusively by negotiation between all the interested countries-users of the Canal, taking into consideration the sovereign rights of Egypt and international interests in securing navigation through this Canal".

This view of the Government of the FPRY has particularly found its expression in the statement by President Josip Broz Tito to the director of Tanyug on September 11 this year.

In their reply, the Yugoslav Government greet the repeated willingness of the Egyptian Government to seek a peaceful settlement of the dispute by negotiation between all the interested countries expressing the conviction that by forming a negotiating body it would be possible to perform the indispensable preliminary works in bringing closer the existing differing views which would essentially facilitate the final regulation of questions in dispute.

Simultaneously, the Government of the FPRY express the hope that also the other interested countries will adopt the method of negotiation as the only one in conformity with absolute need for world peace and peaceful cooperation between nations and states. (Tanyug)

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THE WORLD TODAY: TWO METHODS  
(Berba, September 14, 1955)

The Yugoslav support of the Egyptian Government's proposal on forming a "negotiating body" in connection with the Suez Canal, is based first and above all on the principle of foreign policy of our country that negotiation is the irreplaceable method in settling international disputes.

So far, the development of the Suez crisis, particularly in its latest stage, has indicated that in the Canal dispute not only differing conceptions met face to face but also two entirely opposite methods. Proving and defending its inalienable right to nationalize a company which was formed as an Egyptian one subject to Egyptian jurisdiction, Cairo was always expressing the willingness to negotiate, to make an agreement on those aspects of the Suez problem which exceed the Egyptian national interests. This was particularly expressed in an Egyptian note sent to all Governments whose representatives are accredited in Cairo. Even if one does not again consider the essence of the Egyptian view, one must note that the proposals of Nasser's Government open the door for a broad exchange of views, to confront various views, without prejudicing concrete solutions of so important problems as, say, the eventual revision and actualization of the Constantinople Convention of 1888.

It is sad that this same thing cannot be said of the actions of the main opponents of nationalization. From the very beginning of the Suez crisis, they have adopted a method which aggravates or even excludes negotiations with Egypt, an agreement on the basis of equality, respect for interests and dignity of all negotiators and concessions on both sides.

The conclusions of the London Conference were conceived as a fait accompli, as an unchangeable act which Egypt was supposed to accept without any conditions and remarks, or to be accused of evading the agreement. The new plan mentioned by Eden the day before yesterday - to form a "Suez Canal Users' Association" which would take over the larger part of the competencies of the old Suez Company - was also made in such a form as to leave Egypt only one alternative: either accept cooperation with this organization, in the formation of which she does not even participate, or she would be accused of violating the Convention on free navigation. Without, again, considering the essence of the new British-French plan, one must say that its serious shortcoming consists, first of all, in the fact that it neglects, excludes negotiation.

What is an apparent advantage and most positive element in the last Egyptian note represents the weakest point in the plans of the two western powers. This was pointed out also by the Indian Prime Minister, Nehru, by saying that the new British-French plan "seems to close the door for negotiation", because it indicates actions of the two Governments which "do not represent a result of discussions but have the character of an imposed decision", - while the Egyptian proposal "opens the door for negotiation".



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PRESIDENT OF THE CARINTHIAN PROVINCIAL GOVERNMENT  
VISITS ZAGREB FAIR.  
Borba, September 13th 1956.

The president of the provincial government of Carinthia Mr Ferdinand Wedenig and his wife visited this morning the Zagreb Fair.

The prominent guest was conducted through all domestic and foreign pavillions by the general director of the Zagreb Fair.

MEETING OF YUGOSLAV-POLISH COMMISSION FOR TECHNICAL  
COOPERATION,  
Borba, September 13th 1956.

The meeting of the Yugoslav-Polish commission for technical collaboration will begin in Belgrade at the beginning of next week. This commission was formed based on the agreement on scientific and technical collaboration which was signed in November last year together with the trade agreement by representatives of the Yugoslav and Polish governments.

(Tanyug)

MIXED DELEGATION OF YUGOSLAV-ITALIAN CHAMBER OF COMMERCE.  
Borba, September 13th 1956.

The mixed delegation of the Yugoslav-Italian Trade Chamber arrived in Zagreb today. On this occasion a meeting will be held in the Trade Chamber of Croatia, at which the future exchange of goods, technical collaboration and the establishment of an inter chamber committee will be discussed.

HUNGARIAN ECONOMIC DELEGATION IN RIJEKA.  
Borba, September 13th 1956.

The Hungarian economic delegation, which is staying in our country already several days, and which is headed by the Minister for Foreign Trade of Hungary Josef Bognar, visited Opatija and Rijeka. In company of this delegation is also the general secretary of the Federal Communications Chamber Ljubisa Veselinovic. The Hungarian economic delegation was received this afternoon by the president of the district people's committee Edo Jardas. The delegation will leave for Belgrade tomorrow.

(Initialed M.P.)

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BAD "PILOTS"  
(Borba, September 13, 1956)

The Universal Suez Canal Company, nationalized by the decision of the Egyptian Government, has asked the foreign pilots and experts to renounce their cooperation with the Egyptian authorities.

