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UNITED STATES FOREIGN POLICY
TOWARD EGYPT
1955 - 1958

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U.S. POLICY TOWARD EGYPT

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PREFACE

United States foreign policy in the Middle East, especially toward Egypt, has been frequently criticized. This thesis is a study of that policy toward Egypt during the critical years of 1955 through 1957. The first chapter is a brief account of American involvement in the Middle East up to 1955. The next three chapters study in detail the relevant United States policy toward Egypt up to the beginning of 1958. The final chapter offers my conclusions concerning these events.

The scope, however, is limited strictly to the occurrences that affected or reflected America's foreign relations with Egypt. The internal problems of Egypt and the rest of the Middle East, as well as American actions in other Middle Eastern countries, will not be dealt with except where they have a direct bearing on the subject of this thesis. The foreign policy of Egypt and other countries will not be considered except where deemed necessary.

In gathering material for this thesis I have relied chiefly on official United States documents, U.S. State Department publications, and newspapers, principally, "The New York Times" and the London "Times". This material has been supplemented by some unpublished material, personal conversations with knowledgeable persons in Cairo and Beirut, and secondary sources.

It would be advisable at this point to define certain terms used throughout this work. The term "Middle East" is used to denote the geographical area composed of Egypt, Saudi Arabia, Lebanon, Syria, Jordan, Iraq and Israel. The term "Arab World" designates these same countries less Israel. The "Near East" is used to designate the larger geographical area which includes the above Middle Eastern countries plus Greece, Turkey and Iran. The "West" is used to denote non-Communist Europe, especially Great Britain and France, and the United States unless otherwise noted.

I must add a word of acknowledgement. I am extremely grateful to Dr. Harry Howard, who until recently was with the U.S. State Department, and Mr. E. H. Hutchison, Director of the American Friends of the Middle East in Cairo, for their assistance in obtaining material and for the insight they gave me into many facets of this subject. I am especially indebted to Dr. Mahmud Zayid of the American University in Beirut who read the draft of this thesis and gave of his time to make vital suggestions. Nevertheless, the content of this thesis is my sole responsibility.

Finally I wish to record my greatest appreciation to my wife for her assistance in typing drafts and her unfailing encouragement.

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C.E.Z.

ABSTRACT

After World War II, the United States, with a history of isolationism, found herself in a position of world leadership. Hardly had she realized the enormity of her new role before Russia and International Communism became a world threat. This threat loomed so large that the Soviet Union became the chief object of America's foreign policy. This policy was primarily expressed in economic aid and military pacts.

The sudden withdrawal of Great Britain from Palestine thrust America into the Middle East. United States policy in that area became directed toward an anti-Soviet military alliance and the preservation of Israel. This placed the United States at basic odds with the Arab States, as their enemy was Zionism and not Communism.

From 1952 to 1955, the revolutionary regime in Egypt was looked upon with favor in Washington. The State Department saw the new government in Cairo as one with which it could do business. This might have been the case, had it not been for the incidents of 1955: the formation of the Baghdad Pact; the Israeli attack on Gaza; Nasser's proclamation of "positive" neutrality; and the refusal of America to sell arms to Egypt.

The new Egyptian policy of "positive" neutralism and the subsequent arms deal with the Soviet Union caused America

to have second thoughts about Nasser, although there was no basic change in her policy toward Egypt. Out of a desire to help Egypt and in hope of off-setting further Russian penetration, America offered to finance the Aswan High Dam. During the loan negotiations, Egyptian propaganda became so violently anti-Western that it appeared to parallel Russian propaganda. This type of neutrality, coupled with increased ties with the Soviet Bloc which culminated in the recognition of Red China, caused America to withdraw the Aswan loan offer. This event marked the turning point in America's policy toward Egypt.

The manner of the withdrawal gave Nasser the occasion for the nationalization of the Suez Canal. His action touched off an international crisis which finally developed into armed conflict. America tried to achieve a peaceful settlement in the Suez dispute, but her efforts caused confusion and miscalculation among the concerned parties.

America's action in opposing British-French-Israeli aggression against Egypt provided an opportunity for the resumption of normal diplomatic relations with Cairo, which had been just short of rupture since July. America, however, chose her traditional allies over an antagonistic Nasser who showed no signs of abandoning his anti-West theme.

In the wake of the Suez War, America ill-advisedly chose to set forth the Eisenhower Doctrine. The Doctrine's poor timing and lack of relevant content pointed up America's

continued pre-occupation with the Soviet Union and a lack of complete understanding of the desires and fears of the people of Egypt and the other countries of the Middle East.

United States policy toward Egypt continued to be adverse until the winter of 1957. Slowly and cautiously America resumed normal and proper diplomatic relations with Cairo, based now on amicable tolerance rather than cordiality and trust.

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CHAPTER I

BACKGROUND

AMERICA IN THE MIDDLE EAST

Prior to World War I, American foreign policy took little interest in the Middle East and was quite content to allow it to be a British sphere of influence. This was the age of isolationism in America. World War I brought America out of her shell for a brief period, but afterwards, following Congressional refusal to join the League of Nations, America crept back for the most part, into isolationism. Oil was beginning to flow from beneath the Arab deserts, and American business men obtained an interest in the area. But aside from oil interests, America continued to take little notice of the region.

World War II brought forth American interest once more, as the Persian Gulf-Iran area became a route for American lendlease aid going to Russia, and from Saudi-Arabia flowed the life-giving fluid for Allied war machines. But even with this, America continued to play a minor role. The only indication of any real American interest in the Middle East came with President Roosevelt's meetings with Arab leaders

in February 1945.¹

At the end of the war, America, while willing to talk about the problems and the instability of the area, felt that Great Britain had the power and experience to handle the situation and that she should retain responsibility.² This, however, was drastically changed when it was publicly announced that the United Kingdom was no longer able to shoulder the burden in Greece and Turkey.³ President Truman called for American action in the area to fill the vacuum. Congress quickly gave assent and, through this Mediterranean commitment, America began her direct involvement in the Middle East.

Then came her second, and most lasting, involvement. In 1947 Britain announced that she was unable to resolve the Palestine problem, handed the Mandate to the United Nations, and in the following year withdrew her troops. The United States, under heavy internal Zionist pressure, injected herself into the picture and strongly backed the partition of Palestine, recognizing Israel within minutes after its proclamation as a sovereign independent state.⁴ America supported the General Assembly resolution of 11 December 1948, establishing the Palestine Conciliation Commission, of which,

¹Ephraim A. Speiser, The United States and the Near East (Cambridge: Harvard University Press, 1952), p. 242.

²John C. Campbell, Defense of the Middle East (2nd ed. rev.; New York: Praeger, 1960), p. 13.

³Harry N. Howard, The Development of United States Policy in the Near East, 1945-51, Department of State Publication 4446 (Washington: GPO, 1952), p. 812.

⁴Campbell, op.cit., pp. 35-37.

together with France and Turkey, she became an active member. On 11 May 1949, the United States supported the candidacy of Israel for membership in the United Nations.⁵ America then began a governmental and private aid program, upon which the very economic existence of Israel depended. Her policy was to support Israel, while proclaiming friendship for the Arabs - a policy that was to color all U.S.-Arab relations, and was to be to America's constant detriment in the eyes of the Arabs. This policy Israel favored so long as it gave the Arabs no advantage; the first indication of a pro-Arab attitude brought Zionist pressure to bear on America's policy-makers.

On 25 May 1950, the United States joined with Great Britain and France in issuing the Tripartite Declaration on security of Middle Eastern frontiers, out of the desire for "peace and stability in the area and their unalterable opposition to the use of force or threat of force between any of the States in that area", declaring "their opposition to the development of an arms race between the Arab States and Israel".⁶ This document was to become the cornerstone of American policy in her Arab-Israeli relations.

On 13 October 1951, the United States, together with Great Britain, France and Turkey, made proposals to Egypt

⁵Howard, op.cit., p. 839.

⁶R.I.I.A., The Western Powers and the Middle East: A Documentary Record (London: OUP, 1958), p. 2.

inviting her to become a founding member of a proposed Middle East Command (MEC) which would be the command and coordinating headquarters for a future Middle East Defense Organization (MEDO).⁷ This was to be a Middle Eastern model of NATO, which would serve the same fundamental purpose, namely to check Russian advance.⁸ As an added inducement, subject to Egypt's acceptance of MEC, Britain was willing to agree to the supersession of the Anglo-Egyptian Treaty of 1936, and to withdraw all military forces not committed to MEDO. Britain, however, indicated that the question of the Sudan was not connected to this in any way, but she hoped a solution to that problem could be found in the near future.⁹ Apparently, no one bothered to lay the groundwork with the Egyptian Government for such a proposal, nor did anyone take into account the nationalistic feelings of the Egyptians, which had committed the Wafd Government to achieve the complete evacuation of British troops. The proposal was rejected two days later without even the courtesy of a careful study.¹⁰

During 1952, America continued its interest in MEC, despite its flat rejection by Egypt. The State Department continued to work for some kind of Middle East defense arrangement,

⁷For text of proposal for MEC, see American Foreign Policy, 1950-1955: Basic Documents, Vol. II, Dept. of State Publication 6446 (Washington: GPO, 1957), pp. 2180-82.

⁸Guy Wint and Peter Calvocoressi, Middle East Crisis (Middlesex: Penguin, 1957), p. 39.

⁹Howard, op.cit., pp. 842-43.

¹⁰Campbell, op.cit., pp. 41-45.

and on 1 October, Secretary of State Acheson reaffirmed the American view that it was desirable and important to consult the Arab nations in connection with the British-sponsored plans for establishing a Middle East defense organization, as distinct from a military command.¹¹ MEDO, however, never passed from the theoretical stage even to the paper stage. This was due mainly to American objections to the French insistence on MEDO being directed by a standing group composed of the Big-3 Powers.

It was at this point that Mr. Dulles took over the reins of American foreign policy. The basic problems facing the United States at the start of 1953 were the same as they had been for the last few years, namely, Russia's constant pressure and America's constant efforts to contain her. Russia became so paramount in the thinking of American policy-makers that all issues were dwarfed and reflected in this one, ever-present threat. The impact of the Korean War was especially felt in American thinking. The Communists had shown that they were willing to turn threats into action. Security for the United States began to take on a greater military emphasis, and America sought to strengthen and increase its defense alliances in order to check Russian advance. The question is whether or not a purely anti-Soviet Union policy was a sufficient basis upon which to build a coherent and proper Middle

¹¹ Harry N. Howard, The Development of United States Policy in the Near East, South Asia, and Africa - 1951-52, Department of State Publication 4851 (Washington:GPO, 1953), pp. 937-938.

East policy.

Some of the Middle Eastern issues that were confronting the United States and her allies at this time were: the Anglo-Egyptian dispute over the Suez Canal and the Sudan; the uneasy truce between Israel and the Arab States and the question of Arab refugees; the military weakness of certain states in the area;¹² and the trend of the Arab States toward "neutralism".¹³

What could the Middle East expect from the new Republican Administration? President Eisenhower made no mention of the area in his inaugural address on 20 January 1953. The area, however, was mentioned in the foreign policy section of the Republican campaign platform which was adopted on 10 July 1952, and which Mr. Dulles played a leading role in writing. It stated:

"The Republican Party has consistently advocated a national home for the Jewish people since a Republican Congress declared its support of that objective 20 years ago.

In providing a sanctuary for Jewish people rendered homeless by persecution, the State of Israel appeals to our deepest humanitarian instincts. We shall continue our friendly interest in this constructive and inspiring undertaking.

We shall put our influence at the service of peace between Israel and the Arab States, and we shall cooperate to bring economic and social stability to that area."¹⁴

¹²The Arab-Israeli War had emphasized the military weakness of the Arab States, and showed their vulnerability to attack from the North in case of an all-out war. (R.I.I.A., op.cit., p. 1.).

¹³Howard, Development of U.S. Policy, 1951-52, pp. 895-97.

¹⁴Council on Foreign Relations, Documents on American Foreign Relations, 1952 (New York: Harper & Bros., 1953), p. 83.

In effect, the United States was going to continue to safeguard the existence of Israel, to attempt to find a peaceful solution to the Arab-Israeli dispute, to attempt to advance the area economically and socially, and to remain good friends with both sides if at all possible. It seems that Mr. Dulles and others believed this to be possible, for on 6 February 1956, in reply to a letter from members of the House of Representatives, Mr. Dulles stated:

"Let me say that the foreign policy of the United States embraces the preservation of the State of Israel. It also embraces the principle of maintaining our friendship with Israel and the Arab States".¹⁵

In his first report to the American people on 27 January 1953, Secretary Dulles touched lightly on the great strategic and economic significance of the Middle East and laid stress on the Communist threat to the area.¹⁶

Between 9 and 29 May 1953, Secretary Dulles undertook a personal tour of the area at the direction of the President. Mr. Dulles departed on his tour without any preconceived policy toward the Middle East. He was determined to get the facts personally and then formulate a policy as he traveled. Upon his return, he reported that the Arabs "are more fearful of Zionism than of Communism" in that "the United States will back the new State of Israel in aggressive expansion". He

¹⁵Council on Foreign Relations, Documents on American Foreign Relations, 1956, (New York: Harper & Bros., 1957), p. 273.

¹⁶U.S. Department of State Bulletin, 9 February 1953.

hoped to "seek to allay the deep resentment against it (U.S.) that has resulted from the creation of Israel".¹⁷ American foreign policy now attempted to shift gears in order to change from Truman's era of "pro-Zionism" to a new policy of "equal friendship" with Israel and the Arab States.¹⁸ It wasn't long before Secretary Dulles had a chance to show that this would actually be the case.

In the early summer of 1953, the Israeli Government moved its offices to Jerusalem from Tel Aviv, despite an American protest that this violated the 1947 Partition Resolution making Jerusalem an international city.¹⁹ Shortly thereafter, on 23 September, the U.N. Truce Supervision Organization acting on a Syrian protest, requested that Israel cease work on a hydroelectric project on the Jordan River at Banat Ya'qub, but Israel refused. On 14-15 October, an Israeli army force of 250 men raided the Jordan village Qibiya killing 53 Arab men, women and children.²⁰ The United States, joined by Britain and France, brought this issue to the Security Council, where a resolution was finally passed on 24 November that expressed "the strongest censure" of the Israeli action and called upon Israel "to take effective measures to

¹⁷For text of Secretary Dulles' speech, see American Foreign Policy, 1950-1955, Vol. II, pp. 2169-74.

¹⁸Ibid., Vol. I, p. 131.

¹⁹Harry N. Howard, Development of United States Policy in the Near East, South Asia, and Africa during 1953, Dept. of State Publication 5432 (Washington: GPO, 1954), pp. 328-9.

²⁰Ibid., pp. 329-330.

prevent all such actions in the future".²¹ Meanwhile on 20 October, Secretary Dulles, recalling that the United States had "played an essential part in creating the State of Israel", admonished Israel that "this was clearly an occasion to invoke the concept of decent respect for the opinion of mankind as represented by the United Nations".²² The same day, Secretary Dulles announced that the United States had been withholding mutual security funds from Israel, not because of such acts as the attack on Qibiya, but for acting in defiance of the United Nations by trying to divert waters from the River Jordan. On 27 October, Israel agreed to a temporary halt of work on the hydroelectric project, and the next day Secretary Dulles recommended a grant of \$26,250,000 in economic aid to Israel for the first six months of that fiscal year.²³

Israel was not the only country in the Middle East to receive American aid. She was, however, getting the lion's share. For the period 1946 through 1954, United States aid to all the Arab States totaled \$87.5 millions - \$48 millions in technical assistance, \$3.5 millions in exchange of persons, and \$36 millions in loans and credits. United States aid to Israel, for the same period, totaled \$350 millions - \$6 millions in technical assistance, \$209 millions in grants and

²¹Ibid., pp. 331-332.

²²U.S. Department of State Bulletin, 2 November 1953.

²³Howard, Development of U.S. Policy During 1953, p. 330.

economic aid, and \$135 millions in credit from the Export-Import Bank. During this same period, Israel also received \$120 millions from the United Jewish Appeal in the United States, besides \$100 millions in war reparations from Germany.²⁴

At the end of 1954, United States policy towards the Middle East area as a whole can be summed up as follows:

1) Peace in the area among the various nations (principally through the enforcement of the 1950 Tripartite Agreement and resolutions within the United Nations) and promotion of better understanding between these nations and the West;

2) Promotion of government stability and the maintenance of law and order;

3) Creation of conditions which would raise the general economic welfare (principally through U.S. aid and the proposed Johnston Jordan River Development Plan);²⁵

4) Preservation and strengthening of the growth of the basic principles of democracy and freedom;

5) Encouragement of regional defense measures against aggression from outside the area.²⁶

²⁴Abstract from Hearings, Committee on Foreign Affairs, House of Representatives, 83rd Congress, 2nd Session, on Mutual Security Act of 1954.

²⁵For Johnston Plan, see American Foreign Policy, Vol. II, pp. 2231-32, 2235-36.

²⁶U.S. Department of State Bulletin, 26 April 1954.

AMERICA AND EGYPT

The army coup d'etat in Egypt on 23 July 1952 brought no cries of protest from America. In September 1952, Secretary of State Acheson wished Egypt's new government every success and stated that relations between the United States and Egypt would remain "most friendly and cooperative".²⁷ Even the internal struggle for power within the government which finally led to the pre-eminence of Gamal Abdel Nasser did not shake American belief in the general pro-Western attitude of the Cairo Government.²⁸ America felt that this was a new Arab Government which might do business with the West. So strong was this feeling that when Dulles visited Cairo in 1953, he emphasized to Nasser (perhaps overly so) that he considered Egypt to be the keystone to economic progress and pro-freedom (pro-West) development in the Middle East. American officials have since felt that Nasser took this as a blank-check endorsement of his policies - he could make decisions in the area and the United States would back him up. This meeting of Dulles and Nasser may have led to miscalculations on both sides.

The year 1954 was the high point in American relations with Egypt. This was due mainly to American efforts to solve the Suez Canal dispute. This dispute was seen as a major

²⁷Ibid., 8 December 1952.

²⁸The New York Times, 26 February 1954.

barrier to the formation of a Middle East defense arrangement, and this prompted the United States to use its "good offices"²⁹

Great Britain and Egypt had been locked in their negotiations concerning Britain's withdrawal from the Suez Canal area and the question of the Sudan. The only real progress that had been made was on 12 February 1953, when Great Britain and Egypt signed an "Agreement on Self-Government and Self-Determination for the Sudan".³⁰ Negotiations on the Canal itself dragged on into 1954, when conversations ceased and open hostilities took place.³¹ Finally, through the behind-the-scenes mediation of U.S. Ambassador Caffery,³² an Anglo-Egyptian Settlement was initialed on 27 July 1954 and formally signed on 19 October 1954.³³

This same day, Secretary Dulles stated that "the removal of this deterrent to close cooperation will open a new approach to peaceful relations between the Near Eastern States and the other nations of the free world ... and will strengthen the stability and security of the area".³⁴

To secure "the removal of this deterrent", the United States had pressed Egypt to accept any reasonable treaty by

²⁹Ibid., 14 February 1954.

³⁰For text of agreement, see Council on Foreign Relations, Documents on American Foreign Relations, 1953 (New York: Harper & Bros., 1954), pp. 357-364.

