

THE POLICIES OF JOHN FOSTER DULLES RELATIVE TO  
THE SUEZ CRISIS OF 1956

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THE SUEZ CRISIS OF 1956

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## PREFACE

A review of studies concerned with the Suez Crisis of 1956, revealed that writers had not considered the problem solely in reference to the national interest of the United States. It was believed that by using national objectives, goals, and interest as central referents, it would be possible to assess the effectiveness of United States' policies.

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## CHAPTER I

### INTRODUCTION

John Foster Dulles was one of the most controversial men to hold the office of Secretary of State. Much of the controversy in which he was involved was caused by the policies he followed during the Suez Crisis of 1956. Anthony Eden, Prime Minister of Great Britain during the period, expressed his opinion of Dulles' actions as betrayal by an ally of some 80 years standing: "The United States officials refused to cooperate at any level....The attitude was...that the President had been slighted because its allies acted without permission. The allies must pay for it, and pay they did."<sup>1</sup> Herman Finer, of the University of Chicago, received assistance from the Ford Foundation, the Carnegie Endowment for International Peace and the American Council of Learned Societies<sup>2</sup> to investigate the policy of Secretary Dulles during the Canal Crisis. After 512 pages of exhaustive study this author concluded that Dulles was a coward: "The full price has not yet been paid for Dulles' deficiency of nerve in not standing fast at the Suez Brink created by Nasser....faced with reality in Suez and Sinai, his action was stultified by a want of courage."<sup>3</sup>

It is not the purpose of this study to defend Mr. Dulles, even though

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<sup>1</sup>Anthony Eden, Full Circle, (Boston, 1960), p. 634.

<sup>2</sup>Herman Finer, Dulles Over Suez, (Chicago, 1964), p. XI.

<sup>3</sup>Ibid., p. 512.

he may have been unjustly criticized. Instead, the purpose here is to establish an understanding of the goals and objectives of the United States as they related to the Middle East. An attempt also will be made to analyze the policies followed by Mr. Dulles during the Suez Crisis of 1956 to determine whether they fulfilled higher goals and objectives. It is hoped that a realistic evaluation of his policies during this period can be constructed.

In viewing the conduct of foreign affairs it seems that national values, aspirations, or goals must be arranged in some hierarchy of desirability. It further appears that in the interest of developing an effective and orderly general policy, those values lower on the scale of desirability must complement the higher ones. For example, if peace is valued more highly than the acquisition of territory, additional territory must be acquired peacefully. The policy formulated to acquire the territory can then be said to have successfully contributed to the higher goal of peace.

For the purpose of this study a variation of a hierarchy presented by Charles O. Lerche, Jr. will be used.<sup>4</sup> It also will serve to standardize terminology.

Goals - Relatively long-ranged and fixed aspirations which interact to produce a formula of national interest.

Objectives - A formulation of goals applied to middle-range and evolving conditions.

Policies - The application of objectives analyzed in terms of

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<sup>4</sup>Charles O. Lerche, Jr., Foreign Policy of the American People, (Englewood Cliffs, N. J., 1958), p. 6.

short range and immediate conditions.

Actions - The application of policy.

With these definitions it can be reasoned that actions are taken to implement policy; policies are the sum of the actions taken to attain objectives and goals. Objectives and goals are set to attain that which is considered to be best for a nation or to best serve its national interest. It is realized that the relationship among values changes as conditions change. For example, Great Britain's goal of peace finally came to have lower value than the prospect of Hitler becoming the master of Europe. However, some stability does exist at the higher levels of aspiration. Peace, again as an example, can be an enduring goal.

In theory it should be possible to measure the success of policies by whether or not they compliment the higher, more stable objectives and goals. For the purpose of this study it will not be necessary to make a final delineation between objectives and goals and between goals and national interest, if in fact it were possible to do so. All, by definition, are of a higher order than policy, and policy should be conceived and conducted within the parameters set by them. Based upon available evidence, it can be assumed that the criteria which the policies of Mr. Dulles had to meet in relation to the Suez Crisis were peace and justice. In the State of the Union Message which President Eisenhower read to Congress on January 5, 1956, peace and justice were stressed: "Our world policy and our actions are dedicated to the achievement of peace with justice for all nations."<sup>5</sup> Peace with justice, then, would appear to be

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<sup>5</sup>U. S. Department of State, American Foreign Policy: Current Documents, 1956, (Washington: U. S. Government Printing Office, 1959), p. 1.

a goal of the Eisenhower Administration, and unless conditions warranted changing this goal all policies would have to defer it.

A second factor which apparently circumscribed policy was the containment of the Communist Power bloc. Shortly after the defeat of Hitler the Soviet Union came to be regarded as the major threat to the peace and well-being of the United States. The Democratic Administration under President Truman had created NATO in order to contain the further spread of Communist power. The Republican Administration sought to extend the ring of containment. In his 1956 State of the Union Address, the President acknowledged this goal by stating: "In the face of Communist military power, we must of course, continue to maintain an effective system of collective security."<sup>6</sup> He then went on to note the gains made in extending the seal around the Bloc Nations. Containment, then, could be considered a national goal or objective. These two factors, peace with justice, and containment, appear to have formed the framework within which any particular policy or action must evolve.

The specific actions that Secretary Dulles took in regard to the Suez Crisis were influenced by a third primary factor -- Arab Nationalism. For approximately 80 years French and British influence had dominated the Middle East. However, by 1956 their power in the area had been slowly eroded by an ever increasing expression of Arab Nationalism. Nasser, President of Egypt, personified Arab Nationalism in many of its manifestations. He was able to unify Arabs around the theme of anti-Israelism and anti-Colonialism. By pointing out the predominantly Western backing of the State of Israel he was able to command much Arab

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<sup>6</sup>Ibid., p. 2.



support for an anti-Western policy. Nationalism was a force to be reckoned with. Could it contain Communism as well as exclude Western domination? It appears that Dulles believed it could perform this vital function, for in early 1958 he said: "It the United States Foreign Policy had unquestionably contributed to the steadfastness with which they and other states of the Near East resisted the campaign of intimidation and disruption conducted by the Soviet Union and it's agents."<sup>7</sup>

Another factor or dilemma which restricted choice of policy centered around the nationalization of the Suez Canal Company in 1956. Many nations felt this to be a violation of an international agreement which was to run until 1968. More important, the British and French felt that the passage of ships through the Canal would be subject to the will of a single unfriendly man -- Gamal Abdel Nasser. The economies of these countries, as well as the economies of other Western European countries, were almost entirely dependent upon Middle Eastern oil. By controlling the Canal, Nasser, to a large extent, controlled the supply of European oil which was shipped via Suez. Great Britain and France felt that such a condition was an unacceptable threat to their well-being, and even survival as nations. The United States, by contrast, did not face an immediate threat. The Canal and oil were not vital to our short range interests. How could Dulles protect the interests of these bulwarks of NATO and containment without confronting Arab Nationalism with armed force? What was justice in this dispute?

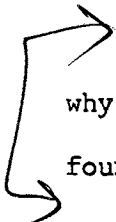
Israel presented a similar dilemma. The Arab nations considered

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<sup>7</sup> John Foster Dulles to Dwight D. Eisenhower, February 3, 1958, Eisenhower Papers, OF 116LL, Eisenhower Library.

the creation of Israel to be a threat to their well-being, an infringement upon their territory, and an insult to their stature. Yet Israel was a fact. The British, French and the United States were predominant in its creation and had little choice other than to support its existence. The Soviet Union took advantage of the anti-Western feeling which these conditions nourished and gave nearly unqualified support to Nasser. Arms which the Communist Bloc furnished in 1955 lessened Nasser's dependence on the West.

These interwoven factors are evidence that the problems Dulles faced in the Middle East were extremely complicated. The actions he took to resolve the problems brought much adverse criticism, probably with justification. However, it appears that because of the complexity of the situation derogatory criticism was a predictable result and not necessarily an indication of failure so far as United States interests were concerned.



In pursuing the purpose of this study i.e., attempting to determine why Dulles chose the actions that were taken and the purpose they served, four assumptions are made:

1. The primary goal of the United States during the Suez Crisis period was the maintenance of regional peace and stability.
2. Containment of Communism or the exclusion of Communism from the Middle East was felt to be a corollary objective to the United States' goal of maintaining regional peace and stability.
3. The improvement of relations with the Arab states so as to protect American political and economic interests in the Middle East was an objective of American foreign policy.
4. It was concluded that Nasser was essential to the fulfillment

of the United States' goal of peace and the objective of excluding Communism from the Middle East.

These four assumptions lead to the following hypothesis:

The policies of John Foster Dulles relative to the Suez Crisis of 1956 were consistent with the higher goals and objectives of the United States.

By analyzing the four assumptions and testing the hypothesis the study should reveal why the United States' goals and objectives relating to the Middle East were determined to be the ones which would best serve the interests of the United States. Secondly, the study should show what policies John Foster Dulles followed relative to the Suez Crisis of 1956, and thirdly, whether these policies fulfilled the purposes set forth in national goals and objectives.

It was determined that the study could be most logically developed in chronological order.

Chapter II presents the background. A short history of the Canal; Arab Nationalism and the rise of Gamal Abdel Nasser to his position of leadership; the contemporary interests in the area of Great Britain, France and the Soviet Union; the United States' goals and objectives relative to the Middle East and the interests upon which they were based.

Chapter III is primarily concerned with the policies and actions of Secretary of State Dulles during the Crisis period.

The last chapter contains the conclusions reached from the analysis of the material covered in the study.

## CHAPTER II

### BACKGROUND

On Thursday July 19, 1956, Mr. John Foster Dulles, Secretary of State of the United States, asked the Egyptian Ambassador in Washington, Mr. Ahmed Hussein, to come to his office. When he arrived Mr. Dulles handed him a letter which is purported by some writers to be the causal antecedent of the invasion of Egypt, by Israeli, British and French forces. The letter announced the withdrawal of the United States offer to grant \$56,000,000 towards financing the construction of the High Dam at Aswan. It is true that the withdrawal of these funds by John Foster Dulles was not without importance; however, it was important only as a single factor contributing to the crisis which was years in developing. Egypt's position at the junction of three continents was one other factor.

A second, related to geography, placed Egypt astride the world's most important commercial artery -- the Suez Canal. A third was a creation of nature by which the world's major supply of oil was stored under the soils of the Middle East. The fourth clustered around political change: the crumbling of colonial empires, the creation of the state of Israel, the attempts by the West, led by the United States, to exclude the USSR from the area. These interwoven conditions contributed to the rise of an emotional and sensitive feeling of Arab nationalism which, in turn, gave rise to Nasser and sustained him as the dominant figure in the Suez Canal Crisis of 1956.

The first concession act leading to the construction of the Suez Canal was signed in 1854 by Mohammed Said, Viceroy of Egypt. At that time, and until World War I, Egypt was a province of the Ottoman Empire. She held an increasing position of privilege; however, all acts concerning the concession made it clear that the conditions set forth were subject to approval by the Sultan. They also had to be in agreement with the Firmans which defined and limited the Egyptian Viceroy's power.<sup>1</sup> This agreement of 1854 authorized Ferdinand de Lesseps to form the Compagnie Universelle du Canal Maritime de Suez. A more definitive act was signed in 1856 which authorized construction and set forth the basic operation agreement.<sup>2</sup> Of particular significance in this latter act was the provision that the concession was to be for 99 years from the date the Canal was opened to shipping.

The British Government resisted the Suez Project at every turn. It was afraid of French ambitions in the Middle East and feared that such a communication line would disturb British interests in the Middle and Far East. Lord Palmerston, Foreign Secretary or Prime Minister of Great Britain throughout most of the early period of the negotiations, offered stubborn resistance, but in the end failed in his attempt to prevent the construction of the Canal.

Shares in the new company were put on the market. De Lesseps envisioned that all Western powers would participate in financing the enterprise and blocks of shares from the 400,000 total were allocated to

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<sup>1</sup>Benno Avram, The Evolution of the Suez Canal Status From 1869 Up To 1956, (Geneve, 1958), pp. 21-22.

<sup>2</sup>J. C. Hurewitz, Diplomacy in the Near and Middle East: A Documentary Record, (Princeton, 1956), I, 146-149.

each country. Palmerston, still determined to resist the project, declined Britain's 80,000 shares; the United States refused 20,000 and Portugal and Denmark failed to respond to sizeable offers. The French people and Mohammed Said, the Egyptian ruler, subscribed to the rejected stock and thereby became the largest shareholders in the company. France with 207,160 shares dispersed widely among her people was the largest holder and the Egyptian Government with 177,642 shares was the second largest owner in the company.<sup>3</sup>

The Canal was not a political enterprise but a private company with its administrative office in Paris and its statutory office of registration in Alexandria. The board of thirty-two directors represented principal nations and from the beginning included 11 non-French: one American, one Austrian, one Portuguese, one Spaniard, one Russian, one Englishman, one Belgian, one Dutchman, one Egyptian and two Italians.<sup>4</sup> Regardless of the composition of shareholders or company officials, the Canal was not at that time regarded as having international status or personality.<sup>5</sup> The Canal was formally opened on November 17, 1869. This date established that the concession would terminate on November 16, 1968. Viceroy Ismail, who succeeded Said, and de Lesseps honored the occasion

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<sup>3</sup>The remaining 14,300 shares were held by citizens of 17 other nations. Hugh J. Schonfield, The Suez Canal in World Affairs, (New York, 1953), p. 35.

<sup>4</sup>The Board of Directors were chosen at the General Assembly of Shareholders which met annually. All shareholders possessing 25 shares had a right to vote but no shareholder was to have more than ten votes. This limit of 10 votes could account for but one Egyptian being on the Board as 177,642 of the 178,640 Egyptian shares were owned by one person, the Viceroy, and therefore equated to but 10 votes.

<sup>5</sup>Andre Siegfried, Suez and Panama, tr H. H. and Dores Hemming, (New York, 1940), p. 78.

with a show that has probably never been equaled for wild extravagance. The affair cost Ismail nearly five million dollars and helped plunge Egypt into bankruptcy.<sup>6</sup>

Great Britain, being unable to prevent construction of the artery, quite naturally, because of her world wide empire, became its greatest user. Her primary interest now became one of gaining control of the Canal and the reckless extravagances of Ismail provided the opportunity the British needed.

When Ismail succeeded Said as Viceroy in 1863 Egypt was financially solvent. In 1872 the Sublime Porte granted Ismail the authority to contract debts, in the name of Egypt, and the Khedive<sup>7</sup> began borrowing money without restraint. His spending was equally unrestrained.

The Khedive mortgaged Egypt's title to 15 percent of the Canal royalties and then sold the mortgage. He next put Egypt's 44 percent of the Canal Company on the block and Disraeli, Prime Minister of Great Britain, eagerly purchased the shares. Egypt, by way of irresponsible leadership, had squandered her economic interests in the Canal.<sup>8</sup> She had no right of ownership in the company nor title to a share in its profits. The Government of Great Britain, by virtue of being the largest

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<sup>6</sup>For description of Canal's opening and the conspicuous spending by the Viceroy to mark the occasion see William F. Longgood, Suez Story, (New York, 1957), pp. 52-58.

<sup>7</sup>Ismail purchased the more honorific title, Khedive, and secured the right of succession by increasing Egypt's yearly tribute to Turkey from 376,000 to 720,000 pounds.

<sup>8</sup>Nasser, on several occasions, told how Egypt was robbed of her Canal Company property. In his nationalization speech for example he said: "Britain has forcibly grabbed our rights, our 44 percent of its shares". U. S. Department of State, The Suez Canal Problem: July 26 - September 22, 1956, (Washington, 1956), p. 27.

single shareholder in the company, had gained an important degree of economic control and hence a place of great influence in regulating the company's activities.

During this period Britain was adding to her empire and consolidating her position in the Middle East. The Turkish Empire was slowly deteriorating and, by assuming the role of ally and friend, Britain obtained territory from the Sublime Porte. One such acquisition was Cyprus which was used in 1956 as a staging area from which to attack Egypt.

A situation developed which gave Great Britain the opportunity to seize political control of Egypt, and Suez, the all important life line to her Asian and African Empire. Riots in Alexandria, occurring soon after a general revolt led by Ahmad Arabi, were sufficient pretext for British forces to occupy Egypt. This development, in 1882, left England in sole political control of Egypt and established her as the protector of the Suez Canal. Her occupation was of great significance in later years because it provided a cause upon which nationalism could focus.