The action of the Company represents an attempt of directly influencing the course of the Suez crisis with a hardly concealed wish to make the crisis more acute. It is characteristic that some western agencies, papers and radio stations - including the London BBC - have "foreseen" the following course of events:

The British, French and perhaps also some other pilots will quit their jobs on the Canal.

Their departure might "obstruct" navigation, increase the danger of accidents.

This might lead to British-French interventions because free navigation through the Suez Canal is endangered.

The responsibility, of course, would be placed with the Egyptian Government for not having kept their promise to secure normal navigation on the waterway between Suez and Port Said.

Finally, according to these combinations, a "gap" could be found, a "weak point" in Egypt's attitude - which more and more is being recognized as correct because, among other things, no offence whatever can be taken at the activity of the nationalized Company.

Are the managing board of the old Suez Company, and all those who applaud its call to the pilots, serious in their assumption that behind this tense construction one could not identify the real culprit responsible for any obstruction of navigation in the Suez Canal? To believe something like that would represent an unpardonable underestimation of the intelligence and conscience of the world public.

One can agree or disagree with the decision of Egypt to nationalize the Suez Company. One can fight - with legal means, in harmony with the international law and principles of the United Nations, by abstaining from any force and threats - for the victory of his conceptions. But if one maintains that his basic and only aim is to secure freedom of navigation and commercial interests of users of the Suez Canal, he really ought not do anything that might endanger its normal functioning. This should be borne in mind everywhere when judging the latest action of the old Company - for approval of such an action may only seriously compromise any principled attitude in the Suez dispute.

The appeal to the pilots to let the ships strand on the sand of the Canal represents one of the most direct attempts of pressure upon Egypt, a pressure which may compromise the dispute at a time when there started to appear a ray of hope

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for its even gradual solution.

At any rate, the management of the Company in Paris has very poor "pilots".

It is apparent that such a situation requires most serious efforts in order to avoid new complications and to abandon, in the Suez conflict, threats, ultimatums and pressure in order to negotiate. This refers both to the governments of those western powers who were directly engaged in the struggle against nationalization and to those who had offered their services in order to alleviate tension.

Of particular importance may be the further political activity of the United States of America which, according to commentator Lippmann, is playing in the Suez dispute the same role as Great Britain had played in the Formosa conflict - the role of a moderator.

The activity of the American representative in the "five nation Committee" and the activity of the American diplomacy in the latest phase of the Suez dispute in general, excelled in caution and moderateness.

It would be exceedingly useful - not only for the removal of new dangers in the development of the Suez crisis - if the American policy tried to play the role of the "pacifying" factor consistently to the end.

(Initialled) G.A.

MR. STEPHEN PALMER VISITS ZADAR  
(Glas Zadra, Weekly of the SAWP of the Zadar District, September 8, 1956)

This week, Mr. Stephen Eugene Palmer, Second Secretary of the American Embassy in Belgrade has visited our city.

During his sojourn in Zadar, Mr. Palmer called on Ante Soric, president of the District People's Committee and several other leaders, and while in our city he became acquainted with the cultural and historical sights of Zadar. Palmer has visited also our office where he spent long time in cordial conversation, expressing interest in certain problems of Zadar. He was particularly interested in our communal system and social management.

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AG. IN. DIST. TEL  
( Political, September 14, 1956 )

Anthony Eden spoke in the House of Commons yesterday. The speech for which the British Premier had prepared himself carefully was made in a tone which was not heard in the House of Commons for a long time, applied to Suez. Hopes have gone to the winds that the situation would be clarified and the horizon brighter after the speech. One would rather say that the Prime Minister closed here at closing the door to further negotiations than at discovering new, constructive proposals and means in order to find a way out of the blind alley.

Because the proposal about the establishment of the so-called Suez Canal users' organization can hardly have as its aim the finding out of an at least approximately suitable form for further negotiations, but it looks more like a dictate, prejudice, arbitrariness and even provocation. Just as attempts were made at the London conference to place Egypt simply before a fait accompli and force it into obedience, so also now the same path is being followed with the difference only that the new attempt is much more perfidious and incomparably more dangerous. A new variant for sharpening - nothing else.

An "organization" about Suez - outside Suez - is being established as was the case formerly with the post war governments in emigration. It is the question of the Canal which is a segment of Egypt's national territory and Cairo heard about the new Western plan only from Eden's speech. It is voiced that the secret of the new proposal was carefully kept and that the intention was that it should play the role of a bomb in Eden's expose about Suez.

The expected effect was not forthcoming. The surprise is considerable - but in an extremely negative sense. This is also established by a large part of the London press which comments Eden's expose with a great deal of anxiety and pessimism without perceiving any rosy prospects at all. The Liberal News Chronicle says that the British Prime Minister has presented his arguments in a way which can but make more difficult the discovery of a settlement by means of negotiations with the UNGO or without it, while the Labour Daily Herald writes openly that "the new proposal might lead to war".

Eden's action is a considerable disappointment also because of the fact that it was disclosed at the time when Egypt was repeating patiently its readiness to proffer all facilities to the users of the Canal within the framework of the Constantinople Convention and when it is making considerable efforts in order that the dispute be settled by peaceful means in a way which would not besmirch Egypt's national pride.

