Chapter II

Build-up to Suez

Yon foaming flood seems motionless as ice;
Its dizzy turbulence eludes the eye,
Frozen by distance.  

—Wordsworth

BEGINNING in the latter months of my first term and for several years thereafter, no region of the world received as much of my close attention and that of my colleagues as did the Middle East. There, against a background of new nations emerging from colonialism, in the face of constant thrusts of new Communist imperialism, and complicated by the old implacable hatred between Israeli and Arab, the world faced a series of crises. These crises, which at times threatened to touch off World War III, posed a constant test to United States will, principle, patience, and resolve.

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The Middle East is a land bridge connecting Europe, Asia, and Africa. Its soil has borne the travelers, merchants, and conquering armies of the centuries. Three of the world’s religions were founded there—Judaism, Christianity, and Islam—and under its surface lie the world’s largest-known oil reserves, the “black gold” of our machine age. The Middle East is, with good reason, often called the crossroads of the world.

Before World War I much of the territory of the Middle East—Iraq, Saudi Arabia, Jordan, Israel, Syria, and Lebanon—was under the control of the Ottoman Turks. Between the two World Wars the entire region from the eastern shore of the Mediterranean to the Iranian border was comprised of protectorates and partially independent nations. Some were pacified and dominated by Britain and France, the former in Jordan and Iraq and the latter in Syria and Lebanon. Thus there was relatively little overt unrest during those two decades. But in the years following the close of the Second World War the region, responding to an awakened and intense spirit of nationalism, became transformed into a number of independent but unstable governments, jealous of each other, and sitting precariously atop volatile, impoverished populations. Tragically low standards of living made human life a cheap commodity. The inevitable result was such a seething cauldron of political unrest and incessant “border” warfare that the formation of a steady and comprehensive American policy toward the region as a whole was difficult to develop and maintain. Even direct relations between the United States and each individual nation were subject to every kind of disturbing fluctuation, for antagonisms among neighbors were often so strong that friendship with one brought the automatic hostility of another.

Jewish-Arab tensions, dormant for many years, broke out explosively after World War II and became inflamed by the war in 1949, during which the Arabs converged on Israel in an attempt to drive the new settlers into the sea. The Israeli, who had better-organized, -disciplined, and -equipped units, defeated their neighbors in a series of limited actions by skillfully concentrating their main forces against the Arabs one at a time. The resulting truce did nothing to lessen local antagonisms. Israel, to the acute and lasting resentment of the Arabs, gained territory considerably in excess of that prescribed by the United Nations when the independence of Israel had been recognized in 1947—a recognition that no Arab state had ever accepted. From 1949 onward, peace in the region has never become complete. Border incidents are common and boundaries, to this day, are lined with pillboxes, machine guns, and watchful border guards.

Quite apart from this turmoil, the instability of the Arab nations immediately surrounding Israel was marked. On the north of Israel was Lebanon, a nation half Christian and half Moslem, republican in government and pro-Western in orientation. To the east of Lebanon, Syria, governed by the French between the World Wars and still harboring resentments against its former masters, had the strongest Communist Party of any nation in the Middle East. The two Hashemite Kingdoms of Jordan and Iraq were closely akin yet different. Jordan lacked the oil that made Iraq an economically viable nation. Saudi Arabia was the location of many of the “Holy Places of Islam” and another nation rich

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1 So named because their rulers, second cousins, belonged to a royal dynasty of that name.
with oil, but one that saw much of its income unwisely dissipated by the selfish indulgences of the Royal Family. Egypt, Israel's most powerful and bitterest enemy, was a kingdom until 1952 and since then a dictatorship.\(^2\) Egypt occupied a position of pivotal importance to the politics of the area, partly because the personality and views of Gamal Abdel Nasser appealed to Arabs everywhere who desired to unite in one great Arab nation. Moreover, Egypt had within its borders one invaluable tangible asset: the Suez Canal, Western Europe's lifeline to the East.

This canal was the most important waterway in the world and a highly profitable one. In 1955 more than 100 million tons transited it, more than twice the amount that went through the Panama Canal. It was utilized by ships of more than forty nations, with British shipping in first place and United States shipping in second. The Canal's gross revenues of some $100 million produced annually about $30 million net profit.

In the uneasy Middle Eastern situation, after World War II, American policy had been one of neutrality. Our hope was to prevent armed conflict between the Israeli and the Arabs and gradually to help bring about normal relations among the nations of the region. In an early attempt to establish peace and preserve the status quo, three Western nations, Britain, France, and the United States, signed in May 1950 an agreement to act together to defeat any seizure of Middle East territory by force. If either side attained marked military superiority, there could be no stability. To this end the three Western powers agreed to consult each other to ensure that arms shipped to the Arabs and Israelis were adequate for the maintenance of internal order but limited—and, so far as possible, balanced. We hoped that, while trying to prevent either side from achieving a decisive edge in weapons of Western production, we would at the same time be discouraging them from approaching the Communists for arms.

Britain had long been the principal arms supplier to the Middle East but the United States had agreements under which it could sell small quantities of weapons to Egypt, Israel, Iraq, Lebanon, and Saudi Arabia as needed. By no means did we desire to become a main source of arms supply for the region; even less did we want to damage British influence there, though at times the British seemed suspicious that we did. The fact was that, despite United States and some French interest in the

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*The Egyptian military coup that deposed King Farouk and replaced him with General Mohammed Naguib took place in July 1952. General Naguib, a popular hero of the Egyptian populace, was in fact, merely a figurehead. However, he retained the appearance of power until October of 1954, at which time he was displaced by Lieutenant Colonel Nasser, who by that time had been serving for some months as Premier. The latter was, and is, a dynamic, personable individual who was said to have been the Egyptian strong man from the time of the 1952 coup.*

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region, we felt that the British should continue to carry a major responsibility for its stability and security. The British were intimately familiar with the history, traditions, and peoples of the Middle East; we, on the other hand, were heavily involved in Korea, Formosa, Vietnam, Iran, and in this hemisphere. At the same time, France had heavy commitments in North Africa west of Tripoli.

As an objective friend, our government attempted to help in settling outstanding problems. One example was a series of missions undertaken by one of my personal representatives, Mr. Eric Johnston, who in 1955 and 1956 endeavored to settle a heated controversy that had developed between Israel on one side and Jordan and Syria on the other, over the division of the waters of the Jordan Valley.\(^8\) At times the effort seemed promising, but prejudice and resentments on both sides caused rejection of the plan which had achieved agreement among the engineers; no progress was made.

King Farouk's abrupt departure from Egypt in 1952 marked the beginning of long and difficult diplomatic negotiations between Egypt and Britain regarding the Suez Base, occupied ever since World War II by the British Army. The Egyptians resented its presence and made their displeasure evident by clandestine deprivations including arson and raids, as well as by governmental protest.

I believed that it would be undesirable and impracticable for the British to retain sizable forces permanently in the territory of a jealous and resentful government amid an openly hostile population. Therefore, Secretary Dulles and I encouraged the British (who had already expressed their willingness eventually to cede the base to Egypt) gradually to evacuate the eighty thousand troops still stationed there. Protracted negotiations were finally brought to a successful conclusion in 1954; the last soldier was scheduled to leave the base area in June of 1956.

During the early months of Colonel Nasser's Premiership (beginning in April of 1954) the nations of the West tended to look hopefully toward him because he appeared to favor a pro-Western alignment. His group had come into power allegedly intent on reform and on elimination of corruption. But as time went by it became apparent that Nasser had ambitions transcending a reformer's role.

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*Mr. Johnston met with some success, and at one time actually obtained the private assurance of the technical and professional advisers representing the two sides that his proposals were satisfactory. However, the mission finally came to naught because of the refusal of political leaders to let their respective peoples learn of any project involving cooperative effort among the opposing camps. Apparently they believed that to do so would bring on revolution and the loss of their personal positions of power.*
His vision and, before long, his activities ranged far outside the borders of Egypt. France accused him of fomenting troubles among the Arabs in Algeria; the British alleged that he was working covertly to generate discontent in Cyprus to embarrass them. In addition, Nasser early made it plain that the supplies of arms which had been provided to Egypt previously would no longer suffice for his needs, creating a feeling in the British government, privately expressed, that he was trying to become “an Egyptian Mussolini.” The United States tried to abstain from these and other quarrels, feeling that as a “neutral” we might be helpful in composing differences.

