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Soviet Government's statement
on the Suez Canal



WITH THE COMPLIMENTS
OF THE PERMANENT DELEGATION
OF THE UNION OF SOVIET SOCIALIST REPUBLICS
TO THE UNITED NATIONS

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SOVIET GOVERNMENT'S STATEMENT ON THE SUEZ CANAL

On August 3, 1956, Sir William Hayter, Britain's Ambassador in Moscow, handed D. T. Shepilov, Minister of Foreign Affairs of the USSR, a note from the Government of Britain enclosing the text of the statement of the Governments of the United Kingdom, France and the United States of America on questions connected with the nationalization of the Suez Canal Company by Egypt. With reference to this three-power statement, the Government of the United Kingdom extended an invitation to the Soviet Government to attend the conference which is proposed to be called in London on August 16, 1956, to consider the steps to be taken "to assure the continuity of the operation of the canal as guaranteed by the convention of October 29, 1888."

In this connection, the Government of the Soviet Union considers it necessary to make the following statement:

The Soviet Government cannot agree to the appraisal of the situation in the Suez Canal Zone as set out in the three-power statement.

The Governments of the Western Powers, while recognizing the right of Egypt as a fully sovereign and independent nation to nationalize the assets under Egypt's jurisdiction, are trying, nevertheless, to question the legality of the Egyptian Government's act of nationalizing the Suez Canal Company. The statement contains the utterly groundless assertion that this company is an "international agency," the status of which cannot be altered by the Egyptian Government. It ignores the fact that the Suez Canal Company has, ever since its foundation, been regarded, even under the 1866 agreement to which Egypt was an unequal party, as an Egyptian company operated in accordance with the laws and customs of Egypt. The nationalization of the Suez Canal Company has nothing to do with the question of ensuring the freedom of navigation through the Suez Canal, which is governed by the special convention of 1888. Any attempts to make it appear that a private company subject to Egyptian laws must be regarded as some sort of an international agency ensuring navigation through the Suez Canal have no legal basis whatsoever.

The nationalization of the assets of enterprises situated on the territory of this or that nation is a matter of each particular nation's domestic concern, in accordance with the generally recognized principles of international law. It is precisely in this way that all nations have regarded the decisions taken by sovereign nations on a number of occasions over the past decades to nationalize such property, even that involving foreign capital.

Another fact to mention in this connection is that the General Assembly of the United Nations passed a special resolution in December 1952 on the right of the peoples to dispose of their own natural wealth and resources at their own discretion. The General Assembly called upon the nations to refrain from any action that might infringe the sovereign rights of nations in this respect.

Accordingly, the Soviet Government considers the Egyptian Government's decision to nationalize the Suez Canal Company to have been a perfectly lawful action stemming from Egypt's sovereign rights.

The Governments of the United Kingdom and France explain their opposition to the nationalization of the Suez Canal Company by the Egyptian Government by their concern to ensure freedom of navigation through the Suez Canal. However, the transfer of the assets of the former Suez Canal Company into the hands of the Egyptian state means no changes at all in the operating regime of navigation through the Suez Canal.

The Government of the Republic of Egypt made an official statement to the Soviet Government, as well as to the governments of all other nations, on August 1, that the nationalization of the Suez Canal Company will by no means affect the corresponding international commitments of Egypt and that Egypt will observe, wholly and entirely, freedom of navigation through the Suez Canal, as provided for in the convention of 1888. The Government of the Soviet Union has taken note of the statement made by the Egyptian Government and considers that there is no reason for any uneasiness in this respect, especially since Egypt, through whose territory the Suez Canal passes, is interested in and can ensure normal navigation through the canal no less than any private joint stock company. The nationalization of the Suez Canal Company has, in fact, not affected in any way the uninterrupted passage of ships of all nations through the Suez Canal, which continues to operate just as it did before its nationalization.

It follows from this that the Egyptian Government is taking full account of the great importance of the freedom of navigation through the Suez Canal, and also that the fears expressed on this subject in the three-power statement are unfounded. It should be pointed out that Egypt, having undertaken to respect the freedom of navigation through the Suez Canal, has likewise decided to compensate the shareholders of the Suez Canal Company.

Egypt has, therefore, taken a perfectly lawful and justified action, having assumed the obligation to guarantee the normal operation of the canal, which passes through Egyptian territory and has been built by the hands of the Egyptians. The fact that the Suez Canal has, for scores of years, not been in the hands of Egypt but was in the hands of a company with predominantly British and French capital, which used the Egyptian canal for enrichment and interference in Egypt's internal affairs, can be no justification for maintaining this abnormal situation in the future.

Nor can it be disregarded that relationships brought about in the past through conquest and occupation are no longer proper and are out of keeping with the principles of cooperation between sovereign and equal nations, with the principles and purposes of the United Nations. Since the Governments of the United Kingdom and France as well as the Government of the United States of America recognize the supreme principles of the United Nations and declare that they welcome the changes in their relations with the countries which were formerly in colonial dependence, the governments of these powers ought not obstruct the exercise by these nations of their sovereign rights.

The Soviet Government cannot disregard the fact that an increasingly tense situation is developing in the area of the Near and Middle East at present. The Governments of the United Kingdom and France, as soon as they saw the incomes of the Suez Canal Company affected, have resorted to gross and unjustified pressure on Egypt, applied economic sanctions to it, and announced that they would make their naval forces ready for action and concentrate them in the vicinity of the Suez Canal, mobilize the reserves, prepare paratroopers, etc. The press in France, Britain and some other Western countries has launched an extensive campaign to stir up a feeling of hostility against independent Egypt.