The Canal came to be regarded as the backbone of the British Empire. The serious regard in which it was held was demonstrated by a note sent to Russia at the outbreak of the Russo-Turkish War in 1877. The war made the protection of the Canal an immediate concern. Egypt was a part of the Turkish Empire; Russia, as a belligerent, had the right to occupy any portion of Turkey including Egypt. The British Government was determined to prevent interference with the lifeline of her empire. Brushing aside a French plan for neutralization of the Canal, Lord Derby sent a warning to Russia:

Should the war now in progress unfortunately spread, interests may be imperilled which they /the British Government/ are equally bound and determined to defend, and it is



desirable that they should make it clear, so far as at the outset of the war can be done, what the most prominent of those interests are.

Foremost among them is the necessity of keeping open, uninjured and uninterrupted, the communication between Europe and the East by the Suez Canal. An attempt to blockade or otherwise to interfere with the Canal or its approaches would be regarded by them as a menace to India, and as a grave injury to the commerce of the world. On both these grounds any such step -- which they hope and fully believe there is no intention on the part of either belligerent to take -- would be inconsistent with the maintenance by them of an attitude of passive neutrality.<sup>9</sup>

To this warning Russia promptly replied:

The Imperial Cabinet will neither blockade, nor interrupt, nor in any way menace the navigation in the Suez Canal. They consider the Canal as an international work, in which the commerce of the world is interested and which should be kept free from any attack.<sup>10</sup>

The exchange of notes indicated a determined attitude on the part of Great Britain to protect her Canal interests and illustrates the rather popular confusion that developed as to the legal status of the Canal. The terms neutralize and internationalize became common Canal adjectives with nations other than Great Britain.

After it was realized that the British intended to permanently occupy Egypt, France,<sup>11</sup> Russia, and other powers pressed England for an understanding on the Canal. France urged a neutralization of Egypt and the withdrawal of British forces. Lord Granville agreed to neutralization of Egypt but would not agree to relinquish control of the Canal: "We can never agree to the Suez Canal being neutralized. No British Minister can

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<sup>9</sup>Parliament Paper No. 2, 1877, quoted in Charles Hallberg, The Suez Canal, (New York, 1931), p. 282.

<sup>10</sup>Gortchakoff to Derby, quoted in *Ibid.*, p. 282-283.

<sup>11</sup>France and Italy were invited to join the occupation but declined.

agree to this sea passage being closed to us in the event of war."<sup>12</sup>

The controversy between the British who had de facto control over the Canal and the other powers led to the signing of an agreement entitled: The Convention on the Free Navigation of the Suez Canal: European Powers and the Ottoman Empire of October 29, 1888.

The Convention provided that:

1. The Canal was to be ever free and open, in time of war as in time of peace, to all ships of commerce or of war without distinction to flag.
2. No attack was to be made against its free use. It was never to be occupied nor blocked. In time of war no hostilities would be permitted within three nautical miles of the Canal, its ports or facilities.
3. Should the Canal become endangered Egypt was to enforce the rules established by the Convention.
4. The Convention was to be valid for all time.<sup>13</sup>

It is not difficult to see that the British retained their position of imposed guardianship. In matters of defense the Egyptian Government and Great Britain were one and the same. In taking cognizance of the world power structure the Convention provided a basis for stable canal operations for some seventy years under British guarantees. When the power structure changed Nasser nationalized the Canal and became the new guarantor of the 1888 Convention. The crisis that occurred in 1956 centered on the Anglo-French refusal to accept Nasser in this role.

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<sup>12</sup>Lord Granville to Count Bismarck. Quoted in Hallberg, p. 284.

<sup>13</sup>Hurewitz, I, 202-205.

Egyptian resentment of the British dated from the day Great Britain occupied Egypt. After 1919, leaders such as Zaghlul and parties such as the Wafd demanded complete independence from Britain while the British were determined to protect the backbone of their Empire. It had become an unpleasant reality that not only did the Canal no longer belong to Egypt but, instead, Egypt belonged to the Canal. Egyptians bitterly pointed out that they had no share in the Canal. They realized that the Canal was on their own soil; they had supplied most of the manpower to build it and paid much of the cost and they were told that the imperialistic Westerners were suppressing them in order to continue stealing that which was rightfully theirs.<sup>14</sup>

Emotions were readily focused upon the easily identifiable British. The depth of resentment was expressed by Nasser as he reflected upon the past:

Once I tried to find out the meaning of a chant which I had often shouted in my childhood, whenever I saw an airplane in the sky: "O, Almighty God, may disaster take the English!" (Ya 'Azeez, Dahiya takhud al-Ingleez). Later I came to know that that phrase had come down to us from the days of the Mamelukes. Our forebears of that day had not used it against the English, but they used a similar one against the Turk: "O God, the Self-Revealing! Annihilate the Turk!" (Ya Rabb, Ya Mutajelle, Ahlik al-'Uthmanli). My use of it was but an adaptation of an old form to express a new feeling. The underlying constant continued the same, never changing. Only the name of the oppressor was different.<sup>15</sup>

The event that put the fires of nationalism forever beyond British control was the creation of the state of Israel. The Balfour Declaration

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<sup>14</sup>Egypt regained some interest in the Canal Company. By 1953 she had bargained a 300,000 Egyptian pound annual payment and had levied a 10 percent tax on all company dividends. Emil Lengyel, World Without End, (New York, 1953), p. 185.

<sup>15</sup>Gamal Abdul Nasser, Egypt's Liberation, (Washington, 1955), p. 65.

of November 1917,<sup>16</sup> favoring a national Jewish home in Palestine, irritated and antagonized the Arabs from 1917 until 1948. Then ultimate betrayal occurred. Israel -- created on Arab soil -- was recognized as a sovereign state.

Egyptian Nationalists saw the newly created state of Israel as an enemy with whom they could engage in a straight out military conflict. The brothers of Islam volunteered for a holy war. King Farouk ordered his Egyptian Army into Palestine and persuaded other member countries of the Arab League to join. The Arabs were blindly confident that the Jewish intruders would be pushed into the sea. However, despite the fact that the hostility to Zionism was unanimous, efforts were disorganized and inadequate:

What actually happened was one of the saddest, most frustrating chapters of modern Arab nationalism. No Arab army had any idea what the other was doing. The Egyptian army had some heavy equipment but was shockingly deficient in transport, communications, and supply, elements so vital in modern war. Egyptian politicians had gotten rich buying defective arms cheap and selling them to the army, and now the soldiers on the Palestine front paid the price. At the height of the fighting, the Engineer Corps was ordered to build a villa for King Farouk in Gaza. The Egyptian forces were steadily driven back in the southern Negev region, until at the end they salvaged only the narrow Gaza coastal strip of what was to have been Arab Palestine. Around the Israeli perimeter, the Arab armies took a humiliating beating.<sup>17</sup>

It was largely because of this defeat and humiliation that Nasser steeled himself to the overthrow of the Monarchy and to the expulsion of the British: "There was no need fighting foreign armies until the original occupation was rooted out. Nasser realized he must follow the

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<sup>16</sup>Hurewitz, II, 26.

<sup>17</sup>Wilton Wynn, Nasser of Egypt, (Cambridge, Mass., 1959), p. 34.

example of Arabi and strike at the dynasty of Mehmet Ali."<sup>18</sup>

In July 1952, a coup d' etat was ably executed. Once power was secured Nasser, the leading spirit of the movement, assumed his rightful role as leader. By guiding the tide of Egyptian nationalism against the occupying forces, the new Chief of State kept constant pressure on the British and on October 19, 1954 Great Britain agreed to give up her last hold in Egypt.<sup>19</sup> When the last British soldier left Egypt on June 18, 1956<sup>20</sup> Nasser proclaimed a three day holiday and was adored by "screaming semi-hysterical natives whose nationalistic ecstasy"<sup>21</sup> was understandable. For the first time in hundreds of years Egypt was completely Egyptian. Nasser was her liberator and hero.

"Violent nationalism"<sup>22</sup> was a dynamic force in the Middle East and one of the primary causes for the changes that erupted in the area. Afif Tannous, Chief, Africa and Middle East Analysis Branch, United States Department of Agriculture, notes:

The Middle East has been changing at an accelerated rate. ...The process reached unprecedented intensity and comprehensiveness under the tremendous forces released or generated by World War II. Leading among these have been the spirit of nationalism.<sup>23</sup>

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<sup>18</sup>Ibid., p. 35.

<sup>19</sup>"Agreement of the Government of the United Kingdom and Northern Ireland and the Egyptian Government Regarding the Suez Base." Quoted in D. C. Watts, ed. Britain and the Suez Canal: The Background, (London, 1956), p. 37-40.

<sup>20</sup>Five weeks later Nasser seized the Canal Company.

<sup>21</sup>Longgood, p. 125.

<sup>22</sup>Elie Salem, "Problems of Arab Political Behavior", Tensions in the Middle East, ed. Philip W. Thayer, (Baltimore, Md., 1958), p. 68.

<sup>23</sup>Afif Tannous, "Commentary", in Thayer, p. 163.

This force, nationalism, provided Nasser with a great source of power. The emotional dispute with Israel was a cause around which the Arabs unified. Regardless of cleavages caused by dynastic rivalries or how much the "oil have not" states envied the "oil have" states, the Arabs were one in their hatred of Israel. J. C. Hurewitz recognized that

one of the constants in the Arab-Israel zone has been the unifying effect upon the Arab countries of hostilities to Israel. Regardless of how Arab governments may differ on many issues, they always find common purpose in their contempt of the state that emerged in their midst against their firmly expressed wishes. This has been dramatically exhibited in recent cooperation of Jordan and Saudi Arabia with Egypt on the question of Aqaba at a time when Jordan was fighting for its very political existence, which was being undermined by Egyptian subversion, and King Saud had otherwise broken with Nasser over Egyptian efforts to weaken the monarch's hold on his kingdom.<sup>24</sup>

Nasser largely controlled the force of nationalism through his leadership of the Arabs in their dispute with Israel. This force was also easily focused against the West for two reasons: Western leadership in creating and sustaining Israel, and colonialism, a Western institution. A good summary of nationalism as a force and its orientation, in the 1950's, was given by John C. Campbell:

The winds of Arab Nationalism are blowing strong; Arab Nationalism seems to have been captured by Gamal Abdel Nasser; its tone is violently anti-Western; it welcomes the friendly support of the Soviet Union against the hated Colonialists and "Zionists".

To command these winds to calm down is futile.<sup>25</sup>

As other parts of this study will indicate, John Foster Dulles recognized that Arab nationalism was a powerful force in the Middle East. From

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<sup>24</sup>Hurewitz, "Commentary", in Thayer, p. 21.

<sup>25</sup>John C. Campbell, "From Doctrine to Policy in the Middle East", Foreign Affairs, XXXV, (1957), p. 446.

1954 on Nasser largely controlled this force and was considered by Dulles to be the key to United States policy in that area.

The Middle East was vitally important to the economy of France and Great Britain. Not only was it the commercial route to South East Africa and the Far East but the Middle East itself had come to represent a near life and death proposition in the form of oil:

From the economic point of view, the Middle East contains 70 percent of the world's known oil reserves. Middle East production normally supplies 20 percent of the oil used by the free world and 75 percent of Western Europe's oil imports.<sup>26</sup>

Western Europe's need for oil had increased at an average rate of 13 percent each year since 1947. The oil required for the year 1956 was 125 million tons.<sup>27</sup> The importance of a guarantee that this oil could be delivered had a great impact on thinking in Great Britain and France. A shortage of oil would cause great damage to these highly industrialized nations and was simply not to be threatened. Nasser never became a real threat to the oil producing centers although he had grandiose dreams of using Arab oil as the economic power behind a United Arab World.<sup>28</sup> However the source of oil was not the entire problem. Transporting it from the Middle East to the dependent industries of Europe was a vital factor. The availability and serviceability of the Canal, which Nasser now controlled and the availability of tankers were the variables.

In 1956 oil was being delivered by two major routes -- tankers via

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<sup>26</sup>"Committee Analysis of the Problem", Congressional Digest, XXXVI, (1957), p. 68.

<sup>27</sup>George Lenczowski, Oil and State in the Middle East, (Ithaca, 1960), pp. 28-29.

<sup>28</sup>Nasser, pp. 108-109.

the Suez Canal, which carried 65 million tons per year, and tankers which loaded at the Mediterranean terminals of the oil pipelines, which carried 36 million tons per year. The remainder of the Western European requirement, 24 million tons, came from the Western Hemisphere. The Canal and the pipelines permitted delivery of an additional 12 million tons which went to Africa and the Americas.<sup>29</sup>

The second portion of the transportation problem was the inadequacy of the tanker fleet to supply Europe's needs should the Canal and the pipelines be closed. In 1956 the tanker fleet<sup>30</sup> numbering some 2,850 units was fully employed. About 25 percent delivered oil to the United States, about 50 percent transported oil to Europe, and the remainder were employed in other movements. There were no other tankers except for the United States Reserve Fleet, comprising some fifty ships which were retired at the end of World War II.<sup>31</sup>

Although there were alternatives to transporting through the Suez Canal they were not within Anglo-French capability for a sustained period of time. Tankers could deliver via the Cape, but this meant a delay of at least two weeks. The distance from London to Kuwait and Abadan via Suez is approximately 6,500 miles while via the Cape it is nearly doubled, 11,300 miles. The increase in time needed for the journey would reduce the available oil supply to 60 percent of the amount deliverable

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<sup>29</sup>Lenczowski, pp. 30-31.

<sup>30</sup>Communist Block tankers were insignificant in tonnage and certainly not available to the West.

<sup>31</sup>Lenczowski, p. 33.



through the Suez.<sup>32</sup> In this contingency Western Europe would be forced to look toward other, primarily Western Hemisphere, sources. This alternative was not desirable because it would be a drain on hard currency, would result in a drastic increase in cost, and would be dependent upon securing additional tanker space for transportation. These bleak prospects greatly excited Anglo-French fears when the Canal was nationalized.

France's argument with Nasser was not limited to the Canal or oil. The Egyptian Chief of State was openly anti-Colonialist and nearly as open in his support of the Algerian Rebels. Nasser plagued France at every opportunity and was regarded as a major source of trouble. His support of the rebels made him and Algeria an inseparable problem:

No ambivalence characterized the French official view of Nasser of the Suez issue. In the Egyptian dictator Mollet saw the reincarnation of Hitler. Nasser's philosophy of Revolution recalled Mein Kampf....Pineau said Nasser had broken his word and Lacoste believed the slightest weakness vis-a-vis Egypt could bring disaster to Algeria.<sup>33</sup>

The interests of the USSR in the Middle East were primarily political. Ernest K. Lindley notes: "The Soviet interest in the Middle East ...is short of vital...the Soviet Union does not need the Middle East in order to survive or continue its industrial growth."<sup>34</sup> So far as her oil needs were concerned the evidence is conflicting. Heinrich Hassmann intimates that the USSR was keenly interested in the Middle East as a source of oil:

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<sup>32</sup>Ibid., p. 326-7.

<sup>33</sup>Richard and Joan Brace, Ordeal in Algeria, (Princeton, 1960), pp. 140-141.

<sup>34</sup>Ernest K. Lindley, "Concluding Comments", in Thayer, p. 326

This rich oil area lies on Russia's immediate doorstep. All the problems of the Soviet oil industry -- the supply difficulties and the oil bottlenecks -- would be solved at one stroke and eliminated forever if the Soviet Union succeeded in getting a foothold in the Middle East or became a dominating power.<sup>35</sup>

By contrast, Benjamin Shwadran pointed out that Russian exports of oil, 116,000 barrels daily in 1956, was evidence "that would clearly imply that the USSR does not need Middle East oil for its own purposes or even for needs of the Communist bloc."<sup>36</sup> Regardless of these contrasting views, it is beyond serious questioning that in case of a major war the Soviet Union would need oil, and more important perhaps, would want to deny it to the West. However, her more serious interests in the Middle East can be better explained within the context of the cold war.

"The year 1955 will enter history, as it now appears, as the year Russia re-emerged as a major Middle East power."<sup>37</sup> Why she waited so long has its main significance in the fact that when she did re-enter it was as a new personality quite untarnished by prior contact.