³¹The New York Times, 5 February 1954.

³²Ibid., 3 April 1955.

³³For text, see Council on Foreign Relations, Documents on American Foreign Relations, 1954 (New York: Harper & Bros., 1955), pp. 388-395.

³⁴Ibid., p. 395.

promising "substantial" economic and military aid if and when a treaty was signed.³⁵ As soon as the terms of the treaty had been initialed in July, the United States and Egypt concluded an economic aid agreement of \$40 millions, of which 93% was to be in the form of grants.³⁶ The military aid ran into difficulties, which will be discussed in the next chapter.

NASSER AND EGYPT

Nasser's emergence as the leader of Egypt had been generally approved of by the outside world. Within Egypt, however, the approval of the people came close to adulation.³⁷ He was confident, efficient and a man of integrity - he sincerely wanted to reform the Egyptian society and promote the general welfare of the Egyptian people. He seems to have wanted merely to concentrate on the development of Egypt. He appears to have desired to maintain the status quo with Israel, and while not being completely pro-West, he was not considered to be anti-West.³⁸ Nasser was Egyptian; foreign power struggles and intrigues had no place in his thinking at this time.

Nasser, however, in order to accomplish his social and economic reforms, needed money. His only item of export that could bring in any sizeable amount of currency was cotton.

³⁵Cf. The New York Times, 26 January 1954.

³⁶Harry N. Howard, U.S. Policy in the Near East, South Asia, and Africa - 1955, U.S. Dept. of State Publication 6330 (Washington: GPO, 1956), p. 38.

³⁷The New York Times, 2 April 1956.

³⁸Cf. Ibid., 15 October 1955.

The West, however, was flooded with cotton and the United States had a surplus, for which she was trying to find markets.³⁹ Nasser, therefore, by the very plain facts of economic survival, had to turn to the Soviet and Neutral blocs to find markets. Therefore, his shift to the Communist bloc for trade was not for political motives, as suspected in 1954,⁴⁰ but for purely economic reasons - to find markets for Egypt's cotton.⁴¹

While Nasser announced negotiations with Russia for aid in developing agricultural and industrial programs,⁴² and shortly thereafter raised Egyptian and Russian relations to the Ambassadorial level,⁴³ he nevertheless heaped contempt on local Communists and outlawed their party in Egypt.⁴⁴ Nasser was not pro-Communist.

Two events occurred, however, in the latter part of 1954, which were to have an effect on Nasser's thinking in the next year. The first of these was the burning of the USIS libraries in Cairo and Alexandria and the placing of bombs in six American-owned movie theatres by a "Zionist terrorist organization"⁴⁵ in order to disrupt friendly relations between the United States and Egypt.⁴⁶ The trial of the thirteen accused

³⁹Ibid., 22 April 1955.

⁴⁰Ibid., 7 January 1954.

⁴¹John S. Badeau, "A Role in Search of a Hero", Middle East Journal, Autumn 1955, p. 382.

⁴²The New York Times, 11 February 1954.

⁴³Ibid., 22 March 1954.

⁴⁴Ibid., 22 August 1954.

⁴⁵Ibid., 22 August 1954.

⁴⁶Ibid., 12 December 1954.

Zionist agents led to the hanging of two and the imprisonment of six others.⁴⁷ In Israel, these events led to the resignation of Lavon, whose name the incident was to bear in later years, from his post as Minister of Defense.⁴⁸ In Egypt, it brought the threat of Israel into clear focus in the mind of Nasser.

The second event was the open hostility to Nasser's regime of the Muslim Brotherhood, which led not only to riots, but finally to an attempted assassination of Nasser on 26 October 1954 in Alexandria.⁴⁹ The mass suppression of the Brotherhood which followed resulted in six members being hanged, the Supreme Guide being sentenced to life imprisonment, the imprisonment of twenty-two other members and the outlawing of the Brotherhood.⁵⁰ Nasser's position had been challenged and his life almost lost. He saw now that he must secure his leadership even more firmly. This could be done by hard work toward results of a spectacular nature in promoting the development of his country. He also saw that Allah had spared his life. Might this not be taken as a favorable sign toward his leadership ?

This was 1954. This was a year of success, and of achievement. American-Egyptian relations were high. What was to follow is the main story of this thesis. The year 1955 was to prove itself to be the decisive year - the year of fuel for the explosion that would shake the world in 1956.

⁴⁷Ibid., 28 January 1955.

⁴⁸Ibid., 21 February 1955.

⁴⁹Ibid., 28 October 1954.

⁵⁰Ibid., 5, 8 December 1954 & 11 January 1955.

CHAPTER II

THE FUEL

JANUARY 1955 - JULY 1956

The year 1955 was to have a lasting effect upon the relations between Egypt and the United States. The year began with all signs pointing toward a favorable modus vivendi between Egypt and America. While the horizon was not completely clear, it was at least not cloudy. A series of events were now to take place which not only clouded the horizon but predicted a coming storm. The fuel for the explosion was being gathered.

THE BAGHDAD PACT

Since 1951, America had felt that some type of mutual security arrangement was necessary in the Middle Eastern area to preclude the possibility of a Russian attack in that direction. Although British influence was waning in the area, America felt that Great Britain should lead any military defense group in the Middle East. This, however, did not prevent America from taking a deep interest in helping to promote alliances through covert action.

When Secretary Dulles returned from his trip to the Middle East, he indicated that it was not feasible to attempt

to create a defense organization in the area at that time, and that any such arrangement "should be designed and grow from within out of a sense of common destiny and common danger". He added, however, "there is more concern where the Soviet Union is near. In general, the northern tier of nations shows awareness of this (Russian) danger".¹

Secretary Dulles seems to have realized that the Arab States as a whole were not ready for a Western military alliance, but at the same time he, along with most American strategists, believed that some type of military pact must be formed to act as a barrier to possible Soviet advance in a southerly direction. Constant Soviet pressure against Turkey and Iran only strengthened this belief.

The concept of a "northern tier" alliance fitted well into the thinking of American officials at the time. Although there was talk of the hope that all Arab States would eventually join a defense arrangement, in reality America had no desire for the countries bordering Israel to participate at this time. America could not send arms and military aid to these bordering states without starting an arms race and threatening Israel, whose existence America had committed herself to uphold.²

¹U.S. Department of State, American Foreign Policy 1950-55: Basic Documents (Washington: GPO, 1957), p. 2174.

²Cf. The New York Times, 16 January 1954.

By late 1953, America began to plan military assistance to Pakistan (Turkey was already receiving aids and funds). On 25 February 1954, President Eisenhower announced that Turkey and Pakistan were forming a security pact and that the United States, having been petitioned by Pakistan, would grant military aid to that country. He further stated that the aspirations of the people in the Middle East "will be best served by strength to deter aggression and to reduce the fear of aggression. The United States is prepared to help in this endeavor, if its help is wanted."³ This last statement was probably meant not only as a statement of policy, but also as an invitation to the other countries in the area (i.e. Iraq and Iran) to join in the alliance. Certainly other countries were needed; Turkey and Pakistan could not possibly assist each other in case of attack as Iraq and Iran lay between them. It was quite evident that this was the beginning of a larger pact, and America was dangling aid as an inducement to membership while being careful not to play an open part in any negotiations.

On 2 April 1954, Turkey and Pakistan signed an "Agreement of Friendly Cooperation".⁴ On 19 May 1954, the United States and Pakistan signed an agreement on military assistance

³Council on Foreign Relations, Documents on American Foreign Relations, 1954 (New York: Harper & Bros., 1955), p. 74.

⁴For text, see J.C. Hurewitz, Diplomacy in the Near and Middle East, Vol. II (New York: D. Van Nostrand Co. Inc., 1956), p. 345.

for the latter.⁵ In April 1954, the United States Government extended military assistance to Iraq⁶ without any stipulation of Iraq's joining the Turkey-Pakistan pact. The Arab world was generally pleased about this arms deal, and Egypt said she would be happy to receive American arms on the same basis - no conditions.⁷ Nasser, moreover, advised the West that mutual defense pacts between the Arab world and the West would have to wait until the Arabs overcame their residual suspicion of Western imperialistic intentions.⁸

Despite Egypt's feelings and the lack of conditions for a pact, Iraq began negotiations for a mutual defense arrangement with Turkey. By starting her own negotiations and not joining the existing Turkey-Pakistan pact, Iraq shifted the whole emphasis of the defense arrangement to Baghdad. On 24 February 1955, despite last minute frantic efforts on the part of Egypt to stop the pact,⁹ Turkey and Iraq signed the "Pact of Mutual Cooperation" which was to have its headquarters in Baghdad. The pact was "open for accession to any member of the Arab League or any state concerned with security and peace in the area and is fully recognized by both the High

⁵U.S. Department of State, American Foreign Policy 1950-55, pp. 2194-98.

⁶For text of agreement, see Hurewitz, op.cit., p. 346.

⁷The New York Times, 29 April 1954.

⁸Ibid., 20 August 1954.

⁹Keith Wheelock, Nasser's New Egypt (New York: Frederick A. Praeger, 1960). p. 221.

Contracting Parties" (this excluded Israel).¹⁰ Great Britain adhered to this agreement on 4 April, and terminated the Anglo-Iraqi Treaty of 1930. Pakistan joined on 23 September, and Iran on 19 October.¹¹

The Pact of Mutual Co-operation (to be more popularly known as the Baghdad Pact) was now complete, and a military defense barrier was thrown across Russia's southern flank from the Mediterranean and Black Seas to the Arabian Sea and India. Along with the other defense alliances, Russia was now confronted by a solid line of pacts stretching from the Atlantic to the Pacific Ocean. Secretary Dulles had achieved "the greatest contribution. . . to peace (which) is to be ready to fight if need be, and to have the resources and allies to assure that an aggressor would surely be defeated".¹²

The purpose of the Baghdad Pact was to form a barrier to Russian advance into the Middle East and to secure Western ties with the countries of that area. It had just the opposite effect.

Russia, until this time, had not made any real direct efforts to intervene in the Arab World. She had put pressure

¹⁰Royal Institute of International Affairs, The Western Powers and the Middle East 1958: A Documentary Record (London: OUP, 1958), pp. 5-9.

¹¹Council on Foreign Relations, Documents 1955, pp. 342-344. Iran's date for joining is also given as 11 October, 25 October, and 3 November 1955, depending on the source and stage of negotiations considered as acceptance.

¹²Address by Secretary Dulles, Chicago, 29 November 1954 Council on Foreign Relations, Documents 1954, p. 16).

on Turkey and Iran, and local Communist parties were active in the Arab countries, but no real intervention had come from Russia. Why not is unknown. Her motive might possibly have been to keep America from direct participation in the region.¹³ Whatever her reasons, she now saw her security threatened by the Baghdad Pact, and her policy became directed toward one goal - the removal of Western bases from her southern border.¹⁴ Opportunity was soon to present itself and Russia was able and willing to exploit it to its fullest.

The reaction in Egypt was direct and disastrous to American objectives. Throughout 1954, the Egyptian Government had declared that, while it stood by the West, it was not ready to enter into a formal defense pact, although it considered Russian aggression to be the only possible danger to the Middle East on a global scale. In her own defense blueprint, Egypt wanted to strengthen the Arab World (through the Arab League) to defend itself against local attack by Israel or a Soviet thrust.¹⁵ In January 1955, the Egyptian Foreign Minister, Mahmoud Fawzi, was highly critical of the planned Iraqi-Turco alliance. He said that Iraq should have discussed it with the other members of the Arab League, and that the alliance was a complete departure from Arab policy.¹⁶ The resulting furor from

¹³G. Wint & P. Calvocoressi, Middle East Crisis (Middlesex: Penguin Book, Ltd., 1957). p. 26.

¹⁴Cf. The New York Times, 27 November 1955.

¹⁵Ibid., 3 September 1954.

¹⁶Ibid., 18 January 1955.

Egypt over the Baghdad Pact was violent, and its intensity was completely unexpected by Washington.

American State Department officials had anticipated some hostile comments from Cairo, but these were expected to be short-lived because of the clause in the Anglo-Egyptian agreement on the Suez Canal which allowed Great Britain to reoccupy the Egyptian bases in the event of attack or threatened attack on Turkey. It was felt that this clause was tantamount to acceptance of the principle of defense arrangements on the part of Egypt. America also knew that Egypt wanted arms to flow to the Arab States via the Arab League. The United States, however, had failed to grasp the extent of Egypt's opposition to the "northern tier" concept.¹⁷

Nasser saw in the Baghdad Pact an attempt by Britain to regain the political influence she had lost after the Suez Canal agreement. This feeling was not abated by the remarks of Eden in the House of Commons: "I think that by so doing (Britain's joining the Baghdad Pact) we have strengthened our influence and our voice throughout the Middle East."¹⁸ Nasser also felt that the West had violated a gentleman's agreement to allow Egypt to construct a purely Arab defense alliance, free from Western ties.¹⁹ Part of this feeling may have been a carry-over from his previously mentioned meeting with Dulles. More important, though, was the fact that he saw the Baghdad

¹⁷Cf. Ibid., 26 February 1955.

¹⁸Times (London), 15 April 1955.

¹⁹The New York Times, 4 April 1955.

Pact as an attempt by the West to block the ambitions of Egypt to be the paramount Arab State, and to give Arab leadership to Iraq. Egypt and Iraq had been historical rivals for the leadership of the Arab World. Egypt was beginning to gain international recognition; Nasser had just met with Tito and Nehru in the month of February.²⁰ Egypt's star was in ascendancy; Nasser would not let Egypt's "revolution" be overshadowed.

Iraq claimed that the pact was in accordance with the United Nations Charter and Article 11 of the Arab League Collective Security Pact. This argument did nothing to calm the fury of Cairo, and Egypt called for a meeting of the Prime Ministers of the Arab States in Cairo where she unleashed a furious attack on Turkey and Iraq.²¹ Egypt subsequently launched a public propaganda campaign to isolate Iraq while Major Salah Salem, the Egyptian Minister of National Guidance, began negotiations with other Arab countries to counteract the Baghdad Pact. These talks eventually led to Egypt's concluding defense pacts with Syria and Saudi Arabia in October 1955.²² The Egyptian-Iraqi feud gave neither country a clear victory. The vitriolic propaganda war that ensued merely divided the Arab World, and, more often than not, hurt the cause of the West throughout the area. "Imperialism" was to become a key word in the vocabulary of Radio Cairo.

²⁰ Ibid., 6 & 15 February 1955.

²¹ Ibid., 26 February 1955.

²² Harry N. Howard, U.S. Policy in the Near East, South Asia and Africa - 1955, Dept. of State Publication 6330 (Washington: GPO, 1956), pp. 31-32.

The Baghdad Pact proved to be the turning point in American dealings with Nasser, for now Nasser took on a completely new role in Arab politics. Before, Nasser merely spoke for Egypt; now he assumed the role of leader of the Arab World and the champion of Arab Nationalism. On 22 July 1955, he declared, "We must be ready to fight to defend our country. By our country, I mean the whole Arab World."²³ "Nasserism" now became a driving force in the Arab World.

America might be charged with a grave error in Middle East diplomacy because of the adverse impact of the Baghdad Pact. Dulles, however, had sincerely felt that a defense arrangement which included Iraq could be accomplished without irritating the sensibilities of the other Arab States, particularly Egypt. Western officials just didn't truly comprehend the feelings of Arab Nationalism (which includes a complete freedom from foreign alliances²⁴) among the people, and the historical and personal rivalry that existed between Baghdad and Cairo. The West believed it was dealing with one country (i.e. Iraq) whereas in reality it was dealing with all the Arab States due to the popular support of Arab Nationalism.

Great Britain joined the pact in order to give it force and meaning. Without a Western Power in the pact, the West and the Near Eastern members felt that it would lack the required strength. The Baghdad Pact members were disappointed

²³The New York Times, 23 July 1955.

²⁴Richard H. Nolte, "Arab Nationalism and the Cold War", Yale Review, XLIX, No. 1, September 1959, p. 3.

at America's refusal to join, but they knew that they had U.S. support and aid. America declined membership mostly out of deference to Egypt. It was widely felt at the beginning of the negotiations that Turkey was merely acting as an agent for the West in obtaining Arab support of a regional defense arrangement.²⁵ Britain's entry into the pact only strengthened this belief in the eyes of the Arabs, and America had no desire to worsen matters, so she remained outside the pact itself.

To the majority of Arabs, the most serious shortcoming of the pact lay in its avowed purpose of stopping only Russian aggression. The Arab people had never experienced Russian aggression, and knew the "bad things" about Communism only from Western sources. They had no firsthand knowledge of Russia or of Communism. They had, however, known recurring aggression by Western "Imperialism", the establishment of Israel being the latest example.²⁶ The enemy was Israel, not Russia. In effect, the West was asking the Arabs to fight its enemy - Russia, but was unwilling to fight the Arabs' enemy - Israel.²⁷

The Baghdad Pact failed because its need was seen only through the eyes of the West, and it was planned according

²⁵The New York Times, 26 February 1955.

²⁶Press interview of Gamal Abdel Nasser with correspondent of "Al-Siassa" (Lebanon) on 23 April 1958 (Nasser's Speeches and Press Interviews, Information Department, Cairo, U.A.R.).

²⁷Mr. E.H. Hutchison, Director of American Friends of the Middle East, Cairo, in a personal interview on 2 February 1962.

to Western concepts without regard to the concepts, needs and sensibilities of the Middle East itself.

ISRAEL'S ATTACK ON GAZA

Hardly had the conflict over the Baghdad Pact begun, before another battle took place. The Israeli Army, on the night of 28 February 1955, attacked Egyptian military positions in Gaza,²⁸ leaving behind a total of 38 Egyptian dead and 33 wounded.²⁹ This sharp encounter was to provide the impetus for the events which were to allow Russia's entrance into the Middle East - the very thing America wished to prevent.

The Egyptian-Israeli Mixed Armistice Commission (MAC) investigated, and on 6 March determined that a "pre-arranged and planned attack ordered by Israeli authorities" was "committed by Israeli regular army forces against the Egyptian regular army forces."³⁰ On 29 March, a resolution, sponsored jointly by the United States, the United Kingdom and France, was passed in the United Nations, condemning Israel and calling upon her to take all necessary measures to prevent such actions.³¹ Border incidents, however, continued throughout

²⁸The New York Times, 1 March 1955.

²⁹Ibid., 2 March 1955. Final U.N. figures set the casualties as 38 Egyptian dead and 30 wounded, and 8 Israeli dead and 13 wounded (U.N.Review, Vol. I, June 1955, p. 54.).

³⁰U.S. Dept. of State, American Foreign Policy 1950-55, p. 2247.

³¹Council on Foreign Relations, Documents 1955, p. 348.

the year and into 1956.

At first news of the attack, the United States had refused comment, except to say that she would side with the judgement of the MAC team.³² When the facts became known, America not only helped sponsor the censure resolution of Israel in the United Nations, but declared the attack to be "shocking", "indefensible" and "completely without provocation".³³ Despite the strong language of American officials and the censure resolution, no sanctions were invoked against Israel; except for a diplomatic slap on the wrist, Israel suffered no ill effects for her aggression and defiance.