One gains the impression that London and Paris do not care at all what Egypt thinks and what is and what is not acceptable to Egypt. As if it was the case of some move skilfully conceived around President Nasser particularly. The Paris Combat informs openly and enthusiastically its readers:

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"If Nasser agrees to it (the Eden proposal), then he practically rejects nationalization, which has become his raison d'être since the past six weeks, he will lose his reputation in the eyes of the whole Arab world and will become a mere name which has to disappear. If he does not agree - he must grips with the testing of forces... In other words: if he does not agree - we shall know how to force him to do so."

The Paris initiative preceded Eden's speech in the House of Commons: the former Suez Company, which recently "became famous" by bribing and attempting to bribe large French newspapers, ordered - probably with the approval, if not at the hint of official circles - foreign pilots to leave their jobs in the Suez Canal. At the same time commentaries appeared "quite accidentally" on the theme: "Whether... eventual hitches in normal navigation through the Suez could serve as a worthy precedent for taking direct action with the aim to secure freedom of navigation." This is the skeleton. Obscure phrases about the "vital interests" of France or Great Britain are only garnish. After Eden's speech, it is easy to guess what the source of information was for similar commentaries.

The cries of London and Paris: "America is with us!", speak more about difficulties in finding any more convincing documentation, which might justify the latest French-British move, than about true American enthusiasm to start fishing in troubled waters in which Paris and London have involved themselves.

Just as they decided arbitrarily and in conformity with their taste who will be or who will not take part at the London conference, London and Paris are also attempting now to impose a decision on Egypt, which is violating its sovereignty and does not take into account its national pride. Such methods do not lead to a peaceful settlement, which can be achieved only by means of peaceful negotiations and by taking into account Egypt's sovereignty and also the interests of all the users of the Canal; such methods do not conduct in the direction where two viewpoints can meet and be reconciled.

( V. Djukić )

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EXTRACT FROM 'POLITIKA' ARTICLE OF SEPTEMBER 15  
 UNDER HEADING "LAST NIGHT FOREIGN PILOTS LEFT THE CANAL"

By B. Dikić, Special Correspondent at Port Said

In three hours, at mid-night, about 400 foreign pilots and experts will leave their jobs on the Suez Canal, having been induced, bribed and intimidated by the old Company in its plan of sabotaging freedom of navigation.

Meanwhile in Ismailia and Port Said everything is quiet ..... what the situation will be tomorrow is a question which only tomorrow will show ..... on this Canal which has been drawn into the net of the most perfidious international intrigue of our time .....

[Here follows a description of panic stricken preparations for departure on the part of the foreign pilots, compared with the cool efficiency universally displayed by the Egyptian authorities]

..... at all events shipping in the Canal will not be called in question by the British-French sabotage ..... the Western plan for using force ..... will be faced in Port Said and Suez with realism and that deliberate readiness on the part of the Egyptian authorities to resist all provocation caused by the intrigues of the shareholders of the old Company and of the Western powers who support them .....

The Egyptian authorities of the Canal have allowed every employee of the nationalised company to keep all their rights as before and [it is clear that] the allegations of the shareholding agitators are merely ill-intentioned imaginings.

.....  
 After mid-night tonight there remain at the Suez Canal only those who accept the fact that the present struggle for the Canal and freedom of navigation will not be decided simply by a cheque for £6,000 sterling.

1424/56  
UNCLASSIFIED



JEN 21/1754

BRITISH EMBASSY,  
MI. DEVEPBR  
THE HAGUE  
September 27 1956  
JEN 21/1618

Dear Department,

In our telegram No. 201 of September 15 we gave an account of an interview published in the Liberal paper Het Vaderland on September 13 with an unnamed Dutch pilot who had recently returned from Suez. We now enclose a translation of the complete article in question.

2. We are sending a copy of this letter, with enclosure, to the Chancery at Cairo.

Yours ever,  
CHANCERY.

Pw. 17/ix.

African Department,  
Foreign Office, S.W.1.

Enclosure



BRITISH EMBASSY,  
THE HAGUE

INTERVIEW WITH RETURNED SUEZ PILOT

(Het Vaderland: September 13, 1956)

"The departure of the foreign pilots from Egypt will cause many ships to avoid the Suez Canal. At present there are only eight Egyptian pilots who are equal to their task; the rest are no good. Their experience on big merchant ships is nil; they have only been piloting small naval vessels. The Suez Canal pilot, in particular, has to be an all-round seaman, because it is a Canal with hooks and eyes. But the Egyptians are no sailors; they have bad eyes, they cannot estimate distances, and they are nervous. When something goes wrong they lose their head and everything goes all awry. Captains of the ships which pass regularly through the Canal are well aware of this. They will now go round the Cape, which will naturally involve extra expenditure. But the risk of extra expenditure as a result of stoppages or collisions in the Canal caused by inept piloting by Egyptians, is just as great."

This is the opinion of a Dutch Suez Canal pilot, who in recent years had had ample opportunity to study the behaviour of his Egyptian colleagues. He is one of the four Dutch pilots of the former Suez Canal Company, who are at present on leave. Three of them are staying in the Netherlands, one in Italy. After nationalisation their leave was made into special leave; their salaries are still being paid.