Western proximity and Western behavior permitted friction and fanned Arab resentment. To many Arab leaders the danger of Communism as compared to Western colonialism was non-existent. A. V. Sherman states that the Communist offer had much appeal to some Arab leaders. The offer

not only promised membership in a powerful club which gave military and political backing and apparently asked nothing in return: it taught valuable new techniques for

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<sup>35</sup>Henrich Hassmann, Oil In The Soviet Union, (Princeton, 1953), p. 141, tr. Alfred M. Leeston.

<sup>36</sup>Benjamin Shwadran, The Middle East Oil and the Great Powers: 1959, 2d ed. revised, (New York, 1959), p. 456.

<sup>37</sup>Walter Z. Laqueur, Communism and Nationalism in the Middle East, (New York, 1956), p. 260.

manipulation of masses and for winning sympathies among certain well-meaning groups in the West. It produced an excellent new justification and guiding lines for bureaucratic anti-capitalism of the old style...In short, the new radical movement which had been in search of a program found itself being offered one which suited its mood perfectly, yet without demanding the reorientation of loyalties which Communism demands in the West.<sup>38</sup>

In reaction to Stalin's post World War II policy in Eastern Europe and Greece, western countries, led by the United States, tried to seal Communism within its existing borders. The Truman Doctrine followed by NATO and the Baghdad Pact represented such attempts. Following Stalin's death, Soviet tactics changed. There was an attempt to alter the image of the USSR from the threatening recluse to the bountiful friend. In referring to this change in policy Walter Z. Laqueur states:

In the Middle East, in particular, Communism has been radically purged of those elements that might be distasteful to the present generation of nationalists. It ceased to rely on slogans borrowed from Western democracy, the rights of man, and internationalism (obligatory for use in countries with liberal traditions) and spoke instead in terms of nationalism, military power, and economic aid.<sup>39</sup>

Walter Laqueur further states that the Soviet political offensive in the Middle East may have taken some western leaders by surprise.<sup>40</sup> Dulles was most certainly surprised at the USSR's economic offensive. The Secretary probably expected that attempts to penetrate the Middle East would follow the conventional pattern; propaganda and subversion of government via local communist groups. Instead the USSR offered friend-

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<sup>38</sup>A. V. Sherman quoted by Walter Z. Laqueur, "The Prospects of Communism in the Middle East", in Thayer, p. 299.

<sup>39</sup>Ibid., p. 299.

<sup>40</sup>Ibid.

ship and support to Nasser and largely brushed aside the Egyptian Communist Party. The crisis that soon followed could not have reached the proportions it did without the Soviet support of Nasser. The importance of the backing is well stated by C. Grover Haines:

The alignment of the Soviet Union with the Arab anti-Western nationalists and, in particular, with Nasser in the face of France-British weakness and American irresolution emboldened Nasser to defy the Western powers openly. Of all the elements that entered into the decision to nationalize the Suez Canal Company and thus to precipitate one of the most serious crises since World War II, the assurance of Soviet support was certainly the most important.<sup>41</sup>

No doubt the Moscow leaders would have liked to communize the Middle East and to have made it subject to their control. This was not possible as an immediate goal and, if attempted, would have risked losing a great opportunity. However, if the USSR could properly manipulate the anti-Israeli and anti-Western feelings she could embarrass, weaken, and possibly divide the NATO allies. The least she could have expected was to see Western influence greatly reduced in Arab countries which would give a correspondingly greater opportunity for the Soviet Union to win approval in the area. The implications of the Soviet Union gaining stature in the Middle East were not lost on Dulles. It appears that he believed Arab nationalism and the Arab leadership would preclude Soviet dictation of Middle Eastern affairs. The Secretary of State was able to formulate policy based upon this belief because the organization of the Republican Administration left him largely responsible for conducting foreign affairs.

Eisenhower came to the White House with a military man's view of

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<sup>41</sup>C. Grover Haines, "Commentary", in Thayer, pp. 64-65.

organization and administration and quite naturally brought to the Presidency the concept of staff structure with which he had worked for many years.<sup>42</sup> His creation of a staff system provided for a fixed order and sequence of procedures from the President on down. The departmentalization which President Eisenhower embodied in his organization provided for the assignment of functions and decisions of a routine nature to his staff. With the type of an organization which evolved, the president was left free to concentrate his energy where he felt it was most needed.<sup>43</sup>

President Eisenhower did not regard this delegation of authority as an abdication of his powers but as the sharing of authority with those around him. This approach reflected his basic attitude towards government. He believed that the democratic process called for a diffusion of power and, because of this concept, he did not want to be the final arbiter of policy. While he did not allow major decisions to be taken out of his hands, he refused to use his power arbitrarily.<sup>44</sup>

The President regarded his job as having four parts: Chief of State, Head of Government, Ceremonial Chief of State, and Head of the Republican Party. The role important to this study, Chief of State, was defined by Merriman Smith as being "largely concerned with foreign affairs policy which the President determines and turns over to the Secretary of State for execution."<sup>45</sup> Robert Murphy notes: "The President behaved like the Chairman of the Board, leaving it to his Secretary /Dulles/ to handle

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<sup>42</sup>Merriman Smith, Meet Mister Eisenhower, (New York, 1955), p. 124.

<sup>43</sup>Ibid., p. 96.

<sup>44</sup>Merlo J. Pusey, Eisenhower The President, (New York, 1956), p. 286.

<sup>45</sup>Smith, p. 298.

details, and later acted as a buffer so far as the public was concerned."<sup>46</sup>

With such a decentralized arrangement both the President and the Secretary of State were important personalities in determining the goals, objectives, and policies of the United States. Therefore, a brief review of some aspects of the personal philosophy of each of these key decision-makers which relate to the interests of the United States will be relevant to this study.

The paramount goal of President Eisenhower was one of establishing and maintaining peace. Mr. Pusey, a biographer, described this predisposition by writing:

It may be truly said of Eisenhower that he is a man of peace by instinct, training, conviction, and experience. He refuses to regard any people as an enemy. He looks upon war as the greatest catastrophe other than the loss of freedom, that can befall any country. Consequently, he refuses to use war as an instrument of policy, except as a last resort to save our way of life from threatened destruction.<sup>47</sup>

The President's actions as well as his public statements from his election campaign in 1951 to the day of the Suez Crisis reflected his genuine and sincere concern for peace.<sup>48</sup>

President Eisenhower's relations with Congress followed the traditionalist's conception of the separation of powers. By adhering to this concept he shielded himself from being considered reckless in the conduct of foreign affairs. His actions during the Formosan Straits Crisis of

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<sup>46</sup>Robert Murphy, Diplomat Among Warriors, (Garden City, 1964), pp. 383-384.

<sup>47</sup>Pusey, p. 86.

<sup>48</sup>For examples of statements concerning peace see Dwight D. Eisenhower, Peace With Justice, (New York, 1961), pp. 30, 80-90, 102-103.

1958 were permitted by a congressional resolution passed in 1955.<sup>49</sup> The Eisenhower Doctrine for the Middle East was also preceded by Congressional approval.<sup>50</sup> It was important to him to act constitutionally in foreign affairs. Secretary Dulles noted this predisposition at a press conference. A reporter asked:

Mr. Secretary...how do you interpret the May 25, 1950 /Tripartite/ declaration so far as it may involve the use of our own troops? Are you free for example, without Congressional sanction?<sup>51</sup>

The Secretary responded:

Whether we are free or not is a constitutional question. It is strongly the disposition of President Eisenhower...to resolve all of these doubts in favor of going to Congress.<sup>52</sup>

The goal of peace<sup>53</sup> set the boundaries within which John Foster Dulles would "handle details"<sup>54</sup> of United States foreign policy. However the Secretary, like President Eisenhower, had a firm conviction that peace was the essential substructure of American policy. Dulles once said: "I want to make my life count for something in the world for peace."<sup>55</sup> He thought that the United States should actively wage peace

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<sup>49</sup>Peter V. Curl, ed., Documents on American Foreign Relations, 1955, (New York, 1956), p. 298.

<sup>50</sup>Ibid., 1957, p. 204.

<sup>51</sup>New York Times, April 4, 1956, p. 8.

<sup>52</sup>Ibid.

<sup>53</sup>Some writers intimate that Eisenhower would not have been so intent on maintaining peace at the time of the Suez Crisis if it had not occurred at election time. This supposition is difficult to prove. Certainly his actions prior to that time could not be offered as evidence.

<sup>54</sup>Murphy, pp. 383-384.

<sup>55</sup>Deane and Davis Heller, John Foster Dulles: Soldier for Peace, (New York, 1960), p. 32.

just as diligently as wars are waged:

It is a task that requires an effort like the one required to win a great war.

Why should we not make that effort? Neither voice nor pen can portray the awful horror of World War III. Why should we not, for the averting of war, develop and use the qualities that would be evoked in the effort to win war?

While we are yet at peace, let us mobilize the potentialities...which we usually reserve for war....

No one will be able to win the next war.<sup>56</sup>

The force against which America needed to pit its strength was Communism which Mr. Dulles intently disliked and distrusted:

First, it is necessary to know who generates the enmity that poisons the atmosphere in which we live....The "enemy" -- the self proclaimed enemy -- is the relatively small, fanatical Soviet Communist Party....its leader, and the Politburo is the principle source of the decisions which command the blind obedience of the hard core of loyal Communist Party members everywhere in the world.<sup>57</sup>

The Secretary largely believed in the monolithic state of Communism. That is, all Communists and all Communist nations are subjects of Moscow and Moscow is the director and nerve center of the blue print for a world under Communist rule: "These party members have despotic-political power in Russia and elsewhere. They believe that it is their duty to extend that power to all the world."<sup>58</sup>

Dulles was very dogmatic in his dislike of Communism and expected everyone who was not a Communist to share his view. There was no middle ground. A person was either against evil or he was for it. The depth of his feeling is shown by the low esteem in which he held Neutrals. In Mr. Dulles words:

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<sup>56</sup>John Foster Dulles, War or Peace, (New York, 1957), pp. 3-4.

<sup>57</sup>Ibid., pp. 5-6.

<sup>58</sup>Ibid.



The principle of neutrality...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 shortsighted conception.<sup>59</sup>

The Secretary learned to live with Neutrals; however, his contemptuous regard for the non-belligerents illustrates the zeal with which he conducted his battle against the evils of Communism.

Secretary of State, Dulles, was a moralist but he was also a realist. The Middle East was of material and strategic importance to the United States. In March 1953, shortly after assuming office, Mr. Dulles made an orientation tour of the Middle East. Upon his return he made a report which can be used as a guide for analyzing the importance of the area to the United States.

His first point concerned the strategic location of the area: "The Near East possesses great strategic importance as the bridge between Europe, Asia and Africa."<sup>60</sup> The Middle East served, and yet serves, as a link between Europe, Asia and Africa. Much of the flow of traffic from the Eastern Americas to these areas is also through the Arab countries. The principal air routes converge on the Middle East as do the sea lanes. The area facilitates communications; however, it can equally well serve as a barrier between the continents and oceans of the world. If the USSR could control the region in a world conflict it would have a tremendous advantage over its opponent in land, naval, and air operations. It would dominate the shortest routes between Europe and the Afro-Asian continents. With the continuing growth of the industrial complex of Europe and its

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<sup>59</sup>U. S., Department of State Bulletin, XXXIV, (June 18, 1956), pp. 999-1000.

<sup>60</sup>Department of State Bulletin, XXVIII, (June 15, 1953), p. 831.

demand for Arab oil and other resources of Africa and the Middle East, the region, as a communications center, becomes vitally important. From a military point of view, if the Soviet Union could gain sufficient influence in the area she would outflank the Baghdad Pact Nations and NATO. The New York Times summed up the vital nature of the area in November 1956:

It is perfectly clear what the Soviets stand to gain in their struggle with Western powers if they can gain a foothold in the Mediterranean. Even if they do no more than make a military alliance with Egypt and/or Syria, with a right to establish air and naval bases in the area in time of trouble they would outflank the NATO alliance and provide a constant threat to the oil supplies and communications of the Western powers.<sup>61</sup>

Mr. Dulles next mentioned the resources of the Middle East:

This area contains important resources vital to our welfare -- oil, manganese, chrome, mica and other minerals. About 60 percent of the proven oil reserves of the world are in the Near East.<sup>62</sup>

"Vital to our welfare"<sup>63</sup> may have been too strong an expression relative to the United States' immediate dependency upon these resources; however, in another sense they were indeed vital. Admiral Libby, USN,<sup>64</sup> saw control of Middle East resources as the factor which could determine the outcome of the East-West conflict. According to him there were three great industrial economic groupings in the world. The United States, Western Europe, and the Soviet Union. Western Europe

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<sup>61</sup>New York Times, November 18, 1956, p. 12E.

<sup>62</sup>Department of State Bulletin, XXVIII, (June 15, 1953), p. 831.

<sup>63</sup>Ibid.

<sup>64</sup>Rughven E. Libby, "Strategic Military Importance of the Middle East", in Thayer, pp. 38-40.

with 200,000,000 skilled people and a modern industrial complex was the factor which retained the balance of power for the West. It was obvious that splitting Western Europe from the United States, with Western Europe adopting a neutralist or pro-Soviet position, would drastically reduce or destroy the economic-industrial superiority which the United States and its allies enjoyed. Admiral Libby asked: "What more logical move is open to the Soviet Union than to use the Middle East as the lever with which to accomplish this separation?"<sup>65</sup>

The Admiral answered the question by showing what might be a logical result of Soviet influence in the Middle East:

The extension of Soviet influence over Syria and Egypt is a clear warning to the West that the vital flow of petroleum could be stopped...at the whim of the Kremlin. This threat in itself, particularly if accompanied by occasional stoppages...could have a most disruptive effect upon the industry of Western Europe. It could be used, carrot and stick fashion, to force...Europe...to purchase its requirements from Soviet -- controlled sources -- at Soviet prices -- expressed in terms of political concessions.<sup>66</sup>

Whether or not the USSR would be able to split the United States from its allies by controlling Middle East oil is not beyond questioning. However, the State Department was aware that oil was extremely vital to the West. Henry A. Byroade, Assistant Secretary of State for Near Eastern Affairs, said: "Without that oil the industries of our allies would be paralyzed and our own would be overworked."<sup>67</sup>

By the time the Suez Crisis occurred foreign oil had become a huge business in the United States. Spurred by the profit motive and periodic

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<sup>65</sup>Ibid., p. 39.

<sup>66</sup>Ibid.

<sup>67</sup>Byroade, Henry A., The Middle East, (Washington, 1954), p. 3.

scarcities of domestic shortages, American oil firms searched the globe for exploitable reserves. By 1953 American investments in oil operations abroad ranked second only to United States investments in manufacturing. Of the \$14,800,000,000 total, \$4,600,000,000 or 29 percent, comprised money spent by American oil companies for the production, transportation, refining, and marketing of oil.<sup>68</sup>

The investment was large in the Middle East and the promise of monetary reward was also large. By the end of 1953, American firms owned shares in 60.1 percent of all known Middle East reserves.<sup>69</sup> These reserves were estimated at 79 billion barrels.<sup>70</sup> American shared wells in the Middle East produced at the rate of 1,456,800 barrels per day.<sup>71</sup> Wayne A. Leeman, Professor of Economics, University of Missouri, made a study of oil profits for the years 1955 through 1958. His calculations show that oil companies made an average net profit of \$.82 per barrel on Middle East oil during these years.<sup>72</sup> Using his figures, the 79 billion barrel reserve represented some \$64,780,000,000 that would be returned to American investors over the years.<sup>73</sup>

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<sup>68</sup>Leonard M. Fanning, Foreign Oil and the Free World, (New York, 1954), p. 8.

<sup>69</sup>Ibid., p. 354.

<sup>70</sup>Ibid. Fanning's estimates and statistics are verified in Charles W. Hamilton, Americans and Oil in the Middle East, (Houston, 1962) and in Wayne A. Leeman, The Price of Middle East Oil, (Cornell, 1962).

<sup>71</sup>Fanning, p. 354.

<sup>72</sup>Leeman, p. 65.

<sup>73</sup>Some writers estimate the profits much higher pointing out, without offering proof, that the cost of production was from \$.15 to \$.25 per barrel. Professor Leeman's study would indicate that this was a lifting cost only.