The United States policy at this time was to handle the Arab-Israeli dispute completely within the confines of the United Nations. In 1953, Mr. Dulles had used unilateral economic sanctions against Israel to enforce a U.N. resolution.³⁴ Never again were such strong measures used by America toward Israel. (One can only wonder what pressures were brought to bear on Mr. Dulles that should have prevented his using such an effective lever again.) America's urgings of peace upon the combatants continued to be, in some instances, direct, but now most of the urging was for the United Nations to take action to

³²The New York Times, 2 March 1955.

³³U.N. Review, Vol. I, June 1955, p. 55.

³⁴See Chapter I above (Israel's Jordan River Project at Banat Ya'qub).

ease tensions in the Middle East.³⁵ The United States still supported the 1950 Tripartite Declaration as the basis for her Middle Eastern policy; however, America now placed most of her emphasis on action "within. . . the United Nations" rather than on "outside the United Nations" in order to prevent violations of frontiers or armistice lines. It was this emphasis and the practical weakness of the United Nations resolutions that caused Egypt to worry about her security in the light of Israel's armed threat.

In 1954, Israel had found the Tripartite Declaration ambiguous and not along the lines that she desired.³⁶ The Arabs, at the same time, had wondered about the effectiveness of the Declaration. They had not doubted the sincerity of the United States Government when America restated her adherence to the Declaration, but they had doubted the ability of America to effectively enforce it.³⁷ When Mr. Dulles placed the Tripartite protection within the United Nations, where it would be subject to veto and delay,³⁸ Egypt realized that her security rested principally upon her own military effectiveness.

The Israeli attack had pointed up the military weakness of Egypt. Nasser had suffered a military humiliation; his army

³⁵The New York Times, 8 March 1956; Council on Foreign Relations, Documents 1955, p. 356.

³⁶The New York Times, 22 October 1954.

³⁷U.S. Department of State Bulletin, 10 May 1954.

³⁸Times (London), 27 February 1956.

was not adequately armed. Up to this point, Nasser seems to have been content to concentrate on internal social and economic reforms, but now the situation changed. As he himself stated, "What was the use of building schools, if the Israelis were to occupy those schools?"³⁹ Egypt needed arms; the army demanded them, and upon the army Nasser's power depended. What followed is a surprise only in that it took so long to happen.

THE CZECH ARMS DEAL

Egypt had made known her need and desire for arms in 1952. In the latter part of that year, over half of Egypt's military equipment was inoperative. In December 1952, the Revolutionary Command Council (RCC) inquired of a visiting United States Under-Secretary about the possibility of obtaining U.S. arms. He told the RCC that America would be happy to supply them if a list of arms were made and taken to Washington. An Egyptian mission, headed by Ali Sabry, went to Washington with the arms request. Unfortunately, the U.S. State Department knew little about the promise of arms, nor had they ever affirmed the offer. Finally, after several months of "wining and dining" by the Pentagon, Sabry was told that the United States could not provide the arms until an

³⁹Press interview of Gamal Abdel Nasser with William H. Stringer, published by "The Christian Science Monitor" on 22 January 1959 (Nasser's Speeches and Press Interviews).

Anglo-Egyptian Suez Canal treaty was signed.⁴⁰ The main reason for the denial was British objection to Egypt's receiving arms for fear of the arms being used against them in the Canal zone where armed clashes were already occurring. A secondary reason was Britain's desire to remain the principle supplier of arms to Egypt.⁴¹ Exactly what occurred next is confused by the conflicting statements issued not only by the United States and Egypt, but also within the U.S. State Department itself.

Shortly after the signing of the Anglo-Egyptian Suez Canal agreement, America attempted to make good her promise of giving Egypt economic and military aid. The economic aid program was accomplished, but the arms deal ran into difficulties. America offered military aid subject to the usual conditions of association with the American Mutual Security Program and acceptance of an American Military Aid Mission.⁴² Egypt refused the conditions. America then sent a group of U.S. military officers to Cairo for private secret talks with Nasser. They attempted to explain that the Military Mission would consist of only 6 to 12 men, who would be in Egypt only so long as the arms were being shipped in order to assure proper delivery. Nasser still didn't like it, and he disliked even more the idea of having to sign another agreement so quickly after the Suez agreement. The U.S. officials informed him that the conditions

⁴⁰Cf. Wheelock, op.cit., p. 228.

⁴¹Cf. The New York Times, 27 September 1955.

⁴²Ibid., 26 October 1955.

and signature were necessary; no other arrangement was acceptable. With this, Egypt allowed the offer to lapse.

After the Israeli attack on Gaza, Nasser, in the face of renewed demands from the army, could no longer allow a lapse or delay in obtaining arms. It was rumored that in May 1955, he had tentatively approached the Soviet Ambassador Solod concerning arms.⁴³ This does not seem to be borne out by the facts; facts indicate that Nasser was desirous - even anxious - to obtain arms from the West. In the first week of June 1955, Egypt requested arms from the United States; the amount was supposedly for less than \$20 millions.⁴⁴ On 9 June, U.S. Ambassador Byroade called on Nasser and was told that unless the United States supplied Egypt's requested arms, he (Nasser) would be forced to turn to the Russians.⁴⁵ The U.S. State Department evidently considered this as a bluff on Nasser's part to obtain quicker action and better terms.⁴⁶ Ambassador Byroade's report was ignored. On 30 June, the United States agreed "in principle" to supply Egypt with \$27 millions' worth of armaments, including some heavy weapons and aircraft.⁴⁷ Now, supposedly, the negotiations bogged down over the question of payment. When Egypt had again refused conditions, America could only fulfill the

⁴³Ibid., 14 November 1955.

⁴⁴Ibid., 27 September 1955.

⁴⁵Ibid., 14 November 1955.

⁴⁶Ibid., 6 October 1955.

⁴⁷Ibid., 15 October 1955.

arms request by direct sale of the weapons, due to legislative limitations, America quoted a price in dollars, which Egypt could not meet without clearing out her foreign exchange reserves. Egypt desired deferred payments, to be made in Egyptian Pounds and products. The American Embassy officials in Cairo worked out an "extended credit" arrangement for Egypt under the U.S. Mutual Security Act of 1954;⁴⁸ Washington, however, was not responsive, the feeling there being that accommodation of Nasser was becoming less and less productive and would also cause trouble with other countries purchasing U.S. arms. This feeling was due chiefly to Nasser's newly proclaimed policy of "Positive Neutralism". Officially, the negotiations continued, but progress was a thing of the past.

Suddenly, on 30 August, Mr. Dulles announced that he had unofficial rumors to the effect that Egypt might purchase arms from the Soviet Union.⁴⁹ Then, on 4 September, Egyptian Deputy Premier Gamal Salem confirmed that Russia had made an offer of arms to Egypt. He further stated that no arms had been delivered but that Egypt would have no alternative but to accept Soviet arms if the West failed to supply them.⁵⁰ The American actions following this blunt notice were confused and inconsistent, as, evidently, was the U.S. policy which they reflected.

⁴⁸Ibid., 2 October 1955.

⁴⁹Ibid., 31 August 1955.

⁵⁰Ibid., 5 September 1955.

On 25 September the U.S. State Department announced that it was willing to sell arms to Egypt on credit in order to offset Soviet offers.⁵¹ The following day, Great Britain, France and Israel protested the U.S. offer. The U.S. Ambassador in Egypt also announced that he was completely unaware of any American offer to sell arms to Egypt.⁵² Then on 27 September, the lid blew off the entire situation. Nasser announced in Cairo at an Armed Forces exhibition that "last week Egypt signed a commercial agreement with Czechoslovakia to supply us arms. This agreement permits Egypt to pay in Egyptian products such as cotton and rice."⁵³ The same day, the U.S. State Department issued a statement denying that the United States had offered arms to Egypt, and saying that the Egyptian request had been definitely rejected several weeks before, as the United States had insisted on cash payment and would not allow credit.⁵⁴ On the afternoon of 27 September, Secretary Dulles and Foreign Secretary Macmillan held a meeting to discuss the Anglo-American arms policy in the Middle East. Their views were in complete accord, and they reiterated that the 1950 Tripartite Declaration was still the arms policy of the two countries in regard to the Middle East.⁵⁵ This statement was made in order to correct impressions that the United States

⁵¹Ibid., 26 September 1955.

⁵²Ibid., 27 September 1955.

⁵³Hurewitz, op.cit., p. 404.

⁵⁴The New York Times, 28 September 1955.

⁵⁵U.S. Department of State Bulletin, 10 October 1955.

was offering Egypt arms to forestall the Soviet Union's supplying them, and also to correct the false assumption that Great Britain had protested against the supposed arms offer by the United States.⁵⁶

On 28 September, Assistant Secretary of State George Allen hurriedly flew to Cairo to confer with Nasser on the arms deal. Although Dulles described the trip as a "routine visit",⁵⁷ rumors (originating in the U.S. State Department) to the effect that the United States was sending Nasser an ultimatum preceded Allen's arrival. Supposedly, he was coming to tell Nasser that if Egypt went ahead with the Czech arms deal, America would be forced to review her economic aid program to Egypt. Although Allen denied these rumors upon his arrival, it did little to alleviate the annoyance and suspicion of the Egyptians.⁵⁸ Whatever the original purpose of Allen's trip, his conversations with Nasser proved to be cordial. Allen conferred twice with Nasser.⁵⁹ In effect, Allen told Nasser to beware of the danger of tying Egypt logistically to the Soviet Bloc, reminding him of the ramifications of maintenance once Egypt got under way in a large-scale program. Nasser, in essence, explained Egypt's position and how he had tried to obtain arms from the West; he thought the arms deal

⁵⁶The New York Times, 28 September 1955.

⁵⁷Ibid., 29 September 1955.

⁵⁸Ibid., 1 October 1955.

⁵⁹Ibid., 2 & 4 October 1955.

was a good trade and Egypt would go ahead with the Czech agreement.⁶⁰ After their last meeting, Allen stated that his visit had given him a clear understanding of Egypt's policy, and that while the United States was not "in one hundred per cent agreement with the Egyptian policy, the United States policy could now be put on a more realistic basis."⁶¹ While each side may have gained an insight into the other's position, Allen's trip only served to enhance the prestige of Nasser in the Arab World.⁶²

In his press conference on 4 October, Secretary Dulles seemed to accept the fact of the transaction, and indicated that relations between the United States and Egypt would not be affected. In effect, he put the blame on Russia and only said of Egypt: "It is difficult to be critical of countries which, feeling themselves in danger, seek arms which they truly believe they need for defense."⁶³ Mr. Dulles was not to be so charitable when he later found out the full magnitude of the Czech arms deal.

On 20 October 1955, the first consignment of Czech arms (later confirmed to be Russian⁶⁴) arrived at Alexandria aboard the Soviet ship "Stalingrad".⁶⁵ The total arms agreement was

⁶⁰Cf. Ibid., 3 October 1955.

⁶¹Ibid., 4 October 1955.

⁶²Ibid., 5 October 1955.

⁶³U.S. Dept. of State, American Foreign Policy 1950-55, pp. 2240-2241.

⁶⁴The New York Times, 29 July 1956.

⁶⁵Ibid., 23 October 1955.

supposedly in the amount of \$80 millions⁶⁶ but later intelligence reports set the figure at \$250 millions.⁶⁷ This represented a sizeable amount of arms for a small country such as Egypt (especially significant since she was still in a "state of war" with Israel), and also a large drain upon the Egyptian economy. Both of these facts were to play a role in later United States-Egyptian relations.

To Egypt, her actions were completely justified; she considered herself threatened militarily and the West, especially the United States, had refused to sell her arms. If Russia was penetrating the Middle East, America had only herself to blame.⁶⁸ On 2 October, in a speech in Cairo, Nasser branded the West's arms policy in the Middle East as a "big deception"; he disclosed the contents of British and French documents which showed that arms were still being delivered to Israel in 1955, despite the fact that both countries considered Israel to be better equipped than Egypt and to have aggressive military intentions while Egypt did not. "This is peace," Nasser said, "this is the balance of power they keep talking about".⁶⁹ To the mass of the Egyptian people, the West did not seem impartial. Later, Colonel Sadat wrote in an editorial in the Egyptian newspaper "El-Gomhouria" that the West was not worried when Israel purchased Soviet arms

⁶⁶Ibid., 26 October 1955.

⁶⁷Ibid., 21 May 1956.

⁶⁸Ibid., 14 November 1955.

⁶⁹Ibid., 3 October 1955.

during and after the Palestine war, but when Egypt bought them, the West objected; the West talked about Egypt becoming a Communist country, but the Communist Party was outlawed in Egypt, while in Israel it was a legal political party.⁷⁰ The West offered no rebuttal to his charges.

Although many of her claims were justified, Egypt was not above reproach in the entire matter. Nasser had once turned down the American arms deal because of a condition for a U.S. Military Mission. After the announcement of the Czech arms agreement, when queried on the possibility of Soviet Bloc technicians coming to Egypt, he had said: "We did not get rid of the British in the Suez Canal Zone and refuse a U.S. Military Mission only to let the Communists in."⁷¹ This sounded good but the question in the minds of Western observers was how Egypt could operate all this unfamiliar equipment without the aid of foreign advisors. Probably there was no condition for a Soviet Mission in the agreement, but Russia was wise enough to realize that a clause in the agreement was not necessary; pure practical necessity would eventually force the issue. In time it did. Egyptian personnel were sent to Czechoslovakia for training⁷² and eventually large numbers of Russian technicians found themselves in Egypt training personnel to maintain and use the Soviet equipment.⁷³ Possibly in Nasser's thinking it was not a

⁷⁰Ibid., 10 April 1956.

⁷¹Ibid., 9 October 1955.

⁷²Ibid., 24 March 1956.

⁷³Ibid., 2 April 1957.

compromise, but to the West it appeared that Nasser, while unwilling to compromise with the West, was willing to lower his standards and conditions to obtain Soviet aid. The West saw a double standard of conduct in Nasser's relations with the East and West.

In the West, the Czech arms deal had caused quite a sensation; in the vivid imaginations of the journalists and some politicians, Russia was fully entrenched in the Middle East, and it was only a matter of time before the Russian flag would fly over Cairo. With hindsight, we can see these fears were exaggerated, but at that time they were very real in the minds of the people. Several military chiefs advocated that the United States join the Baghdad Pact in order to counter the Soviet efforts to penetrate the Middle East. They feared that the Soviet arms deal had "outflanked" the pact.⁷⁴ Others, like Selwyn Lloyd, felt that the Russian entry into the Middle East with arms was a result of the Baghdad Pact.⁷⁵ Though the United States did not join the pact, military aid to Iraq and Iran was increased to counter the Soviet move.⁷⁶

American policy decisions concerning the Middle East came to a virtual standstill as a reappraisal of the entire situation was being undertaken.⁷⁷ A major debate developed on

⁷⁴Ibid., 2 October 1955.

⁷⁵Times (London), 28 February 1956.

⁷⁶The New York Times, 14 October 1955.

⁷⁷Ibid., 9 October 1955.

whether or not the United States had blundered by not supplying arms to Egypt. A Senate hearing finally took place in February 1956, in which Secretary Dulles stated that the reason Egypt did not purchase American arms was simply because "America's price for arms was too high."⁷⁸ Other testimony, however, indicated that U.S. policy-makers felt that it would be better not to supply Egypt with certain arms and also that the sale would be unwise without conditions.⁷⁹

Whether the United States had blundered or not, the West was presented with a fait accompli. U.S. officials looked upon it stoically, for they realized that even had they supplied Egypt's arms request, there was no guarantee that Nasser would not have turned to the Soviets for arms at a later date. America decided to wait and see what the results of Egypt's relations with Russia would be; America's relations with Egypt would be kept at a normal, proper level and the policy decisions formulated as events took place. Nasser said, "The initiative for development of future relations is completely with the United States."⁸⁰

The result of the Czech arms deal was possibly best summed up in an editorial in the New York Times:⁸¹

"Russia's prestige and influence will be greatly enhanced throughout the Middle East - in fact the Arabs will regard the Russians as their champion... and the chance of building up a Middle East defense block against Russia will have all but vanished."

⁷⁸U.S. Senate Hearing Transcript, Ibid., 25 February 1956.

⁷⁹Wheelock, op.cit., p. 229.

⁸⁰The New York Times, 6 October 1955.

⁸¹Ibid., 2 October 1955.

"POSITIVE" NEUTRALISM

Prior to 1955, Nasser seemed to be fairly content with the leadership of Egypt and to concentrate on his internal reforms. He was still oriented toward the West in his thinking, although not enslaved to the idea of being pro-West; he was primarily pro-Egypt.

Then in February 1955 came his meetings with Nehru and Tito in Egypt, the Baghdad Pact, and the Israeli attack on Gaza. All of these gave him pause in his thoughts on the future role of Egypt, and thrust him into Pan-Arab politics. The definite change in his thinking took place in April 1955 when he attended the Bandung Conference of Afro-Asian countries. In New Delhi, upon his arrival on 12 April, he was greeted by Nehru.⁸² When he arrived in Rangoon, he was greeted by Communist China's Chou En-Lai who invited Nasser to visit China. While Nasser remained noncommittal to Chou En-Lai's compliments,⁸³ he could not help being impressed by the recognition accorded him by these leaders of Asia. During the conference he was treated as the leading representative of the Arab States and found himself in the company of the main Asian Leaders, who generally supported his views on the question of Palestine and Arab refugees.⁸⁴ Although Western observers felt that Nasser had retained an independent

⁸²Ibid., 13 April 1955.

⁸³Ibid., 16 April 1955.

⁸⁴Ibid., 21 April 1955.

position during the conference, generally seeming to agree with the West,⁸⁵ there can be no doubt that a change in Nasser's thinking, concerning the role of Egypt in the world and his own personal part in that role, had taken place. As Nasser later said: "My visit to India proved a turning point in my political understanding. I learned and realized that the only wise policy for us would be (one) of positive neutrality and non-alignment. Coming back home, I found out from the response it had that it is the only possible policy which could get the broadest support from the Arab people."⁸⁶

Nasser returned to Cairo and began to openly proclaim his new doctrine of "positive" neutralism - non-commitment to either of the conflicting world blocs.⁸⁷ This completely new "permanent" policy proclaimed by Nasser caused American officials to have second thoughts about Nasser's position in the cold war. It was one of the reasons for America's insistence on cash or conditions in any arms deal. The State Department, personified by Mr. Dulles, had a dim view of "neutralism" but, despite Secretary Dulles' later alleged terming of neutralism as "immoral", America now merely withheld judgement.⁸⁸ Even

⁸⁵Ibid., 26 April 1955.

⁸⁶Wheelock, op.cit., p. 225.

⁸⁷"Continuity of Foreign Policy", The Scribe, Special Issue, 23 July 1961, Cairo, U.A.R., p. 39.

⁸⁸Secretary Dulles' exact words at the Iowa State College Commencement on 9 June 1956 were that military alliances abolished the principle of neutrality which "pretends that a nation can best gain safety for itself by being indifferent to the fate of others. This has increasingly become an obsolete conception and, except under very exceptional circumstances, it is an immoral and short-sighted conception." (The New York Times, 11 June 1956).

after the Czech arms deal, Mr. Dulles seemed to withhold criticism of Egypt. America was determined to wait and judge Nasser by his actions and words. She didn't have long to wait.