To become a pilot in a fairway as difficult as the Suez Canal, it is necessary to undergo a long training-course to become a skilled seaman - in theory as well as in practice. These, at least, were the requirements of the Suez Canal Company which was nationalised by Nasser. The Dutchmen - not older than 35 - had to have a first mate's ticket, which entitled them to be a captain on a merchant liner. After a strict selection and a test by the Canal Company, pilots were posted to Port Said, as harbour-pilots.

Pilot's Training

There the following tasks had to be performed; to pilot 65 ships in a month in and out of the harbour under supervision of an older pilot, 24 hours on duty and 24 hours off duty; then to pass an examination and have a fortnight without assistance on day duty working on ships of under 10,000 tons - a tonnage which was gradually increased. (Originally this was done after the first three months, but in recent years the Company had to increase it to six, because Egyptian personnel caused so many accidents).

After this fortnight pilots were taken on the 24-hour shift and stayed as harbour-pilots for about three years. During that period they were sent into the Canal now and then as apprentice-pilots, but after three years the official two-months' apprenticeship of Canal pilot followed, during which 32 trips (Port Said - Ismalia - Suez) had to be completed.

Meanwhile, the pilots studied the Canal regulations, learned by heart all the buoys, and studied the climatic variations, from sandstorms and temperatures of 100-115 degrees

/Fahrenheit



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Fahrenheit in the summer, to snow-storms and fog in the winter. Then another examination took place and a two months' trial period in the Canal on ships not exceeding 9,000 tons.

Canal pilots were taken on trial for two years in temporary service. There was of course the risk of being dismissed without redress. After these two years employment was put on a permanent basis. Piloting 11,000 ton ships followed two years later; then after a similar interval ships of 13,000 tons; then of 16,000 tons, and, finally, of 18,000 tons. To be a first-class pilot it was necessary to have piloted six super-tankers through the Canal.

#### Shortage Increased

In practice it was not always possible to observe these conditions strictly. For instance, after the war a shorter training period had to be introduced because of the lack of pilots. But the shortage continued, and increased as in recent years the Egyptian Government interfered more and more with the Suez Canal Company. The Dutch pilot in question, watched this process and from what he has said it is clear that Nasser was not "unprepared" when he spoke on 26th July.

"The Suez Canal has been a big cake, which the Egyptians have been munching gradually." The gradual process of undermining the Company, the pilot said, started about four years ago when an Egyptian army colonel appeared on the scene - not Nasser but Chahine - who said "It won't be long before the English troops will have been driven out of the Suez Canal Zone, and they will be followed by the British pilots; then it will only be a matter of 5-6 years before the rest of the foreigners will have no say in the matter."

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(Het Vaderland,  
September 13, 1956)



#### More and More Egyptians

This Colonel was appointed Deputy Chief of a department of the Canal Company, and after him came many military and naval officials. The Company could not refuse to accept them and had to make concessions to the Government to get permission to make necessary improvements to the canal. It became more and more difficult to obtain approval from the Egyptian authorities for these improvements because they would cost a lot of money, money that should not be spent too lavishly in case there was none left for the Egyptians in 1968, when the concession was due to end. The pilot's view on this point was based on the numerous actions of the Egyptians during the last few years.

#### Egyptian Measures

In addition it was decided that the Canal Company should pay 75% of the total amount of salaries to Egyptians. Consequently a double staff came into being, a French one and an Egyptian one. The Canal Company, represented by the French staff, had less and less say. When the Canal Company was sued, an Egyptian lawyer would be detailed to defend, with the result of course that the Company never won a case. When after two years' probation an Egyptian pilot was discharged because of unsuitability, he put in a claim for damages of fl.660,000; he won his claim and received a large part of the amount he had asked for. In these circumstances it was useless to sack unfit Egyptian personnel. The Canal Company would always get the worst of it. Complaints from customers poured in. The pilot had met several captains of ships who did not dare to enter the harbour at Port Said after dark.

Other complaints: 68 km. south of Port Said, the Egyptian Government had built a railway bridge over the canal. This bridge was used by supply trains for the Egyptian troops on the Israeli frontier; it was let down twice a day. According to the pilot, the canal need not have been closed for more than a quarter of an hour each time, but the Egyptians kept the bridge down at least three hours, with resulting long delays. There had been at least three occasions on which the bridge had been lowered in front of a ship without any warning, which needless to say is very dangerous. The pilots protested, and then they were obliged to listen on the ship's radio in order to know when the Commanding Officer of the military post at the bridge would be good enough to allow the ships to pass.

On April 1 this year, all foreign pilots were obliged to buy 5% bonds in the Canal Company. The Company then had to pay the money raised in this way to an Egyptian insurance company (in other words, more money for the Egyptian Government). Furthermore the Government decided that it could confiscate the life assurance policies of foreigners in the event of tax arrears. "Rights? If there was still a law left to protect foreigners, it would be repealed by tomorrow morning. All Nasser has to do is to call a meeting", said the Dutch pilot. "We stayed at our work only because the Company has always been very good to us."