Militarily, Egypt was weak. In early 1955 there was no question that, should war break out between Israel and Egypt, the latter would be decisively defeated. However, the Israelis were surrounded on land by avowed enemies. Their security problem had to take into account the probability of a conflict along their entire national border, with the Arab forces possibly concentrated and acting under a single command. With a population of somewhat less than two million, the Israeli maintained a standing army of some fifty thousand plus two hundred thousand ready reserves who could be mobilized within forty-eight hours. This army, though small, was probably almost equal in sheer numbers to the total the surrounding governments could muster and supply. It was certainly better motivated, better trained, and more effective as a fighting force.

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The first evidence of serious Communist penetration in the Middle East occurred in the fall of 1955 (when I was in the hospital recovering from the heart attack) in what has since become called the notorious Nasser “arms deal.”

As early as February of that year Nasser had attempted to obtain arms from the United States. Apparently alarmed over the ferocity of an Israeli reprisal raid in the Gaza Strip, Nasser requested arms—$27 million worth. Our State Department, confident that he was short of money, informed him that payment would be expected in cash rather than barter. He dropped the matter temporarily, but his threats to begin negotiations to restore the military balance. After considerable deliberation, we concluded that in the circumstances a United States shipment of arms would only speed a Middle East arms race; therefore we decided against it for the moment.

These Communist efforts to foment difficulties were of course completely consistent with their avowed and continuing design to cause global confusion. At the moment the Reds apparently believed that the Middle East provided an unusually bright opportunity to make inroads into the Free World and to disrupt the normally close cooperation among the nations of the West. The United States could not afford to let such action go unnoticed. Under normal circumstances we were quite content for the experienced British to take the Western initiative in promoting stability in the Middle East, but when the Soviet Union threatened to become actively involved, the United States could no longer remain a silent partner. We had to step in to counter the weight of Soviet power.

Accordingly, in the second week of October, Foster Dulles had a talk with V. M. Molotov, Soviet foreign minister, warning that the Czech shipment of arms to Egypt was making war more and more likely in the Middle East and was creating a new wave of bitter anti-Communist feeling in the United States. In a note to Premier Nikolai Bulganin I
wrote: "I received on October 22nd your message regarding the sale of arms to Egypt. I note that you feel that there are no grounds whatever for concern. However, on the basis of all my information, this large transaction has created a greatly increased danger of a major outbreak of violence in the area."

"I am asking Secretary Dulles to discuss the situation further with Foreign Minister Molotov at Geneva."

Bulganin's reply was soothing, but noncommittal. The arms deal went through and our attitude toward Soviet penetration naturally hardened. But we did not cease our efforts to make Nasser see the benefits of strengthening his ties with the West.

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While these events were occurring, the British, with our support and encouragement, were in the process of completing negotiations for what came to be known as the Baghdad Pact, a defensive alliance among Britain, Turkey, Pakistan, and the Arab nation of Iraq, to strengthen those countries near the Soviet Union's southwestern boundary. I hoped that this arrangement might quickly be approved by all the nations involved. As military commander in NATO, some four years before, I had visited Turkey and inspected its military establishment. This visit, even more than a knowledge of modern Turkish history, persuaded me that the Turks were good fighting men, while Pakistani hostility to Communism was traditional. Thus I was delighted when, during the second week of October 1955, this pact was joined by Iran, whose geographical location made it indispensable in filling the gap in the area of the Soviet border.

But in this fluid situation trouble was always brewing. The Pact, unfortunately, was viewed by most Arabs—particularly pro-Nasserites—not as a measure to protect the region against Soviet encroachment, but as a device to perpetuate unpopular British influence. Iraq, being the only Arab member in the Baghdad Pact, immediately became a target of criticism by other Arab governments.°

Britain's efforts to induce Jordan to join the Pact caused even more trouble. Britain had always exerted considerable influence in Jordan, and contributed $20 million annually to the support of that country's elite fighting force known as the Arab Legion. With a British military mission

°As an obvious retaliatory action against the formation of the Baghdad Pact and to establish a coalition against Israel, Egypt created a military alliance with Syria and Saudi Arabia, and later with Yemen, called the "Southern Tier." The same, obviously, was selected to indicate a balance against the "Northern Tier," the original name for the Baghdad Pact.

°The Jordanian Army contained many members of the pro-Nasser "Free Officers' Movement." The Arab Legion, on the other hand, composed largely of Bedouins, was the only military unit on whose loyalty Hussein could depend.
resentative example of a Middle Eastern tangle of conflicting considerations, one with so few possibilities of being resolved that it had to be lived with rather than settled.

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Late in 1955 riots broke out on the island of Cyprus between the four hundred thousand Cypriots of Greek and the one hundred thousand of Turkish descent. Acts of violence became common, one of which involved the British governor himself. He found a bomb in his bed, and he could scarcely be criticized for discharging all of his Greek Cypriot servants.

It was characteristic of the complex diplomacy of the 1950s that the nations involved, Greece, Turkey, and Britain, were all allies of ours. Furthermore, as clashes continued, much of the Middle East security force that Britain maintained on the island would be tied down keeping order in its own base.7

Most portentously, perhaps, this aggravation, though not directly related to the Arab-Israeli-British turmoil, had indirect effects. When Cyprus—Britain’s major base in the Mediterranean—turned into a powder keg, it surely contributed to the British mood of “Enough!” They had agreed in 1954 to leave their Suez Base, an act of incalculable significance for the British end-of-empire feeling; they were being subjected to taunts and insults in Cairo; and now their last important bastion in that part of the world was quaking.

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Throughout 1955 and early 1956 border fights between the Israeli and the Arabs continued. Late in 1955 outbreaks occurred almost daily, primarily in the Gaza Strip. On January 22, 1956, the Security Council of the United Nations censured Israel for the size and intensity of her invariable retaliatory attacks against Arab border violations. Israel was warned against endangering the truce in the area. Further, Israel was placed on notice that if she launched preventive war against the Arabs, the UN would adopt sanctions against her. In March Secretary-General Dag Hammarskjold was dispatched (after some debate in which the Soviets supported Arab opposition) to survey the situation and take any measures he deemed necessary to reduce the intensity of the Arab-Israel conflict. Little came of this trip, but at least his presence caused a de facto cease-fire for a month.

Through all this, the efforts of the West to maintain a rough balance in armaments between Israeli and Arabs caused anguish, it seemed, whenever arms were sent to either.8 One typical flurry illustrates the sensitivity of all concerned: On Wednesday, February 15, the press reported that an American shipment of eighteen M-41 light tanks was loaded in Brooklyn and was ready to sail for Saudi Arabia. Almost simultaneously came a protest from the Israelis, who were not then receiving arms.

This was the kind of thing that can seldom be resolved before it has been blown up from a minor into a major incident. To get time to study the matter I ordered the State Department to delay the shipment temporarily. Quickly it became obvious that there was nothing amiss in the transaction. The quantity and kinds of arms—actually a relatively insignificant shipment—conformed to the U.S.-British-French agreement of 1950 and the request, nearly a year old, had been carefully studied by both State and Defense and approved as routine. The Saudis had paid cash for the tanks nearly three months in advance of the scheduled sailing date. Accordingly, on February 18 I directed that the movement proceed as planned.

Soon after this incident Under Secretary Hoover came to see me with a request that we agree to France’s sending twelve Mystère jet fighter planes to Israel. I replied that our position should be one of “no objection.” I was pleased, however, that the French had queried us; their doing so seemed to prove they shared my conviction that such coordination between us was desirable and necessary. (Later, these “twelve” Mystère fighters would display a rabbitlike capacity for multiplication.)

At about this time a new idea was suggested for dealing promptly with any foreseeable need of American arms in the Middle East. I thought “arms in escrow” had real merit. The plan was to store appreciable quantities of military equipment aboard a United States vessel located in the Mediterranean, ready for instant dispatch to any nation in the Middle East which might be a victim of an aggression. The Department of De-

7The island provided a base from which British forces could support any military action in the eastern Mediterranean. We were anxious that an arrangement acceptable to all would quickly be achieved. But our hopes were by no means strengthened when on March 9, 1956, Greek Cypriot Archbishop Makarios was arrested and deported to the Seychelles Islands.

8The Israelis had been, for several months, clamoring for more arms for themselves. Late in October 1955 the Israeli Cabinet had decided to expand its arms procurement program, subject only to a reservation by the Finance Minister that money had to be found first. According to one source the program had totaled $50 million, with a heavy concentration on French jet planes and tanks.
fense was doubtful about the value of the project, but I thought it would have important advantages in its demonstration of complete impartiality between the Arabs (primarily Egypt) and the Israelis. We pushed the plan through, and by the middle of July 1956, a vessel, so supplied, was on station in the Mediterranean. 9

By this time Secretary-General Hammarskjold’s mission was completed, with no truce, although the situation seemed to quiet down on the Arab-Israeli border for the time being.

