

insurance companies would insure vessels under these circumstances.⁹

I asked if "dumping" cotton by U.S. would constitute useful economic action against Egypt. Lloyd felt such action inadvisable and mentioned it would be particularly resented by Sudan, Pakistan, and certain British colonies. I added Mexico and Peru would not be pleased either.

We agreed on press guidance (Embtel 522¹⁰) and adjourned.

Barbour

⁹ The British Foreign Office "Record" adds: "It was finally agreed that Working Parties should be set up to: (i) Submit ideas about a draft communiqué to be issued after the talks. (ii) To draft an invitation to a possible Conference of powers primarily interested in maintaining the freedom of navigation through the Canal. (iii) To consider further which countries should be invited to such a Conference. It was also agreed that the following subjects required further consideration: (i) The question of payment of dues. (ii) Whether fresh instructions should be sent to the employees of the Suez Canal Company."

¹⁰ Dated July 30, not printed. (Department of State, Central Files, 974.7301/10-3056)

26. Editorial Note

At the third tripartite meeting, which began at noon (London time) on July 30, the delegates began consideration of a draft communiqué, prepared by a working group. The draft reaffirmed the principles stated in the 1888 Constantinople Convention, pointed to the need for operating arrangements under international control, stated a preference for United Nations involvement in this control, asserted that the legitimate interests of Egypt, including a fair financial return, would be fully respected, and invited specified governments to "participate in a conference to be held in London in the immediate future to consider what steps should be taken in order to reach the above objective." At this meeting, the delegates also discussed possible criteria for selecting the nations to be invited to the conference and the question of the payment of Canal dues to Egypt. Accounts of this meeting are in British Foreign Office, "Record of Meeting Held in Council Chamber, Foreign Office at Noon on July 30, 1956," and "London Tripartite Conversations," pages 23-31. (Both in Department of State, Conference Files: Lot 62 D 181, CF 724)