#### Constant Shortage of Sixty Men

During recent years the foreign pilots have had a very hard time. There has been a constant shortage of about sixty men, thanks to Egyptian personnel politics. More work came into the hands of unqualified persons as more Egyptians were appointed to the Canal Company. New foreigners were unable to come as the Egyptian Government refused them visas; and if anyone complained about the state of affairs, he might then find himself refused a visa on return from leave. "We all worked beyond our strength", said the Dutch pilot, who for months during the last year has not been at home for more

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than five or six hours a day. Six hours to sleep, eat, drink and to enjoy a bit of leisure at home. However, a canal pilot can be more or less his own boss: if he is too tired he informs the Company, who will not oblige him to work for fear of accidents. It has often happened during the last few years that ships have had to wait since there was no pilot for them. The Dutch pilot seems to have noticed that Egyptians got tired pretty quickly.

#### Working Times at the Canal

The Suez Canal has a length of 162.5 km; its narrowest width is 60 meters and its greatest (where ships cross) 400 meters. Four convoys, with an average of 15 ships per convoy, pass daily through the canal. The various pilots go on board the ships at Port Said (north), Ismailia (middle) or Suez (south). The distance Port Said-Suez or vice versa is divided in two for piloting. A ship coming from the north will get another pilot at Ismailia. He remains on board as far as Suez (approximately 10 hours), lands there (approximately 2 hours) and returns to Ismailia by car (1½ hours). Altogether 14 to 15 hours.

The private life of foreign pilots has been very difficult. "We have been constantly pestered." This ranged from the opening of letters to a bomb attack on a car with seven foreign pilots in it, two of whom were Dutch. (The attack only just failed.)

Although a foreign pilot used about the same amount of electricity in his house every month, the bill increased each time. If he made a complaint, he was threatened with being cut off entirely. Some pilots had to spend the few hours they were free in noisy flats. They were forced to this, since the Canal Company received permission to build only a certain number of houses. More houses would be too expensive. Sometimes the houses of the Company were taken over by the Egyptian authorities without any explanation. They had, it was said, been "given" to them by the Company.

"We have been treated like a lot of naughty schoolboys. We have endured everything for the sake of the Company, and because we were unable to do anything about it."

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(1422)



JE 1422/1756

BRITISH EMBASSY,

OSLO.

September 17, 1956.

Dear Department,

On the 12th September the Oslo Liberal paper "Dagbladet" published an article by its Foreign Editor, Ragnar Vold, discussing the withdrawal of the services of the Suez Canal pilots and accusing the British Government of being responsible for this. The paper said that the question of the pilots had certainly been decided in consultation with the French and British Governments and that it was the wish of H.M.G. to create a situation to prove that Egypt was unable to keep the Canal open and thus justify military action. Vold went on to say that it would not take many ships running aground to paralyse Canal traffic and suggested that this was the deliberate intention of Her Majesty's Government.

2. Although "Dagbladet's" orientation is Liberal, it is consistently anti-everything and destructive - not only about the Suez Canal on which question it has had considerable help from the Manchester Guardian and the News Chronicle, both of which it has quoted extensively - but also on N.A.T.O. and other international questions where the interests of the West are concerned. Vold in particular suffers from an inability to think clearly but, in keeping with the paper's policy, his main object is to be sensational.

3. At all events, the "Dagbladet" article called forth two excellent replies by the commentator on international affairs, Benjamin Vogt, in "Morgenbladet" (Conservative), of September 13 and 14. We enclose full translations of these, in duplicate. Vogt is a great friend of this Embassy and discussed his articles with us before writing. He has been putting our material on the Suez Canal question to extremely good use.

4. We are sending copies of this letter (with enclosures) to the Regional Information Officer at Bagdad, Beirut and Copenhagen.

Yours ever,

INFORMATION SECTION

*M.T.S.*

Information Policy Department,  
Foreign Office.

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THE SUEZ CANAL

IRRESPONSIBLE JOURNALISM - By Benjamin Vogt

(Morgenbladet, 13 Sept. 1956)

In an article on international affairs on the 12th instant under the signature R.V., "Dagbladet" writes that the British government attempts to create an impossible situation at Suez.

The newspaper alleges that the decision of the Canal Company to leave the pilots an open choice (after they have been working under intolerable conditions for two months) has been reached in consultation with the British and French governments, and in order to provide the latter with an excuse of intervention using force.

"Not many of these ships need run aground before the traffic in the Suez Canal is paralyzed. This has no doubt been envisaged, one might even say it has actually been the deliberate intention?" (Italics by Dagbladet).

Here then it is being insinuated that the Western Governments are attempting to block the Canal by means of grounded ships, in order thereby to place the blame on Egypt, and then resort to acts of war. A more grotesque contention has never been made by an allegedly responsible newspaper.

In accordance with the International Agreement it would have been within the rights of the British, in order to safeguard the Canal, to station a warship at either end of the Canal, i.e., at Suez and Port Said.

The British refrained from making use of this opportunity, but in the course of lengthy negotiations have attempted to arrive at an amicable agreement in order thereby to keep this indispensable waterway open to international traffic. The concentrated efforts of 18 nations during week-long talks have been directed towards avoiding a blocking of the Canal. And for this reason the British and the French authorities, as long as they possibly could, requested the pilots to remain at their posts.