Meanwhile a once small, threatening cloud was becoming larger and darkening the entire region; it was the growing closeness of relations between the ambitious Nasser and the Soviets. This development colored the negotiations that had been under way for some months between Nasser on the one side and the World Bank, Britain, and ourselves regarding plans for financing a huge dam on the Nile.

The prospective Aswan High Dam was a long-term pet of President Nasser, a gigantic power and irrigation project that would take nearly twenty years to construct and would cost over a billion dollars. If agreement could be reached among the countries with interests in the waters of the Nile (Egypt, Ethiopia, Sudan, and Uganda) and if the Egyptian economy could stand the strain over the years—with outside help, of course—the result would be a tremendous boost to the poor population of Egypt.

The problems involved in this were many, and Egypt had been trying to solve them when Secretary Dulles went to Cairo back in 1953. Since that time, the World Bank had been working on the financing.

One of the attractive aspects of seeking a sensible way to help the Egyptians with the dam was that for once, perhaps, our contributions and other forms of aid to a Middle Eastern country would be more constructive than the ticklish business of trying to keep arms in balance.

Direct participation by the United States began, to all intents and purposes, in December 1955, when Under Secretary of State Herbert Hoover, Jr., the British Ambassador to the United States (Sir Roger Makins), and Mr. Eugene Black (President of the World Bank) met with Mr. Abdel Moneim el Kaissouni, Egyptian Minister of Finance, to discuss the extent to which the two Western powers and the World Bank would be able to assist. In essence, aid by the United States and Britain was to defray the “foreign exchange costs” (the initial purchases of tools, materials, etc., from sources outside Egypt) of the first stages of the work, then estimated to take four or five years. We all but committed ourselves to further support at the completion of the first stage. 10

President Nasser’s reaction to this offer was anything but encouraging. Having completed his arms deal with the Communists only a few weeks before, he now gave the impression of a man who was convinced that he could play off East against West by blackmailing both. He said almost as much to an American newspaper reporter in early April 1956, when he asserted that he was still considering a Soviet offer to build the dam. 11

This threat of blackmail was a sensitive matter. The Aswan Dam was not a popular project in this country, especially in the Congress, particularly in view of Nasser’s apparent tendency to move closer to the Soviets; it would take all the pressure Foster and I could bring to bear to obtain congressional approval for our contribution, and we had little zest for an all-out legislative fight in behalf of a nation that thought it could do as well by dealing with the Soviets. Nasser added to our annoyance in late May when he announced his recognition of Red China.

By the middle of June my associates and I were becoming doubtful of the wisdom of United States participation in the Aswan Dam project. Secretary of the Treasury George Humphrey, for one, had concluded that the Egyptians were holding an option on our offer of assistance while they were shopping around to see if they could get a better offer from the Soviets. 12 He also began to doubt that the Egyptians could support the extensive arm purchases they were trying to make, do their share on the dam, and also meet the payments on the Aswan loans when they came due.

9 It remained there only a short time. Aggressive acts by Nasser a few days later minimized the likelihood that we would be supplying him with any arms for some time. The scheme serves, however, as an example of the lengths we were prepared to go to show impartiality and to deter aggression.

10 Since the financing was to be spread out over a period of time, we expected that our annual cost would approximate only about $20 million. Eventually our offer was defined as follows: a grant of $70 million ($56 million from the United States; $14 million from Britain) and a loan between us of $200 million. Later the two countries would give “sympathetic attention”—which really meant approval, given legislative authority—to a further loan of $150 million. Egypt should contribute approximately $900 million in local materials and services over a period of fifteen years.

11 Secretary Dulles told a press conference on that occasion that “some of the pre-conditions to a start are still under discussion.”

12 This feeling was enhanced at the time by reports from Cairo, where the new Soviet Foreign Minister, Dmitri T. Shepilov, was helping Nasser celebrate the departure of the last British soldier from the Suez Base. Amidst displays of Communist weapons Shepilov was said to have offered Nasser a loan of $400 million—with no interest and sixty years to pay.
Foster, also, was having serious second thoughts. In view of the burdens the project would impose on the Egyptian people, he was beginning to think that any nation associated with construction of the dam would eventually wind up very unpopular among the Egyptians.

However, the United States considered itself obligated as a result of the meeting six months before, and on June 20 Eugene Black went to Cairo to brief Nasser on a final offer, still with United States support. At this meeting Nasser gave Black a series of counterproposals, some of which would be totally unacceptable to all three of the financing authorities. Thereafter, negotiations halted.

When Foster described the extraordinary counterproposals that Nasser had given to Eugene Black, the two of us concluded that Nasser was not really interested in serious negotiation on the project, and we considered the matter dead for all practical purposes. When weeks went by without a further word from Nasser, we became convinced that the rumor of a vast offer, made by Soviet Foreign Minister Shepilov during his visit to Cairo in the middle of June, was probably true. Other reports of an agreement by Nasser to purchase an additional $200 million in arms from the Communists (mortgaging Egypt's stockpile of cotton) made it obvious that Egypt could never fulfill her part of the financing on terms we could accept.

On July 13 Foster reported to me that he had warned the Egyptians we were not now in a position to deal with this matter because we could not predict what action our Congress might take and our views on the merits of the matter had somewhat altered. He told the Egyptians that we would consult with them the next week.

President Nasser, however, now brought the matter to a head. On July 19 his ambassador called on Foster to issue a new demand for a huge commitment over a period of ten years. Foster informed the Egyptians that if they came, as they did, to get a definitive reply it would be negative. Of course Egypt, in its flirtations with the Soviet Union, had itself jeopardized our sharing in this project, and they had tried to bluff us by pretending to accept Soviet "offers." The outcome was not in fact anything in the nature of a "shock" or surprise to the Egyptians.

Faithfully yours,

John Foster Dulles

September 15, 1956

Dear Mr. President:

You asked whether our withdrawal from the Aswan Dam project could properly be deemed "abrupt."

I think not, at least so far as Egypt was concerned. For several months we had left unanswered an Egyptian memorandum on this subject, and the Egyptians knew full well the reasons why. Telephone conversations of which we learned indicated that the Egyptian Government knew that when they came, as they did, to get a definitive reply it would be negative. There had for some time been mounting Congressional opposition. The Senate Appropriations Committee had already passed a resolution directing that there should be no support for the Aswan Dam without the approval of the Committee—an action which, while it was probably not constitutional, indicated a Congressional attitude, in the face of which it would have been impossible to finance the Dam. If I had not announced our withdrawal when I did, the Congress would certainly have imposed it on us, almost unanimously. As it was, we retained some flexibility.

Of course Egypt, in its flirtations with the Soviet Union, had itself consciously jeopardized our sharing in this project, and they had tried to bluff us by pretending to accept Soviet "offers."

The outcome was not in fact anything in the nature of a "shock" or surprise to the Egyptians.

Perhaps Nasser was not surprised, but he put on a convincing act for the world. According to the newspapers, when Nasser received the news of our aid offer, he went into a rage. He made a public attack on the United States on July 24. And on the 26th, proclaimed, in a three-hour harangue, the nationalization of the Suez Canal with all its properties and assets, ostensibly as a means of financing the Aswan Dam.

He announced that a new Suez Canal Company would be formed, to be run by the Russians late in 1958 agreed to loan Egypt $100 million for the dam. Construction began in early 1960.
be run by Egyptians, and that Egypt would pay for the seized property if all Suez Company assets (the Canal represented probably less than a half of the company's assets) were surrendered. He assumed control over the Canal Company's offices in Egypt, and on the next day, imposed military law in the Canal Zone. He forbade all employees of the Suez Canal Company, including foreigners, to leave their jobs, threatening long-term imprisonment for any disobedience.18

The fat was now really in the fire. Nasser had moved to take over in total the world's foremost public utility. Its loss—if it were to cease functioning—would seriously cripple Western Europe. To permit such an eventuality to occur was unthinkable.

Deeply suspicious of Nasser's motives, France and Britain considered Suez as something of a symbol, a symbol of their position in the entire Middle East and Arab world; their reaction was not immediately predictable but it would require all we could do to keep the lid from blowing off.