There certainly was no conflict between policies formulated by the State Department and those which the oil companies desired. The degree of influence the latter had on Middle Eastern policy is difficult to determine, but it seems that a close relationship existed between the Department of State and oil interests. As an example, Herbert Hoover, Jr., Under Secretary of State to Mr. Dulles, wrote the foreward of a book published by the Gulf Publishing Company.<sup>74</sup> He introduced the author as "an executive in one of the largest American oil companies"<sup>75</sup> who had a "penetrating awareness of the economic, political and social forces which were present around him."<sup>76</sup> Mr. Hamilton, the executive, indicated that oil concessions and diplomacy were closely related:

Thus in 30 odd years, by negotiation and by search and development, the American share of recoverable oil in the Middle East underground has risen from nothing to more than 1.7 times the estimated reserves in all the countries of the Western Hemisphere -- which is no mean credit to American diplomacy and free industrial enterprise.<sup>77</sup>

Cooperation should have been expected when interests were complementary. Both wanted peace in the Middle East -- the oil companies, so they could profitably exploit the oil in the area, and the State Department, which realized oil was of vital importance to the United States and the Western World.

If the industries of Western-Europe were to cease production the Cold War could be lost to the Soviet Bloc. If the West was to remain

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<sup>74</sup>Charles W. Hamilton, Americans and Oil in the Middle East, (Houston, 1962), p. v.

<sup>75</sup>Ibid.

<sup>76</sup>Ibid.

<sup>77</sup>Ibid., p. 270.

strong and vigorous, it had to assure itself of access to the resources of the Middle East. It would have to assure itself freedom of transit through the Suez Canal in order to deliver the vital oil to the industries of Western Europe. It was incumbent upon the United States, as leader of the Free World, to determine how this should be accomplished.

The goal of peace then was not only dictated by the moral values of President Eisenhower and Secretary of State Dulles, but also because peace would best serve the national and economic interests of the United States.

### CHAPTER III

#### THE CRISIS AND U. S. POLICIES

*Dulles & the Middle East*  
*The beginning*

When Secretary of State Dulles took office early in 1953, he assumed with the office, the policies, objectives, and goals formulated by the Truman Administration. Mr. Dulles made no abrupt changes, but did shift the area of emphasis from Europe, where NATO was well established, to other areas of the world. He was aware that a Soviet interest in the Middle East was stirring. As early as April 1953 he noted: "The present masters of the Kremlin...covet this Middle East position."<sup>1</sup>

He believed that Arab Nationalism had become a powerful force and indicated that it would be in the best interests of the United States to make this force a friendly one:

It is high time that the United States Government paid more attention to the Middle East....Our postwar attention has been primarily given to Western Europe. That area was and is very important, but not all important....

These people we visited are proud people who...have a great future. We in the United States will be better off if we respect and honor them and learn the thoughts and aspirations that move them....We cannot afford to be distrustful by millions who could be sturdy friends of freedom.<sup>2</sup>

An immediate dilemma that confronted the Secretary was caused by the ties the United States had with the colonial powers, Great Britain and

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<sup>1</sup>Department of State Bulletin, XXVIII, (June 15, 1953), p. 831.

<sup>2</sup>Ibid., pp. 834-835.

France. In his words:

Most of the peoples of the Near East...are deeply concerned about political independence for themselves and others. They are suspicious of the colonial powers. The United States is too suspect because, it is reasoned, our NATO alliance with France and Britain requires us to try to preserve or restore the old colonial interests of our allies.

I am convinced that United States policy has become unnecessarily ambiguous in this matter....it would be disaster if there were any break between the United States and Great Britain and France. However, without breaking from the framework of Western unity, we can pursue our traditional dedication to political liberty.<sup>3</sup>

On October 2, 1956 Secretary Dulles voiced an opinion that the United States should no longer support a colonial power against those struggling for independence:

There is in Asia and Africa the so called problem of colonialism. Now there the United States plays a somewhat independent role....You have this very big problem of the shift from colonialism to independence....I believe the role of the United States is to try to see that the process moves forward in a constructive evolutionary way.<sup>4</sup>

It is difficult to determine the degree of influence Dulles had in the negotiations when the British gave up part of their interests in the Middle East. He was apparently pleased when Britain left the Sudan. He noted the occasion by saying: "It is in the best tradition of British regard for the orderly political evolution of a people toward self-government."<sup>5</sup>

He apparently helped to ease the British out of the Suez bases and again commented on the negotiations:

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<sup>3</sup>Ibid., p. 834.

<sup>4</sup>American Foreign Policy, Current Documents: 1956, p. 41.

<sup>5</sup>Department of State Bulletin, XXVIII, (February 23, 1953), pp. 305-306.



The signing of the final agreement between Egypt and the United Kingdom on the Suez Base is an event of far reaching importance and an occasion for renewed congratulations to both countries....Egypt now assumes new and fuller responsibilities as the military base in the Suez Canal Zone passes from British to Egyptian control.<sup>6</sup>

Dulles never lost sight of the nationalistic forces that dominated the Middle East. Goold-Adams quotes the Secretary of State as saying: "To oppose nationalism is counter-productive."<sup>7</sup> Herman Finer states that the Secretary applied extreme pressure on the British to meet Nasser's terms for evacuating the Suez Base, even going so far as to assure the British they would get no help from the United States should Nasser attack them.<sup>8</sup>

It therefore appears conclusive that the Secretary of State had decided that United States interests could best be protected within the framework of Arab independence. It further appears that he supported the demands of nationalism to the extent he was able to do so and still retain his NATO allies as the bulwark of the containment policy.

The second dilemma with which Mr. Dulles had to contend was the Arab reaction to the support given to Israel by the United States. President Truman was a leader in the fight to create the Jewish State. In 1946 he restated an earlier request that he wanted to see "one hundred thousand Jews admitted to Palestine."<sup>9</sup> When the partition plan was submitted at

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<sup>6</sup>Department of State, American Foreign Policy, 1950-1955, II, p. 2226.

<sup>7</sup>Richard Goold-Adams, The Time of Power, (London, 1962), p. 203.

<sup>8</sup>Finer, p. 16 and footnote 9, p. 514.

<sup>9</sup>Harry S. Truman, Years of Trial and Hope, (Garden City, 1956), p. 154.

the United Nations, Mr. Truman noted:

The Arabs' reaction was quite plain: They did not like it. They made it clear that partition would not be carried out except over their forceful opposition.

I instructed the State Department to support the partition plan.<sup>10</sup>

His determined efforts did not waver and, when Israel proclaimed independence on May 14, 1948, President Truman recognized the new state immediately. In his words:

Exactly eleven minutes after Israel had been proclaimed a state Charlie Ross, my press secretary, handed the press the announcement of the de facto recognition by the United States of the provisional government of Israel.<sup>11</sup>

Such acts could only be considered unfriendly by the Arab nations and no doubt the enmity which they created persisted to harass Dulles. He felt this ill feeling toward the United States when he visited the Middle East in 1953 and sought ways to overcome it. However, Israel was a state in fact and could not be abandoned. The Secretary felt that in the circumstances the best policy to follow in regard to the Arab-Israeli dispute was one of impartiality. He voiced this by saying:

Today the United States should seek to allay the deep resentment against it that resulted from the creation of Israel. ...The Arab people are afraid the United States will back the new State of Israel in aggressive expansion. They are more fearful of Zionism than Communism.

On the other hand the Israeli fear that ultimately the Arabs may try to push them into the sea....

The United States policy should be impartial so as to win not only the respect and regard of the Israeli but also of the Arab people. We shall seek such policies.<sup>12</sup>

Dulles immediately emphasized to the Arabs that the United States

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<sup>10</sup>Ibid., p. 155.

<sup>11</sup>Ibid., p. 164. The USSR extended recognition the following day.

<sup>12</sup>Department of State Bulletin, XXVIII, (June 15, 1953), p. 834.

was committed to protect them from an Israeli assault upon their territory by the Tripartite Declaration of 1950. The Declaration, made by the governments of the United States, Great Britain and France, had two main purposes. First, to avoid an arms race and a serious imbalance of power which might give either the Arabs or Israeli a decided advantage over the other. Each of the Middle East countries would be supplied with arms only to the minimum level necessary for internal security and legitimate self defense. Secondly, the three Western powers would take actions, both within and outside the United Nations, to prevent violations of armistice lines or frontiers.<sup>13</sup> Mr. Dulles reaffirmed the United States commitment and indicated why it was essential to win Arab friendship:

The Declaration when made did not reassure the Arabs. It must be made clear that the present United States Administration stands fully behind that declaration. We cannot afford to be distrusted by millions who could be sturdy friends of freedom. They must not further swell the ranks of Communist dictators.<sup>14</sup>

It seems evident from statements made by Mr. Dulles and from the actions taken by him that he had great respect for the force generated by nationalism. Nasser came to control this force. The decisiveness he showed in evicting the British from the Suez Bases, his active support of the Algerian revolt against France, and his dynamic leadership against the Israeli was popular with the vast majority of Arabs and made him the central figure in the Middle East.

Besides following a policy of impartiality by which he hoped to win Arab friendship, Mr. Dulles was quite careful not to offend President

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<sup>13</sup>Hurewitz, II, pp. 308-309.

<sup>14</sup>Department of State Bulletin, XXVIII, (June 15, 1953), p. 834.

Nasser or to openly oppose him. The Baghdad Pact negotiations demonstrate the respect which the Secretary had for the force that Nasser represented and the need that Dulles felt to cultivate friendly relations with him.<sup>15</sup>

In 1951, prior to Dulles' Secretaryship, the Governments of Turkey, Great Britain, France and the United States invited Egypt "to participate as a founder member of the Middle East Command on the basis of equality and partnership with other founder members."<sup>16</sup> This attempt to organize a pact failed when Egypt refused to support it. In 1953, Mr. Dulles subtly made a second attempt which was partially successful. He observed that "the northern tier of nations"<sup>17</sup> showed awareness of the danger of the Communist Bloc.

By 1955 the northern tier had begun to form. The announcement by Turkey and Iraq of plans to conclude a military alliance in cooperation with the West precipitated a near crisis. The Egyptian Government was convinced that such a pact involving an Arab state would destroy Arab unity. More important, perhaps, Nasser could see his role as leader of the Arab World, in matters of defense at least, being challenged or even usurped by Iraq. Mr. Dulles, not wanting to be associated in a controversy which would offend Nasser, side-stepped overt affiliation with the Pact. He explained the U. S. position as furnishing the idea but having no particular views on its further development:

The United States has been...sympathetic toward the formation of the Baghdad Pact; indeed, it comes out of an idea I developed when I was in that part of the world....Then I talked

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<sup>15</sup>New York Times, April 21, 1956, p. 1.

<sup>16</sup>Department of State Bulletin, XXV, (October 22, 1951), pp. 647-648.

<sup>17</sup>Department of State Bulletin, XXVIII, (June 15, 1953), p. 835.

about the "Northern tier" concept, and that idea took hold and it resulted in the present Baghdad Pact....On the question of its further development, the United States has no particular views. We have not urged any country to join the Pact.<sup>18</sup>

This was a concession by Dulles to Nasser which demonstrates that the Secretary recognized the Egyptian President as being a powerful figure in the Middle East. As badly as Dulles wanted an anti-Communist alliance to be formed in the Middle East, he paid Nasser the tribute of not openly joining the United States to the Pact.

Regardless of this, perhaps small, gesture on the part of the Secretary of State, Nasser continued to form associations which caused Dulles concern. In April 1956 he attended the Afro-Asian Conference at Bandung. Here he was welcomed by such giants as Chou En-lai, Nehru, and Sukarno. Dulles regarded Chou as an implacable enemy of freedom. His regard for neutralists, such as the latter two, was one of necessary acceptance; however, he felt neutralists could exist only because of the protection afforded to them by the Western Allies. They enjoyed freedom as a gift but accepted no responsibility in protecting it from Communism. ( By mid-1955 Dulles heard rumors of an arms deal being negotiated by Egypt and the USSR with Czechoslovakia acting as agent. He was certain enough of his facts by late August to publicly announce that he was "informed"<sup>19</sup> that the USSR had offered arms to Egypt. This offer was confirmed by Deputy Premier Salem of Egypt a day or two later.<sup>20</sup>

Concurrently with the arms negotiations, Nasser was attempting to

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<sup>18</sup>Department of State Bulletin, XXXIV, (January 23, 1956), pp. 119-120.

<sup>19</sup>New York Times, August 31, 1955, p. 1.

<sup>20</sup>Ibid., September 2, 1955, p. 2.

obtain monetary support for the construction of the High Dam at Aswan. Dulles saw in Nasser's need an opportunity to win him away from his questionable friends. However, it was not easy to deal with the Egyptian President, who was keenly aware that the favor of his friendship was the immediate stake in the East-West dispute. He saw clearly that maximum benefit could be had by playing one side against the other.<sup>21</sup> There is no doubt that he was either using actual Soviet offers of aid for the Dam to exact his terms from the West, or that with the tacit consent of the USSR he was using non-existent offers as a ruse to obtain the needed support. Dulles was wary and hesitated to extend an offer until he could fully analyze the situation.

Among the first evidences that the Soviet Union might openly compete with the West in the economic development of the Arab countries was an announcement made in Cairo by Soviet Ambassador Solod. He said: "We will send economic missions, scientific missions...and any other kind of missions you can imagine that will help these countries."<sup>22</sup> When asked to specifically relate this to the Aswan Dam, Mr. Solod replied: "Equipment and unlimited technical aid but no money."<sup>23</sup> The Egyptian Ambassador to Washington, Mr. Ahmed Hussein, announced in October of 1955 that the USSR had offered \$200,000,000 towards construction costs of the Dam. The amount was repayable in cotton and rice over a period of 30 years at

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<sup>21</sup>On March 31, 1966 the author interviewed Harold B. Minor, former U. S. Ambassador to Lebanon. Ambassador Minor stated that when the USSR "entered" the Middle East the condition was created whereby the Arabs were courted by two suitors. Nasser played one against the other with great skill.

<sup>22</sup>New York Times, October 11, 1955, p. 1.

<sup>23</sup>Ibid.

2 percent interest.<sup>24</sup> Dulles must have reasoned that the Soviet offer either did not exist or that Nasser greatly preferred to deal with the West. Why else would he continue to seek Western money?

On December 19, 1955, about one month after Egypt had stated its intentions to accept Soviet arms, Dulles made the decision to proceed with the attempt to counter the growing Soviet influence over Nasser. The United States and Great Britain announced an offer to help Nasser fulfill his dream -- the construction of the Aswan Dam. They proposed grants of \$56,000,000 and \$14,000,000 respectively, which would be surety for the International Bank for Reconstruction and Development, which would then loan \$200,000,000 for the first stage of construction. Mr. Dulles announced:

The United States and the British Governments assured the Egyptian Government...of their support for this /Aswan Dam/ project. Such assistance will take the form of grants toward defraying foreign exchange costs of the first stages of the work.

Further assurance has been given...that the Governments of the United States and the United Kingdom would, subject to legislative authority, be prepared to consider sympathetically in the light of the then existing circumstances further support toward financing the later stages to supplement World Bank financing.<sup>25</sup>

Here was a helping hand extended to encourage Nasser to be friendly towards the West. However, it also contained a warning that his conduct was being watched and that further help would be considered, "in the light of the then existing circumstances."<sup>26</sup>

The West offered conditional phase by phase help. The IBRD insisted

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<sup>24</sup>Keesing's Contemporary Archives, X, (1955-1956), p. 14486.

<sup>25</sup>Department of State Bulletin, XXXIII, (December 26, 1955), p. 1050.

<sup>26</sup>Ibid.

that Nasser must refrain from any rash actions which might upset the Egyptian economy and jeopardize the Bank's investment. Nasser decried this as an intolerable infringement upon the sovereignty of Egypt.<sup>27</sup> He wanted a firm, long range commitment which Dulles was unwilling to give. To do so would free Nasser to follow an independent policy -- even a pro-Communist one -- while being financed by the West.

For the next few months intermittent negotiations took place. The United States insisted that all construction bids should be competitive, while Nasser insisted that the original contracts should be arbitrarily awarded by the Egyptian Government so that time could be saved. However, it appeared that Nasser was in no hurry to come to an agreement with the Sudan and the other riparian states as to how the water resources of the Nile were to be shared. This indicated to Dulles that the urgency which Nasser attached to getting started was but another form of pressure. As late as April 4, 1956 Dulles noted: "In so far as I am aware there is no program for making a prompt start and indeed some of the preconditions to a start are still under discussion."<sup>28</sup> Prior to this, in March, the State Department disclosed that Nasser had not as yet accepted the Western offer,<sup>29</sup> and Nasser was quoted as saying: "We have not yet rejected the Soviet offer."<sup>30</sup>

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<sup>27</sup>There is no doubt that Nasser was very sensitive about his sovereign rights. When he addressed the Bandung Conference, probably the big moment in his life up to that time, the only real point he made was that the internal affairs of states must not be interfered with by other states.