There is, however, a limit to what these pilots can stand, of burden of work as well as vexations on the part of the Egyptian authorities. They do not "lend" themselves to "nationalization" despite the several attempts by the Egyptians to make them responsible. They are engaged by the Canal Company, and it goes without saying that they are under no legal obligation to carry on their work with a new employer under entirely different terms. It is this, and only this, which has now been established, following upon long-drawn efforts by the British and French to attempt to keep them at their jobs.

It is true that the British and French governments have taken quite considerable military precautions: If they had not done so the Egyptian dictator would have been able to play about with the West's most vital interests exactly as he wished. The fact that these precautionary measures were taken has undoubtedly been instrumental in dampening his overweening pride.

There is, however, another reason for these measures having been taken. There are, in Egypt, several thousand French and

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British subjects. Only four years ago a veritable battle was instigated by the Egyptian mob on Europeans which resulted in a great many being tortured and murdered. During this plunder the Police looked on, their arms idly crossed, some of them even taking an active part.

The Egyptian radio is daily inciting the unruly elements to use brute force. The British and French have retaliated by showing that this time they wish to protect lives, property and welfare. This is the primary right of any government.

There exists in this world a so-called radical press who consider it their duty to sling mud at their friends, to besmirch the democracies, to undermine respect for order and law and to mock at vital trade and political interests.

This press, at the same time, is always prepared to swallow whole any "peaceful approach" from the Kremlin or the East Bloc, to sympathize with pettifoggers such as Mossadeq or with dictators such as Nasser, and to seek out explanations and excuses for wellnigh any action, if only it is being undertaken by previously suppressed peoples.

The foremost representative of this press in Norway is "Dagbladet". In an editorial on the same day as R.V.'s article on Suez, it is stated that the British are behind the firm stand of the Germans in respect to SAS - and - with an obvious reference to London - that the major powers when they are unable to get their own way, resort to "dirty tricks and acts of brute force."

The British attitude in respect to Suez has hitherto been one of restraint. That is more than one may say about the irresponsible journalism of "Dagbladet."

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THE SUEZ CANAL

THAT WHICH IS AT STAKE - By Benjamin Vogt.

(Morgenbladet, 14 Sept. 1956)

If the free passage through the Suez Canal were to be brought to a stop, it would have the following results:

Oil products of all kinds would, for a transition period, be in short supply in Western Europe. There would be a shortage of fuel oil for heating, and of crude oil and petrol for transportation. The fishing fleet might have to go into drydock, and motorized traffic would have to run on shorter schedules.

There would be a considerable increase not only in the price of oil, but also in the price of several other products. Amongst these would be wool, rubber, tin and tea. In the case of Norway one would have to be prepared for a rise in the cost of living of several points.

Both our imports and exports would be hard hit. The goods transported through the Suez Canal would be the first to be affected. In the second round our trade with other countries would suffer inasmuch as national economies would be weakened by the lack of oil and other products.

It is for these reasons that the British Government from the very outset have charged that Nasser's nationalisation is a critical step against West Europe's economy. Egypt has West Europe, and particularly Great Britain, in a stranglehold which may lead to a drastic lowering in the standard of living and to mass unemployment.

Is there any danger that Nasser will tighten his grip? He himself has supplied the answer.

In his speech on 26 July when he proclaimed the nationalisation, he stated "howling-shouting" Hitler manner:

"This, citizens of Egypt, is the battle into which we have been thrown. This is the fight in which we have become involved. It is a fight against imperialism and against the methods and tactics of imperialism. It is a fight against Israel, the vanguard of imperialism, a country which was created by imperialism in order to annihilate our nation ...."

As I have said to you: Arab nationalism is burning from the Atlantic Ocean to the Persian Gulf. Arab nationalism is aware of itself, its form, its power....."

Himself at the height of ecstasy which, according to all accounts, inflamed his audience to the boiling point of hysterical enthusiasm, he raged against what he termed "suppression, plunder, and humiliation" on the part of the Western Powers.

He concluded by announcing that at the moment of speaking the Egyptian employees were taking over the Canal Company - by means of armed force. One of these employees is Mustafa Hifnawi who is now the director of the nationalised company. This same effendi in 1951 wrote a book in which it is stated:

"Egypt (once she gains control of the Canal) will know how to make use of this gateway, by opening it or closing it in times of peace and war. From the day when Egypt takes over the operation of her own Canal there will be nothing to stop her from exacting any dues she wishes."

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It is being said in several quarters in Western Europe: "In 12 years time the Canal would have fallen to Egypt. Why all this hue and cry about something which would occur in any case?"

This reasoning is false. It was stipulated in the Concession that Egypt, when taking over, would continue to operate the Canal on a free and open basis, with no obstacles placed in the way of shipping.

This is the very thing which Nasser's present annexation of the Canal shows that he has no intention of doing. A legal transfer agreed upon and respected by both parties is not at all the same thing as breaking valid treaties and recently given assurances. Nor is a peaceful hand-over the same as that which Prime Minister Eden so fittingly terms a "plundering raid". Nasser declared in no uncertain terms that he would use the international Canal taxes not to promote the interests of international shipping, but to construct the Aswan Dam.

It would have been tantamount to suicide if the British and French Governments had not acted quickly, under those circumstances.