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The Suez Canal, completed in 1869 by the French engineer De Lesseps and an international stock company, has an interesting history. A convention to provide for its protection was signed at Constantinople in 1888, the nine signatory nations being Great Britain, Germany, Austria-Hungary, Spain, France, Italy, the Netherlands, Russia, and Turkey.17 In 1875 Prime Minister Benjamin Disraeli of Britain had bought stock in the Canal Company then owned by Egypt, which brought Britain's share to about 44 per cent of the holdings. Thus, while neither the Company itself nor the Canal ever belonged completely to England, that nation was by far the largest single shareholder.

Contrary to popular belief, the Suez Canal had never at any time been under organized international political control. The Canal Company performed housekeeping functions only, with no power of decision over who might use the waterway. In the Russo-Japanese War, for example, the Russian fleet used the Canal although Britain was an ally of Japan. During the Italian invasion of Ethiopia the Canal remained open to Italy in spite of the effort of the League of Nations to prevent that war.

With only Canal profits, it would take Nasser thirty-seven years to finance the Aswan Dam through this source without raising tolls. Obviously outside help was still vital to him.

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The Canal seizure caused consternation in Britain and France. On the morning of Friday, July 27, I received a message from our chargé d'affaires in London. He had attended a British Cabinet meeting held in a somber atmosphere. Some concern for the legalities of the situation were expressed, he reported, but it was obvious that the British did not intend to be governed by technicalities.

They felt that the West must begin at once an examination of possible economic, political, and military countermeasures. Any immediate recourse to the United Nations seemed to them to be risking delay, thus allowing a situation to exist long enough to imply world acceptance of its permanence. Prime Minister Anthony Eden was reported to favor an immediate meeting between the United States, the United Kingdom, and France at the "ministerial level." In the meantime the British were alerting their commanders in the Mediterranean, an indication that the government was already contemplating the possibility of military action.

Foster Dulles was in Latin America. When I discussed this report with Under Secretary Herbert Hoover, Jr., he thought that the British might feel compelled to move drastically, fearing that delay would have an unfavorable worldwide impact on their relations with other restless countries.

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17 Egypt at the time was occupied by the Turks. (See State Department Bulletin XXXV, page 612.) Decades later, in 1954, Egypt had announced its adherence to the treaty.
It was clear that Nasser's seizure of the international waterway would produce widespread legal, political, and economic problems for a number of nations because the Canal was, in effect, a global public utility. Almost any affected government could find some justifiable reasons for taking whatever action it might choose. For example, if the British should decide at once to move forcefully, justification might be found in a British refusal to allow its nationals, including the Suez Canal Company pilots, to be held in slavery, as the imprisonment Nasser had brandished seemed to imply.

As our first move, I instructed Mr. Hoover to challenge the distorted charges Nasser had hurled against the United States and to make clear our interest in the efficient functioning of the Canal. Accordingly, Hoover summoned the Egyptian ambassador the next morning and expressed in no uncertain terms our displeasure at the language used by the Egyptians concerning the United States role in the whole affair.

On the same day, July 27, I received a report from Ambassador Douglas Dillon in Paris transmitting the French government's opinions. As might be expected, that government took an even more emotional view than the British. Foreign Minister Pineau compared Nasser's action to the seizure of the Rhineland by Hitler two decades earlier. He argued that the West should react promptly and in strength, or else Europe would soon find itself "totally dependent on the goodwill of the Arab powers." Pineau planned to go to London and said that the British and French were jointly studying the military problem involved in reoccupying the Canal. He thought that the Soviet Union would not take any effective counteraction.

Prime Minister Eden's views were amplified in a cable to me. He argued that we could not afford to allow Nasser to seize control of the Canal in complete defiance of international agreements. United States interests were, he felt, identical with Britain's, and if both of us would take a stand we would have the support of all the maritime powers. If we did not do so at once, he added, the influence of Britain and the United States throughout the Middle East would be "irretrievably undermined."

Anthony's greatest concern was with the long-term outlook: he was insistent that we not allow Egypt to expropriate the Canal and use its revenues for internal purposes. Also, the British government emphasized that it had no faith in Egyptian technical qualifications for operating it.

Anthony's pessimism regarding the possibility of obtaining our objectives by negotiation was disturbing. He thought we should bring heavy political pressure to bear on Egypt and said that we must be ready, as a last resort, to "bring Nasser to his senses" by force. The British, he said, were prepared to do so. He had that morning instructed the British Chiefs of Staff to prepare a contingency plan for a military movement. Anthony proposed an immediate conference between our three foreign ministers in London.

That afternoon I discussed the Prime Minister's cable with Under Secretary Hoover and my Staff Secretary, Colonel Andrew Goodpaster. On the matter of the meeting in London there was little problem. Although I would not permit Secretary Hoover to be absent from Washington for an indefinite period while Foster Dulles was in South America, I approved the dispatch of Deputy Under Secretary Robert Murphy to London.

The moment was tense, but Anthony had assured me that the British would not intervene with force or make drastic moves in that direction until our representative arrived. In fact, I did not view the situation as seriously as did the Prime Minister; at least there was no reason to panic.

Under the Constitution our government could not, of course, except in an unforeseen emergency, employ military forces against another nation unless so authorized by Congress. As a precautionary measure, I asked Mr. Hoover to notify, confidentially, the top leaders of both parties of Congress of the situation's dangerous potentialities. Furthermore, he was to warn them I might be required to call a special congressional session. Upon the conclusion of the meeting I telephoned Vice President Nixon to ask him also to mention this possibility to his colleagues in the Senate, Majority Leader Lyndon Johnson and Minority Leader William Knowland, and to offer to keep them abreast of developments. At the end of the day I sent a message to Anthony Eden:

"Your cable just received. To meet immediate situation we are sending Robert Murphy to London to arrive there Sunday or very early Monday. . . .

"We are of the earnest opinion that the maximum number of maritime nations affected by the Nasser action should be consulted quickly in the hope of obtaining an agreed basis of understanding."

Basically Bob Murphy was to urge calm consideration of the affair and to discourage impulsive armed action. While I agreed that it would not be difficult to seize and operate the Canal at the time, the real question would be whether such action would not outrage world opinion and whether it could achieve permanent, soundly based stability. Should nationals of Western countries be seized or mistreated, of course, such an event would change the complexion of the problem and warrant any action that might be necessary. But in the situation as it then stood Murphy was to represent my conviction that any sweeping action to be
taken regarding Nasser and the Canal should not be an act of the "Big Three Club"; it would have to be taken on the responsibility of practically all the maritime powers. In addition, I wished to avoid any effort by our allies, the French in particular, to relate Nasser's action to the Arab-Israeli quarrel.\footnote{A new French request had arrived the day before for United States concurrence with the idea of sending more jet fighters to Israel, apparently because of the Canal situation. While the immediate dispatch of an additional twenty-four Mystère fighters to Israel might possibly have merit for other reasons, I thought it would be a mistake to link the two problems of the Canal and the Arab-Israeli borders.}

Murphy departed later that day. The next day, July 29, after five hours of talks with British Foreign Secretary Selwyn Lloyd and French Foreign Minister Christian Pineau, he was able to report some moderation in the attitudes of most of the British officials. The follow-up cable was also initially encouraging. Murphy had been successful, for the time, in inducing both British and French leaders to relegate the idea of immediate use of force to the background, pending the outcome of a conference of affected nations.

In contrast to this moderation in the tone of official utterances, however, the public in both France and Britain showed accelerating anger and resentment. Cheering in the House of Commons greeted the Prime Minister when he announced on Monday, July 30, that Britain had cut off all aid to Egypt. Additionally he declared that no arrangements for the future of this international waterway were acceptable that "would leave it in the unfettered control of a single power." In this heated atmosphere, responsible French and British officials began to show impatience with the restraining influence of the United States.