Nasser's "positive" neutralism seemed to the West to be positive only in its anti-Western character. Egypt's trade with the Soviet bloc increased 65% in 1955 (if the arms deal is included, the increase is 250%). This, however, was only an increase of 5% in Egypt's total trade picture.⁸⁹ At the same time, trade relations with Communist China were established and culminated in a multi-million dollar sale of cotton by Egypt.⁹⁰ This trade was necessary for Egypt's economic survival as Britain was restricting imports of Egyptian cotton and the United States was talking of subsidizing U.S. cotton and trying to find ways of disposing of it on the world market. The mere mention of such plans was enough to hurt Egypt's traditional cotton markets.⁹¹ The increased commercial relations with the Soviet Bloc were understandable but the political undertones given this trade worried the West.

It was, however, the political propaganda and machinations by Egypt that caused the most alarm in the West. The anti-West tone of Cairo's "Voice of the Arabs" began with the Baghdad Pact and increased to a fever pitch in 1956. Its effect was felt in Jordan and led to the dismissal of General Glubb as

⁸⁹Times (London), 27 February 1956.

⁹⁰The New York Times, 10 August 1955.

⁹¹Ibid., 22 April & 8 July 1955.

Commander of the Arab Legion. This caused shock and surprise in the U.S. State Department where the entire affair was blamed on Nasser.⁹² Egypt's military attaches began subversive activities against other Arab governments who became increasingly alarmed over Nasser's intentions.⁹³ Nasser's speech of 16 January 1956 in Cairo declaring that his regime intended to establish Egypt as the "leading Arab power and keystone of Arab Unity" did nothing to alleviate Arab or Western leaders' fears.⁹⁴ At the same time, he extended his propaganda to the support of the nationalists who were fighting British Colonial rule in Africa. This, of course, had an unsettling effect upon Britain.⁹⁵

Meanwhile, United States officials were becoming increasingly worried about the anti-West tone of Egypt's propaganda, its identity with Soviet propaganda and, above all, the increasing violence of the broadcasts from Radio Cairo. While Secretary Dulles did not feel that Egypt was accepting "anything like vassalage to the Soviet Union,"⁹⁶ he summed up America's position as: "To the extent that he (Nasser) is the spokesman for Egyptian independence (author's underlining), we have sympathy with his point of view; but to the extent that he takes action which seems to promote the interests of the Soviet Union and

⁹²Ibid., 3 March 1956.

⁹³Wheelock, op.cit., p. 232.

⁹⁴The New York Times, 18 January 1956.

⁹⁵Ibid., 2 March 1956.

⁹⁶Press Conference, 3 April 1956 (Ibid., 4 April 1956).

Communist China, we do not look with favor upon such action."⁹⁷

Nasser, however, not without some justification, felt that his actions were merely defensive. "It is the West which launches against us propaganda as well as political, economic and cold war campaigns. . . there are nine secret broadcasting stations which are hostile to us. . . they attack the Arabs' aspirations and their legitimate right to have a nationalist policy emanating from their genuine desires. They attack me because I advocate this policy. It was our duty to defend ourselves against these attacks and to tell our peoples the truth."⁹⁸ Nasser further stated, "Egypt is forming her policy by herself and by her own will."⁹⁹

Nasser's protestations of independence and true neutralism might have been meant to soothe the fears of the West, but the West was not to be calmed. Nasser proclaimed friendship for the West in private interviews, but publicly conducted heavy propaganda against the West.¹⁰⁰ Western leaders didn't know which side of President Nasser to believe. They still wanted to do business with Egypt but as Prime Minister Eden stated, "If Egypt wants good relations with the Western Powers, these could be got, but not at any price."¹⁰¹ All hope of

⁹⁷Press Conference, 22 May 1956 (Ibid., 23 May 1956).

⁹⁸Interview of Gamal Abdel Nasser with the Columbia Broadcasting System of New York, 7 April 1958 (Nasser's Speeches and Press Interviews).

⁹⁹The New York Times, 16 April 1956.

¹⁰⁰Ibid., 26 March 1956.

¹⁰¹Times (London), 8 March 1956.

favorable rapport between Nasser and the West, especially in the eyes of America, disappeared when on 16 May 1956, Egypt suddenly proclaimed its formal recognition of Communist China.¹⁰² This, to Secretary Dulles, was the last straw; Nasser had to be curtailed. The means to do so were at hand in the form of the Aswan Dam loan negotiations.

ASWAN HIGH DAM

The Aswan High Dam scheme ranked high in the minds of the revolutionary regime in Egypt. It was a scheme which would greatly benefit Egypt and one of such magnitude as to be worthy of the new "revolution". The High Dam would cost approximately 1.3 billion dollars, take 10-15 years to complete; it would add 2 million cultivable acres to the existing 7 million acres, plus producing 4.3 billion kilowatt hours annually.¹⁰³

The first mention of possible U.S. involvement in the project came in a letter to President Eisenhower from the Egyptian President Mohammed Neguib, expressing the hope that the United States would help build a gigantic high dam at Aswan.¹⁰⁴

Financing a project of such grand scale was a major problem, and Egypt turned for help to the International Bank for Reconstruction and Development (World Bank). On 1 May 1955,

¹⁰²The New York Times, 31 May 1956.

¹⁰³For a complete discussion of the technical, economic, and internal political aspects of the High Dam, see Wheelock, op.cit., C. VII.

¹⁰⁴The New York Times, 14 February 1954.

the World Bank announced that it was sending a group to study the project on the spot.¹⁰⁵ The study was conducted and slowly a plan began to take shape, but the Egyptians felt that the formalities of financing were taking too long.

In October 1955, strong rumors were circulated to the effect that Russia was interested in financing the dam. According to Hassan Ibrahim, Egyptian Minister of Production, Russia had made a direct offer to President Nasser.¹⁰⁶ The Russian Ambassador Solod did not deny the story, but merely said that Russia would send the Arab countries any type of mission they wanted.¹⁰⁷ A few days later, Dr. Ahmed Hussein, Egyptian Ambassador to the United States, personally told Secretary Dulles that Russia had made a firm bid to help with the dam, but that Egypt would prefer the assistance of the United States and the World Bank. He went on to say in effect that the Soviet arms deal had been a oneshot affair and that American-Egyptian difficulties were just a big misunderstanding; if America helped Egypt with the great project, everything would be all right.¹⁰⁸

Egypt, it seems, came to the conclusion that the best way to deal with the West was to threaten to deal with the Soviets; American reaction to the Czech arms deal very likely set the precedent and established the conviction of the validity of

¹⁰⁵Ibid., 2 May 1955.

¹⁰⁶Ibid., 14 October 1955.

¹⁰⁷Ibid., 12 October 1955.

¹⁰⁸Ibid., 18 October 1955.

this conclusion. On 22 October, two experts from the World Bank arrived in Cairo to discuss the High Dam; as if to spur their progress, an Egyptian official announced that it would be difficult to reject the Soviet offer in the event the West did not provide the loan.¹⁰⁹ The threat of a Soviet loan coming so shortly after the Soviet arms deal began to have its effect; even the London "Times" recommended that the West should make the loan and guarantee the success of the project in order to keep the Soviet Union from becoming further entrenched in Egypt.¹¹⁰

Despite some skepticism by U.S. officials as to the validity of the Russian offers, it was decided that America, along with Great Britain, should participate in the financing of the High Dam. Accordingly, Dr. Abdel Moneim El-Kaissouni, Egyptian Minister of Finance, arrived in Washington on 21 November 1955 for what Egypt hoped would be the final round of negotiations for the loan.¹¹¹ One problem which faced the State Department was the fact that it could not make a long-term financial commitment, due to legislative limitations. The State Department considered asking Congress for special legislation to permit grants or long-term loans to Egypt totaling \$200 millions over a 10-year period, to be released at the rate of \$20 millions yearly.¹¹² This, however, would

¹⁰⁹Ibid., 23 October 1955.

¹¹⁰Times (London), 2 November 1955.

¹¹¹The New York Times, 22 November 1955.

¹¹²Ibid., 8 December 1955.

entail a long Congressional debate, and the possibilities of the bill's being passed were slim.

Consequently, on 17 December 1955, the United States and Great Britain announced that they had offered Egypt an initial grant of \$70 millions; \$56 millions from the United States and \$14 millions from Britain.¹¹³ This assistance was to defray the foreign exchange costs of the first stage of construction, involving cofferdams, foundation for the main dam and seven diversion tunnels, all of which would take 4-5 years to complete. Acting Secretary of State Hoover, Jr., in the official announcement, indicated that while no definite long-range commitment could be made, the United States and Great Britain "would be prepared to consider sympathetically, in the light of then-existing circumstances, further support toward financing the later stages".¹¹⁴ This guarantee by the United States and Great Britain now made Egypt eligible for a \$200 millions loan from the World Bank. The final financial arrangements should have been concluded rapidly, but instead they lumbered to a halt.

In January 1956, the American Ambassador, Mr. Byroade, returned to Washington for consultations. Egypt objected to the World Bank memorandum clause, which suggested that the Bank exercise supervision of Egypt's economy during the approximate

¹¹³Ibid., 18 December 1955.

¹¹⁴U.S. Department of State Bulletin, 26 December 1955.

¹¹⁵The New York Times, 3 January 1956.

15 years of construction; this to Egypt was an infringement of her sovereignty. Egypt also wanted to arbitrarily let construction bids, while the Bank insisted on competitive bids restricted to member-nations of the World Bank.¹¹⁵ America decided to leave it up to the World Bank and Egypt to settle.

Nasser took the initiative and invited Mr. Black, President of the World Bank, to Cairo. After a week of almost constant negotiations, Black and Nasser announced "substantial agreement".¹¹⁶ This announcement spurred hope in the West and in Egypt that negotiations would soon be completed. The optimism, however, was short-lived, for it became apparent that no real settlement had been reached and that the original obstacles still stood. America refused to take any further action; her position was succinctly put in March, when a U.S. official stated: "We have made an offer and that offer stands."¹¹⁷

In April, Nasser attempted to reapply the Soviet "lever" to the U.S. position by stating in a speech that, while the negotiations with the West had not faltered, he was keeping the Soviet offer in mind in the event they did break down. He admitted, however, that "the Soviet offer was very general, and, really, we have not studied it."¹¹⁸ Then in June, when Soviet Foreign Minister Dimitri Shepilov visited Cairo, the Egyptian Government spread reports that Russia had offered to finance

¹¹⁶Ibid., 13 February 1956.

¹¹⁷Ibid., 17 March 1956.

¹¹⁸Ibid., 2 April 1956.

the entire cost of the High Dam, supposedly offering a loan of 1.2 billion dollars for the dam and additional money for other industrial projects.¹¹⁹ Despite Shepilov's comment that the Russian offer was only "the imagination of the press", the Egyptian Government and press continued to insist upon its authenticity.¹²⁰ American reaction was to be irked by the use of these real or imagined Russian counter-offers as a bargaining point on the part of Egypt.¹²¹ American enthusiasm for the Aswan project was rapidly declining.

In February 1956, just 24 hours after the Black-Nasser announcement of "substantial agreement" on the Aswan loan, Egypt announced a pact with Russia for a nuclear laboratory and reactor.¹²² In the summer of 1955, Egypt had requested these from the United States under the "Atoms for Peace Program", and America had sent a mission in October 1955. Negotiations had seemed to be progressing normally when the Egyptian announcement of the Russian pact was made. This was the first indication the State Department had that Egypt did not want the U.S. nuclear laboratory and reactor. To say the least, this had a disturbing effect in the State Department.¹²³ Then came the recognition of Communist China at which Dulles expressed public annoyance: "It

¹¹⁹Ibid., 20 June 1956.

¹²⁰Ibid., 24 June 1956.

¹²¹Ibid., 2 April 1957.

¹²²The United Arab Republic Yearbook, June 1959 (Information Department, Cairo, U.A.R.), p. 30.

¹²³Cf. The New York Times, 12 February 1956.

was an action that we regret."¹²⁴ Within State Department circles it was more than just a matter of regret; it was a matter of great alarm and caused the State Department to begin re-evaluating American relations with Egypt.¹²⁵

Meanwhile the High Dam loan was running into other opposition in America. Congress was becoming generally annoyed at Nasser's economic "blackmail" which attempted to pit Western offers against Soviet offers. Senators in Congress were beginning to feel pressure from the pro-Zionist groups and a Southern lobby which feared increased cotton production in Egypt.¹²⁶ There was also some behind-the-scenes influence from some Arab leaders who feared Nasser's growing popularity.¹²⁷ Dulles received personal phone calls from influential Senators advising against the loan, and the Senate Appropriations Committee flatly ordered the Administration to spend no Mutual Security money on the Aswan Dam.¹²⁸

Considering all this opposition, as well as the steady disenchantment with Nasser within the State Department, it is a wonder that the loan was not canceled forthwith. America, however, seemed to hold the loan open for Egypt and on 6 July, Ambassador Byroade assured Nasser that America would grant the

¹²⁴Ibid., 23 May 1956.

¹²⁵Ibid., 9 July 1956.

¹²⁶Ibid., 15 July 1956.

¹²⁷Times (London), 23 July 1956.

¹²⁸The New York Times, 17 July 1956.

original loan despite hostility from various sources and despite the lack of a Nile water agreement with the Sudan.¹²⁹

On 16 July, Dr. Ahmed Hussein arrived in America "to inform the United States Government that Egypt was accepting Western aid to finance the Aswan High Dam."¹³⁰ The acceptance was just a couple of days late, for on 14 July, in a confidential meeting in the State Department, it was announced that there would be no loan to Egypt for the Aswan Dam project.¹³¹ Ambassador Byroade in Egypt was never advised of the decision and only learned of it when the Egyptians did.¹³²

On 20 July, Dr. Hussein was summoned to the office of Secretary Dulles and there was handed a note which flatly withdrew the American offer; the United States Government questioned "the ability of Egypt to devote adequate resources to assure the project's success".¹³³ Great Britain withdrew her offer the next day, whereupon the World Bank withdrew its offer which had been dependent on the proposed Anglo-American loan.¹³⁴

According to his biographer, John Beal, Secretary Dulles chose this public rebuff to "call Russia's hand in the game of economic competition", and as a "demonstration to friendly

¹²⁹Ibid., 21 July 1956.

¹³⁰Wheelock, op.cit., p. 193.

¹³¹Cf. The New York Times, 22 August 1957.

¹³²Hutchison Interview, 2 February 1962.

¹³³The New York Times, 21 July 1956.

¹³⁴Times (London), 25 July 1956.

nations. . .that the United States' tolerance of nations which felt it necessary to stay out of Western defense alliances could not brook the kind of insult that Nasser presented in his repeated and accumulated unfriendly gestures".¹³⁵ Dulles himself set forth the official reasons for the loan withdrawal in a press conference on 2 April 1957: 1) The U.S. Senate Appropriations Committee resolved that no U.S. Mutual Security Funds could be used in the coming year for the dam; 2) The austerity program that Egyptians would have to bear in order to pay this cost might result in Egyptian popular antagonism to the "foreign lenders"; 3) Egypt had been developing ever closer ties with the Soviet Bloc countries and had recognized Red China; and "in that way the Egyptians, in a sense forced upon us an issue to which I think there was only one proper response: that issue was; do nations which play both sides get better treatment than nations which are stalwart and work with us? That question was posed by the manner in which the Egyptians presented their final request to us. . .under all the circumstances I think there was no doubt as to the propriety of the answer given." He further considered the note courteous and correct.¹³⁶

Whatever Mr. Dulles' reasons, and whether the note was courteous or not, it was quite clear that a rebuff was intended. If Dulles had desired, he could have delayed, pointing out obstacles still to be surmounted and finally pigeonholing it in

¹³⁵John R. Beal, John Foster Dulles - A Biography (New York: Harper & Bros., 1957), pp. 258-59.

¹³⁶The New York Times, 3 April 1957.

accordance with acceptable diplomatic procedures.

A change in American policy toward Egypt had now taken place. It appears that America had decided on a correct but minimum level of diplomatic relations; aid programs already in effect were continued, but no new programs were started.¹³⁷ The transfer of Ambassador Byroade, who was considered by the State Department to be pro-Nasser, was the visible sign of this change in American policy.¹³⁸

In Egypt, Nasser was incensed by the blow to his personal prestige and to the economic soundness of Egypt.¹³⁹ The Egyptian people were dismayed and felt that the United States was not concerned with their problems, as they had hoped, but was using Egypt as a tool in the cold war against the Soviets without regard for Egyptian welfare.¹⁴⁰ Even other Arab countries expressed anger and shock at the withdrawal: the Arab newspapers called it "a hostile action to all Arabs"; "a miserable decision"; "a stab in the back".¹⁴¹

Despite eleventh-hour pressure by the Egyptian press indicating that Russia would now step in and finance the project,

¹³⁷ Press Interview of Gamal Abdel Nasser with American Editors and Commentators on 27 January 1958 (Nasser's Speeches and Press Interviews).

¹³⁸ Times (London), 23 July 1956.

¹³⁹ American Editors' Press Interview with Nasser, 27 January 1958.

¹⁴⁰ Article by Jameson G. Campaign, Indianapolis Star, 30 April 1957.

¹⁴¹ Times (London), 23 July 1956.

Russia bluntly denied having made any offer to finance the dam.¹⁴² With all hope of assistance gone, Nasser, in a public speech on 24 July, made a violent attack on the United States and promised to finance the dam without Western assistance.¹⁴³ Having made his declaration, he struck out against the last symbol of Western Imperialism left in Egypt and the one thing which could provide the revenue that he needed - The Suez Canal.

¹⁴²The New York Times, 22 July 1956.

¹⁴³Ibid., 25 July 1956.

C H A P T E R I I I

THE EXPLOSION

JULY 1956 - NOVEMBER 1956

The Aswan loan withdrawal marked the turning point in American-Egyptian relations. The next five months would stretch American-Egyptian relations almost to the breaking point, and then, paradoxically, provide a possible basis for reconciliation.

NATIONALIZATION OF THE SUEZ CANAL

On 26 July 1956, in a speech which reviewed all of Egypt's grievances against the West, Nasser announced the nationalization of the Universal Maritime Suez Canal Company, and declared, "Henceforth there will be no sovereignty in this country except in the hands of the people of Egypt. At this very moment, Egyptians are taking over the management of the Suez Canal Company."¹ The Nationalization Law transferred all assets, rights and obligations of the company to the nation, provided compensation to all stockholders and holders of founder shares, and froze the funds of the company

¹For text of speech, see Suez Canal (A Documentary Study) (New Delhi: Lok Sabh Secretariat, 1956), pp. 15-23; U.S. Department of State, The Suez Canal Problem, July 26 - September 22, 1956, Department of State Publication 6392 (Washington: GPO, 1956), pp. 25-32.

in Egypt and abroad. It also provided for the continued employment of all company employees, and contained sanctions of imprisonment and fine against employees quitting their work without permission of the government.²

A wave of enthusiasm swept Egypt. The other Arab States, whatever their real feelings, applauded Nasser's action.³ In the West, the reaction was one of dismay. America had not anticipated Nasser's seizure of the Suez Canal, and the reaction in official circles was one of shock,⁴ although it was a predictable action in light of Egypt's history. Britain and France immediately contended that Nasser's action was illegal and described him as a "would-be dictator who imitated Hitler".⁵ Action on the part of Great Britain and France was swift. America stated that she thought the "seizure" carried "far-reaching implications" and was "consulting urgently with the other governments concerned".⁶

Britain and France immediately froze all of Egypt's assets in the two countries. The United States, in order to present a solid Western front against Egypt, followed suit on 31 July and froze the Egyptian Government assets of approximately \$41 millions in America.⁷ Britain and France suggested

²For text of Nationalization Decree, see Annex D.