<sup>28</sup>New York Times, April 4, 1956, p. 8.

<sup>29</sup>Ibid., March 17, 1956, p. 3.

<sup>30</sup>Ibid., April 2, 1956, p. 1.



By early July, after some six months of fencing, Nasser decided to force the issue with Washington. Ambassador Hussein returned to the United States from a meeting in Cairo and indicated to the press that he intended to get a definite commitment. He would, according to the New York Times, make the matter "a test of the good faith of the United States Government."<sup>31</sup>

Dulles, on his part, was fairly sure the USSR was not willing to assist the Egyptians in financing the Dam which would cost an estimated \$1,300,000,000.<sup>32</sup> At a press conference on December 20, 1955 he expressed his evaluation of the USSR offer:

The Soviet Union is not like the United States, a country which has surpluses. The Soviet Union is a deficit area.... It would seem unnatural for the Soviet leaders to provide economic aid to other peoples when the peoples they already rule are themselves in dire need.<sup>33</sup>

Dulles felt that Nasser was bluffing and that the USSR was supporting the bluff:

We are not going to put ourselves in a position where the Soviets, by just making paper offers can require us to make real offers to top them....That would mean that the Soviets would be spending nothing except a piece of paper but would require us to spend a great deal of money.<sup>34</sup>

Dulles called this apparent bluff. When Ambassador Hussein appeared before him on the morning of July 18, 1956, Dulles discussed the matter with him briefly and then handed him the official refusal note. Herman Finer describes the event as being rather emotional:

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<sup>31</sup>Ibid., July 18, 1956, p. 7.

<sup>32</sup>Ibid., December 21, 1955, p. 14.

<sup>33</sup>Ibid.

<sup>34</sup>Ibid.

Dulles appeared to be bringing the various reasons against the loan to a head, all in tones rather sad and firm. The Ambassador became excited....He leaned forward over the table, gesticulating. "Don't please say", he blurted out, "you are going to withdraw the offer because..." (and he pointed to his pocket) "we have the Russian offer to finance the Dam right here in my pocket!"...He /Dulles/ at once retorted, "Well, as you have the money already, you don't need any from us! My offer is withdrawn!"<sup>35</sup>

The bridge was crossed. Dulles had grossly miscalculated. Nasser used the refusal as a pretext to nationalize the Suez Canal Company and later accepted a Soviet offer to finance the Aswan High Dam.

Herman Finer says there is no sensible explanation as to why Dulles withdrew his offer. He termed it an "enigma of Dulles' character."<sup>36</sup> The State Department issued a release which largely glossed over the matter. It said that Egypt was assuming more obligations than her economy could support at the moment. However the United States would look forward to helping her at some future time.<sup>37</sup> There is, however, an explanation which was consistent with the goals and objectives of the United States as defined by President Eisenhower and Mr. Dulles.

There is reason to believe that the Secretary decided to take a calculated gamble. If he won, and it appears that he believed he would, the rewards could have been substantial -- even decisive -- in securing the Middle East to the West.

Mr. Dulles did not believe that the USSR had the economic strength, nor the will to risk a large amount of money on a single foreign project. Yet the Egyptians had told the world that the Soviet Union had offered

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<sup>35</sup>Finer, pp. 47-48.

<sup>36</sup>Ibid., p. 48.

<sup>37</sup>Department of State Bulletin, XXXV, (July 30, 1956), p. 188.

to finance the costly Aswan Dam, and the USSR had not denied the Egyptian report. By withdrawing the Western offer of aid, Dulles probably believed that he would be forcing the USSR to publicly admit that it was incapable of backing Nasser to such an extent. Such an admission would expose the weaknesses of the Soviet economy and make Russian friendship questionable in Arab eyes. Nasser would have no choice but to turn from Moscow to the West, which could give him the economic support, on Western terms, that he needed. Dulles would then have achieved a major policy victory.

John R. Beal, speaking of the withdrawing of the Aswan Dam offer, said: "Dulles' bet was placed on the belief that it would expose the shallow character of Russia's foreign economic pretension."<sup>38</sup> Beal then pointed out the scope of the gamble:

As a calculated risk his /Dulles/ decision was on a grand scale....It risked opening a key Middle East country whose territory bracketed the strategic Suez Canal, to Communist economic and political penetration. It risked alienating other Arab nations, controlling an oil supply without which Western Europe's mechanized industry and military defenses would be defenseless.<sup>39</sup>

It is doubtful that in refusing the loan Dulles was attempting to damage Nasser seriously. In the past the Secretary of State had been very careful not to offend him or berate him publicly. When Nasser protested against the Baghdad Pact, Dulles yielded the leadership role to the British and held aloof from open membership in the Pact. When Nasser upset the Western arms control plan by importing Soviet arms, Dulles offered no harsh condemnation but, instead, said:

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<sup>38</sup>John R. Beal, quoted in Freda Utley, Will The Middle East Go West? (Chicago, 1957), p. 93.

<sup>39</sup>Ibid.

I am not disposed to think that there is any irrevocable decision on the part of the Government of Egypt to repudiate its ties with the West or accept anything like vassalage to the Soviet Union.<sup>40</sup>

When Nasser recognized Red China Dulles refused public comment beyond the statement: "It is regrettable."<sup>41</sup>

There seems to be sufficient reason to believe that Dulles was convinced that, given conditions as they were in the Middle East, it would be largely influenced by Nasser, its popular leader. The gamble he took, if won, could have excluded Communism from the Middle East -- an objective of great importance to the United States and the West. The actions Mr. Dulles took after the Canal Company was nationalized show further the regard that he had for the power which Nasser represented, and offer additional evidence that in withdrawing the Aswan loan offer the Secretary was striking primarily at the USSR.

The withdrawal of Western support from the Aswan Dam project had serious repercussions. Not only was the Canal Company seized, but any gains that may have been made from following a policy of impartiality were forfeited. Nasser felt personal insult, rage, and humiliation. The depth of his feeling was revealed in his Nationalization Speech, July 26, 1956:

They do not want us to become an industrial country so that they can promote the sale of their products and market them in Egypt. I never saw any American aid directed towards industrialization as this would cause us to compete with them. American aid is everywhere directed towards exploitation.

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<sup>40</sup>Made in answer to a question concerning the implications of Egypt's arms deal. New York Times, April 4, 1956, p. 8.

<sup>41</sup>Ibid., May 23, 1956, p. 2.

Whenever I hear talk from Washington I shall say "Die of your fury."<sup>42</sup>

Nasser's retaliatory act, nationalization of the Canal, no doubt caused humiliation to Dulles and angered him for a time. In a television address the Secretary called the seizure "a national act of vengeance."<sup>43</sup> He pointed out, using phrases from Nasser's nationalization speech, that the real reason for the seizure was that "Egypt was determined 'to score one triumph after another' in order to enhance what he called the 'grandeur' of Egypt."<sup>44</sup> However, along with these uncomplimentary remarks, Dulles also praised Nasser and pointed out that they had at least one important goal in common -- a free Egypt:

Now, of course, the government of a free and independent country -- which Egypt is, and we want to have it always that -- should seek to promote all proper means the welfare of its people. And President Nasser has done much good in that respect.<sup>45</sup>

The act of nationalizing the Canal and Nasser's vituperous remarks could have been justification to join with the British and French to force the Egyptian President to "disgorge what he was attempting to swallow."<sup>46</sup> However, to do so would have jeopardized peace and created a situation where Nasser might have been compelled to invite the Red Army into the Middle East.

During the period from nationalization to hostilities Dulles made

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<sup>42</sup>The Suez Canal Problem, p. 29.

<sup>43</sup>Department of State Bulletin, XXXV, (August 13, 1956), p. 261.

<sup>44</sup>Ibid.

<sup>45</sup>Ibid.

<sup>46</sup>Finer, p. 97.

attempts to return the Canal to international management. His task was very difficult because of his commitment to a higher goal of peace. He was dealing on the one side with a temperamental, unpredictable leader of an aroused Arab nationalism and, on the other, with determined allies who thought their vital interests were threatened. Both felt their demands were the minimum acceptable terms for settlement, and therefore not subject to compromise.

Great Britain and France were shocked by the nationalization of the Canal Company. To them Nasser was an upstart dictator who was emotionally unstable and predictably anti-Western. By seizing the Canal, they felt he had seized Western Europe's throat. Even though he pledged to operate the Suez Canal in accordance with the Constantinople Convention,<sup>47</sup> they believed that as long as Nasser dominated the area, he would not rest until he controlled the oil of the Middle East itself. Britain depended upon oil for her very existence and France was but little less vulnerable. Both were convinced that Nasser was the real source of their frustrations. The presumptuous seizure of the Canal Company, with what they represented to be a complete disregard for a solemn long standing international agreement, was not the first but the final and unendurable connivance in a series of biting anti-Anglo-French harassments.

While the British and French reacted with verbal violence, it was

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<sup>47</sup>In a letter to the Chairman of the Suez Committee Nasser wrote, "In nationalizing the company the Government of Egypt unequivocally stated that it considers itself bound by the 1888 Convention guaranteeing freedom of passage through the Suez Canal...", D. C. Watts, ed., Documents on the Suez Crisis, Royal Institute of International Affairs, (London, 1957), p. 56.

<sup>48</sup>New York Times, April 8, 1956, p. D5.

not generally agreed that Nasser had acted illegally. There was no clear cut evidence that the act of nationalization violated the Constantinople Convention of 1888. The Suez Canal Company had never been explicitly entrusted with the maintenance of freedom of passage through the Canal, and in keeping with international norms, compensation was promised. Article I of the "Egyptian Law Nationalizing The Suez Canal Company, July 26, 1956, assured the stockholders of compensation:

The shareholders and holders of founders' shares will be compensated for stock and shares which they own on the basis of their closing price on the Paris Bourse immediately preceding the date on which this law entered into force.<sup>49</sup>

Whether legal or not the French and British recoiled at the thought of the Suez Canal coming under the unfettered control of one unfriendly man. Prime Minister Eden expressed the British and French view:

Some people say: "Colonel Nasser promised not to interfere with shipping passing through the Canal. Why, therefore, don't we trust him?" The answer is simple. Look at the record. Our quarrel is not with Egypt, still less with the Arab World; it is with Colonel Nasser.<sup>50</sup>

The Prime Ministers of Britain and France, Eden and Mollet, left no doubt that this man Nasser must rectify his alleged wrong or face serious consequences.

On the epic day of the seizure, July 26, Secretary Dulles was on a ceremonial visit to Lima, Peru to attend the inauguration of President

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<sup>49</sup>Ibid. It is not within the scope of this study to explore the legal aspects of the act of nationalization. Most writers conclude that nationalization was well within the norms of past practices and therefore legal, however, serious debate centers around Nasser's right, as restricted by the Convention of 1888, to refuse passage to Israeli ships and cargoes. For further treatment of the legal aspects see R. R. Baxter, The Law of International Waterways, (Cambridge, 1964).

<sup>50</sup>James Eayrs, The Commonwealth and Suez, (London, 1964), p. 41.

Prado. Mr. Eden telephoned President Eisenhower and suggested a meeting in London. He followed this call with a telegram on the 27th, the day after nationalization. The threat to peace which it contained must have caused serious concern to Mr. Eisenhower:

My colleagues and I are convinced that we must be ready, in the last resort to use force to bring Nasser to his senses. For our part we are prepared to do so. I have this morning instructed our Chiefs of Staff to prepare a military plan accordingly.<sup>51</sup>

The President dispatched Robert Murphy, an experienced and capable career diplomat, to London. His instructions were: "Just go over and hold the fort."<sup>52</sup> There was little else to do until more was known of the matter and until the Secretary of State could arrive.

One feature of the London Conferences, which resulted from the nationalization of the Suez Canal Company, was the slow pace deliberately set by Mr. Dulles. Mr. Murphy observed:

The Secretary of State...was disinclined to proceed immediately to London...Dulles was content for me to carry on talks with Lloyd and Pineau...however they were not happy about this as they felt that the United States was not taking the Suez affair sufficiently in earnest.<sup>53</sup>

Dulles arrived in London one week after the Canal was nationalized. His unhurried trip across the Atlantic apparently did not reflect apathy, but was the beginning of a plan worked out with the President to delay proceedings. President Eisenhower announced at a news conference, held on August 8, 1956, that the United States would not hurry negotiations:

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<sup>51</sup>Ibid., p. 28

<sup>52</sup>Murphy, p. 379.

<sup>53</sup>Ibid., p. 381.



"Here was a matter that seemed to demand a not too hurried solution."<sup>54</sup>  
 No doubt both the President and the Secretary of State felt that emotions would spend themselves over a period of time and that, until calmness returned, a peaceful solution, with justice, would be impossible.

The British and French felt that immediate action would be to their advantage. Anthony Eden stated:

I did not wish to lose momentum, or allow discussions to drag from conference to conference....Britain and France would have preferred to meet as soon as possible; Dulles favored several weeks of preparation. In the end we compromised.<sup>55</sup>

A second feature of the London Conferences was Dulles' efforts to force a resolution through the pressure of world opinion. In his initial conversations with the British and French Dulles emphasized the importance of the need to "mobilize world opinion."<sup>56</sup> He stated that the countries of the West could marshal world opinion in support of a firm but just position, and an international conference of canal users would have a profound influence in forming this opinion. Once the world showed its indignation Nasser would have to give just consideration to its concern over the Suez Canal. The Secretary expressed this idea during a press conference held jointly with the President:

Mr. President, you and I have often talked about our Declaration of Independence and the principles set forth in that great document. And one of these principles is that to which the founders pledged themselves -- that they would pay a decent respect for the opinions of mankind.

I believe, Mr. President, that most people pay decent respect for the opinions of mankind when these are soberly,

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<sup>54</sup>The Suez Canal Problem, p. 46.

<sup>55</sup>Eden, p. 488.

<sup>56</sup>Murphy, p. 379.

carefully, and deliberately formulated. And because I believe that, I am confident that out of this conference /called to meet in London August 16, 1956/ there will come a judgement of such moral force that we can be confident that the Suez Canal will go on, as it has for the last 100 years, for the years in the future to serve in peace the interests of mankind.<sup>57</sup>

A third feature of the conferences was Dulles' attempt to appear impartial in deference to Nasser, whom Dulles respected, not as a person perhaps, but as a figure of power around which the Middle East was oriented.

When Dulles departed for London Eisenhower's instructions to him were simple and direct: "Prevent military intervention."<sup>58</sup> This simply stated order was recognized as being difficult to carry out. Protracted conferences and negotiations offered the best hope.

Dulles' initial meeting with Eden and Mollet lasted two days during which plans for a general conference were formulated. Invitations were transmitted by Her Majesty's Government to the eight signatories of the Constantinople Convention of 1888, plus sixteen other principle users of the Canal and Nasser. They were to take part in a conference in London on the 16th of August 1956

in order to establish operating arrangements under an international system designed to assure continuity of operations of the Canal as guaranteed by the Convention of...1888, consistently with legitimate Egyptian interests.<sup>59</sup>

At the conclusion of the August 1-2 meeting a tripartite statement was made. This statement is significant because it gave the first

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<sup>57</sup>The Suez Canal Problem, p. 42.

<sup>58</sup>Murphy, p. 384.

<sup>59</sup>The Suez Canal Problem, p. 43.

indication of what Dulles considered to be just solution to the dispute. Even though this statement was made in the name of the Governments of France, the United Kingdom, and the United States, the Secretary accepted it as his own. His public remarks throughout the dispute varied little if any from this general theme.

First, the Canal Company was linked to the Convention of 1888:

The Universal Suez Canal Company has always had an international character in terms of its shareholders, directors and operating personnel and in terms of its responsibility to assure the efficient functioning as an international waterway of the Suez Canal. In 1888 all the Great Powers then principally concerned with the international character of the Canal and its free, open and secure use without discrimination joined in the Treaty and Convention of Constantinople.

