

7-3156) are reprinted in *The Suez Canal Problem, July 26-September 22, 1956* (Washington: Government Printing Office, 1956), pages 25-32. The Embassy in Cairo forwarded news of the nationalization to the Department of State on July 26 in telegram 146, printed in volume XV, page 906.

Arrangements made by the Egyptian Government with French engineer Ferdinand de Lessups during the nineteenth century provided the legal basis for the Company's existence as an Egyptian joint stock company. The original concession for the construction and operation of the Suez Maritime Canal, dated November 30, 1854, and signed by the Viceroy of Egypt, Mohammed Said Pasha, authorized de Lessups to form a financing company for the construction and operation of the Suez Canal. The definitive concession, signed by the Viceroy of Egypt on January 5, 1856 (which superseded the Concession of 1854), authorized the establishment, in the form of a corporation, of the Universal Company of the Suez Maritime Canal, listed the company's obligations and the concessions conferred upon it, authorized the cutting of the Canal, and provided that 15 percent of the profits would revert to the Egyptian Government. Article 16 of the definitive concession fixed the life of the company at 99 years, "counting from the completion of the work and the opening of the maritime canal to large vessels." At the expiration of that period, the Egyptian Government could either resume possession of the Canal with fair value compensation paid to the company or it could extend the company concession for successive periods of 99 years with an increase in the percent of levy. (The Canal was eventually opened to traffic in 1869, which set the concession's expiration date for 1968.) A subsequent convention between the Egyptian Government and the Suez Canal Company, signed by the Viceroy of Egypt Ismail Pasha and de Lessups on February 22, 1866 and sanctioned by the Imperial Firman on March 19, 1866, incorporated the 1854 and 1856 concessions by reference, delineated the relationship between the Egyptian Government and the Company, and established Egyptian jurisdiction over the Company and the Egyptian nationality of the Company. (The texts of these three documents respectively are printed in *British and Foreign State Papers, 1864-1865*, volume 55 (1870), pages 970-973 and 976-981 and volume 56 (1870), pages 277-283; and in *The Suez Canal Problem, July 26-September 22, 1956*, pages 1-20.)

As for the Canal itself, the Constantinople Convention of 1888 as well as the definitive concession affirmed its international character. The definitive concession guaranteed that the Canal and its ports "shall be open forever, as neutral passages, to every merchant vessel crossing from one sea to the other". Infringements of that guarantee, the desire to regulate the passage of warships, and other historical