Obviously we were anxious to sustain our continuing relations with our old and traditional friends, Britain and France. But to us the situation was not quite so simple as those two governments portrayed it. The basic premise of their case was that Egypt, with no authority under international law, had unilaterally flouted a solemn treaty. Next they asserted that the seizure by the Egyptians of the Canal Company would seriously damage the interests of the West, particularly France and Britain, because the efficient operation of the Canal required trained and professional personnel that the Egyptians could not supply. Entirely aside from any political, financial, and legal injustice of the seizure, the technical difficulties of operation would be, they claimed, practically insurmountable. A final consideration, which I suspected was the overriding one, was obvious fear of the great increase in Nasser's prestige if he were able to carry out his design successfully. His influence would be-

My opinions in this matter, with which the Secretary of State was in full agreement, were no different from those of the French and British insofar as they revolved around the consequences to the world, particularly the Western world, of any closing of the Canal. Moreover, fundamental to our thought, as well as to that of our allies, was the need for sustaining close cooperation in all of our common problems and basic policies. But in this case our reasons for differing with our allies were roughly as follows:

We doubted the validity of the legal position that Britain and France were using as justification for talk of resorting to force. The weight of world opinion seemed to be that Nasser was within his rights in nationalizing the Canal Company. All considered the Canal to be a utility essential to global welfare rather than a piece of property to be operated at the whim of a single government; nevertheless, the waterway, although a property of the Canal Company, lay completely within Egyptian territory and under Egyptian sovereignty. The inherent right of any sovereign nation to exercise the power of eminent domain within its own territory could scarcely be doubted, provided that just compensation were paid to the owners of the property so expropriated. The main issue at stake, therefore, was whether or not Nasser would and could keep the waterway open for the traffic of all nations, in accordance with the Constantinople Convention of 1888. This question could not be answered except through test.

Next, we believed that a resort to force, in settling questions such as this one, at such a stage, would be unjustified and would automatically weaken, perhaps even destroy, the United Nations. There was no naive belief on our part that the United Nations could, by administering a slap on the wrist to Nasser, restore the status quo in the Canal Zone. But we were convinced that until every possible resource of the United Nations had been exhausted in reaching a solution satisfactory to all, the use of arms by the West was not a sensible course of action.

In my telephonic and other communications with Prime Minister Eden I frequently expressed the opinion that the case as it stood did not warrant resort to military force.

I told Anthony that I doubted the validity of his argument that no one except the European technicians, then operating the Canal, were capable of doing so. Thirty years earlier I had been personally acquainted with the daily operations of the Panama Canal, a much more complex mechanism, and I could not wholly accept the contention that an exceedingly high level of technical competence was required throughout
the operating organization at Suez. In this I was backed up by Admiral Arleigh Burke, the Chief of Naval Operations, who advised that passage through the Suez Canal was not nearly so difficult as had been imagined in some quarters. This view was reinforced by the insurance companies which announced that they would not cancel insurance merely because Western pilots might leave the Canal. I repeated that this point could be proved only by testing and told Anthony that even if the British were correct, this would never be considered by friendly nations, much less by others, as a legitimate cause for immediate occupation by force.

It seemed appropriate also to suggest to our British friends that their own unfortunate experiences from 1952 onward in attempting to maintain indefinitely the Canal Base should provide proof of the futility of any effort to establish and sustain a permanent foreign domination of an important sector of Egypt. Experiences in India, Indochina, and Algeria, too, had demonstrated that since the founding of the United Nations in 1945, the use of occupying troops in foreign territories to sustain policy was a costly and difficult business. Unless the occupying power was ready to employ the brutalities of dictatorship, local unrest would soon grow into guerrilla resistance, then open revolt, and possibly, wide-scale conflict. We of the West, who believed in freedom and human dignity, could not descend to use of Communist methods.

Although Murphy had apparently convinced our allies to hold off military action pending a conference of maritime nations, he soon began to experience difficulty in convincing the Prime Minister that the conference should not be held as early as August 1 or 2.19

On Tuesday morning, July 31, Foster Dulles, who had just returned from South America, came to my office along with a number of others to discuss a message from London of even more serious implications. In essence it stated that the British government had taken a firm decision to “break Nasser” and to initiate hostilities at an early date for this purpose.

They estimated that six weeks would be required for setting up the operation. Such a decision—contradictory to what we had understood—was, I thought, based far more on emotion than on fact and logic. It contemplated an action that, under existing circumstances, we would not support.

I can scarcely describe the depth of the regret I felt in the need to take a view so diametrically opposed to that held by the British. Some in the British Cabinet were old friends of mine; indeed, several were comrades in the dramatic days of World War II and of the less exacting but still momentous times at NATO. I admired these men and knew that no totally narrow or selfish motivation could be blamed for their decision. Yet, I felt that in taking our own position we were standing firmly on principle and on the realities of the twentieth century.

In spite of my convictions, I could well sympathize with the British and the intensity of their reaction, specifically their feeling that they had been making accommodations and concessions to unappreciative and ungrateful governments in the Middle East until they had reached a point where they felt they must assert themselves and their rights in unmistakable language. Foster, whom I dispatched to London, was well aware of my sympathy in this aspect and, I think, shared it.

Nevertheless I felt it essential to let the British know how gravely we viewed their intentions and how erroneous we thought their proposed action would be. I wrote Anthony of my misgivings. If implemented, I said, their plan would antagonize the American people despite all that could be done by the top officials of our government.

So, as Foster departed for London on July 31, I handed him the letter to deliver to the Prime Minister. Although there was nothing new in its argument, I wanted to give him a written record of the main factors in our conclusions [see Appendix B].

On the same day, Nasser announced in Cairo that normal trade would go on with Britain unless outside intervention occurred. He stated further that the freedom of navigation in the Canal would not be affected by nationalization—but he warned that if the West attempted military intervention the Egyptians would fight. Krushchev made a statement in Moscow supporting Nasser, to which we replied that if the Soviets moved into the troubled scene they would find us at the side of our allies.

The Soviets, doubtless, had a legitimate interest in the uninterrupted use of the Canal, but indications were strong that such interest was far overshadowed by the historic Russian ambition to gain a foothold in the Middle East. Their activities in promoting antagonism and confusion among the Arabs, in particular, were well known to us; part of this scheme was to pose as the champion of the underdog, giving support to the newly emerging nations against onetime colonial powers. One role of the United States in this crisis (as in others to come, such as Lebanon and Berlin) was to counter Soviet rumblings and to ensure that they
would become nothing more. Without this kind of confrontation it is more than doubtful that Soviet participation could have been limited to diplomatic maneuver.

Nasser's statement, on the other hand, had strong elements of the mock heroic. The military power with which he could resist an invasion was puny. But the spectacle of Nasser's defiance of the big powers of Western Europe undoubtedly struck a responsive chord in the hearts of Arabs from Dakar to Kuwait. This I could understand; and yet I could not help being a little annoyed. As I wrote to my friend Swede Hazlett:

Nasser and the Suez Canal are foremost in my thoughts. Whether or not we can get a satisfactory solution for this problem and one that tends to restore rather than further to damage the prestige of the Western powers, particularly of Britain and France, is something that is not yet resolved. In the kind of world that we are trying to establish, we frequently find ourselves victims of the tyrannies of the weak.

In the effort to promote the rights of all, and observe the equality of sovereignty as between the great and the small, we unavoidably give to the little nations opportunities to embarrass us greatly. Faithfulness to the underlying concepts of freedom is frequently costly. Yet there can be no doubt that in the long run faithfulness will produce real rewards.

Soon after reaching London Foster Dulles cabled me to say that things were going well for the moment. France and Britain were still determined to move into the Canal with force unless Nasser retreated, but Foster thought he had persuaded them that they should first make a genuine effort to mobilize world opinion in favor of an international solution of the problem.

The talks came to an end with an agreement to propose a twenty-four-nation conference to meet in London on August 16 for the purpose of restoring international authority over Suez.29

Secretary Dulles came back to Washington and reported to the nation by radio and television. He outlined our position with precision and emphasized our hope for a peaceful solution with justice for all parties. At the same time, however, the press was reporting military preparations by the British. Most significant were a Royal Proclamation authorizing the call-up of reserves, orders preparing the way for requisitioning of merchant shipping, the loading of three aircraft carriers with ammunition and fuel in the Portsmouth Naval Yard, and the dispatch of several squadrons of Canberra bombers to Malta. The French fleet in Toulon also was made ready for action. These things did nothing to stop the boiling of the pot.

Unfortunately Egypt declined to attend the forthcoming conference on the basis that the invitation had come under a threat of armed force and of economic pressure. Nasser now moved reserves into the former Suez Base area and branded the forthcoming meeting as a “conference of aggression.” The response from other nations, however, was good; the total number of countries accepting invitations was twenty-two. Except for Egypt, only Greece, where public opinion was inflamed against Britain over the Cyprus issue, refused to attend.