This provided for the benefit of the world that the international character of the Canal would be perpetuated for all time, irrespective of the Concession of the Universal Suez Canal Company.<sup>60</sup>

Secondly, in order that nations could enjoy the use of an international waterway upon which the economy, commerce, and security of much of the world depends,<sup>61</sup> the three Governments

consider that steps should be taken to establish an international system designed to assure the continuity or the operation of the Canal as guaranteed by the Convention of October 29, 1888.<sup>62</sup>

Dulles, Eden, and Mollet were in agreement on the desired settlement. Each wanted freedom of passage through the Canal to be guaranteed by an international agency, not one man or one country. There was disharmony, however, as to the means by which a settlement might be reached. Dulles insisted upon a peaceful settlement; Eden and Mollet, only that

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<sup>60</sup>Ibid.

<sup>61</sup>Ibid.

<sup>62</sup>Ibid.

the agreement be made.

Egypt declined the invitation to attend the 24 Nation Conference.<sup>63</sup> Nasser saw no reason to attend a meeting which had the purpose of divesting him of that which he had recently seized and considered rightfully Egyptian. Nor could he retreat before the emotion of anti-Westernism which he had encouraged as a basis of strength. In his Nationalization Speech he had shouted that the Canal would be operated by "Egyptians! Egyptians! Egyptians!"<sup>64</sup> It would be difficult to reverse himself even if he so wanted.

In declining the invitation, Nasser rejected the premise put forth at London that the Canal was anything but Egyptian:

The Egyptian Government does not agree with the contents of the three Western Foreign Ministers statement concerning the Suez Canal. The first paragraph...said the Suez Canal Company had always had an international status. The Egyptian Government regrets to say that this is unfounded. The Suez Canal Company is an Egyptian limited company.<sup>65</sup>

Nasser justified this position from the Egyptian point of view which, even if legal, was not conducive to a settlement. He then indicated that the Canal was being operated properly:

When the Egyptian Government announced its decision to nationalize the Suez Canal Company, it stressed once more its intention to guarantee the freedom of navigation through the Canal and its nationalization did not in any way affect the freedom of navigation through the waterway. A clear proof of this was the passage of 766 ships through the Canal

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<sup>63</sup>Greece also declined. The meeting convened as the 22 Nation Conference. Four nations would not endorse the Conference's recommendations so the resulting proposals became known as the 18 Nation Proposals.

<sup>64</sup>New York Times, July 27, 1956, p. 1.

<sup>65</sup>Ibid., p. 47.

during the past two weeks.<sup>66</sup>

The conference of the twenty-two nations which met in London, August 16-23, 1956, had its origin in a telegram from President Eisenhower to Prime Minister Eden. In this message the President proposed consultation among as many nations as possible who had interest in the Canal. Dulles found that Eden disagreed with such broad representation. Eden believed the composition of the conference should be limited to those nations who felt their interests were threatened by the nationalization act. He particularly wanted to exclude the USSR.<sup>67</sup> If representation were limited in this way the conference would be able to quickly agree upon a course of action. The Secretary saw that a conference with such membership might conclude that Western rights would best be re-established by military action. It must have appeared to Dulles that Eden was proposing a council of war instead of a conference to seek justice within the framework of peace. The Secretary of State was able to prevail and be "compromised"<sup>68</sup> invitations to Nasser's friend, the Soviet Union, and to his comrades in neutrality, India, Ceylon, and Indonesia. These representatives would assure lengthy debate and act to balance France and Great Britain, who might advocate using force of arms.

The compromise, however, did not include Israel. Dulles must have reasoned that Israel's presence would be an added affront to the Arab world and provide Nasser with a reason not to attend. Therefore, Israel could not be invited. It was also expedient to exclude Panama.

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<sup>66</sup>Ibid., p. 51.

<sup>67</sup>Eden, p. 488.

<sup>68</sup>Ibid.

The Panama Canal was not entirely devoid of significance in the Suez dispute because it too was a waterway of international importance. If the United States were to stress the internationalization of the Suez, how could it morally justify its monopoly of the Panama Canal? If it should insist that a single nation, in this case Egypt, were not to be trusted to operate the Suez, how could it justify the United States occupying a similar position of trust? This type of argument may not have had too much legal validity, but it carried emotional value in Communist countries and in countries which remembered colonial rule.

Both Eisenhower and Dulles anticipated such arguments and sought to forestall them. At a White House Press Conference on August 8, the President said:

It is well to remember that we are dealing with a waterway here that is not only important to all the economies of the world, but by treaty was made an international waterway in 1888....It is completely different than the Panama Canal, for example, which...was a national undertaking carried out under a bilateral treaty.<sup>69</sup>

Mr. Dulles made the same distinction between Panama and Suez: "The Panama Canal is a zone where by treaty the United States has all the rights...to the entire exclusion of the Republic of Panama to exercise any sovereign rights."<sup>70</sup> Perhaps this small dilemma gave Dulles further reason to be tolerant of Nasser's act of nationalization.

The Secretary of State was obviously opposed to the nationalization of the Suez Canal Company. Dulles' decision to withdraw Western support of the Aswan Dam was used by Nasser as an excuse to seize the Canal.

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<sup>69</sup>New York Times, August 2, 1956, p. 1.

<sup>70</sup>Ibid., August 29, 1956, p. 4.

This in itself must have caused the Secretary to dislike the seizure. On August 3, Dulles said that if Nasser's decision to exploit the Suez Canal were to go unchallenged "it would encourage the breakdown of the international fabric upon which security and well-being of all peoples depend."<sup>71</sup> However, even before the 22 nations convened at London, he appears to have been willing to accept nationalization as a regrettable incident if the moral force of the world failed to bring a settlement. In the same August 3 speech he pointed out that:

After President Nasser's action there were some people who counseled immediate forceable action by the governments most directly affected. This, however, would have been contrary to the principles of the United Nations Charter, and would have undoubtedly have led to widespread violence endangering the peace of the world.<sup>72</sup>

The conference of the Twenty-two Nations convened without an Egyptian delegation. The USSR, represented by Dmitri Shepilov, supported Nasser and accused the West of wanting to perpetuate colonialism and imperialism in Egypt. India, represented by Krishna Menon, took a milder position, but none-the-less supported Nasser's interests. It is very probable that Dulles would have liked to have been able to prepare a plan for international operation of the Canal which had behind it the full moral force of the entire conference. However, the USSR, India, Ceylon and Indonesia dissented and, in so doing, probably performed a service to Dulles. Their critical attitudes towards the French and British acted as a brake which Dulles otherwise would have to apply if force were to be avoided. He was also freed from taking a firm stand

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<sup>71</sup>The Suez Canal Problem, p. 40.

<sup>72</sup>Ibid.

and thereby was enabled to assume a role of impartiality, much as he had done earlier in relation to the Arab-Israeli dispute.

Mr. Dulles dominated the Conference. He waited until the other delegates had offered solutions and then put forth the proposals which were accepted, after slight editing, by 18 of the 22 nations who were in attendance.<sup>73</sup>

Some of the comments made by Secretary Dulles at the fifth plenary session<sup>74</sup> demonstrated his attempt to appear impartial. He said on one occasion: "This is not a conference to take decisions binding those who do not agree...no majority, however large, can bind any minority however small."<sup>75</sup> This assured the USSR and lesser dissenters, who were supporting Nasser, that they could remain members of the conference without jeopardizing their minority views. It also meant that any nation could disassociate itself from the recommendations or actions of the group. Impartiality was further evidenced by the regard he showed for Nasser. He said:

This is not a conference through which to deliver any kind of ultimatum to Egypt...Rather we should seek in all honesty to express our opinion as to what are the measures which in our opinion will establish confidence for the future, while at the same time giving full recognition to the sovereign rights of Egypt.<sup>76</sup>

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<sup>73</sup>Spain approved with a reservation that if no agreement could be reached with Egypt on the basis of the United States Proposal, as amended, negotiations should continue on the basis of the proposed Spanish Amendment. The Suez Canal Problem, pp. 292-293.

<sup>74</sup>There were eight plenary sessions plus post conference meetings. The conference ran from 16 to 24 August.

<sup>75</sup>The Suez Canal Problem, p. 178.

<sup>76</sup>*Ibid.*, pp. 178-179.



Mr. Dulles also attempted to show the British and the French that he was not insensitive to their position, and that he recognized the importance of Suez to them:

What we are here to do is, as it seems to me, to arrive at the greatest possible concensus as to what will best enable the Suez Canal to serve dependably its intended purpose of promoting the free and secure exchange of products between the countries of the world and above all to be a secure link between Asia and Europe. This link must not be severed.<sup>77</sup>

One other notable feature of the role Mr. Dulles played was the determined effort he made to unite the moral force of the world behind his proposals. He prefaced these proposals with the statement:

I may say that this paper does not just represent the views of my Government, it represents views which take into account...expressions of opinion which have been given around this table in the course of our general debate. The large majority of those who have spoken here...seem to feel that safeguards of the kind suggested by this paper are those which are needed.<sup>78</sup>

Later when changes to his proposals were suggested he said:

Mr. Chairman and fellow delegates, I am prepared to state that the delegation of the United States accepts the proposal of the delegations of Ethiopia, Iran, Pakistan and Turkey....Perhaps our combined proposals could now be known as a five nations proposal; I hope before we are through it can be known as a twenty-two nation proposal.<sup>79</sup>

The 22-Power Conference produced two basic proposals; the Indian Proposal and the United States Proposal. Both sought to establish freedom of passage to all users. One difference in the plans was the stress given to the rights of Egypt. The first two points in the Indian Proposal were definite in this regard:

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<sup>77</sup>Ibid., p. 178.

<sup>78</sup>Ibid., p. 180.

<sup>79</sup>Ibid., p. 191.

A peaceful and speedy solution...must be found and... negotiations opened without delay on the basis of --

1. The recognition of the sovereign rights of Egypt.
2. The recognition of the Suez Canal as an integral part of Egypt and as a waterway of international importance.<sup>80</sup>

The 18-Power Proposal stated only: "Such a system /guaranteeing free use of the Canal/...would be established with due regard to the sovereign rights of Egypt."<sup>81</sup>

A second point of difference was the degree of authority the proposed Canal Board of Directors would have. The Indian plan stressed: "A consultative body of user interests formed on the basis of geographical representation and interests charged with advisory, consultative, and liaison functions."<sup>82</sup> This board might have responsibility but certainly no power independent of Nasser. The 18-Power Proposal by contrast stipulated autonomy for the Suez Canal Board: "Egypt would grant this Board all rights and facilities appropriate to its functioning as here outlined."<sup>83</sup>

Prime Minister Menzies of Australia led a delegation to Cairo to present the 18-Power Proposal to Nasser. He was accompanied by the Foreign Ministers of Sweden, Ethiopia, Iran, and Loy Henderson, a career diplomat, representing the United States. The Joint Communique of the Suez Committee and the Egyptian Government, showed the United States as being represented by "the Honorable J. Foster Dulles, Secretary of State

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<sup>80</sup>Ibid., pp. 288-289.

<sup>81</sup>Ibid., p. 291.

<sup>82</sup>Ibid., p. 289.

<sup>83</sup>Ibid., p. 292.

-- Alternate the Honorable Loy W. Henderson."<sup>84</sup> Herman Finer makes a strong point of Eden and Macmillan "pleading"<sup>85</sup> with Dulles to head the mission. Dulles chose not to and avoided the important opportunity to attempt to settle a dangerous world situation. However, he no doubt considered the risk too great. He probably had little hope that the proposals would be acceptable to Egypt or would even be regarded by her as a suitable basis for discussion. Even the moral force of 18 of the 22 nations was insufficient support to chance further offending Nasser.

Upon returning to the United States, Secretary Dulles further disassociated himself from the 22 Nation Conference and the proposals it was submitting to the Egyptian President. At a news conference held on August 28, while the Menzies Delegation was enroute to Cairo, a reporter asked:

Mr. Secretary...would you regard as an acceptable substitute of the London Plan...a plan which would leave the Canal in physical control of Egypt but would have Egypt offer guarantees of freedom of navigation to countries using the Canal, either individually or collectively?<sup>86</sup>

Dulles answered:

Well, the Canal has been physically in control of Egypt for some little time....The Canal is in Egyptian territory. Now, the question of what arrangements about operations would be satisfactory is not primarily a question for the United States to answer. The United States is not dependent to any appreciable degree upon the Suez Canal. Its ships use the Canal but the United States economy is not dependent upon the Canal. The economy of a number of countries is vitally dependent upon the Canal and it is primarily for them to have an opinion as to what arrangements would in fact restore confidence so that their economies could go on being dependent

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<sup>84</sup>Ibid., p. 323.

<sup>85</sup>Finer, p. 173.

<sup>86</sup>New York Times, August 29, 1956, p. 4.

upon the Canal.<sup>87</sup>

This was probably an attempt at impartiality, but according to Menzies it was a serious blow to the hope that his mission might be successful.<sup>88</sup> Nasser must have become assured that the power of the United States was not behind its allies but, in fact, committed to restraining the British and French. Dulles even partially justified a refusal for Nasser. He pointed out that Soviet propaganda, through its Arab language radio broadcasts, was saying to the Egyptian people:

Any solution that comes out of the London Conference is colonialism, is imperialism, and if you accept it you will have subordinated Egypt again to colonial rule which you have just thrown off.<sup>89</sup>

This would, Mr. Dulles said: "Make it extremely difficult for Nasser to accept even a fair solution."<sup>90</sup> He went on to say that he believed Nasser would accept a fair plan; however, this addition was anti-climactic. He had no doubt made it evident that Nasser's quarrel was not with the United States and that if Nasser felt pressured into rejecting the London Proposals, because of Egyptian public opinion, the United States would understand it to be the fault of the USSR -- not Egypt.

President Nasser firmly rejected the proposals. He said:

The system proposed is bound to be considered and treated by the people of Egypt as hostile, as infringing on their rights and their sovereignty....

In all this we keep constantly in mind the vital importance of genuine international cooperation as distinct from domination of any country, be it single domination as Egypt

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<sup>87</sup>Ibid.

<sup>88</sup>Eden, p. 524.

<sup>89</sup>New York Times, August 29, 1956, p. 4.

<sup>90</sup>Ibid.

just got rid of or collective domination as would inevitably be considered the system proposed by the committee.

Any attempt to impose such a system would be the signal for incalculable strife and would plunge the Suez into... turmoil.<sup>91</sup>

This rejection, possibly abetted by Dulles' words to the press, temporarily ended the attempt to resolve the matter by the moral force of world opinion. Of the results that came from the 22 Nation Conference, two seem to stand out quite clearly. Dulles prevented the use of force against Nasser. He also disassociated himself from the dispute to the extent that if force were used the United States would not directly share the blame. It is not known whether the latter result was actively sought or whether it was an unplanned outcome of being impartial.

*Dulles  
New Plans*

The Secretary now turned to a new plan.<sup>92</sup> A Suez Canal Users Association (SCUA) was to be formed among the user nations. This association would somehow transit its ships through the Canal, ignoring Nasser except to pay him a fee with which he would maintain the facilities.

Anthony Eden, who proposed the plan for Dulles, interpreted the Secretary's draft to include the following points:

1. The users should organize for the purpose of establishing for themselves the most effective possible enjoyment of right of passage given by the 1888 Convention.
2. The Association would have its own pilots.
3. The Association would cooperate with Egypt on matters of pilotage and scheduling.
4. If Egypt did not cooperate ships would marshal at either end of the Canal and be convoyed through.
5. Transit dues would be collected by the association.

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<sup>91</sup>The Suez Canal Problem, p. 319.

<sup>92</sup>When asked directly if the plan originated in Washington Dulles did not deny it. Ibid., p. 340. Anthony Eden credits the plan to Dulles. Eden, p. 332. Herman Finer says Dulles thought up the scheme while vacationing at his Duck Island retreat. Finer, p. 207.

Egypt would be compensated for those facilities she furnished.

6. Oil traffic would be rerouted to decrease dependence upon the Canal.

7. Additional oil would be supplied to Europe from the Western Hemisphere.<sup>93</sup>

Point four certainly implies the use of force and even occupation of key ground installations should Nasser not cooperate. How else, for example, would such an elementary task such as raising a draw bridge be accomplished? Items five and six imply that economic pressure would be applied. The whole substance of the Eden version of the plan was to force shipping through the Canal and apply economic pressure until Nasser submitted. If neither of these features were at least threatened the plan was nothing. Certainly it could not be expected that Nasser would willingly reverse the stand he had so recently taken.