³R.I.I.A., The Middle East: A Political and Economic Survey (3rd ed.; London: OUP, 1958), p. 204.

⁴The New York Times, 3 April 1957.

⁵Ibid., 31 July 1956.

⁶U.S. Dept. of State, The Suez Canal Problem, p. 32.

⁷The New York Times, 1 August 1956.

a Big-Three meeting immediately to decide what further action to take. Dulles, who was in Peru at the time, declined to attend but sent Deputy Assistant Secretary of State Murphy to the meeting on 28 July in London.⁸ There, it became quite apparent that Britain and France were intending to use force to solve what they considered to be a grave situation. On 27 July, Britain and France had sent a note to Egypt, protesting the nationalization of the Canal. Nasser promptly rejected it.⁹ On 30 July, Prime Minister Eden told the House of Commons that Britain was strengthening her military forces in the eastern Mediterranean as a "precautionary measure". He insisted that the Canal must be under international control.¹⁰

When Murphy made it clear to Washington that Britain and France were serious about the use of force, Mr. Dulles immediately left Washington for London, and, while in flight, drafted the document that was later issued as a joint statement by the three governments.¹¹ Dulles was able to convince Eden and Pineau to adopt a softer line of action, although the French were not happy about the prospect.¹²

The hurried trip of Dulles to London represented America's sudden and grave concern over the developing implications

⁸U.S. Department of State Bulletin, 6 August 1956.

⁹Times (London), 28 July 1956.

¹⁰Ibid., 31 July 1956.

¹¹John R. Beal, John Foster Dulles - A Biography (New York: Harper & Bros., 1957), p. 156.

¹²The New York Times, 5 August 1956.

of the nationalization of the Canal. America's concern was not so much with Egypt as with the intended actions of her allies, Britain and France. These two powers were determined to use force to protect their "interests" in the Middle East just as soon as sufficient military preparations could be completed.¹³ They felt that negotiations would mean only "conferences and resolutions, but no action".¹⁴ Dulles supposedly told Eden and Pineau that America did not exclude the use of force as a final solution, but that first there had to be genuine efforts to reach a settlement by negotiation.¹⁵ He felt that Nasser could be made to yield through moral and economic pressure. America's basic policy was to substitute negotiation for force. This would be the underlying motive in all American proposals for a solution.

It should not be assumed, however, that America was willing to negotiate on Nasser's terms, or to give him an easy victory. Nasser had performed an act of which America did not approve, especially in view of his anti-Western record up to this point. America felt that somehow Nasser must be made to pay for his action, but not through military force, which might lead to a world conflagration. Also, Dulles could not bring himself to believe that Nasser's move was anything but a selfish maneuver to "promote the political and economic

¹³Cf. Sir Anthony Eden, Memoirs - Full Circle (London: Cassel & Company, Ltd., 1960), p. 426.

¹⁴Ibid., p. 432.

¹⁵Ibid., p. 438.

ambitions of Egypt". He further considered that "to permit this to go unchallenged would be to encourage a breakdown of the international fabric upon which the security and well-being of all people depends".¹⁶

While America was not willing to side with Egypt, she felt that she could not side completely with Britain and France. Both countries were furious with Nasser and quite ready and willing to use force.¹⁷ The United States would now attempt to find a compromise solution and use what influence she had to get both sides to accept a peaceful settlement.¹⁸ This principle was consistently followed, though this was not always clear to the outside observer. Dulles' numerous pronouncements, evidently made to simultaneously apply pressure on Nasser and to prevent a breach in U.S. relations with Britain and France, created the appearance of a vacillating policy. This was to cause despair and miscalculation on the part of British and French leaders. American efforts for a solution were further complicated by the fact that it was a general election year in the United States, and all politicians were subject to the influence of various electoral groups.

The main handicap, however, to American efforts towards an acceptable solution was, as Tom Little records, the fact

¹⁶Radio-T.V. Address by Secretary Dulles, 3 August 1956 (U.S. Dept. of State, The Suez Canal Problem, pp. 37-42).

¹⁷The New York Times, 9 August 1956.

¹⁸News Conference of President Eisenhower, 8 August 1956 (U.S. Dept. of State, The Suez Canal Problem, p. 45).

that "from the nationalization to the rupture of diplomatic relations there was virtually no diplomatic activity between Egypt and Britain and France in Cairo - The two sides were enemies seeking victory, not settlement".¹⁹

Before going further, it might be well to note some of the substances of the crisis that developed from the nationalization of the Canal.

Many pages have been written on the legality of Nasser's move, and one may find arguments to support either position. A discussion of this legality is outside the scope of this work. It suffices here to say that the majority of opinion seems to be on the side of Egypt; legal precedent gave complete backing to Nasser's action.²⁰ In short, Nasser did not violate any international agreement or treaty.²¹ He did expropriate an Egyptian Concessionary Company. He did not threaten or infer any stoppage of traffic through the Canal; until he halted or interfered with Canal traffic, there was no violation of the 1888 Convention.²² In the final analysis, the West wanted to change the status of the Canal because Egypt was now a fully sovereign and strongly nationalistic country

¹⁹Tom Little, Egypt (London: Ernest Benn, Ltd., 1958), p.288.

²⁰The New York Times, 11 August 1956; Times (London), 28 July 1956; "Legal Aspects of the Suez Crisis", The World Today, May 1957. For Concessions granted to the Universal Maritime Suez Canal Company, see A.T. Wilson, The Suez Canal (London: OUP, 1933), Appendices 1 through 4.

²¹John S. Badeau, "What Suez Means to Egypt", Foreign Policy Bulletin, 1 November 1956, pp. 25-26.

²²For text of convention see annex E.

under the control of a military leader apparently antagonistic to the West and friendly to the Soviet Bloc. The whole Suez dispute boiled down to one simple fact - the West did not trust Nasser.

To Europe, the Suez Canal was its lifeline. Each year nearly 67 million tons of oil passed through the Canal to supply Europe with the fuel needed to maintain its industrialized economy.²³ The British Foreign Secretary stated that British dependency on the Canal was so great that it affected the "national status of livelihood, jobs, standard of living and position in the world".²⁴ Europe, especially Britain and France, was uneasy about Egypt's running the Suez Canal for several reasons. First, it was assumed that Egypt lacked the experience and the money to operate the Canal;²⁵ the Canal operation would soon deteriorate and shipping would slow, if not completely halt.²⁶ A second fear was that Nasser might cut off the traffic of the Canal in a fit of anger at the West or as a means of pressuring the West in some future situation.²⁷ Finally, it was feared that Egypt might raise the toll charges of the Canal and effect economic hardship on the West through this medium.²⁸ To

²³R.I.I.A., op.cit., p. 204.

²⁴Times (London), 12 September 1956.

²⁵Ibid.

²⁶The New York Times, 4 August 1956.

²⁷Ibid., 2 April 1957.

²⁸Ibid., 11 August 1956.

claim that these fears were premature and unfounded would be unrealistic, for they were real possibilities at the time; Nasser had shown himself to be a man of whim and reaction, quite capable of doing what was feared.

Though there would be few economic repercussions for the United States itself, she too was alarmed about the possible effect upon Europe. As Senator Humphrey stated, "What affects Western Europe affects the United States".²⁹

ATTEMPTS AT SETTLEMENT

As a result of American effort, Great Britain, France and the United States issued a statement on 2 August 1956 which called for a conference of User States to meet in London on 16 August. The three Powers considered the situation serious, and Nasser's action illegal, since, according to them, the Suez Canal was an international agency, and Egypt's avowed purpose in its nationalization was primarily to serve her national interest, thereby threatening the freedom and security of the Canal as guaranteed by the Convention of 1888. The purpose of the conference was to establish an international system to assure operation of the Canal, while recognizing the legitimate rights of Egypt.³⁰

²⁹"Toward A Unified Policy in the Middle East", Remarks by Senator Hubert H. Humphrey for the Conference on Middle East Development, sponsored by the Middle East Institute, 1 February 1958 (Mimeographed).

³⁰U.S. Dept. of State, The Suez Canal Problem, pp. 34-36.

In bringing about this call for a conference, Dulles had decided not to allow the Canal dispute to go to the United Nations, as he felt certain that the British and French resolution would be so worded as to bring about a Soviet veto. Britain and France would then most probably resort to force, their attempt at peaceful settlement having failed.³¹ Dulles refrained from committing America to support Britain and France in any definite further action if the conference of User States failed in its purpose.³²

In answer to the Big-Three invitation for a 24-nation conference, 22 nations agreed to participate; only Egypt and Greece refused to attend. The conference was held from 16 to 23 August, and 18 of the nations finally approved a modified version of a resolution submitted by Dulles.³³ This resolution would have created a Suez Canal Board to provide international operation of the Canal (thereby guaranteeing freedom of navigation), and to effect cooperation between Egypt and the User Nations. The conference further agreed that Prime Minister Menzies of Australia should lead a 5-man delegation to Cairo to present to President Nasser the proposals agreed upon by the 18 User Nations. The delegation, however, was given no latitude

³¹Cf. Eden, op.cit., p. 434; E.B. Childers, The Road to Suez (London: MacGibbon & Kee, 1962), p. 211.

³²Council on Foreign Relations, Documents on American Foreign Relations, 1956 (New York: Harper & Bros., 1957), p. 299.

³³For transcript of 22-Nation Conference in London, 16-23 August 1956, see U.S. Dept. of State, The Suez Canal Problem, pp. 55-294.

for negotiation.³⁴ They visited Cairo from 3 to 9 September, but failed to reach agreement with President Nasser.³⁵

On 12 August, when rejecting the invitation to the London Conference, Nasser had proposed a conference to reconsider the 1888 Convention.³⁶ On 3 September, Nasser stated to the 18-Nation delegation that he could not accept any solution that infringed upon Egyptian sovereignty, thereby rejecting the London proposals.³⁷ Menzies argued that only by the acceptance of the proposals could the Canal be insulated from national politics.³⁸ Nasser replied that the insulation of the Canal from the politics of any one nation could best be achieved by the reaffirmation of the 1888 Convention. He restated Egypt's policy on the Suez Canal as being: the freedom and safety of navigation in the Canal; the development of the Canal to meet the future navigational requirements; the establishment of just and equitable tolls and charges; and technical efficiency.³⁹

The West refused to consider Egypt's proposal to settle the matter by reviewing and re-signing the 1888 Convention. Britain and France only felt increased hostility toward Nasser when he rejected the London proposals, and they continued their

³⁴ Ibid.

³⁵ The New York Times, 11 September 1956.

³⁶ U.S. Dept. of State, The Suez Canal Problem, p. 51.

³⁷ Times (London), 4 September 1956.

³⁸ Council on Foreign Relations, Documents 1956, p. 311.

³⁹ The New York Times, 11 September 1956.

military preparations in Cyprus and Malta while maintaining their economic blockade of Egypt. British and French leaders maintained that international control of the Canal was the only solution, and they reserved the right to use military action as a last resort to solve the problem.⁴⁰ America increased her unilateral action against Egypt, hoping to force her to compromise. American action included: freezing the Egyptian Government assets in the United States; suspending all aid programs to Egypt; discouraging U.S. tourists from visiting Egypt; and making it difficult for Egyptian businessmen to get export licenses for machinery and strategic materials.⁴¹ These measures hurt Egypt, but failed to break her resistance; she merely turned more and more to the Soviet Bloc.⁴²

While spending a week-end at his Duck Island retreat, Dulles conceived the idea of the "Suez Canal Users Association" which he then proposed to Prime Minister Eden.⁴³ On 12 September, Eden, in the British House of Commons, outlined the SCUA as follows:

"This users association will be provisional in character. . .it will employ pilots, will undertake responsibility for co-ordination of traffic through the Canal, and, in general, will act as a voluntary

⁴⁰Ibid., 23 September 1956.

⁴¹Ibid., 17 March 1957.

⁴²Press Interview of Gamal Abdel Nasser with American Editors and Commentators, 27 January 1958 (Nasser's Speeches and Press Interviews).

⁴³Beal, op.cit., p. 267; Eden, op.cit., p. 461.

association for the exercise of the rights of Suez Canal users. . .The Egyptian authorities will be requested to co-operate in maintaining the maximum flow of traffic through the Canal. It is contemplated that Egypt shall receive appropriate payment from the association in respect of the facilities provided by her. But the transit dues will be payed to the users' association and not to the Egyptian Authority. . .But I must make it clear that if the Egyptian Government should seek to interfere. . .with the operations of the association, or refuse to extend to it the essential minimum of co-operation, then that Government will once more be in breach of the Convention of 1888. . .Her Majesty's Government would be free to take further steps. . .as seem to be required. . .either through the United Nations or by other means, for the assertion of their rights."⁴⁴

A second London conference was held, and on 21 September, the United States, and 14 other nations,⁴⁵ subscribed to the "Declaration Providing for the Establishment of the Suez Canal Users Association".⁴⁶ The SCUA was weakened by leaving the member nations to decide independently on their respective policies for implementation. The members were not even compelled to pay tolls to the Association. Further, the success of the SCUA depended on the cooperation of Egypt, as Mr. Dulles made it clear that U.S. ships would not be permitted "to shoot their way through the Canal".⁴⁷ Cooperation was not forthcoming from Egypt, and it was soon apparent that the SCUA was a complete failure. It appears that the U.S. objective in the SCUA

⁴⁴U.S. Dept. of State, The Suez Canal Problem, pp. 333-334.

⁴⁵Of the original 18 nations, all but Iran, Pakistan and Ethiopia joined the SCUA (Time magazine, 1 October 1956, p.21).

⁴⁶For text, see U.S. Dept. of State, The Suez Canal Problem, pp. 365-366.

⁴⁷The New York Times, 18 September 1956.

was not to precipitate the issue, but rather to avoid and delay the matter.⁴⁸ To Britain and France it appeared to be a stepping stone to fresh compromises.⁴⁹

As it became clear that no solution would result from the SCUA, Britain and France, on 23 September, requested the U.N. Security Council to consider the situation created by the nationalization of the Canal.⁵⁰ The time seemed favorable for a settlement. Despite British and French claims that Egypt could not operate the Canal, especially with the resignation of most of the Canal Company's pilots on 15 September,⁵¹ traffic continued to flow normally at the average rate of 250 ships a week without the slightest incident. Nasser did not even insist on having the toll charges paid to the Egyptian Canal Administration. These facts calmed the anxiety of the maritime nations to the point of their urging Britain and France to reach an agreement with Egypt. Nasser, at the same time, was being pressed by the other Arab States and India to come to a compromise and settle the Canal dispute.⁵²

The United Nations' deliberations began with secret negotiations between the Foreign Ministers of Britain, France

⁴⁸Dulles seems to have proposed the SCUA for the primary purpose of keeping Britain and France from the U.N., where a final vote would probably be unfavorable for them (Childers, op.cit., p. 222).

⁴⁹The New York Times, 26 November 1956; Eden, op.cit., p. 478.

⁵⁰The New York Times, 24 September 1956.

⁵¹Ibid., 23 September 1956.

⁵²Ibid., 25 September 1956.

and Egypt in New York under the auspices of the Secretary-General of the United Nations.⁵³ From these meetings came six principles for a settlement: 1) free transit through the Canal without discrimination; 2) recognition of Egypt's sovereignty; 3) insulation of the Canal from the politics of any country; 4) manner of fixing toll charges to be decided by Egypt and Users; 5) fair proportion of dues allotted to development; and 6) settlement of disputes by arbitration.⁵⁴ When Britain and France put these six principles before the Security Council in a U.N. resolution on 13 October, they added a second part which called for international control of the Canal by proposing that Egypt accept the SCUA.⁵⁵ The six principles were unanimously accepted, but the attached proposal was vetoed by Russia.

Each side now waited for the other to make the next move. On 19 October, the Secretary-General proposed, without success, that discussions be resumed in Geneva on 29 October.⁵⁶ Each side continued to wait, and British and French officials refused to state that they would not use force as a final resort.⁵⁷

⁵³Egyptian Gazette, 4 October 1956.

⁵⁴U.S. Department of State, United States Policy in the Middle East: September 1956 - June 1957, Dept. of State Publication 6505 (Washington: GPO, 1957), p. 120.

⁵⁵Ibid., pp. 116-120.

⁵⁶The New York Times, 20 October 1956; Eden, op.cit., pp. 509-510.

⁵⁷Egyptian Gazette, 14 October 1956.

Throughout these discussions America had continued to support Anglo-French policy in all things short of actual military action. Dulles' words, however, appear to have had a somewhat dual effect on Britain and France. When, in his press conferences, he made statements such as, "There has been some difference in our approach to this problem of the Suez Canal",⁵⁸ it probably appeared to Britain and France that America was deserting them and that they could not expect any real assistance in making Nasser yield. But then, when Dulles turned around and said, "There has been world-wide resentment against using force to right this situation - that is natural and proper - but those who are concerned about peace ought to be equally concerned about justice",⁵⁹ it probably appeared to Britain and France that the United States would not strongly oppose their actions if they decided to use force. American policy was being confused through ambiguous statements by the Secretary of State, and, possibly, by the wishful thinking of British and French leaders. In what appears to have been final desperation,⁶⁰ France, with at least the passive consent of Great Britain, turned to Israel to precipitate a rapid and satisfactory solution.⁶¹

⁵⁸News Conference, 2 October 1956 (U.S. Dept. of State, U.S. Policy in the Middle East, p. 103).

⁵⁹Address at Williams College, 6 October 1956 (Ibid., p.108).

⁶⁰Cf. Eden, op.cit., pp. 505-506.

⁶¹For a complete and up-to-date discussion of the British-French-Israeli collusion on the Suez War, see Childers, op.cit., C. XI.

SUEZ WAR

Tension along the Egyptian-Israeli border had steadily increased since the Israeli attack on Gaza in 1955. Both sides were conducting organized raids into the other's territory.⁶² Israel now saw an opportunity to force a showdown with Egypt.

On 29 October, Israeli parachutists landed deep in Sinai, while her army units crossed the truce line.⁶³ The first Israeli communiqué had named the Suez Canal as the objective of the Israeli Army, but subsequent announcements limited the military objective to the destruction of the Egyptian Fedayeen bases.⁶⁴ It was quite apparent, though, that this was not a regular retaliatory raid on the part of Israel, but something that approached a full-scale military operation.

On 30 October, M. Mollet and M. Pineau of France arrived in London, and later that day, Britain and France issued a joint ultimatum to Israel and Egypt. Britain and France demanded that both belligerents cease all military actions and withdraw their forces to a distance of 10 miles from the Suez Canal (Israel's advance unit was still 30 miles from the Canal). Additionally, Egypt was asked to allow British and French troops to "temporarily" occupy the Canal Zone in order to separate the belligerents and guarantee freedom of navigation through the

⁶²Memorandum Report on Egyptian-Israeli Tensions, American Friends of the Middle East, Cairo: 26 January 1957 (Unpublished).