On the morning of August 8, before a regularly scheduled press conference, I had a call from Foster, which under less trying circumstances might have provided some comic relief. Foster had talked with the British ambassador, Sir Roger Makins, who was horrified by a remark made by Defense Secretary Charles Wilson the day before, to the effect that the Suez thing was a relatively small matter—a "ripple." To the British, French, and other maritime nations, including the United States, this Suez thing was anything but a ripple, and I had to tell my Defense Secretary he shouldn't deride its seriousness.21

If the British and French governments were concerned that we viewed the situation lightly, their fears were groundless. At a meeting in my office on the 9th, the Secretary of State explained in detail the plan we had carefully prepared for proposal in the coming conference. The objective of the United States would not be to reinstate the Suez Canal Company, but to establish a public international authority to operate the Canal in accordance with the Treaty of 1888. Such an authority would have control of Canal finances and would set up an operating body. Egypt would be fully represented in both organizations but would participate generously in Canal revenues.

Foster recognized that the acceptance of this program was open to serious question; he said that "If the only issue were the Canal itself, there would probably be no problem."

My view was that if Nasser was wholly arrogant, the United States would have to support any reasonable countermeasures. The fate of Western Europe must never be placed at the whim of a dictator and it was conceivable that the use of force under extreme circumstances might become necessary. In this unhappy event, quick military action

20 Countries invited were Egypt, France, Italy, Holland, Spain, Turkey, Britain, the Soviet Union, Australia, Ceylon, Denmark, Ethiopia, West Germany, Greece, India, Indonesia, Iran, New Zealand, Japan, Norway, Pakistan, Portugal, Sweden, and the United States.

21 Secretary Wilson was, as usual, colorfully quotable. He was trying to show that in military programming, we cannot, in his words, afford to "flip up and down" with every international incident.
must be so strong as to be completed successfully without delay—any other course would create new problems.

I emphasized, however, that if Nasser were to prove (1) that Egypt could operate the Canal and (2) would indicate an intention to abide by the Treaty of 1888, then it would be nearly impossible for the United States ever to find real justification, legally or morally, for use of force. "The situation would change radically," I repeated, "in the unlikely case that innocent United States citizens should be held prisoner or their lives endangered."

At this point I sent a message to leaders of both parties asking them to return to Washington to meet with me on Sunday the 12th. In addition, because future negotiations with Nasser might possibly result in a treaty, I felt it desirable that Foster be accompanied to the forthcoming London conference by a senatorial representative from each party. Senator H. Alexander Smith of New Jersey, senior Republican on the Foreign Relations Committee, expressed willingness to attend. In an attempt to secure the cooperation of a senatorial Democrat, Mike Mansfield of Montana was invited to accompany Foster's party.

On Sunday I met with the bipartisan group of legislative leaders who had flown back to Washington as I had requested. On the Democratic side this caused some inconvenience because their national convention was then in its preliminary stages. Present at the meeting were eleven senators, headed by Senators Johnson, Knowland, George, Russell, and H. Alexander Smith, and eleven Congressmen headed by Sam Rayburn, Joe Martin, Charlie Halleck, and Les Arends.

I discussed Suez in general terms and our hopes for the coming twenty-two-nation London Conference. Arthur Flemming, Director of the Office of Defense Mobilization, gave an extensive briefing on the world petroleum situation, with particular reference to the crisis that would develop in the European economy if the Canal were blocked and the Middle East pipelines cut. Rapid American help would then be mandatory.

The Secretary of State outlined our general view of the current circumstances and prospects for the future. He called attention to our warning to the British and French that we were not willing to support them in any precipitous or unjustified action. The next step for us, Foster said, would be governed largely by the attitude taken by the various nations at London. If the Conference should present a reasonable and proper proposal to Nasser—and he then rejected it—it would seem clear that we would be in a position to support the British and French in more forceful measures. All present understood that our meeting was for briefing purposes only.

Soon after that meeting, however, the idea of senatorial representation at the London Conference had to be discarded because none of the appropriate Democrats found it convenient to attend.22

* * *

The London Conference that opened on August 16 had all the aspects of an unfriendly poker game. On the first day Foster outlined the Western plan for international operation of the Canal. That evening he reported to me that the Soviet and Indian delegations had not shown their hands.

By the next day our conjectures were confirmed: the Soviets would follow a line designed primarily to appeal to Asian countries. Their answer to the Western presentation stressed the right of nationalization, sanctity of sovereignty, and elimination of the remnants of colonialism. One device Dmitri Shepilov employed was to support the Egyptian viewpoint in public while implying, in private conversation with Foster, that the Soviets were willing to negotiate some kind of mutually satisfactory arrangement with the United States. The impression he tried to give was that the Soviets would be agreeable to imposing international controls upon Egypt, provided that the plan was so devised and worded as not to alienate the Arabs from the Soviets. A second proviso, Shepilov hinted: Whatever we agreed must bear the appearance of a dual action on their part and ours. This was an obvious and infantile attempt to split the United States from its allies.

As the meeting was in session a more conciliatory tone in British public statements developed. The military movements ordered days earlier, which had contributed to the crisis atmosphere, were now described as precautionary only.

By the evening of Sunday the 18th, Foster was able to report to me that the Conference had finished its general debate, except for Krishna Menon of India, who had refused to speak, even though ample time had been provided him.

In the meantime, Foster worked out with the British and French a draft of a concrete proposal. He sent me the text. The preamble specified "that an adequate solution must, on the one hand, respect the

22 Senator Walter George was physically unable to go; Lyndon Johnson and Mike Mansfield declined. Senator Fulbright was then invited; he not only replied in the negative but also informed Secretary Dulles that the question of Democratic participation had been studied by the party's leadership and nobody was available. As a substitute for actual senatorial representation, Senator George planned to remain in Washington and keep in daily touch with the State Department. As a result of this, the Republican senator, H. Alexander Smith, reverted to his plan to attend the Republican convention in San Francisco.
sovereign rights of Egypt, including its rights to just and fair compensation for the use of the Canal, and on the other hand, safeguard the Suez Canal Convention of October 29, 1888.” The text then quoted from the 1888 Convention that there should be established “a definite system designed to guarantee at all times and for all the Powers the free use of the Suez Maritime Canal.” A system should be adopted to assure maintenance of the Canal as an open and secure international waterway; insolation of the Canal from the politics of any one nation; respect for the sovereignty of Egypt; greater financial return to Egypt for the use of the Suez Canal; compensation to the Suez Canal Company; and maintenance of Canal tolls as low as consistent with the foregoing requirements and except for a fair return to Egypt, no profit for any other nation.

The purpose of other details was to assure justice for all concerned, especially Egypt, and to provide for effective sanctions to deal with any violation of the Convention.

I undertook a thorough study of the proposed plan and concluded that if Nasser had any disposition whatsoever to negotiate the problem he would find the paper acceptable as a basis. The principal stumbling block to his concurrence would be, I thought, that part of the implement paragraph describing the duties of the “Board.” It was specified that the Board should do the “operating, maintaining and developing of the Canal,” wording which I thought might be difficult for Nasser to accept. From the point of view of the United States, I would be satisfied if the Board occupy a supervisory rather than an operating role, similar to that of a corporate Board of Directors, with day-to-day operating responsibility residing in an executive appointed by Nasser, subject to the Board’s agreement.

I notified Foster of my general approval subject to this one reservation, and hoped “that the results of the conference will not be wrecked on the rigidity of the positions of the two sides on this particular point.” Otherwise, I told him his document looked extraordinarily good to me.

I received Foster’s message before seven o’clock in the morning of August 20. Apparently much disturbed, he cabled:

...It is felt very strongly here by most of the countries that if all the hiring and firing of pilots, traffic directors and other technicians and engineers is made by the Egyptians without some right of appeal, then in fact Egypt will be able to use the Canal as an instrument of its national policy.

It would be very difficult and perhaps impossible from the standpoint of the British and French, to get agreement now to take a position which would seem to involve abandonment of this principle.

Upon receipt of Foster’s message I said again that I was concerned only that we not permit future negotiations with Egypt to come to an eventual point of collapse over details of a proposed operating arrangement. But clearly recognizing the difficult role Foster was filling, I assured him I would approve whatever decision he might have to make on this point, minor to us but apparently very important to our allies.

As it turned out, Foster decided that, to obtain French and British agreement, he would be forced to adhere to the original text of the proposal.25

He placed the full proposal before the London Conference. Shepilov said that the Soviet Union would not be able to accept it. Response among the Asian nations, however, appeared to be better than we might have hoped, save for India, whose Krishna Menon now took the opportunity to submit his own proposal. In this impractical document, which was largely ignored, references to international bodies were, in Foster’s words, “pure scenery.”