On September 13th, about one week prior to the convening of a second London Conference, Dulles held a news conference in which he explained his views on SCUA. He wanted to begin de facto transit through the Canal and divorce this from a political settlement:

I said that the great difficulty with this situation was not that the problems themselves were unsolvable, but that they became unsolvable in the context of great concepts such as "sovereignty and dignity" and "grandeur", and the "East versus the West" and things of that sort....And this is our hope -- if we get operating problems out of the hands of the diplomats, the statesmen, and get it down perhaps into a situation where practical ship operators are dealing with practical people on the part of Egypt, perhaps some of these problems can be solved.<sup>94</sup>

Mr. Dulles envisioned that the administrative agency of the Users Association might deal directly with the Egyptian Canal operators and

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<sup>93</sup>Eden, pp. 533-535.

<sup>94</sup>The Suez Canal Problem, p. 337.

for some unexplained reason Nasser would permit this:

Well, I would expect that there would be contact, as I say, not with the head of Egyptian Government, because the purpose here is to get the operating problems out of the domain of the politicians, the heads of government, and the diplomats and try to get it down to rock bottom. The Egyptian Government has people there who are operating people, concerned with the operation of this Canal. And I suppose there would be somebody representing this association who himself is a qualified person in maritime matters who knows about the Canal and the sending of ships through it, and there would be a practical talk there and the users' agent might say, "Now, here we have got a vessel, Mr. X; you haven't got any good pilot to put aboard this vessel. We have got a pilot who is well qualified. He has been working for the Suez Canal Company here for the last 15 years. We would be glad to put him on the boat. And we hope that under those circumstances you will accept him as a qualified pilot to take the boat through the Canal." And I would hope that under these circumstances the Egyptian operating authority would say, "Sure, we don't waive our right; perhaps we claim we may have the legal right to hire and fire all the pilots, but let's leave aside the question of legal rights, reserving them. You go ahead and go through the Canal." We hope that is what would happen.<sup>95</sup>

This sounds rather infantile in itself but he then further depreciated SCUA. Dulles made it clear that the United States would not use force:

We do not intend to shoot our way through. It may be that we have the right to it, but we don't intend to do it as far as the United States is concerned. If we are met with forces, which we can only overcome by shooting, we don't intend to go into that shooting. Then we intend to send our boats around the Cape.<sup>96</sup>

This assured Nasser again that the United States would act quite moderately.

Dulles stressed that SCUA was an association. No nation was bound

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<sup>95</sup>Ibid., p. 340.

<sup>96</sup>Ibid., p. 341.

by a majority, nor was any nation being led by another. He was again being impartial and at the same time disassociating the United States from any abrupt action that any nation might take.

As mentioned above Dulles' plan implied economic sanctions. SCUA was to collect its own tolls and pay Nasser for actual services rendered. At the time of nationalization about 55 percent of Canal dues were collected in London, 10 percent in Paris and 35 percent in Egypt.<sup>97</sup> United States ships paid dues in Egypt. The Secretary had an opportunity to deprive Nasser of this revenue; however, it was never done in spite of Eden's urgings.<sup>98</sup> Dulles did make overtures in this regard, but hostilities broke out before they were put into practice. In a letter to Foreign Minister Lloyd he promised that in regard to SCUA

steps will be taken with our Treasury officials and with representatives of owners of American flag vessels...with a view to perfecting this cooperation in terms of actual operating practices.<sup>99</sup>

However, American shipping firms register most of their ships in foreign countries. To exclude American ships flying foreign flags made this promise a rather meaningless gesture. In fact, Dulles admitted that the economic sanction portion of SCUA was non-existent. At a press conference held on September 26, 1956, the question was put:

But isn't it a matter of fact, Mr. Secretary, that since you are limiting this dues freeze or diversion only to United States flag ships...that it would alter very little the amount of money now being paid...to the Egyptian Government?<sup>100</sup>

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<sup>97</sup>Eden, p. 489.

<sup>98</sup>Ibid., p. 508.

<sup>99</sup>The Suez Canal Problem, p. 369.

<sup>100</sup>United States Policy in the Middle East, p. 94.



Dulles answered:

That is a fact,...There will still be plenty of boats to go through the Canal because there are a lot of ships of some other registry; ships will be transferred maybe to a registry which makes it easier to go through the Canal...there will always be a certain amount of revenue to Egypt from that source. Perhaps it won't be quite as much but...the burden on Egypt will not be quite as much either.<sup>101</sup>

A reporter then asked a question that Mr. Dulles probably would have preferred not to have been asked. It illustrates again the uncomfortable ground that the Secretary was on in trying to be impartial and yet find a peaceful solution to the problem. The reader should bear in mind that force was not to be used in transiting the Canal:

Q. Mr. Secretary, what view does the United States take of Israel participation in the Suez Canal Users' Association?

A. Well, that matter has not come up. The provisional view which was taken at the Second London Conference was that the qualifications for membership would probably be similar to those which prevailed at the time of the First London Conference; namely, one million net tons or more of shipping through the Canal during the prior calendar year, or a pattern of trade which showed approximately 50 percent or more dependence upon the Canal. If those are adopted,...then Israel would not be eligible to be a member.

On the other hand, you may recall that the proposal -- that the statement that was issued about the Users' Association did say that the facilities of the Association would be made available to any vessels whether or not members. Because we believe that the principle of non-discriminatory passage through the Canal, in accordance with the 1888 Treaty, is one we should recognize ourselves, and that we should not try to set up an organization which obtained preferential rights for our members. So if any other vessel wants to get the facilities of the Association,...those facilities will be available to it.

Q. Mr. Secretary, then Israel, on the basis which you have just now discussed, would actually be deprived, as a consequence of the blockade that Egypt has practiced.

A. Well, as I pointed out, whether or not Israel is an

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<sup>101</sup>Ibid.

actual member of the Association is irrelevant from the standpoint of the facilities of the Association being made available, let us say, to Israeli ships, and to Israeli cargoes. They would have all the facilities of the Association.<sup>102</sup>

Regardless of this attempt to imply that Israel's interests were not being neglected it must have been obvious to the Israeli that they were still to be excluded from using the Canal even if SCUA did become operational.

The Egyptian President denounced SCUA in an emotion packed speech delivered on September 15. He left no doubt that Egypt would have nothing to do with the so-called Suez Canal Users' Association:

Today they are speaking of a new association whose main objective would be to rob Egypt of the Canal and deprive her of her rightful Canal dues....We shall defend our freedom and independence to the last drop of our blood.<sup>103</sup>

In light of Nasser's before-the-fact rejection of SCUA it must have been realized by the delegates that the Second London Conference was going to be a waste of time. Dulles felt called upon to instill a greater sense of purpose in the not too optimistic conferees. On the 19th of September he made two rather lengthy speeches. The second, an extemporaneous one, was to a large extent a pep talk in which he introduced the idea that the conference would be useful in preparing the problem for resolution by the United Nations:

Now the question has been raised, is there any use going ahead with this user's organization proposal because President Nasser has said in advance -- we read in the papers -- that he will not accept it. I think the answer to that question is partially covered by what I have already said, namely, that even if it is going to be rejected by the Government of Egypt,

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<sup>102</sup>Ibid., p. 97.

<sup>103</sup>The Suez Canal Problem, p. 349.

we are getting the problem in shape so that it could be handled by the United Nations.<sup>104</sup>

He prepared this proposition quite carefully and suggested that this conference was necessary because the proposal

last time, /the proposal developed at the 22-Power Conference/...was not the kind of proposal which fitted in with the procedure and power of the United Nations, either the Security Council or much less the Assembly,...the proposals we suggest here for a practical provisional solution are just the kind that the United Nations, in my opinion, can do something about....We are not looking to the United Nations as a means of pushing this problem under the rug.... If that is all we are interested in...of course we do not need any preparatory work.<sup>105</sup>

It must have been obvious to all that so far as original intent was concerned, the conference was preordained failure. However, to admit such to the world was another matter. Dulles must have realized, however, that his tenure as the personal, impartial peace maker was about to end.

What was SCUA? According to Dulles it was an association of Canal users, none of whom was bound by the decisions of the others. Its purpose was to

assist members in the exercise of their rights as users of the Suez Canal in consonance with the 1888 Convention... to promote safe, orderly, efficient, and economical transit of the Canal.<sup>106</sup>

In carrying out its purposes military and economic force would not be used. In actuality it did not attempt to change conditions. If Nasser wanted to let ships transit the Canal, fine. If not, they could go around the Cape.

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<sup>104</sup>Ibid., p. 359.

<sup>105</sup>Ibid., pp. 357-358.

<sup>106</sup>Ibid., p. 631.

The practical results of the Second London Conference, which created SCUA, were about the same as the earlier 22 Nation Conference. The dispute between Nasser and the Anglo-French was not resolved. However, the Secretary achieved that which was achievable within the context of the United States goal of peace. Force had not been used against Nasser. Time, the eternal healer, had been gained. Dulles maintained a relatively neutral posture and, if force were used, the United States could not be directly blamed.

France and Great Britain, who felt vitally threatened by the seizure of the Canal, did not leave the matter entirely to Dulles. From the outset they began preparing to use force, if necessary, to assure that their economic life was not left "in the unfettered control"<sup>107</sup> of Nasser. Eden stated his intentions in his first dispatch to Eisenhower:

My colleagues and I are convinced that we must be ready, in the last resort, to use force to bring Nasser to his senses. For our part we are prepared to so do. I have this morning instructed our Chiefs of Staff to prepare a military plan accordingly.<sup>108</sup>

These plans went forward steadily. There were continuous meetings between France and Britain to effect the coordination necessary for such an undertaking. Cyprus, which was selected as the staging area, was garrisoned and stocked with material, armour and aircraft. It is difficult to determine how much of this activity was known to the State Department or the President. However, it was in these plans that Eden and Mollet put their ultimate faith. The Anglo-French Foreign Offices met in conferences with Dulles while their War Offices prepared for the

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<sup>107</sup>Eden, p. 483.

<sup>108</sup>Eayrs, p. 28.

contingency that diplomacy and meetings would not provide an acceptable solution. In this sense the two London Conferences were useful to the French and the British. They kept the mind of the world occupied with conference matters which, to an extent, shielded their military build-up.

Eden and Mollet were anxious, nearly from the outset, to submit the Suez matter to the United Nations. They realized that to undertake military action without first complying with their obligations under the Charter would isolate them as aggressors and subject them to condemnation by much of the world. It is doubtful that they hoped to redress their grievances in the Security Council as the Soviet Union would certainly defend the interests of Egypt. However, taking the matter to the United Nations was prerequisite to resolution by direct action. Prime Minister Eden said that: "As signatories to the Charter, we had undertaken not to resort to military action without first going to the United Nations."<sup>109</sup>

Dulles and Eisenhower were aware that this obligation must be met before Great Britain and France would force a decision by arms. The President had earlier indicated that taking the problem to the United Nations was not a prudent step. He explained: "Well of course you always have the veto in the United Nations."<sup>110</sup> President Eisenhower later noted in a letter to Winston Churchill that he

particularly urged him /Eden/ in a letter of July thirty-first, to avoid the use of force, at least until it had been proved to the world that the United Nations was incapable of

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<sup>109</sup>Eden, p. 509.

<sup>110</sup>The Suez Canal Problem, p. 46.

handling the problem.<sup>111</sup>

Eden quotes Dulles as saying that the United States could be counted on for support in the Security Council on the understanding that the move was "an honest attempt to reach a solution and not a device for obtaining cover."<sup>112</sup> There seems to be little doubt that the United States was making a determined effort to keep the matter from the United Nations.

On August 30, Eden dispatched a draft of a resolution to Washington which he proposed that Great Britain, France, United States and Belgium should collectively put before the Security Council. Belgium was included because she was a member of the Council at the time and not in sympathy with Nasser's actions. Dulles refused to be a party to the resolution, saying that it gave the appearance of "ganging up".<sup>113</sup> He then prevailed upon Eden to be content with merely drawing the matter to the attention of the Security Council without requesting formal consideration. Even in this limited matter Mr. Dulles refused to join as a signator because he wanted to remain impartial and uncommitted to allies whom he must have suspected were becoming impatient.

Notification was given to the Security Council and new dimension of Suez diplomacy began. United Nations records show:

On September 12, the representatives of France and the United Kingdom informed the Security Council that the situation created by the action of Egypt...was regarded by them as an aggravation of the situation, which if allowed to continue, would constitute a manifest danger to peace and

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<sup>111</sup>Dwight D. Eisenhower, Waging Peace, (New York, 1965), p. 680.

<sup>112</sup>Eden, p. 513.

<sup>113</sup>Ibid., p. 515.

security.<sup>114</sup>

The USSR also "left a calling card"<sup>115</sup> with the Security Council.

The statement, three days after the Anglo-French note, declared:

Military preparations of the United Kingdom and France, conducted with the support of the United States, ... were grossly at variance with the principles of the Charter and could not be regarded otherwise than an act of aggression against Egypt.<sup>116</sup>

Two days later, on the 17th, Nasser also countered the Anglo-French move. His "calling card" informed the Council that the Suez Canal Users' Association was aimed "particularly by France and the United Kingdom at taking virtual possession of the Canal and destroying the very independence of Egypt."<sup>117</sup>

The USSR and Egypt went no further than the Anglo-French. No one requested formal action by the Security Council. The Soviets and Egypt, like the United States, must have realized the danger in going to the United Nations. They must have felt that once the dispute reached the Security Council Britain and France would feel that their moral obligation to the Charter was satisfied and, if Nasser did not back down, they would be free to personally insure that their vital interests were protected. The initiative in taking the dispute to the United Nations was with the Anglo-French and the degree of restraint Mr. Dulles could impose

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<sup>114</sup>Yearbook of the United Nations, 1956, (New York, 1957), p. 20.

<sup>115</sup>One of the French leaders, probably Mollet, described Dulles' recommendation to inform the Security Council but to request no action, as "leaving a calling card. He saw no harm in it, but no good either." Eden, p. 531.

<sup>116</sup>Yearbook of the United Nations, 1956, p. 20.

<sup>117</sup>Ibid.

upon them had diminished.

Eden and Mollet, though weary of the delays effected by Dulles, had used the time prudently. Their forces were marshaled to the degree that a swift and successful strike against Nasser was predictable. Beyond this point, however, time was definitely against them. Eden noted that a serious change of opinion was taking place. Initially the British public was outraged at Nasser's action. Members of both sides of the aisle in the House of Commons expressed indignation with Nasser. Mr. Hugh Gaitskell, although counseling caution, said:

While I have not hesitated to express my disagreement with the Government in their policy in the past I must make it abundantly clear that anything they have done or not done in no way excuses Colonel Nasser's action in seizing the Canal....The fact is that this episode must be recognized as part of the struggle for the Middle East. That is something which I do not feel we can ignore....It is all very familiar. It is exactly the same that we encountered from Mussolini and Hitler.<sup>118</sup>

Herbert Morrison, a member high in the councils of the Labor Party, went so far as to approve the use of force:

If our Government and France and, if possible, the United States, should come to the conclusion that in the circumstances the use of force would be justified...I think in the circumstances of this particular case it might well be the duty of hon. members, including myself, to say that we would give them support.<sup>119</sup>

There was a strong feeling within the Labor Opposition, including Gaitskell and Morrison, that the matter should be taken directly to the United Nations. However, Morrison, at least, originally shared Eden's belief that justice, as Great Britain saw justice, must be "expeditious

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<sup>118</sup>Eayrs, pp. 33-36.

<sup>119</sup>Ibid., p. 38.



and effective"<sup>120</sup> or Britain had the moral right to sanction by force of arms.

The original support given by Labor to the Conservative Government dwindled and then changed to vehement opposition. By September 8, the New York Times noted: "The Labor Party has shifted from its initial attitude of support for Sir Anthony's forceful measures to vociferous opposition."<sup>121</sup> Mr. Eden chided the Laborites for withdrawing support of the Government. Mr. Gaitskell's rejoinder, in the House of Commons, shows the wide rift that had developed within a short 30 days and some of the reasons for it:

At the beginning of his speech the Prime Minister referred to our debate on second August and spoke of the general agreement which then prevailed...but I must point out to the Prime Minister that since then wide differences in opinion have emerged in the country and there has been, indeed, a very animated and serious debate in the press...The points at issue are, I think, fundamental and quite specific, and they concern the attitude of the Government to use force as a means of resolving this serious dispute and they concern the Government's attitude to the United Nations Charter.<sup>122</sup>

The Labor leader then reviewed his party's attempts to have the dispute referred to the United Nations:

We made a proposal on thirteenth August also that the Government should refer the whole issue...to the United Nations, to in fact a special Assembly. But that too was ignored...We ought to take this matter at once to the Security Council...the Government...should make it plain that they will accept any decision of the United Nations in this dispute.<sup>123</sup>

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<sup>120</sup>Ibid.