⁶³The New York Times, 30 October 1956.

⁶⁴Ibid., 31 October 1956.

Canal. Egypt and Israel had 12 hours in which to answer. If one or both parties did not agree, then British and French forces would intervene to insure compliance.⁶⁵

Regardless of Egypt's reply, Britain and France were determined to occupy the Canal Zone. Israel accepted the ultimatum, but Nasser flatly rejected it, stating that it "can under no circumstances be accepted, and that it constitutes an aggression against the rights of Egypt and her dignity, and is a flagrant violation of the United Nations Charter".⁶⁶ The next day, 31 October, British and French planes began the systematic bombing of Egyptian airfields and other targets, some civilian. Between 1 and 5 November, British and French aircraft continued to bomb and strafe Egyptian targets, and to assist Israeli ground forces in Sinai. Nasser retaliated by ordering ships sunk in the Suez Canal, thereby blocking all traffic. Finally on 5 November, British and French forces invaded Port Said, causing heavy casualties among the populace and severe damage to the city. The Anglo-French forces prepared to move south along the Canal, but a cease-fire was declared at midnight of 6 November through the efforts of the United Nations. The shooting in Egypt was over, ending in dismal failure for France and Britain.

When first reports of the Israeli mobilization reached

⁶⁵U.S. Dept. of State, U.S. Policy in the Middle East, p. 139.

⁶⁶Egyptian Gazette, 31 October 1956.

Washington, President Eisenhower sent a personal message to Prime Minister Ben Gurion "expressing my grave concern and renewing a previous recommendation that no forcible initiative be taken which would endanger the peace".⁶⁷ On 28 October, President Eisenhower wrote to Ben Gurion again, applying strong pressure on Israel not to act.⁶⁸ The same day he called for a meeting of the signatories of the 1950 Tripartite Declaration to discuss the matter. Israel claimed that the Arabs were getting ready to attack, but in reality Israel was the only country in the Middle East preparing for a military operation.⁶⁹

The Tripartite committee met on the day of the Israeli attack, but France and Britain refused to take any action under the agreement. America immediately asked for a meeting of the Security Council.⁷⁰ At almost the same hour as the French and British were delivering their ultimatum to Egypt and Israel, the Security Council began debating the U.S. resolution for a cessation of hostilities and the return of Israeli forces to their own borders. The resolution was vetoed by Britain and France.⁷¹ On 31 October, President Eisenhower addressed the nation on the

⁶⁷William R. Polk, "A Decade of Discovery: America in the Middle East", St. Anthony's Papers, No. II, (London: Chatto & Windus, 1961), p. 68.

⁶⁸U.S. Department of State Bulletin, 5 November 1956.

⁶⁹Cable from Hutchison, AFME, Cairo to AMIDEAST, New York, 28 October 1956.

⁷⁰U.S. Dept. of State, U.S. Policy in the Middle East, pp. 137-138.

⁷¹The New York Times, 31 October 1956.

events in Hungary and Egypt. In his address, he summed up the American position when he said:

"The United States was not consulted in any way about any phase of these actions. Nor were we informed of them in advance. . .we believe these actions to have been taken in error. . .The actions taken can scarcely be reconciled with the principles and purposes of the United Nations to which we have all subscribed. And beyond this, we are forced to doubt even if resort to war will for long serve the permanent interests of the attacking nations. . . There can be no peace - without law. And there can be no law - if we were to invoke one code of international conduct for those who oppose us and another for our friends."⁷²

On 1 November, the United States brought the matter before the U.N. General Assembly where no veto operated. The General Assembly adopted the U.S. resolution calling for an immediate cease-fire and withdrawal of all troops.⁷³ But on 3 November, the three attacking nations rejected the resolution.⁷⁴ As a result of this rejection, diplomatic activities hit a fever pitch.

Negotiations were conducted by the Secretary-General with Egypt and Israel. On 4 November, Russia delivered a note of protest to Great Britain, placing the responsibility for the possible consequences of the Suez War upon the governments of Britain and France. In the United Nations, the United States supported a resolution for the creation of the United Nations Emergency Force.⁷⁵ On 5 November, Soviet Foreign Minister

⁷²U.S. Dept. of State, U.S. Policy in the Middle East, pp. 148-151.

⁷³Ibid., pp. 157-158.

⁷⁴The New York Times, 4 November 1956.

⁷⁵U.S. Dept. of State, U.S. Policy in the Middle East, pp. 175-176.

Shepilov sent a cable to the United Nations offering "the air and naval forces necessary to defend Egypt and repulse the aggressors".⁷⁶ Simultaneously, Eisenhower received a note from Soviet Premier Bulganin, proposing "joint and immediate use" of the two nations' armed forces to end the aggression by Britain, France and Israel.⁷⁷ At the same time, Britain, France and Israel received Soviet notes threatening the use of force if hostilities were not ended.⁷⁸

On the same day, the White House issued a statement, rejecting the Soviet proposal, saying that "neither Soviet nor any other military forces should now enter the Middle East area except under United Nations mandate. . .The introduction of new forces under the circumstances would violate the United Nations Charter, and it would be the duty of all United Nations members, including the United States, to oppose any such effort".⁷⁹ America had rejected the Soviet offer, but more important was the fact that she refused to side with her NATO allies when they were threatened by Russia. In the eyes of the Egyptian people, this was a show of real concern for their welfare. They had given America credit when she sided with Egypt against Britain, France and Israel, but when she still refused to side with the three attacking nations after they had been threatened by

⁷⁶Ibid., pp. 178-180.

⁷⁷Ibid., pp. 180-181.

⁷⁸Ibid., pp. 183-188.

⁷⁹Ibid., p. 182.

Russia, American prestige went to an all-time high in Egypt.⁸⁰ It was not to remain so for long, as shall be shown in the next chapter.

American policy toward Egypt remained as before the Suez dispute, despite her intervention on behalf of Egypt. Throughout the dispute, the United States maintained a correct but minimum level of diplomatic contact with Egypt. To support her allies and to pressure Nasser into a compromise, America exerted every economic pressure against Egypt. At the same time, America was sympathetic to Britain and France, but they were angered by America's vacillating policy.⁸¹ The United States desired a peaceful solution but was not in a hurry, nor did she think a solution had to be only on French and British terms. British and French action, in collusion with Israel, to bring about the overthrow of Nasser⁸² put the United States in an embarrassing position, especially in light of NATO and the 1950 Tripartite Declaration. During the dispute American policy had been vague and weak, but once the Suez War began, America took a strong and firm position that left no doubt as to what her policy was or what her actions would be in order to preserve peace.

The Suez War was at an end, having failed to achieve its purpose. Nasser's position had only been strengthened, and

⁸⁰E.H. Hutchison, Director of American Friends of the Middle East, Cairo, in a personal interview on 2 February 1962.

⁸¹The New York Times, 2 April 1957; Eden, op.cit., pp. 458-459.

⁸²The New York Times, 9 November 1956 & 17 March 1957; Childers, op.cit., pp. 207-211.

the world situation complicated. There was still the problem of effecting a withdrawal of British, French and Israeli forces from Egypt. The Suez Canal, which Britain and France were supposedly trying to keep open, had to be cleared of ships sunk by Egypt. America had to re-assess her ties with her traditional allies and her policies toward Israel and Egypt. The shooting had stopped, but now came the most difficult part - seeing what could be salvaged from the aftermath of war.

C H A P T E R I V

THE AFTERMATH

NOVEMBER 1956 - FEBRUARY 1958

The United States now bent her efforts toward the withdrawal of troops from Egypt, and the settlement of the status of the Canal. She sought to bring her allies once more into the "respectability" of Western nations, and to fill the political vacuum created by their actions. The United States was poised on the edge of opportunity in the Middle East - the effecting of a true modus operandi with Egypt and the Arab World which would have resulted in firm friendship for America. The United States failed to capitalize on this moment in history, because of her continued misjudgement of Arab Nationalism and her hardheaded, counter-Soviet preoccupation.

WITHDRAWAL OF FORCES FROM EGYPT

On 2 and 7 November 1956, the United Nations passed resolutions calling upon Britain, France and Israel to withdraw their forces from Egyptian territory.¹ In a resolution on 5 November, the United Nations established a United Nations

¹For resolutions, see U.S. Department of State, United States Policy in the Middle East: September 1956 - June 1957, Department of State Publication 6505 (Washington: GPO, 1957), pp. 157-158, 207-208.

Emergency Force (UNEF) to "secure and supervise the cessation of hostilities".² The passage of the resolutions was rather simple; effectively implementing them was quite a different matter.

The Secretary-General of the United Nations worked out an agreement with Egypt on the basic points concerning the presence and functioning of the UNEF in Egypt.³ The first troops of the UNEF began to arrive in Abu Soueir, the Egyptian staging area, on 15 November.⁴ Despite these United Nations efforts, the quiet pressure of the United States, and the constant demands of the Egyptian Government, Anglo-French forces made no move to withdraw. The official reason they gave was that the UNEF was still in the process of being built up and was not in a position to carry out effectively the functions assigned to it.⁵ Finally, on 5 December, Great Britain and France announced that they would begin the withdrawal of their forces from Egypt.⁶ The last of the Anglo-French troops were evacuated on 22 December 1956.⁷ Washington officials breathed a sigh of relief.

Unlike Britain and France, whose military operation had fizzled, Israel was in general control of Sinai after having

²For resolutions and general functions of UNEF, see Ibid., pp. 175-176, 227-231.

³Ibid., pp. 223-226.

⁴Egyptian Gazette, 16 November 1956.

⁵U.S. Dept. of State, U.S. Policy in the Middle East, p. 236.

⁶Ibid., p. 243.

⁷Ibid., p. 248.

won a well-executed offensive operation, and, therefore, was harder to dislodge. On 7 November 1956, President Eisenhower wrote to Ben Gurion to express "deep concern" at Israel's refusal to withdraw from Sinai.⁸ In the face of American pressure, Ben Gurion replied the next day that Israel would comply and withdraw her forces "upon conclusion of satisfactory arrangements with the United Nations". He went on to indicate, however, that evacuation was only one problem and should be preceded by the United Nations requiring Egypt to end the economic boycott of Israel, the blockade of her ships, and to enter into peace negotiations with Israel.⁹

The Israeli demands were generally received with sympathy in Washington, but United States officials realized that to back these demands would be tantamount to approval of the use of force to bring about a solution. America's desire to maintain peace in the world would not allow her to support Israel in this matter, no matter how justified the Israeli cause may have seemed. Consequently, in public and private, the State Department assured Israel of all the help within its power in settling the differences between Israel and her Arab neighbors, but insisted that withdrawal of forces must precede any effort to establish permanent peaceful conditions in the area.¹⁰

⁸Ibid., pp. 211-212.

⁹Ibid., p. 213.

¹⁰Ibid., pp. 248-254.

Negotiations within the United Nations for the final withdrawal of Israeli forces from Sinai continued until 1 March 1957, when Israel finally agreed to a complete and unconditional withdrawal.¹¹ Throughout these negotiations, America's policy had been consistent and firm - Israel must withdraw completely and unconditionally from Egyptian territory before any discussion of problems in the area could take place.

Despite the success of achieving the withdrawal of forces from Egypt, there still remained the basic problem - the Suez Canal. The clearance of the Canal, authorized by the U.N. General Assembly, was started on 26 December and was finally completed in April 1957.¹² The cost of this clearance operation was approximately \$8,376,000 which was paid by the United Nations from the contributions of 11 governments. These governments were reimbursed by the addition of a surcharge of 3% of canal tolls on ships passing through the Canal.¹³ On 24 April 1957, after consultations with the United States, Egypt published and presented to the United Nations a "Declaration on the Suez Canal and the Arrangements for its Operation". The document was presented as an international instrument, outlining the arrangements for the operation of the Suez Canal. It reiterated Egypt's

¹¹Ibid., pp. 328-332.

¹²U.S. Department of State, U.S. Participation in the U.N. - Report by the President to the Congress for the Year 1957, Department of State Publication 6654 (Washington: GPO, 1958), p. 242.

¹³Ibid.

ownership of the Canal, and her respect of and determination to uphold the 1888 Convention. The Declaration generally followed the six principles agreed upon by the Security Council in October 1956.¹⁴ The United States objected to the document in that it did not provide for organized and systematic cooperation between Egypt and the User Nations. America, however, gave "provisional" approval until the "arrangements" could be tried out in practice.

The Security Council debate on the Egyptian Declaration began on 26 April and lasted until 21 May, without any final action being taken.¹⁵ The "User Nations" resumed use of the Canal when it was cleared, paying tolls to the Egyptian Suez Canal Authority. They maintained, however, that this did not constitute final acceptance of the Egyptian Declaration on the Canal.¹⁶ Technically, the dispute continued, but, in fact, Egypt had successfully nationalized the Canal. The efforts of the West had gone for naught.

EISENHOWER DOCTRINE

Prior to 1956, British and French influence in the Arab World had been waning. As a result of their actions in the Suez War, both countries were discredited among the Arab States. In view of this, American policy-makers felt that there existed a

¹⁴For text, see U.S. Dept. of State, U.S. Policy in the Middle East, pp. 386-390.

¹⁵U.S. Dept. of State, U.S. Participation in the U.N., pp. 78-82.

¹⁶The New York Times, 1 May 1957.

political vacuum in the area, which had to be filled quickly in order to prevent the Soviet Union from gaining dominance.¹⁷ On 27 December 1956, it was reported in Washington that President Eisenhower was considering asking Congress for standing authority to use American troops in the Middle East in case of foreign aggression.¹⁸ By 29 December, it was definitely decided to propose to Congress a new doctrine aimed toward filling the political vacuum in the Middle East area.¹⁹ In Cairo, official sources stated that Egypt would be willing to accept United States influence in the Arab World in place of that of Britain and France. These same sources, however, stated that Egypt would continue her neutralistic policy and would not accept any doctrine that would require her foreign policy to be aligned with that of the West.²⁰

Part of Britain's justification for her actions in the Suez War had been "Soviet mischief making" in the Middle East.²¹ Although America did not consider this sufficient reason for British use of force, she too was worried about the Soviet threat to the area. On 5 January 1957, while Israel still occupied parts of Egyptian territory, President Eisenhower presented to Congress his proposals for security in the Middle East. In the course of his address, the President stated the

¹⁷Ibid., 2 April 1957.

¹⁸Ibid., 28 December 1956.

¹⁹Ibid., 30 December 1956.

²⁰Ibid.

²¹Times (London), 4 December 1956.

reasons for his proposals:

"Persistent cross-currents of distrust and fear with raids back and forth across national boundaries have brought about a high degree of instability in much of the Mid East (sic). Just recently there have been hostilities involving Western European nations that once exercised much influence in the area. Also the relatively large attack by Israel in October has intensified the basic differences between that nation and its Arab neighbors. All this instability has been heightened and, at times, manipulated by International Communism. . . The reason for Russia's interest in the Middle East is solely that of power politics. Considering her announced purpose of Communizing the world, it is easy to understand her hope of dominating the Middle East. . . If the nations of that area should lose their independence, if they were dominated by alien forces hostile to freedom, that would be both a tragedy for the area and for many other free nations whose economic life would be subject to near strangulation. Western Europe would be endangered just as though there had been no Marshall Plan, no North Atlantic Treaty Organization. The free nations of Asia and Africa, too, would be placed in serious jeopardy. And the countries of the Middle East would lose the markets upon which their economies depend."²²

The President went on to state that the United Nations could always be helpful "but it cannot be a wholly dependable protector of freedom when the ambitions of the Soviet Union are involved".²³ The President then made his proposals, which would: 1) "Authorize the United States to cooperate with and assist any nation or group of nations in the general area of the Middle East in the development of economic strength dedicated to the maintenance of national independence"; 2) "Authorize the Executive to undertake in the same region programs of

²²The President's Address to Congress, 5 January 1957 (U.S. Dept. of State, U.S. Policy in the Middle East, pp. 16-17.)

²³Ibid., p. 18.

military assistance and cooperation with any nation or group of nations which desires such aid"; 3) "Authorize such assistance and cooperation to include the employment of the armed forces of the United States to secure and protect the territorial integrity and political independence of such nations, requesting such aid, against overt armed aggression from any nation controlled by International Communism". To accomplish the first of his proposals, he requested "the authorization of \$200,000,000 to be available during each of the fiscal years 1958 and 1959 for discretionary use in the area, in addition to the other mutual security programs for the area hereafter provided for by the Congress".²⁴

His proposals were not to be a cure-all for the Middle East situation, but rather to deal only with the possibility of Communist aggression, direct and indirect. As Eisenhower stated:

"This program does not solve all the problems of the Middle East. Neither does it represent the totality of our policies for that area. There are the problems of Palestine and relations between Israel and the Arab States, and the future of the Arab refugees. There is the problem of the future status of the Suez Canal. These difficulties are aggravated by International Communism, but they would exist quite apart from that threat. It is not the purpose of the legislation I propose to deal directly with these problems. The United Nations is actively concerning itself with all these matters, and we are supporting the United Nations. The United States has made clear, notably by

²⁴Ibid., p. 20.

Secretary Dulles' address of August 26, 1955,²⁵ that we are willing to do much to assist the United Nations in solving the basic problems of Palestine."²⁶

There was never much doubt that the resolution would be passed by Congress, but debate on the proposals lasted from January through February. Some of the objections were strictly of a domestic nature, but most of them went right to the heart of the matter. The Congressmen questioned: whether it was wise to build a policy on the contingency of "overt armed aggression" which would probably not take place; the fact that the doctrine offered no sure defense against the more probable attack through subversion; the unilateral character of the doctrine, in that it by-passed the United Nations; the limitation to protection only against Communist aggression while overlooking the real danger of other conflicts, as shown by recent events.²⁷

²⁵In an address to the Council on Foreign Relations, Mr. Dulles outlined America's offer as: 1) Refugees need to be resettled and possibly repatriated. Compensation is due to them from Israel, but Israel may not be able financially to do it unaided. America, therefore, would loan the money for compensation, and also provide the money for irrigation projects to facilitate resettlement of refugees; 2) The U.S. believes that boundary lines can be settled and is willing to help in search for a solution if the parties to the dispute desire; and 3) Given solutions to the above problems, the U.S. would join in formal treaty arrangements with all parties to guarantee their boundaries. Also America hopes to have other countries join in such a security guaranty and to have it sponsored by the U.N. (U.S. Department of State Bulletin, 5 September 1955). The Arabs saw only one flaw in his proposals - the continued existence of Israel as a State (The New York Times, 4 September 1955).

²⁶U.S. Dept. of State, U.S. Policy in the Middle East, p. 21.

²⁷J.C. Campbell, Defense of the Middle East (New York: Frederick A. Praeger, 1960), pp. 122-123.