But up to now the word "war" has not been uttered by the British Government. On the other hand, there are two other parties, who are constantly shouting about the prospects of war: The one is Nasser who repeatedly makes statements to the effect that the fight will be carried on to the last drop of blood, and the other is the British opposition who see guns and tanks behind every rose-bush and between the leaves of every diplomatic memorandum.

The British Government, in the face of circumstances extremely perilous to Great Britain and the whole of Western Europe, has managed to keep a clear head. They have pursued a policy of negotiations with great patience and have received ~~the~~ whole-hearted support even from such countries as Iran and Ethiopia. But they have also had to take their precautions in the event of Nasser proving to be exactly what we all know he is: an unbridled, unscrupulous and sly fanatic who will take the first opportunity he can to hold the knife at our throats.



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SAVING TELEGRAM

Clair  
By Bag

FROM CAIRO TO FOREIGN OFFICE

J  
JEN 21/176

Sir Humphrey Trevelyan

No. 256 Saving  
September 19, 1956.

ASST. DIR. GEN. SEC.

CONFIDENTIAL

CBS 158/4

Addressed to Foreign Office Saving telegram No. 256 of September 19, repeated for information Saving to:-

Washington	No. 373	Jedda	No. 159
P.O.M.E.F.	No. 435	Bagdad	No. 175
Paris	No. 315	Amman	No. 174
Beirut	No. 222	Khartoum	No. 37
Damascus	No. 193	Tripoli	No. 64
	Benghazi	No. 47	

My telegram No. 2188. - JEN 21/1680

Shaab of September 18 published open letter of Salah Salem to Political Committee containing following 4-point proposal for achieving glory and independence of Arab nation:-

- (a) immediate meeting in Bagdad of Arab Prime Ministers and Foreign Ministers;
- (b) declaration by them of policy they would adopt in event of Anglo-French aggression, made with American support, against any Arab country;
- (c) formation of a permanent council at ministerial level to coordinate and supervise execution of Arab plan in event of aggression;
- (d) this body to remain in session until all problems which had long disturbed inter-Arab relations were cleared up.

2. As regards second point in his proposal Salem suggested:-

- (a) breaking off of all diplomatic and economic relations between Arab governments and aggressor states;
- (b) abrogation of all political, military and other agreements tying Arab governments to aggressor states; these agreements should include Anglo-Egyptian Base Agreement, Turco-Iraqi Pact, Anglo-Jordanian Treaty, Anglo-Libyan Treaty, Saudi-American Agreement on Dhahran and Tunisian and Moroccan agreements with France;
- (c) treating all Western bases throughout Arab world as illegal, depriving them of all facilities and services granted under the various agreements and getting Arab labour to boycott them;
- (d) annulling all contracts granted to exploiting Western companies and arranging Arab labour boycott (this to include oil companies);
- (e) endeavouring to establish pacts of non-aggression and friendship between Arab countries and those who supported them against Western aggression.

3. The Egyptian press has long harped on the theme of Arab readiness to support Egypt to the hilt in defending herself against any Western aggression. Salah Salem's "proposal" would seem to do little more than take this idea to its logical extreme.

SEP 1956  
SECRET

*Mr. Nasser*  
*Spoken*  
*Registry No. JE*  
*Please check about this in white*

Record of a Conversation between the Secretary of State and the Swedish Foreign Minister on September 11, 1956.

Top Secret.  
 Secret.  
 Confidential.  
 Restricted.  
 Open.

*JE 1421/764* Suez Canal

Draft.

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Mr. Undén said that the impression he had formed in Cairo was that Col. Nasser was determined not to accept an international body to administer the Canal. He might be prepared to discuss such questions as the level of dues, the maintenance and expansion of the Canal, but he had not in fact put forward any counter-proposals to the 18 nations plan.

2. Mr. Undén thought that there was no prospect of a settlement on the basis of the 18 nations proposals. He thought the possibility might be explored of having an Egyptian administration for the Canal in which there would be certain international elements, the whole system to be guaranteed by a treaty. He considered that Nasser might accept something on these lines though he could not be sure.

3. Mr. Undén said he thought Nasser had been impressed by Mr. Menzies, who had stated his case admirably. He had made it clear that he could not go beyond the Group's terms of reference.

4. In reply to a question by the Secretary of State, Mr. Undén said that he saw no hope of progress on the basis of Nasser's new proposals.

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5. The Secretary of State said that we were thinking of forming an organisation of the users. We would find pilots ourselves and would call on the Egyptians to provide the necessary cooperation on land. All ~~air~~ dues would be paid to the new organisation, less any payment which might be due to the Egyptian Government for services they rendered. We would then send our ships through the Canal in accordance with our rights under the 1888 Convention. If Nasser found that he was not getting revenue from the Canal, he might be prepared to compromise. It was clear that he would not negotiate with the old company nor with the 18 nations. The proposed user organisation would not be a negotiating body but it might have a rôle to play in reaching a settlement. The other great advantage of such an organisation was that it would enable us to keep <sup>ke</sup> pilots together. There was no doubt that the pilots would stop work within a week and if nothing were done the Canal would then come to a standstill. Mr. Undén suggested that the dependence of the Canal on the foreign pilots had perhaps been exaggerated. The Secretary of State agreed that this might be so but said that the pilots had been under strength before nationalisation and their numbers were now further reduced. Although the Egyptians might continue to get some ships  
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through the Canal, there would be grave risk of an accident with the larger vessels, particularly the loaded oil tankers.