The voting on the United States proposal turned out to be surprisingly good. By the next day the Conference was drawing to a close, with Foster’s acuity evidenced by the support of four Asian-African countries, Ethiopia, Iran, Pakistan, and Turkey. Indeed, with nominal amendments, these four nations agreed to introduce our proposal as their own. As a result, eighteen nations—all of those present with the exception of the Soviet Union, India, Indonesia, and Ceylon—supported the position. In its final form the text of the agreement stood essentially as proposed, revised only by elimination of reference to compensation of the Suez Canal Company and a few other items.

Faced with this impressive diplomatic accomplishment, Shepilov went into action in the habitual, and boring, Communist style. He made an inflammatory speech calling the eighteen-nation proposal “a tool of colonialism” designed to “reimpose Western rule upon Egypt.” The speech was beamed for consumption in the Arab world and was calculated to make it difficult for Nasser to accept the program, even if heavily disguised. This uncalled-for and scornful rejection by the Soviets of a reasonable proposal provided, for me, one more link in a growing chain of evidence that the Soviets wanted no just resolution of any kind of the issues and problems facing mankind. Instead, they sought to create new ones.

25 With this I cannot argue, even though I feel it is possible that the insistence of our allies that the “Board” operate rather than supervise might have had an influence on Nasser’s later rejection of the proposal.
The “eighteen” of the London Conference appointed a committee to take the proposal to Nasser. The committee comprised representatives from Australia, Ethiopia, Iran, Sweden, and the United States, with Prime Minister Robert G. Menzies of Australia as chairman.

The next day, on August 24, Foster reported to the National Security Council at the White House. He was hopeful, although there were ominous overtones in his report, when he commented that the British and French had gone along with our plan only reluctantly, possibly hoping that Nasser would not accept it. His suspicions were aroused by the contention of the British and French that the Menzies Committee should state our position and thereafter refuse to participate in negotiations. This take-it-or-leave-it attitude boded no good for the forthcoming conversations.

Another discouraging indication was Nasser’s attitude. Although he did, on August 27, agree to confer with the Menzies Committee, he repeatedly stated in public that he had no intention of accepting international control over the Canal.

Nasser seemed to exhibit an extraordinary and almost inexplicable sensitivity to any matter pertaining to the Canal. One morning I learned that the Egyptians were most unhappy over certain phrases I had used in a press conference in expressing friendship for Egypt and optimism over the results of the London Conference and of Nasser’s acceptance of the Menzies visit. The words that the Egyptians objected to were, in referring to the Canal, “internationalized by the Treaty of 1888.”

In the meantime we kept on receiving bits of information concerning British military preparations. One puzzling report was the announcement that the British had granted the French permission to station French troops on Cyprus. By now I was wondering at times whether the British and French governments were really concerned over the success or failure of the Menzies mission. For example, at the very time that Prime Minister Menzies and his Committee were to begin their journey to Egypt, we heard the disturbing news that the French and British had given orders to begin evacuation of their nationals from Egypt, Jordan, Syria, and even Lebanon. Our government promptly instructed our ambassadors in both London and Paris to approach the British and French foreign officers and express concern. Such evacuation hardly showed any intent to work for a peaceful solution. Apparently the British ambassador in Lebanon shared the same concern, and requested permission from his foreign office to ignore the instructions, at least in that country. The result was a cancellation of the evacuation orders, but the news of the cancellation became known only after Prime Minister Menzies had held his first meeting with Nasser. Whatever psychological damage was to be feared had already been accomplished.

The apparent divergence between the British government and our own was becoming serious enough that I thought I should write to Prime Minister Eden once more. Accordingly I dispatched a message to him on September 2 [see Appendix C]. My purpose was to remove from Anthony’s mind any possible misapprehension as to the convictions of the American government and people.

When Prime Minister Menzies and his committee arrived in Cairo on that same Sunday, it was at once apparent that despite the cordial atmosphere they encountered, the position of the Egyptians was unchanged. Nasser was moderate in his attitude, and his foreign minister, a professional diplomat named Mahmoud Fawzi, went well out of his way to be friendly. However, Nasser first requested that his meetings with the group be held to one day because, he claimed, he was involved with other things. Colonel Nasser lost no time in disclosing that the “other things” were the economic sanctions against Egypt which had been threatened and the military preparations on the part of the French and British.

The Menzies mission remained in Cairo a week, during which time they conferred off and on with Nasser and exchanged memoranda. While Nasser promised that he would assure freedom of passage of the Canal, provide for its future navigational requirements, and establish equitable controls, he made no concessions on the main proviso of the eighteen-nation proposal: some form of international control of the Canal. The Canal would remain exclusively and entirely in Egyptian hands.

It had become increasingly evident in London and Washington that Nasser would reject our proposals. Anthony Eden had written me to this effect several days before the Menzies mission ended. Anthony’s letter went to some length to elaborate on the anxiety of his government about Nasser’s ultimate ambitions, and the British conviction that his seizure of the Canal constituted only the first step of a planned program. He compared Nasser’s tactics to those of the Soviets. He equated any exercise of allied restraint and patience to the arguments which had prevailed during
the rise of Hitler during the years prior to 1939. His letter concluded on a disturbing note. The British, he wrote, believed that Nasser's plan included the expansion of his power until he could, in effect, hold the Western world for ransom. If this were so, then Britain's duty would be plain: "We have many times led Europe in the fight for freedom. It would be an ignoble end to our long history if we tamely accepted to perish by degrees."

On Friday morning, September 7, I called Foster to discuss this communication. Foster felt that Anthony's fears of being wholly deprived of Middle East oil were exaggerated. For my part, while I agreed with much that Anthony had said, I disagreed with his tendency to present Western Europe with only two dire alternatives: the immediate use of force on one hand or an inevitable demise on the other.

My conviction was that the Western world had gotten into a lot of difficulty by selecting the wrong issue about which to be tough. To choose a situation in which Nasser had legal and sovereign rights and in which world opinion was largely on his side, was not in my opinion a good one on which to make a stand. Accordingly, I drafted a reply to this effect:

The next evening, Saturday, Foster and I met in the Oval Room on the second floor of the White House to discuss the draft of my letter. Foster's suggestions were helpful and one was, in addition, amusing. In the letter I had included a paragraph which read:

"It took your nation some eighteen years to put the original Napoleon in his proper place, but you did it. You have dealt more rapidly with his modern imitators."

This example, Foster pointed out, smiling, might have an effect opposite to that for which I was striving, since Napoleon was put out of commission not by peaceful means but by force. I deleted the paragraph but sent the letter [see Appendix D].

That evening, I discussed with Foster a plan for a "Users Association" an idea we were then considering and which I had briefly mentioned in my communication to Anthony. In essence the Users Association was conceived to be a formal extension of the group of eighteen nations which at the August London Conference, had agreed on a formula for international control of the Canal (the formula which Nasser at that moment was in the process of rejecting). The "User" plan was based upon the contingency, feared by the British, that when the Western pilots, some one hundred in all, should leave their posts, the loss of these highly skilled people would result in a breakdown of traffic and a paralysis of the Canal, whether Nasser willed so or not.

The plan proposed to organize the using nations for collective bargaining with Nasser, for mobilization of world opinion, and for mutual assistance if the Canal and the Middle East pipeline should become wholly or partially blocked. In the event that such an interregnum developed, we hoped to avoid open hostilities by placing responsibility for the Canal's operation on technicians rather than politicians.

The plan was finally put forward officially and thoroughly discussed at a second London Conference. Nasser, however, rejected it as a device for "aggression," and it was never tested.

On September 14, 1956, the Western pilots walked off their jobs at the Suez Canal. The very next day Egyptian pilots brought through the Canal a convoy of thirteen ships. As it soon turned out, not only were the Egyptian officials and workmen competent to operate the Canal, but they soon proved that they could do so under conditions of increased traffic and with increased efficiency. By the end of the week 254 ships passed through without a break in traffic. The assumption upon which the Users Association[1] was largely based proved groundless. Furthermore, any thought of using force, under these circumstances, was almost ridiculous.

While everybody was seeking some acceptable solution to the Canal controversy, the opposing military forces on Israel's borders continued their senseless skirmishing. On September 23, a severe clash occurred along the Jordan-Israeli boundary. Apparently the Jordanians fired first, killing four Israeli archeologists digging in a no-man's land. The Israeli responded with a raid on a Jordanian Army unit, killing fifty Jordanian soldiers in Husan.