<sup>121</sup>New York Times, September 8, 1956, p. 1.

<sup>122</sup>Ibid., September 12, 1956, pp. 12-13.

<sup>123</sup>Ibid.

The shift in British public opinion and the change in the attitude of the Labor Party must have been satisfying to Dulles. It was exactly this type of a development that he had hoped for. However, Labor was working against the restraints he had imposed upon Eden by demanding that the dispute be referred to the United Nations. Restraints were also weakened by other factors. Two London Conferences had failed to redress the Anglo-French grievances. The Anglo-French forces were now sufficiently strong and in position to strike Nasser. With opinion turning away from the use of force, further delay would definitely be harmful to the purposes of Eden and Mollet.

The Second London Conference ended September 21, 1956. Secretary Dulles returned to Washington where he was met at the airport by his Under Secretary Herbert Hoover, Jr. According to Herman Finer, Mr. Hoover hurriedly told Dulles that the British and French were taking the dispute to the United Nations immediately.<sup>124</sup> The decision was apparently made while the London Conference was still in session and Dulles was available for consultation. Eden and Mollet were ready to move.

The actions and debates which took place in the United Nations are significant to this study in that they illustrate two points: First, the debates indicate that Mr. Dulles' concept of justice remained unchanged and, secondly, his actions prove that he was, above all, determined to maintain peace in the Middle East.

The first address the Secretary made to the United Nations was before the Security Council. This speech gave a clear understanding of what he thought a just settlement of the Canal dispute should be. As to

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<sup>124</sup>Finer, p. 261.

Egypt's rights as a sovereign nation, Mr. Dulles said:

Now the Suez Canal, to be sure goes through what is now Egypt, and in this sense the Canal is "Egyptian." But the Canal is not, and never has been, purely an internal affair of Egypt....Its character as an international right-of-way was guaranteed for all time by the 1888 Convention. Egypt cannot rightfully stop any vessel or cargo from going through the Canal....The operation of the Canal should be insulated from the influence of the politics of any nation.

If such a waterway may be used as the instrument of national policy by any government -- any government which physically controls it -- then that canal is bound to be an international bone of contention. Then no nation depending on the canal can feel secure, for all but the controlling nation would be living under an economic "sword of Damocles." That would be to negate the 1888 Convention and to violate both justice and law.<sup>125</sup>

Secretary Dulles concluded his speech by stating his support for the Anglo-French Proposal which had been submitted to the Council earlier. The proposals were based upon the agreement reached earlier by 18 of the 22 nations who had participated in the First London Conference. Two of the six points in the Anglo-French Proposal should be mentioned:

1. there should be free and open transit through the Canal without discrimination, overt or covert -- this covers both political and technical aspects;
3. the operation of the Canal should be insulated from the politics of any country.<sup>126</sup>

Point number one, free and open transit, no doubt included Israel. The phrase, "without discrimination",<sup>127</sup> would appear to give it universal application. In addition, Secretary Dulles had earlier stated:

Egypt is in defiance...of a decision by the Security Council...taken in 1951...which was re-affirmed again, I think, in 1953, that under the terms of the Treaty of 1888

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<sup>125</sup>Department of State Bulletin, XXXV, (October 22, 1956), pp. 611-617.

<sup>126</sup>Ibid., p. 616.

<sup>127</sup>Ibid.

the Israeli shipping was entitled to go through and that Egypt was not entitled to bar it as it was doing.<sup>128</sup>

According to the Secretary then, justice still required that a settlement include an international board to govern the operations of the Canal and that the Canal be opened to the ships of all nations including those of Israeli registry.

Hostilities broke out on October 29 when Israel invaded Sinai. Prior to this, on September 23, France and the United Kingdom had requested that the Security Council convene for the purpose of considering the situation brought to the Council's attention by their letter of September 12. This letter had stated:

The refusal of Egypt to negotiate on the 18-Power proposals...was regarded as an aggravation of the situation which if allowed to continue, would constitute a manifest danger to peace and security.<sup>129</sup>

The following day, Egypt requested an "urgent meeting to consider actions against Egypt by some powers, particularly France and the United Kingdom, which constituted a danger to international peace and security."<sup>130</sup> Both requests were put on the agenda with the Anglo-French item having priority. The question was discussed in seven open meetings and three closed ones in which Egypt took part. Israel and Arab nations other than Egypt sought to participate but "action on their requests was postponed."<sup>131</sup>

On October 13 the Anglo-French Proposal, which Dulles supported as

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<sup>128</sup>Department of State Bulletin, XXXV, (September 10, 1956), p. 408.

<sup>129</sup>Yearbook of the United Nations, 1956, (New York, 1957), p. 20.

<sup>130</sup>Ibid., p. 21.

<sup>131</sup>Ibid.

a basis for settlement, was defeated by a Soviet veto.<sup>132</sup> The negative vote was no doubt expected by Eden and Mollet who had geared their plans to this contingency. They felt their obligations to the Charter had been met and were now free to seek "justice" through other means.

On October 29 Israeli armed forces began a penetration of Egyptian territory. The United States requested an immediate meeting of the Security Council to consider steps for the immediate cessation of the military action taken by Israel.<sup>133</sup> The meeting convened the next morning. Ambassador Lodge indicted Israel and then forcefully requested the Council to act against her:

The Government of the United States feels that it is imperative...to order that military actions undertaken by Israel cease immediately, and to make clear its view that the Israeli armed forces be immediately withdrawn behind the established armistice lines. Nothing less will suffice."<sup>134</sup>

The forcefulness of Mr. Lodge's address indicates that he had received unequivocal instructions from Washington. His statement that followed could have been directed at the British and French but more probably was an appeal to the USSR: "No one nation certainly should take advantage of this situation for any selfish interest."<sup>135</sup> Mr. Lodge's resolution was defeated by an Anglo-French veto as was a similar one proposed by the USSR.

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<sup>132</sup>Department of State Bulletin, XXXV, (October 22, 1956), p. 616.

<sup>133</sup>Yearbook of the United Nations, 1956, p. 25.

<sup>134</sup>Department of State Bulletin, XXXV, (November 12, 1956), p. 748.

<sup>135</sup>Ibid.

Eden and Mollet disregarded a personal appeal from President Eisenhower,<sup>136</sup> as had Israel, and began an assault upon Egypt.

At this point in time, October 31, a Yugoslav draft resolution was passed which allowed the dispute to be shifted from the Council to an emergency special session of the General Assembly where the veto was not applicable.<sup>137</sup>

Secretary of State Dulles again took personal charge of the matter. He told the Assembly of the injustices, suffered by all parties, which had led to hostilities but he left no doubt but that the United States condemned the resort to armed forces as a means of righting injustice: "We have come to the conclusion that these provocations, serious as they are, cannot justify the resort to armed force."<sup>138</sup> The Secretary then went on to recommend that the Assembly "take action which will assure that this fire...shall be promptly extinguished."<sup>139</sup>

The General Assembly Resolution on the Middle East, introduced by Secretary of State Dulles, was passed 64 to 5 with 6 abstentions. Its significant provisions were: a cease fire; all parties to withdraw all forces from Egyptian territory; members would refrain from introducing military goods into the area; steps would be taken to re-open the Canal and restore freedom of navigation.<sup>140</sup> These provisions were consistent with United States goals and objectives.

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<sup>136</sup>Eisenhower, Waging Peace, p. 77.

<sup>137</sup>Yearbook of the United Nations, 1956, pp. 27-28.

<sup>138</sup>Department of State Bulletin, XXXV, (November 12, 1956), p. 750.

<sup>139</sup>Ibid., p. 755.

<sup>140</sup>Ibid., p. 754.

First, and most important, peace had to be restored and hostile forces withdrawn from Egypt. If these conditions were met quickly Nasser would have no reason to accept Russian volunteers into his country or to form an alliance with Moscow. There would be no further need to destroy oil installations nor need to further block the Canal. Once conditions were returned to pre-war status, steps could then be taken to re-open the transportation link to Europe and the search for a just settlement of the crisis continued. As Mr. Dulles stated before the General Assembly, the fire must be promptly extinguished, "then we shall turn with renewed vigor to curing the injustices out of which this trouble has arisen."<sup>141</sup>

Dulles' resolution, Resolution 997 adopted by the General Assembly November 2, 1956, was not fully complied with until mid-March 1957. Although the matter had been ostensibly turned over to the United Nations, the United States continued independent efforts to force the Anglo-French and Israeli leaders to withdraw their forces. Anthony Eden states that Secretary of the Treasury, Mr. Humphrey, telephoned London and made it clear that the United States would not extend help to Great Britain until she made a public commitment to promptly withdraw her forces.<sup>142</sup> After the commitment was made Eden noted: "We now found the United States Government more helpful on two matters, the support of sterling and the supply of oil."<sup>143</sup> Merrill Mueller substantiates Eden's statement. He quotes Foreign Secretary Lloyd as saying: "Britain was surprised by the

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<sup>141</sup>Ibid., p. 755.

<sup>142</sup>Eden, p. 641.

<sup>143</sup>Ibid., p. 644.

intensity of American support for economic sanctions against us, especially an oil embargo. We can do without everything but that."<sup>144</sup>

Israel was particularly reluctant to withdraw her forces. She was, among other things, trying to force a guarantee that Israeli ships and cargoes would be permitted free passage through the Suez Canal and through the straits of Tiran into the Gulf of Aqaba. The use of both of these waterways had been denied Israel. By occupying Sharm el Shaikh, at the narrow entrance to the Gulf, Israel was again able to use her port of Elath located on the Gulf of Aqaba.

On February 11, 1957, Secretary Dulles handed Israeli Ambassador Eban an aide memoire. This note requested that Israel evacuate the Gaza Strip and Sharm el Shaikh. In return the Secretary inferred that the United States would insure Israel free passage into the Gulf of Aqaba. He stated: "The United States believes...that no nation has the right to prevent free and innocent passage into the Gulf."<sup>145</sup> Dulles continued:

It is of course clear that the enjoyment of a right of free and innocent passage by Israel would depend upon its prior withdrawal...The United States has no reason to assume that any littoral nation would under these circumstances obstruct the right of free and innocent passage.<sup>146</sup>

Then in an apparent attempt to prove that the straits of Tiran "comprehended international waters"<sup>147</sup> which Israel could use the Secretary

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<sup>144</sup> Merrill Mueller to Dwight D. Eisenhower, November 19, 1956, Eisenhower Papers, LL-116, Eisenhower Library.

<sup>145</sup> United States Policy in the Middle East, p. 290.

<sup>146</sup> Ibid., p. 291.

<sup>147</sup> Ibid., p. 290.



added: "The United States, on behalf of vessels of United States registry, is prepared to exercise the right of free and innocent passage."<sup>148</sup> How this would help Israel was left open to questioning.

From the time hostilities had begun until the last foreign soldier had evacuated Egyptian territory, Mr. Dulles worked under the greatest of pressure. His ultimate fear was that the Soviet Union might gain a commanding influence in the strategically important Middle East and that the oil resources would be lost to the West. These fears were not without foundation.

There was a real danger that the USSR would be asked to send forces into the area. Major General Ali Abu Nuwar, Chief of Staff of Jordanian Forces, had warned of such a development in August 1956:

We feel that if Britain and France attacked Egypt it would be open aggression and we Arabs would be all united against them. We are not strong enough to fight them alone without an ally and it is obvious who that would be.

War between Britain and Egypt would inevitably lead to an alliance with the Soviet Union.<sup>149</sup>

The USSR kept this "inevitably" before Dulles. Threats to send volunteers to the Middle East were made<sup>150</sup> and Bulganin suggested to Eisenhower that both the USSR and the USA should dispatch forces to the Middle East.<sup>151</sup>

Prior to hostilities, on September 15, the Soviet Ambassador to the United Nations made some predictive remarks as to the consequences of

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<sup>148</sup> Ibid., p. 291.

<sup>149</sup> New York Times, (August 28, 1956), p. 2.

<sup>150</sup> Ibid., (November 7, 1956), p. 33.

<sup>151</sup> Ibid., (November 6, 1956), p. 1.

war in the Middle East. He said:

To impose a solution of the Suez Canal issue by force of arms risked immense destruction in the Suez Canal and in the oil fields and pipelines in the countries of the Arab East. A foreign invasion of Egypt would arouse the peoples of Asia and Africa....The USSR could not stand aside from the Suez problem because any violation of peace in the area could not but affect its security.<sup>152</sup>

It is doubtful that these remarks were in any way new to Mr. Dulles. However, in the first hours of the war the reality that the Soviet Ambassador's remarks warned of began to unfold.

Nasser's first act was to block the Canal. Demolitions and sunken ships paralyzed the waterway.<sup>153</sup> The following day, November 1, 1956, Radio Cairo broadcast two appeals. One, called on all workers to sabotage oil installations and pipelines and to attack foreign military bases. The next day all three Syrian pumping stations of the Iraq Petroleum Company's pipeline were blown up. The second appeal originated from the rector of Al-Azhar University, calling all Moslems to a holy war upon the intruders.<sup>154</sup>

Thus, interests vital to the United States were placed in a critical state of jeopardy by Israel, France, and the United Kingdom. Dulles, recognizing that disaster would result if the United States continued a policy of impartiality, took those forceful actions which he felt were necessary to restore peace and protect the interests of the United States.

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<sup>152</sup>Yearbook of the United Nations, 1956, p. 20.

<sup>153</sup>Lenczowski, p. 325.

<sup>154</sup>Ibid., p. 321.

## CHAPTER IV

### CONCLUSIONS

President Eisenhower, in referring to the Middle East, was quoted as saying: "As far as sheer value of territory is concerned, there is no more strategically important area in the World."<sup>1</sup> The significance of this area was magnified by the East-West dispute. If the Cold War had not existed the region would have been important to the economic interests of the United States, but its relationship to the total national interests probably would not have been considered a critical one. It was within the strategy of the East-West conflict that the Middle East became vital.

Western Europe, a bulwark of strength committed against the spread of Communism, was dependent upon the oil of the Middle East to sustain its industrial base. If the Kremlin were to control the vital area, the United States' objective of containing Communism would be jeopardized. Europe would be subject to oil blackmail; the NATO and Baghdad Pact nations would be outflanked; the continent of Africa and the sub-continent of India would be exposed to the direct pressure of Communist forces.

The Middle East was of decisive importance in the East-West conflict. It was incumbent upon the United States, as leader of the West, to formulate and enact policies which would serve the dual purpose of

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<sup>1</sup>Byroade, p. 3.

denying to the Soviet Union a position of dominance in the Middle East, and insuring that the oil of the area was freely available to the West.

The study has sought to show that the moralistic expression of foreign policy goals by John Foster Dulles in support of regional peace and stability in the Middle East, were actually based upon a realistic assessment of American national interest - the protection of a source of oil vital to Europe, the protection of American oil interests, and the prevention of Soviet ascendancy in the Middle East. Armed conflict might have paralyzed the area as an oil producing center and as a world communication center. War could have been doubly defeating because it might have led to Soviet intervention in the area. The USSR was apparently committed to support Nasser. To abandon him would have resulted in a loss of prestige in the areas of the world the Kremlin was trying to influence.

Nasser was guiding a tidal wave of emotional nationalism. This force, coupled with the support he received from the Soviet Bloc, gave him the requisite power to settle the Canal dispute virtually on his own terms. Dulles clearly perceived that the Egyptian President held the key position of strength in the Middle East. He controlled the Suez waterway and he was the Arab bloc leader, at least in matters of defense. These two factors gave him control of Middle East oil to the extent that he could cripple the industries of Western Europe by depriving them of their source of energy. Confronted with this reality, Dulles had little choice except to concede that justice, as he saw it, would have to be subordinated to the more vital goals of maintaining peace and containing Communism. An international board of Canal directors was not established, nor was Nasser forced to extend the right of transit through the waterways

he controlled to Israel.

It is evident that the policies of John Foster Dulles, relative to the Suez Crisis of 1956, did protect the vital national interests of the United States, at least for the immediate future. With the exception of Israel, the Suez Canal remained open to Western shipping. The oil of the Middle East continued to be available to the West. The Middle East did not come under the control of the Soviet Union.

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