6. The Secretary of State said that we were also considering whether to take the matter to the Security Council, though no decision on this had yet been reached. If we did go to the Council the object would be to bring further pressure to bear on Nasser. Mr. Undén suggested that the Council would wish to examine the problem in all its aspects and would probably not be content simply to endorse the 18 Power Proposals which had already been tried and rejected. The Secretary of State agreed that the Security Council should not merely support the 18 Power Proposals. It would probably be necessary to set out certain basic principles and call on the Egyptian Government to accept them.

7. The Secretary of State said that another possibility was for us to reoccupy the Canal Zone. We had taken certain military precautions which we considered fully justified. We had felt it essential that we should be in a position to move in if this were necessary. The press had however greatly exaggerated the scope of these military moves, and the forces involved in the Mediterranean were <sup>not</sup> in fact <sup>very large</sup> quite small. We fully recognised that the use of force

use of force was the least satisfactory course and it would always be for us a last resort.

8. Mr. Underhill wondered whether it might not be worth trying to associate the Russians with further discussions of the question. His impression was that the Russians were not backing Col. Nasser very strongly.

Mr. Underhill reverted to the idea of an Egyptian administration with clearly defined international participation under treaty guarantee. He said that during the discussions in Cairo he had persuaded Col. Nasser to agree to compulsory jurisdiction by the Hague Court of any dispute between the Egyptian Government and user interests. He was not himself in a position to say where the line should be drawn between the Egyptian and the international elements of any system, but he thought it should be possible to define this and to work out something on these lines.

9. The Secretary of State said that he saw great danger in any undue delay. We knew that the Russians were advising Nasser to spin out negotiations and Nasser himself had made clear his intention to consolidate his grip on the Canal. Our aim must therefore be to bring matters to a head quickly in such a way as to secure a settlement without  
/the use

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the use of force. If Nasser was seen to succeed, régimes friendly to the West in other Middle East countries would be gravely threatened and Nasser's example of nationalisation might well be followed in regard to Middle East oil. The prospect for the West was therefore very dangerous.

10. The Secretary of State asked Mr. Undén to regard as very confidential what he had said about a users organisation. The plan was still in its very early stages. If however we did decide to go ahead with it, we hoped to have the support of as many of the 18 countries as possible. The organisation would afford a test of Nasser's professed desire for cooperation. The U.S. Government were also thinking in terms of a users organisation and we naturally wished to keep in close step with them. There were many ~~such~~ stories of divergencies between the Americans and ourselves but these were not true and we were in fact keeping in the closest touch with them.



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# ASPECTS JURIDIQUES DE LA QUERELLE DU CANAL DE SUÈZ

## I. - De la distinction existant entre la Compagnie du Canal et le Statut juridique du Canal

Tout au long des négociations, les deux parties ont eu à se préoccuper de la distinction à faire entre la Compagnie et le Canal. Cette distinction est d'importance capitale, car elle détermine le statut juridique de l'œuvre et, par conséquent, les droits et obligations des parties contractantes.

La Compagnie du Canal est une société commerciale, soumise au droit commun. Elle a pour objet l'exploitation du Canal et, en conséquence, elle est soumise à toutes les règles de droit qui régissent les sociétés de ce genre.

Le Canal, au contraire, est une œuvre d'intérêt public, soumise à un régime spécial. Il est régi par un statut particulier, qui définit ses caractéristiques juridiques et ses modalités d'exploitation.

La distinction entre la Compagnie et le Canal est donc essentielle pour déterminer le statut juridique de l'œuvre et, par conséquent, les droits et obligations des parties contractantes.

## II. - De la distinction existant entre la Compagnie du Canal et le Statut juridique du Canal

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## III. - De la nature conventionnelle du Statut du Canal

Le statut du Canal est une œuvre conventionnelle, qui résulte de l'accord des parties contractantes. Il définit les caractéristiques juridiques de l'œuvre et ses modalités d'exploitation.

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## 1. - Libre usage du Canal

Le libre usage du Canal est une des caractéristiques essentielles de son statut juridique. Il signifie que le Canal est ouvert à tous les navires, sans distinction de nationalité, et que les conditions de son exploitation sont définies par un statut particulier.

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## 2. - Exécution du Canal par l'Etat

L'exécution du Canal par l'Etat est une autre caractéristique essentielle de son statut juridique. Elle signifie que le Canal est construit et exploité par l'Etat, qui assume toutes les responsabilités liées à son exploitation.

L'exécution du Canal par l'Etat est donc une autre caractéristique essentielle de son statut juridique. Elle signifie que le Canal est construit et exploité par l'Etat, qui assume toutes les responsabilités liées à son exploitation.

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## 3. - Régime des tarifs

Le régime des tarifs est une autre caractéristique essentielle de son statut juridique. Il signifie que les tarifs de passage du Canal sont fixés par l'Etat, en fonction des besoins de son exploitation.

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