At this point the British and French governments decided to take the Suez case to the United Nations. They asked for a United Nations study of the Egyptian government's acts in "bringing to an end the system of international operation of the Suez Canal." The next day, Egypt filed a cross petition asking the Council to take action "against some powers, particularly Britain and France, whose actions constitute danger to international peace and security." Both measures were put on the agenda on September 23, the debate to begin on October 5. The French and the British measure was approved for the agenda by a vote of 11 to 0, and

[1] However, a fuller description of its objectives and composition as well as the discussion it provoked, can be found in Appendix E.
ter disagreed vehemently, referring to my recent letters to Eden. But he recommended that the government of Egypt cooperate in working with its allies, even in these troubled times, held no personal rancor. After this meeting, M. Paul Henri-Spaak, the Belgian foreign minister, came to see Foster to say he thought it would be disastrous to fail to give the United Nations a real chance. The whole world, he said, would condemn the British and French if it became apparent that they were to be branded as aggressors.

Shepilov, of course, professed a desire to work out a solution. Egyptian Foreign Minister Fawzi seemed sincere in thinking that there might be some hope for international participation in the Canal's operation if a means could be found to provide more money to the Egyptians in order to develop the Canal.

In spite of the doubts in these private conversations, the resolution submitted by the British and French on the afternoon of October 5 was one which we could readily support, since it espoused the principles of the First London Conference. Therefore, after his meeting with Selwyn Lloyd and Christian Pineau, Foster announced that the United States intended to vote for the resolution. The resolution was a sixteen-paragraph statement of the Western case. It provided that the Security Council would recommend that the government of Egypt cooperate in working out a solution to the Canal problem on the basis of the eighteen-nation proposal.

Almost as soon as debate opened, a stalemate appeared practically certain. Fawzi rejected the Anglo-French proposal outright and Shepilov backed him up. The proposal, as such, never came to a vote.

With this rejection looming, Foster began to work through other channels. During the first week of October he persuaded the French and British to negotiate privately with the Egyptians. On Tuesday afternoon, the 9th, the French, British, and Egyptians got together but nothing productive resulted.

About this time I received a note from Anthony Eden, written in longhand, a heartwarming note that I valued highly. Feelings between the Western allies, even in these troubled times, held no personal rancor. After sending me birthday greetings from him and his wife he wrote:

"Our friendship remains one of my greatest rewards. Public life makes one value such a relationship more than ever in these anxious times."

Anthony had, in the meantime, sent a copy of a recent letter he had received from Bulganin and a copy of his own reply. I made this comment:
Dear Anthony:

Let me acknowledge the note from you which transmitted a copy of Bulganin's letter to you. Truly, this is a rather forbidding letter, and it is scarcely couched in the terms which one would expect in a communication from one Head of Government to another. Also, Foster tells me that Shepilov made a quite nasty speech at the United Nations Council last Monday.

It is clear that the Soviets are playing hard to gain a dominant position in the Near East area, and it is likely they have developed quite a hold on Nasser. This problem will probably remain with us whatever may be the results of the talks in New York...

With warm regard,

As ever,

/s/ Ike E.

P.S. I got a chance, at this morning's Press Conference, to say something on how much Britain and the British mean to us.

By the end of a week of work in the United Nations, Secretary-General Hammarskjold revealed the fruits of his behind-the-scenes efforts in the form of a paper which had been discussed and approved informally by all, including the Egyptians. This important paper came to be known as the "Six Principles." These, which were soon formally agreed to by the foreign ministers, represented a solid starting point on which to base further negotiation. The diplomats had made progress.

1. There should be free and open transit through the Canal without discrimination, overt or covert . . . ;
2. The sovereignty of Egypt should be respected;
3. The operation of the Canal should be insulated from the politics of any country;
4. The manner of fixing tolls and charges should be decided by agreement between Egypt and the users;
5. A fair proportion of the dues should be allotted to development;
6. In case of disputes, unresolved disputes between the Suez Canal Company and the Egyptian Government should be settled by arbitration with suitable terms of reference and suitable provisions for the payment of sums found to be due.

The French and British supported these basic Six Principles but insisted that the main problem was still before us: implementation. How can the principles work? Who would ensure these principles? Who would arbitrate disputes? What should the dues and tolls be? As a result, they produced a new U.K.-French proposal to replace that of September which had not yet come to a vote. This paper listed the Six Principles, but a note of belligerence crept in when it was observed that the Principles acceded to the conclusions of the First London Conference that Nasser had rejected at the time of the Menzies visit to Cairo. The paper proposed that, pending a definite settlement, the Users Association, "which has been qualified to receive the dues payable by ships belonging to its members," should cooperate with the Egyptian authorities—and vice versa—to "ensure the satisfactory operation of the Canal and free and open transit through the Canal in accordance with the 1888 Convention."

The principles contained in this proposal of the French and British we could support gladly, and Foster made an eloquent presentation on its behalf the day it was submitted, October 13.

That day stands out in my mind as one typical of the infusion—or confusion—of politics and personal and world affairs. On the day when the United Nations vote was being taken on the U.K.-French proposal for the Suez Canal, we were in the midst of our national political campaign. I went to the South Grounds of the White House at 2 P.M. to greet a birthday parade of well-wishers, primarily Republicans and "Citizens" groups. That evening I left the White House and motored to the Sheraton-Park Hotel to participate in an impromptu televised question-and-answer program with persons of both parties entitled, "People Ask the President." Afterward I went to another hall in the same hotel where a birthday banquet was being given for me by "Citizens for Eisenhower and Nixon." Here I spoke for a few moments to six hundred guests and then departed. At the White House I went on television with my wife, our son, daughter-in-law, and grandchildren in another feature of the birthday celebration. At the end of the program I went to our living quarters and turned on the television to pick up news comments on the day's proceedings at the United Nations. Here, to cast a gloomy pall over the end of a busy day, I was informed by a hyperbolic commentator that the entire United Nations debate was in a state of collapse.

"Foster soon informed me, however, that he thought negotiations would continue directly among the British, French, and Egyptians under the auspices of the Secretary-General, probably to be resumed within about ten days. He believed there might even be further talks at the United Nations in New York on Monday, since Dag Hammarskjold, Selwyn Lloyd, and Mahmoud Fawzi would all be there. Foster's news was encouraging.

Thus as we entered the latter half of October the diplomatic situation seemed to be improving. Ensuing negotiations, although often burdensome and difficult, had produced some results and had brought us to a
point where an "Implementing Council" with an "Executive Administration" had been agreed to under the Users Association.

But there were troubling clouds on the horizon. Disturbing was the apparently growing instability in Jordan at a moment when Jordan's young King Hussein was hard put to hold his kingdom together.

On October 15, Foster and several assistants came to see me about a new situation. The Israeli, for some reason we could not fathom, were mobilizing. High-flying reconnaissance planes revealed that the Israeli had sixty French Mystère airplanes, not twelve, as the French had reported to us. Obviously a blackout of communications had been imposed. From about this time on, we had the uneasy feeling that we were cut off from our allies.

We guessed that Prime Minister Ben-Gurion was planning to seize some of Jordan's territory, probably the land west of the Jordan, if, as many suspected, that country were in the process of disintegrating. Furthermore, we had learned that the Israeli ambassador, Abba Eban, was departing for a visit to Israel. This gave me the opportunity to transmit a personal message that I wanted Ben-Gurion to receive directly from his own ambassador.

Both Foster and I suspected that Ben-Gurion might be contemplating military action during these pre-election days in the United States because of his possible overestimate of my desire to avoid offending the many voters who might have either sentimental or blood relations with Israel. I emphatically corrected any misapprehension of this kind he might have.

Upon Foster's departure I made a few notes [see Appendix F]. Today they remind me that, although the Suez Canal issue and its diplomatic activities were foremost in the headlines, the problem of the Arab-Israeli border was never far from our minds, and all this was happening at a time when the entire United States would have been, normally, standing on tiptoe as it prepared to make its quadrennial selection of political leaders.

A week later Foster confessed that he was baffled in trying to understand the real objectives of the British and French, and he suspected that they were not too sure themselves. It was possible, he thought, that our friends were nursing the hope that our pursuit of a peaceful solution of the Suez Canal problem was primarily for election purposes, after which we might back them in a war or "police action."

I considered the possibility of inviting both Anthony Eden and Premier Guy Mollet to come to Washington shortly after the election. This invitation, if accepted, would give an opportunity for a frank exchange of views at highest levels without danger of being interpreted either at home or abroad as an election "gimmick." This we decided might be best scheduled for late November, if done at all.

Here matters stood as the world approached the fateful days of the latter part of October 1956.