Secretary Dulles derided the proposals and stated that they were merely a continuation of policy which was begun years before with the Truman Doctrine in 1947. He said that Russia had the means of aggression and he preferred not to wait until Russia attacked; the proposals would reduce fear of attack in the area, build adequate local security forces, and provide economic progress, thereby reducing the causes of discontent which allow subversion. Finally, he felt that aggressions within the area not launched by International Communism could be suitably handled within the United Nations.²⁸ The proposals, popularly known as the Eisenhower Doctrine, were finally passed and signed into law on 9 March 1957.²⁹

The same day, President Eisenhower appointed James P. Richards to rally support for the new doctrine.³⁰ It was essentially for this purpose that he set off on a trip which took him from Pakistan to Morocco. The results of his efforts were rather uninspiring, as he achieved public endorsement of the doctrine only from those states which had previously expressed their friendly attitude to the doctrine's purpose in other disguises.³¹ The United States had merely come up with another anti-Soviet policy without actually changing the alignment of any country.

²⁸U.S. Dept. of State, U.S. Policy in the Middle East, pp. 30-38.

²⁹For text of final resolution as signed into law, see Annex F.

³⁰The New York Times, 10 March 1957.

³¹Council on Foreign Relations, Documents on American Foreign Relations, 1957 (New York: Harper & Bros., 1958), pp. 211-218.

In Egypt, the Eisenhower Doctrine was received with coolness. At one time, supposedly, Egypt announced that Richards' mission would be welcome in Cairo, and the Foreign Ministry began preparations,³² but according to Washington officials, Egypt never issued an invitation to Richards to visit Cairo. The United States had requested an invitation, and Egyptian officials had said that it would be forthcoming. The invitation, however, never materialized, even after reminders by the State Department. In either case it would have made little difference, as Egypt would never have accepted the doctrine. As Nasser said: "We refused to accept the Eisenhower Doctrine, because to adopt that policy would have meant we would have to align our foreign policy to that of the United States."³³ Furthermore, the wording of Eisenhower's address to Congress and the tone of the entire speech led Nasser to believe that "any nation controlled by International Communism" meant Egypt. He further felt that the doctrine was aimed at isolating him from the other Arab States. The visit of King Saud to the United States in early 1957, and his subsequent support of the doctrine, did nothing to change Nasser's suspicions.³⁴

In Egypt, as well as in other Arab States, the Eisenhower Doctrine seemed to have no relevance to the current

³²Keith Wheelock, Nasser's New Egypt (New York: Frederick A. Praeger, 1960), p. 250.

³³Nasser's Speech, Alexandria, 26 July 1957 (The New York Times, 27 July 1957).

³⁴Cf. Campbell, op.cit., pp. 126-127.

situation. At a time when aggression had been committed against Egypt by two of the signatories of the Tripartite Declaration and while Israel was still occupying Egyptian territory, the United States was warning of the danger of aggression from the Soviet Union, a government which had offered to fight Egypt's attackers and was presently giving Egypt food and economic aid. As the Secretary-General of the Arab League, Hassouna, summed it up:

"We think it could have been a fine thing, but it is unfortunate that it seems directed only against the Soviet Union and only against aggression by Communists. Our people do not believe that they will be attacked by the Soviet Union because when we asked them for help they gave it to us. Our people do know that Israel has attacked us and they are convinced Israel will attack again. So it is only aggression from Israel that we fear. If President Eisenhower had said in his doctrine that the United States would oppose any aggression in the Middle East we would have accepted it."³⁵

RECONCILIATION

When the fighting in Suez stopped on 6 November 1956, American prestige was high. Although Nasser made only a fleeting remark of thanks to the United States (and Russia) for her assistance,³⁶ Egyptians recognized American help and were thankful. According to the Director of the American Friends of the Middle East, who was in Cairo at the time, they realized that it

³⁵Article by Jameson C. Campaign, Indianapolis Star, 29 April 1957.

³⁶Nasser's Speech, Al-Azhar Mosque, Cairo, 9 November 1956 (Egyptian Gazette, 10 November 1956).

had been the United States, and not Russia, who had truly stopped the tripartite aggression.³⁷

The Suez War created a serious internal problem for Egypt and her people. Port Said was short of water, electricity and manpower.³⁸ Egyptian, British and neutral observers estimated that there were at least 5,000 persons homeless in Port Said.³⁹ Outside the war areas of Port Said and Sinai, it was finally estimated that there was a total of 37,000 refugees who had fled the advancing armies.⁴⁰ Egypt needed food, clothing, blankets, medicine and kerosene in order to care for these people.

Egypt turned to America and requested 435,000 tons of wheat, plus medicine and kerosene. America had shipped to Egypt, under Public Law 480, approximately \$19 millions worth of wheat before the Suez Crisis.⁴¹ Now, under the pretext that Egypt had received her quota of P.L. 480 wheat, America flatly refused Egypt's request.⁴² Authorization for the 1956-57 CARE program for \$55 millions worth of food to feed some 4 million Egyptians was bogged down in official red tape.⁴³ American officials

³⁷E.H. Hutchison, Director of American Friends of the Middle East, Cairo, in a personal interview on 6 February 1962.

³⁸The New York Times, 13 November 1956.

³⁹Ibid., 21 November 1956.

⁴⁰Hutchison interview, 6 February 1962.

⁴¹Usually the payment for P.L. 480 food is in local currency, and part of it is turned back to the local government for developmental projects. This was not done in the case of Egypt in 1956.

⁴²The New York Times, 17 March 1957.

⁴³Wheelock, op.cit., p. 249.

further refused to recognize that there were refugees in Egypt, despite reports from the American Embassy and other independent agencies in Cairo.⁴⁴ While the United States was giving publicity and aid to Hungarian refugees, pleas for American assistance in helping the Egyptian refugees went unanswered.⁴⁵

Nasser then turned to the Soviet Union for food, medicine and kerosene. While the Soviet Union announced her own shortage of these items, she said that she would be willing to provide what she could. Within 15 days of Nasser's request, Russian ships started arriving with the needed supplies. Most of it was of an inferior grade and some of the wheat was unusable, but to the starving and homeless it made little difference.⁴⁶ America might have saved Egypt from foreign conquerors, but Russia had saved her from starvation and disease. In the eyes of the Egyptian, Russia was his savior, not America.

On the official diplomatic level, there was talk of possible reconciliation between Egypt and America.⁴⁷ There were, however, few indications that America had changed her basic attitude toward Nasser, nor was there any indication that Nasser had changed any of his anti-Western policies.

⁴⁴Hutchison interview, 6 February 1962.

⁴⁵Cable from Hutchison, AFME, Cairo to AMIDEAST, New York, 26 January 1957.

⁴⁶Hutchison interview, 6 February 1962; Cf. The New York Times, 18 November 1956.

⁴⁷The New York Times, 28 November & 11 December 1956.

At the time of the nationalization of the Canal, America had cut off all aid to Egypt and had taken other economic measures against her, which have been previously mentioned.⁴⁸ America maintained her freeze on Egyptian assets throughout 1957, although in November, \$10 millions were released to enable Egypt to pay her Embassy expenses and to meet other commitments made prior to the Suez dispute.⁴⁹ In general, the State Department continued its economic blockade of Egypt, waiting for "friendly actions" on the part of Nasser.⁵⁰ Great Britain and France gladly joined in the economic campaign against Nasser.⁵¹ Politically, America tried to isolate him from the other Arab countries. The visit of King Saud to the United States, the Eisenhower Doctrine, Vice-President Nixon's trip to the other North African Arab States, and the Richards mission all had the effect of driving a wedge between Egypt and the other Arab countries. By the summer of 1957, the Middle East was divided into pro-West and anti-West camps.

Nasser, meanwhile, continued his anti-Western campaign, along with his other activities in the Arab countries and Africa.

⁴⁸When Israel attacked Egypt in October 1956, and even during the period of November 1956 to March 1957 when America was trying to force Israel to withdraw from Sinai, America did not suspend aid to Israel but merely stated that she would not consider any new aid programs (Ibid., 3 November 1956). In June 1957, America was actively planning new economic aid to Israel but was still maintaining the freeze on such aid to Egypt (Ibid., 27 June 1957).

⁴⁹Ibid., 21 November 1957.

⁵⁰Ibid., 15 January 1957.

⁵¹Ibid., 2 June 1957.

This continued to cause consternation in the West and among other Arab leaders.⁵² By July, however, Nasser was showing signs of a desire to improve his relations with the West, and America was finally learning to judge Nasser by his deeds rather than by the violence of his oratory.⁵³

By September, Nasser was seriously seeking to improve American-Egyptian relations, indicating that he was afraid that he could become too dependent on the Soviet Bloc. America was cautious in responding to his overtures, but she did consider them to be sincere. State Department officials had been heartened by the fact that, despite association with the Soviets, Egypt had not joined the Soviet Bloc and, in fact, had set up a strong bulwark against internal Communism. The difficulty in effecting a rapprochement, however, lay in the fact that both sides had so hardened their positions that any concession by either side would appear to be a retreat in the face of the other.⁵⁴

In the winter of 1957, both sides began to ease their positions slightly. Nasser instructed all Egyptian agencies to present Egypt as a strictly neutral country, and in November, Radio Cairo practically ceased its anti-American campaign.⁵⁵ Dulles, at the same time, raised Egyptian hopes by remarking

⁵²Ibid., Sect. IV, 17 March, 4 May & 12 June 1957.

⁵³Ibid., 27 July 1957.

⁵⁴Ibid., 7 September 1957.

⁵⁵Ibid., 10 October & 26 November 1957.

to the Egyptian Ambassador that he would be happy to see a basis for an improvement in United States relations with Egypt.⁵⁶ In November, America quietly released a part of the frozen Egyptian assets, and gave \$600,000 to recommence the joint-fund project of the suspended American-Egyptian Rural Improvement Service.⁵⁷ On 9 December, Secretary Dulles met with Dr. Mahmoud Fawzi, and, at the end of their conference, they announced that they had discussed questions of mutual concern and that the discussion had proved to be "mutually useful".⁵⁸

All signs pointed to improved relations between Egypt and the United States. America, however, was still unhappy about Nasser's rather active anti-West and pro-Soviet policies. His additional loans from Russia and his allegations of Western (mostly British) plots against him,⁵⁹ caused America to hesitate in effecting an outright reconciliation with Egypt.

Despite the hesitation of the United States and the continued suspicion of the West by Nasser, United States-Egyptian relations began to improve, but it would be April 1958 before a full reconciliation was finally achieved. State Department officials had come to realize that "neutralism" - even Nasser's type - did not mean that the neutral country was necessarily in the camp of Russia.

⁵⁶Ibid., 12 October 1957.

⁵⁷Ibid., 21 November 1957.

⁵⁸Ibid., 10 December 1957.

⁵⁹Ibid., 24 December 1957.

American-Egyptian relations were entering an entirely new phase. The difficult, almost hostile relations of 1956 and 1957 were past. The cordial relationship of 1954-55, however, was not to be attained again. America would resume economic aid, mostly in food and agricultural assistance. She would not effect hardship on Egypt's people, but, at the same time, she would do nothing to promote Nasser's ambitions. The United States had come to respect Nasser, even though she did not like everything about him. Her policy now became one of amicable tolerance toward Nasser and his "positive" neutrality.

Furthermore, a new factor was injected into American-Egyptian relations by the union of Egypt and Syria on 1 February 1958. Although American reeling toward Nasser's leadership was not overly affected by the union, the United States now had to deal with Egypt and Syria in the form of the United Arab Republic.

C H A P T E R V

CONCLUSIONS

It has been seen that United States policy toward Egypt from 1955 to 1958 went through several stages. At the beginning of 1955, American-Egyptian relations were extremely cordial, but following Nasser's profession of "positive" neutrality and the Czech arms deal, America began to entertain some doubts about Nasser's regime. Nevertheless, she took no adverse action toward Egypt. From the winter of 1955 to July 1956, American-Egyptian relations steadily deteriorated until they reached rock-bottom, as expressed in the withdrawal of the Aswan Dam loan. This was the turning point in American-Egyptian relations. From the nationalization of the Suez Canal, through the Suez War and into the autumn of 1957, the relations of the two countries remained at this correct, but minimum level. The winter of 1957 brought the first real signs of a thaw. The beginning of the year 1958 found the two nations approaching an amicable, yet cautious adjustment.

American policy was limited by her support of Israel and her NATO allies, Great Britain and France. Furthermore, in acquiring a role in the Middle East, the United States inherited the legacy of European "Imperialism" with all its inherent complications. In dealing with Egypt, America

suffered another limitation - her inability to compete with Russia. Granting that in specific cases America could have used a more liberal approach, she was still hindered by legislative limitations, and, in most cases, by the need for the support of Congress and the American public. Nasser's anti-Western activities made it difficult to obtain this required backing. Russia, on the other hand, had no Congress or populace to answer to for her actions, and therefore could be guided strictly by expediency. Also, Russia, unlike America and her allies, had no vested interests in the Middle East, which she was required to protect. This allowed her to follow any course of action she deemed feasible as she could lose nothing and might gain everything.

The proposal of a "northern tier" alliance and the subsequent formation of the Baghdad Pact showed that, in dealing with the Arab States, American policy-makers ignored, or at least tended to under-rate Arab Nationalism. The constant hammering insistence for an Arab-West military pact completely violated this Nationalism. America failed to realize that, while she might have been dealing with only one Arab government, the results of any action would be felt throughout the entire Arab World.

The threat of the Soviet Union and International Communism had become so great in the minds of American officials that all other issues paled into insignificance. The security of the "free world" had become uppermost in the minds of

policy-makers and found expression in the grand alliances and military pacts of the Western Allies. Especially after the Korean War had started, military pacts became the ultimate means to the end of halting Russian advances. Opposition to the Soviet Union, however, was neither a sufficient guide nor a basis for a coherent foreign policy, especially in the Middle East, where Zionism and not Communism was the enemy.

It appears that America's reason for not supplying arms to Egypt in 1955 was the fear of developing an arms race in the Middle East and increasing the already existing border incidents between Egypt and Israel. If Egypt had accepted American conditions for the arms purchase, in all likelihood, the request would have been granted. Without conditions, America did not dare sell the arms because of her firm belief that the sale would only worsen Arab-Israeli relations. Zionist pressure on Washington officials probably played a part, but the desire to keep peace in the area seems to have been the prevailing factor. This same factor caused America to refuse arms to Israel. America, rightly or wrongly, felt that the best guarantee for peace, security and a solution to the problems in the area lay within the framework of the United Nations.

America's failure to supply arms merely speeded the process of Egypt's developing closer ties with Russia. Regardless of the course followed by America, Egypt would have increased her Commercial ties with the Soviet Bloc countries.

Egypt, with a single money crop - cotton - could never have progressed economically without markets, and these were not available in the West. If Egypt was to progress at the ambitious rate desired by Nasser, she also would have required economic aid in amounts that the West was not likely to provide. The policy of "positive" neutrality was the natural outgrowth of this need, although there were other reasons for it. Nasser's concept of "positive" neutrality was to balance the two great power blocs against each other, and to encourage rivalry between them in support of Egypt's development.

Nasser's concept seemed valid, and initial indications were that it would work. He, however, over-played his hand by undertaking an anti-Western campaign. While Nasser was probably more truly neutral than most observers were willing to admit at the time (at least in his desire for independence of action), he was not content to concentrate his energies on the enormous task of Egypt's internal development. Instead he diverted his attention to the turbulent affairs beyond his borders, and he consciously went about intensifying that turbulence. While he played the game of international politics with some notable successes, in the long run he alienated the West and thereby destroyed the hoped-for rivalry of economic competition between East and West. His apparent anti-West and pro-Soviet policy caused Dulles to withdraw the Aswan loan. While Dulles may have given Nasser and Egypt an unnecessary rebuff, in the final analysis it was Nasser's actions which

caused the postponement of the Dam project for at least two years, and the loss of all American economic aid for over a year. These results Nasser could blame on no one but himself.

In light of Nasser's violent anti-West campaign and his commitment of the Egyptian economy to Soviet arms and other aid, America felt justified in withdrawing the Aswan Dam loan. But, in her manner of withdrawal, she completely ignored the sensitivity of "Arabism". Moreover, the affront of the withdrawal was such that any Egyptian leader, whether Nasser or anyone else, would have had to act in a similar manner to preserve national honor. It is because of this degrading refusal that the United States must accept a large measure of responsibility for precipitating the nationalization of the Suez Canal.

At the same time, America was possibly indirectly responsible for the Suez War. Mr. Dulles' many statements (which were not always clearly understood) seemed to be a definite pronouncement of American foreign policy. Dulles hedged on the possibility of a final resort to force to solve the Suez dispute, probably to apply pressure on Egypt to effect a compromise. This did not have the desired result in Cairo, but may have convinced British, French and Israeli leaders that the United States would not strongly oppose military action.

After the Suez War, American prestige became high in Egypt. The possibilities for a rapprochement definitely existed. America might have taken advantage of it except for the fact that Nasser showed no signs of changing his previous

policies, and the fact that a true reconciliation was not really possible without widening the already existing breach between America and Britain and France. America had no reason to choose an antagonistic Nasser over her traditional allies. The one completely unjustifiable move, however, on the part of America was her refusal to send food and medicine to help the people of Egypt. This action gave the impression that the United States was using food as a weapon for political reprisal and political discipline. It was a poor decision on the part of America and gave Russia an undeserved propaganda victory.

The Eisenhower Doctrine was designed strictly as an anti-Soviet defense. America never claimed it to be more than this. While America recognized the other problems in the Middle East and stated that these were being handled in the United Nations, the Eisenhower Doctrine showed a curious lack of timing and lack of relevant Middle East content, coming as it did immediately after the Suez War and while Israel was still controlling parts of Sinai. The Doctrine is completely unexplainable except in the light of what has been stated concerning America's overwhelming pre-occupation with the threat presented by the Soviet Union and "any nation controlled by International Communism", and the fact that the Doctrine had a secondary domestic purpose of attempting to gain support for greater Executive flexibility in administering aid programs. To think of the Doctrine in terms other than these would be a mistake.

Other than the manner of the Aswan loan refusal and the failure to send food and medicine to Egypt, it must be conceded that American actions (although influenced at times by the desire to preserve Israel) were undertaken in good faith and in the sincere belief of what the policy-makers considered to be best for American national interests and the general interests of the Middle East area, at least to the best of their knowledge and understanding.

In the final analysis, American-Egyptian difficulties were due to the fact that, although both countries used the same words and ideas, neither one truly comprehended the meaning, purpose, or goals of the other. Each failed to properly assess the similarity of vital interests, and to allow for the complications of the other's political situation.

ANNEX "A"

TRIPARTITE (BRITAIN, FRANCE AND THE UNITED STATES)
DECLARATION ON SECURITY IN THE ARAB-ISRAEL ZONE
25 MAY 1950

The Governments of the United Kingdom, France, and the United States, having had occasion during the recent Foreign Ministers meeting in London to review certain questions affecting the peace and stability of the Arab states and of Israel, and particularly that of the supply of arms and war material to these states, have resolved to make the following statements:

1. The three Governments recognize that the Arab states and Israel all need to maintain a certain level of armed forces for the purposes of assuring their internal security and their legitimate self-defense and to permit them to play their part in the defense of the area as a whole. All applications for arms or war material for these countries will be considered in the light of these principles. In this connection the three Governments wish to recall and reaffirm the terms of the statements made by their representatives on the Security Council on August 4, 1949, in which they declared their opposition to the development of an arms race between the Arab states and Israel.

2. The three Governments declare that assurances have been received from all the states in question, to which they permit arms to be supplied from their countries, that the purchasing state does not intend to undertake any act of

aggression against any other state. Similar assurances will be requested from any other state in the area to which they permit arms to be supplied in the future.

3. The three Governments take this opportunity of declaring their deep interest in and their desire to promote the establishment and maintenance of peace and stability in the area and their unalterable opposition to the use of force or threat of force between any of the states in that area. The three Governments, should they find that any of these states was preparing to violate frontiers or armistice lines, would, consistently with their obligations as members of the United Nations, immediately take action, both within and outside the United Nations, to prevent such violation.

ANNEX "B"

PACT (BAGHDAD) OF MUTUAL COOPERATION:
TURKEY AND IRAQ
24 FEBRUARY 1955

Whereas the friendly and brotherly relations existing between Iraq and Turkey are in constant progress, and in order to complement the contents of the Treaty of Friendship and Good Neighbourhood concluded between His Majesty the King of Iraq and his Excellency the President of the Turkish Republic signed in Ankara on March 29, 1946, which recognized the fact that peace and security between the two countries is an integral part of the peace and security of all the nations of the world and in particular the nations of the Middle East, and that it is the basis for their foreign policies;

Whereas Article 11 of the Treaty of Joint Defence and Economic Cooperation between the Arab League States provides that no provision of that treaty shall in any way affect, or is designed to affect, any of the rights and obligations accruing to the Contracting Parties from the United Nations Charter;

And having realised the great responsibilities borne by them in their capacity as members of the United Nations concerned with the maintenance of peace and security in the Middle East region which necessitate taking the required measures in accordance with article 51 of the United Nations Charter;

They have been fully convinced of the necessity of concluding a pact fulfilling these aims...

Art. 1 Consistent with article 51 of the United Nations Charter the High Contracting Parties will cooperate for their security and defence. Such measures as they agree to take to give effect to this cooperation may form the subject of special agreements with each other.

Art. 2. In order to ensure the realisation and effect application of the cooperation provided for in article 1 above, the competent authorities of the High Contracting Parties will determine the measures to be taken as soon as the present pact enters into force. These measures will become operative as soon as they have been approved by the Governments of the High Contracting Parties.

Art. 3. The High Contracting Parties undertake to refrain from any interference whatsoever in each other's internal affairs. They will settle any dispute between themselves in a peaceful way in accordance with the United Nations Charter.

Art. 4. The High Contracting Parties declare that the dispositions of the present pact are not in contradiction with any of the international obligations contracted by either of them with any third State or States. They do not derogate from and cannot be interpreted as derogating from, the said international obligations. The High Contracting Parties undertake not to enter into any international

obligation incompatible with the present pact.

Art. 5. This pact shall be open for accession to any member of the Arab League or any other State actively concerned with the security and peace in this region and which is fully recognized by both of the High Contracting Parties. Accession shall come into force from the date on which the instrument of accession of the State concerned is deposited with the Ministry for Foreign Affairs of Iraq.

Any acceding State party to the present pact may conclude special agreements, in accordance with article 1, with one or more States parties to the present pact. The competent authority of any acceding State may determine measures in accordance with article 2. These measures will become operative as soon as they have been approved by the Governments of the parties concerned.

Art. 6. A Permanent Council at ministerial level will be set up to function within the framework of the purposes of this pact when at least four Powers become parties to the pact.

The Council will draw up its own rules of procedure.

Art. 7. This pact remains in force for a period of five years renewable for other five-year periods. Any Contracting Party may withdraw from the pact by notifying the other parties in writing of its desire to do so six months before the expiration of any of the above-mentioned periods, in which case the pact remains valid for the other parties.

Art. 8. This pact shall be ratified by the contracting parties and ratifications shall be exchanged at Ankara as soon as possible. Thereafter it shall come into force from the date of the exchange of ratifications.

In witness whereof, the said plenipotentiaries have signed the present pact in Arabic, Turkish and English, all three texts being equally authentic except in the case of doubt when the English text shall prevail.

ANNEX "C"

U.S. DEPARTMENT OF STATE NOTE TO THE GOVERNMENT OF EGYPT
WITHDRAWING U.S. ASSISTANCE FOR THE ASWAN HIGH DAM,
WASHINGTON, 19 JULY 1956.

At the request of the Government of Egypt, the United States joined in December, 1955, with the United Kingdom and with the World Bank in an offer to assist Egypt in the construction of the High Dam on the Nile at Aswan. This project is one of great magnitude. It would require an estimated twelve to sixteen years to complete, at a total cost estimated at some 1.3 billion dollars, of which over 900 million represent local currency requirements. It involves not merely the rights and interests of Egypt, but of other states whose waters are contributory, including the Sudan, Ethiopia, and Uganda. The December offer contemplated an extension by the United States and the United Kingdom of grant aid to help finance certain early phases of the work, the effects of which would be confined solely to Egypt, and with the understanding that accomplishment of the project as a whole would require a satisfactory resolution of the question of Nile water rights. Another important consideration bearing upon the feasibility of the undertaking and thus the practicability of American aid was Egyptian willingness and ability to concentrate its economic resources upon the vast reconstruction program.

Developments within the succeeding seven months have not been favorable to the success of the project, and the

United States Government has concluded that it is not feasible in present circumstances to participate in the project. Agreement by the riparian states has not been achieved, and the ability of Egypt to devote adequate resources to assure the project's success has become more uncertain than at the time the offer was made.

This decision in no way reflects or involves any alteration in the friendly relations of the Government and people of the United States and the Government and people of Egypt. The United States remains deeply interested in the welfare of the Egyptian people and in the development of the Nile. It is prepared to consider at an appropriate time, and at the request of the riparian states, what steps might be taken toward a more effective utilization of the water resources of the Nile for the benefit of the peoples of the region. Furthermore, the United States remains ready to assist Egypt in its efforts to improve the economic condition of its people and is prepared, through its appropriate agencies, to discuss these matters within the context of funds appropriated by Congress.

ANNEX "D"

DECREE OF THE PRESIDENT OF THE REPUBLIC OF EGYPT (NASSER)
ON THE NATIONALIZATION OF THE SUEZ CANAL COMPANY,
CAIRO, 26 JULY 1956.

President of the Republic Order Concerning the issuance of Law No 285 of 1956 on the Nationalization of the Universal Company of the Suez Maritime Canal.

In the Name of the Nation

The President of the Republic,

Considering the two firmans issued on November 30, 1854 and January 5, 1856 (respectively) concerning the preferential rights relating to the administration of the Suez Canal Transit Service and the establishment of an Egyptian jointstock company to operate it;

and Law No. 129 of 1947 concerning public utility concessions;

and Law No. 317 of 1952 concerning individual labour contracts;

and Law No. 26 of 1954 concerning jointstock companies, limited partnerships by shares and limited liability companies;

with the advice of the State Council;

has issued the following law;

ARTICLE I

The Universal Company of the Suez Maritime Canal (Egyptian jointstock company) is hereby nationalized. All

its assets, rights and obligations are transferred to the Nation and all the organizations and committees that now operate its management are hereby dissolved.

Stockholders and holders of founders shares shall be compensated for the ordinary or founders shares they own in accordance with the value of the shares shown in the closing quotations of the Paris Stock Exchange on the day preceding the effective date of the present law.

The payment of said indemnity shall be effected after the Nation has taken delivery of all the assets and properties of the nationalized company.

ARTICLE II

An independent organization endowed with juristic personality and annexed to the Ministry of Commerce, shall take over the management of the Suez Canal Transit Service. The composition of the organization and the remuneration of its members shall be fixed in an order of the President of the Republic. In so far as managing the Transit Service is concerned the organization shall have all the necessary powers required for the purpose without being restricted by Government regulations and procedures.

Without prejudice to the auditing of its final accounts by the State Audit Department, the organization shall have an independent budget prepared in accordance with the rules in force for commercial concerns. Its financial year shall begin on July 1 and end on June 30 each year. The budget and final

accounts shall be approved by an order of the President of the Republic. The first financial year shall begin on the effective date of the present law and end with June 30, 1957.

The organization may delegate one or several of its members to implement its decisions or to discharge any duty assigned to these members.

It may also set up from among its own members or from among other people, a technical committee to assist it in its own research work and studies.

The chairman of the organization shall represent it before the courts, government agencies, and other places, and in its dealings with third parties.

ARTICLE III

The assets and rights of the nationalized company in the Republic of Egypt and abroad, are hereby frozen. Without specific permission obtained in advance from the organization provided for in Article II above, banks, organizations and private persons are hereby prohibited from disposing of those assets or making any payment requested them or due by them.

ARTICLE IV

The organization shall retain all the present officials, employees and laborers of the nationalized company at their posts; they shall have to continue with the discharge of their duties; no one will be allowed to leave his work or vacate his post in any manner and for any reason whatsoever except with

the permission of the organization provided for in Article II above.

ARTICLE V

All violations of the provisions of Article III above shall be punished by imprisonment and a fine equal to three times the value of the amount involved in the offense. All violations of the provisions of Article IV shall be punished by imprisonment in addition to the forfeiture by the offender of all rights to compensation, pension or indemnity.

ARTICLE VI

The present order shall be published in the Official Gazette and shall have the force of law. It shall come into force on the date of its publication. The Minister of Commerce shall issue the necessary administrative orders for its implementation.

It shall bear the Seal of the State and be implemented as one of the State laws.

Given this 18th day of Zull Heggah, 1375 A.H. (July 26, 1956)

GAMAL ABDEL NASSER

ANNEX "E"

CONVENTION (CONSTANTINOPLE) ON THE FREE NAVIGATION
OF THE SUEZ CANAL: THE EUROPEAN POWERS AND
THE OTTOMAN EMPIRE, 29 OCTOBER 1888.

ARTICLE I

The Suez Maritime Canal shall always be free and open, in time of war as in time of peace, to every vessel of commerce or of war, without distinction of flag.

Consequently, the High Contracting Parties agree not in any way to interfere with the free use of the Canal, in time of war as in time of peace.

The Canal shall never be subjected to the exercise of the right of blockade.

ARTICLE II

The High Contracting Parties, recognising that the Fresh Water Canal is indispensable to the Maritime Canal, take note of the engagements of His Highness the Khedive towards the Universal Suez Canal Company as regards the Fresh Water Canal; which engagements are stipulated in a Convention bearing the date of 18th March, 1863, containing an expose and four Articles.

They undertake not to interfere in any way with the security of that Canal and its branches, the working of which shall not be exposed to any attempt at obstruction.

ARTICLE III

The High Contracting Parties likewise undertake to

respect the plant, establishments, buildings, and works of the Maritime Canal and of the Fresh Water Canal.

ARTICLE IV

The Maritime Canal remaining open in time of war as a free passage, even to ships of war of belligerents, according to the terms of Article I of the present Treaty, the High Contracting Parties agree that no right of war, no act of hostility, nor any act having for its object to obstruct the free navigation of the Canal, shall be committed in the Canal and its ports of access, as well as within a radius of three marine miles from those ports, even though the Ottoman Empire should be one of the belligerent Powers.

Vessels of war of belligerents shall not revictual or take in stores in the Canal and its ports of access, except in so far as may be strictly necessary. The transit of the aforesaid vessels through the Canal shall be effected with the least possible delay, in accordance with the Regulations in force, and without any other intermission than that resulting from the necessities of the service.

Their stay at Port Said and in the roadstead of Suez shall not exceed twenty-four hours, except in case of distress. In such case they shall be bound to leave as soon as possible. An interval of twenty-four hours shall always elapse between the sailing of a belligerent ship from one of the ports of access and the departure of a ship belonging to the hostile Power.

ARTICLE V

In time of war belligerent Powers shall not disembark nor embark within the Canal and its ports of access either troops, munitions, or materials of war. But in case of an accidental hinderance in the Canal, men may be embarked or disembarked at the ports of access by detachments not exceeding 1,000 men, with a corresponding amount of war material.

ARTICLE VI

Prizes shall be subjected, in all respects, to the same rules as the vessels of war of belligerents.

ARTICLE VII

The Powers shall not keep any vessel of war in the waters of the Canal (including Lake Timsah and the Bitter Lakes).

Nevertheless, they may station vessels of war in the ports of access of Port Said and Suez, the number of which shall not exceed two for each Power.

This right shall not be exercised by belligerents.

ARTICLE VIII

The Agents in Egypt of the Signatory Powers of the present Treaty shall be charged to watch over its execution. In case of any event threatening the security or the free passage of the Canal, they shall meet on the summons of

three of their number under the presidency of their Doyen, in order to proceed to the necessary verifications. They shall inform the Khedival Government of the danger which they may have perceived, in order that that Government may take proper steps to insure the protection and the free use of the Canal. Under any circumstances, they shall meet once a year to take note of the due execution of the Treaty.

The last-mentioned meetings shall take place under the presidency of a Special Commissioner nominated for that purpose by the Imperial Ottoman Government. A Commissioner of the Khedive may also take part in the meeting, and may preside over it in case of the absence of the Ottoman Commissioner.

They shall especially demand the suppression of any work or the dispersion of any assemblage on either bank of the Canal, the object or effect of which might be to interfere with the liberty and the entire security of the navigation.

ARTICLE IX

The Egyptian Government shall, within the limits of its powers resulting from the Firmans, and under the conditions provided for in the present Treaty, take the necessary measures for insuring the execution of the said Treaty.

In case the Egyptian Government shall not have sufficient means at its disposal, it shall call upon the Imperial Ottoman Government, which shall take the necessary

measures to respond to such appeal; shall give notice thereof to the Signatory Powers of the Declaration of London of the 17th March, 1885; and shall, if necessary, concert with them on the subject.

The provisions of Article IV, V, VII, and VIII shall not interfere with the measures which shall be taken in virtue of the present Article.

ARTICLE X

Similarly, the provisions of Articles IV, V, VII, and VIII shall not interfere with the measures which His Majesty the Sultan and His Highness the Khedive, in the name of His Imperial Majesty, and within the limits of the Firmans granted, might find it necessary to take for securing by their own forces the defence of Egypt and the maintenance of public order.

In case His Imperial Majesty the Sultan, or His Highness the Khedive, should find it necessary to avail themselves of the exceptions for which this Article provides, the Signatory Powers of the Declaration of London shall be notified thereof by the Imperial Ottoman Government.

It is likewise understood that the provisions of the four Articles aforesaid shall in no case occasion any obstacle to the measures which the Imperial Ottoman Government may think it necessary to take in order to insure by its own forces the defence of its other possessions situated on the eastern coast of the Red Sea.

ARTICLE XI

The measures which shall be taken in the cases provided for by Articles IX and X of the present Treaty shall not interfere with the free use of the Canal. In the same cases, the erection of permanent fortifications contrary to the provisions of Article VIII is prohibited.

ARTICLE XII

The High Contracting Parties, by application of the principle of equality as regards the free use of the Canal, a principle which forms one of the bases of the present Treaty, agree that none of them shall endeavour to obtain with respect to the Canal territorial or commercial advantages or privileges in any international arrangements which may be concluded. Moreover, the rights of Turkey as the territorial Power are reserved.

ARTICLE XIII

With the exception of the obligations expressly provided by the clauses of the present Treaty, the sovereign rights of His Imperial Majesty the Sultan and the rights and immunities of His Highness the Khedive, resulting from the Firmans, are in no way affected.

ARTICLE XIV

The High Contracting Parties agree that the engagements resulting from the present Treaty shall not be limited

by the duration of the Acts of Concession of the Universal Suez Canal Company.

ARTICLE XV

The stipulations of the present Treaty shall not interfere with the sanitary measures in force in Egypt.

ARTICLE XVI

The High Contracting Parties undertake to bring the present Treaty to the knowledge of the States which have not signed it, inviting them to accede to it.

ARTICLE XVII

The present Treaty shall be ratified, and the ratifications shall be exchanged at Constantinople, within the space of one month, or sooner, if possible.

In faith of which the respective Plenipotentiaries have signed the present Treaty, and have affixed to it the seal of their arms.

Done at Constantinople, the 29th day
of the month of October, in the year
1888.

ANNEX "F"

JOINT (CONGRESSIONAL) RESOLUTION TO PROMOTE
PEACE AND STABILITY IN THE MIDDLE EAST,
APPROVED BY THE PRESIDENT MARCH 9, 1957.

Resolved by the Senate and House of Representatives
of the United States of America in Congress assembled,

That the President be and hereby is authorized to
cooperate with and assist any nation or group of nations in
the general area of the Middle East desiring such assistance
in the development of economic strength dedicated to the
maintenance of national independence.

Sec. 2. The President is authorized to undertake,
in the general area of the Middle East, military assistance
programs with any nation or group of nations of that area
desiring such assistance. Furthermore, the United States
regards as vital to the national interest and world peace
the preservation of the independence and integrity of the
nations of the Middle East. To this end, if the President
determines the necessity thereof, the United States is pre-
pared to use armed forces to assist any such nation or group
of such nations requesting assistance against armed aggres-
sion from any country controlled by international communism:
Provided, That such employment shall be consonant with the
treaty obligations of the United States and with the Constit-
ution of the United States.

Sec. 3. The President is hereby authorized to use
during the balance of fiscal year 1957 for economic and

military assistance under this joint resolution not to exceed \$200,000,000 from any appropriation now available for carrying out the provisions of the Mutual Security Act of 1954, as amended, in accord with the provisions of such Act: Provided; That, whenever the President determines it to be important to the security of the United States, such use may be under the authority of section 401 (a) of the Mutual Security Act of 1954, as amended (except that the provisions of section 105 (a) thereof shall not be waived), and without regard to the provisions of section 105 of the Mutual Security Appropriation Act, 1957: Provided further, That obligations incurred in carrying out the purposes of the first sentence of section 2 of this joint resolution shall be paid only out of appropriations for military assistance, and obligations incurred in carrying out the purposes of the first section of this joint resolution shall be paid only of appropriations other than those for military assistance. This authorization is in addition to other existing authorizations with respect to the use of such appropriations. None of the additional authorization contained in this section shall be used until fifteen days after the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, the Committees on Appropriations of the Senate and the House of Representatives and, when military assistance is involved, the Committees on Armed Services of the Senate and the House of Representatives have been furnished a report showing the object

of the proposed use, the country for the benefit of which such use is intended, and the particular appropriation or appropriations for carrying out the provisions of the Mutual Security Act of 1954, as amended, from which the funds are proposed to be derived: Provided, That funds available under this section during the balance of fiscal year 1957 shall, in the case of any such report submitted during the last fifteen days of the fiscal year, remain available for use under this section for the purposes stated in such report for a period of twenty days following the date of submission of such report. Nothing contained in this joint resolution shall be construed as itself authorizing the appropriation of additional funds for the purpose of carrying out the provisions of the first section or of the first sentence of section 2 of this joint resolution.

Sec. 4. The President should continue to furnish facilities and military assistance, within the provisions of applicable law and established policies, to the United Nations Emergency Force in the Middle East, with a view to maintaining the truce in that region.

Sec. 5. The President shall within the months of January and July of each year report to the Congress his action here-under.

Sec. 6. This joint resolution shall expire when the President shall determine that the peace and security of the nations in the general area of the Middle East are

reasonably assured by international conditions created by action of the United Nations or otherwise except that it may be terminated earlier by a concurrent resolution of the two Houses of Congress.

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