In taking these actions, which cannot fail to jeopardize the maintenance of peace and security, the Governments of the United Kingdom and France are taking a line incompatible with the principles of the Charter of the United Nations. For how can these actions be reconciled with the commitments of the members of the United Nations to refrain from the threat or use of force in their international relations and to resolve international disputes by peaceful means so as not to place international peace and security in jeopardy?

The Soviet Government regards as utterly inadmissible the measures now being carried out by the British and the French Governments and considers them to be a challenge to peace.

It is quite obvious that these measures cannot fail to incur legitimate indignation and that they will be given a fitting rebuff not only by Egypt but also by other peoples fighting for their sovereign and national independence. The attempts to use force against Egypt, which is acting in the exercise of its sovereign rights, can first and foremost do grave damage to the interests of the Western Powers themselves in the area of the Near and Middle East.

The nationalization of the Suez Canal does not affect the interests of the peoples of Britain, France, the United States or any other country. It is the former Suez Canal Company which derived huge profits from the exploitation of the canal that is deprived from now on of the possibility of waxing rich at the expense of Egypt. The attempts to recover through violence the privileges this company has lost or to force on Egypt the rule of foreign capital in a different guise are of a patently colonial character.

The Soviet Government, true to its policy of peace, equality and non-interference in the internal affairs of other nations, declares that the aforementioned actions of the ruling circles of Britain and France, which Egypt has done nothing at all to provoke, are in no way likely to promote the relaxation of international tension and the strengthening of international confidence.

As for the invitation extended to the Government of the USSR by the Government of the United Kingdom to take part in the conference on the Suez Canal meeting in London on August 16, the Soviet Government, in considering the matter, cannot fail to take into consideration the following circumstances.

The United Kingdom and France have declared that the purpose of this conference is to work out steps to ensure the operation of the canal in accordance with the convention of 1888. This appears unclear, especially since, as has already been pointed out, the principle of the freedom of navigation through the Suez Canal, as laid down by the convention of 1888, remains unaffected and is being fully adhered to. If, however, the conference were designed to undertake an attempt, in one way or another, at reconsidering the Egyptian Government's decision on nationalizing the Suez Canal Company, that would be an act of open interference in the internal affairs of Egypt, whose right as a sovereign nation to nationalize this company cannot be questioned by any international conference. It should be pointed out, besides, that the conference in question is to be called on the initiative of the United Kingdom and France, which are the principal shareholders of the Suez Canal Company, and the United States, which is not a party to the convention of 1888. Furthermore, the calling of the conference has been announced without consulting the Soviet Union and other signatories to the convention of 1888.

The fact that calls for attention is that the list of the countries invited to the conference reveals a biased approach designed to ensure that most of its members would support the proposals drafted in advance by the United Kingdom and France. According to the three-power statement, the composition of the conference has been governed by the two principles: the parties to the convention of 1888, and the nations "largely concerned in the use of the canal." Neither of these principles has been observed, however. Austro-Hungary and Germany were among the signatories to the convention of 1888. Austria, Hungary, Czechoslovakia and Yugoslavia are the successor states of Austro-Hungary. None of these nations have been invited to the conference. Only one part of Germany--the Federal Republic of Germany--has been invited, while the other part--the German Democratic Republic--has not. This cannot be agreed to, especially since the aforementioned states are interested in the freedom of navigation through the Suez Canal no less than the others.

Nor have the Arab nations--Syria, Lebanon, Saudi Arabia, Jordan, the Sudan, Libya, Yemen, Iraq, Morocco, Tunisia--whose territories lie in direct proximity to the canal and who are vitally interested in having the matter properly settled, been invited to the conference. It should be pointed out that most of the Arab nations are likewise the successor states of the former Ottoman Empire, a signatory to the convention of 1888. Nor have such maritime nations as the People's Republic of China, Poland, Bulgaria, Rumania, Burma and Finland, which make extensive use of the canal, been invited to the conference.

Thus, the conference scheduled to meet in London will be a conference of a group of nations holding the shares of the Suez Canal Company with another group of nations which these principal shareholders of the company have arbitrarily selected.

The conference is being convened in circumvention of the United Nations, which under the conditions prevailing cannot be regarded as normal.

London has been named as the meeting place for the conference without agreement with the parties to the convention of 1888, although if the provisions of the 1888 convention were to be respected, the consideration of the questions connected with the operation of the canal ought to take place in Cairo.

In view of the foregoing facts, the Soviet Government considers that the above-mentioned conference cannot in any way be regarded, due to its composition as well as to its character and purposes, as an international meeting authorized to take any decisions whatever affecting the Suez Canal.

The Soviet Government considers it to be most expedient for the problems connected with ensuring the freedom of navigation through sea canals and straits of international significance to be discussed within the framework of the United Nations.

There are, as everyone knows, a number of important sea canals and straits of international significance. Since the three-power statement refers to the problem of internationalizing the Suez Canal, the natural questions arises: Why is the Suez Canal alone being singled out of the sea straits and canals of no smaller importance?

At the same time the Soviet Government proceeds from the premise that any decision of the question of sea canals and straits of international significance must provide for the necessity to respect the sovereign rights of the nations through whose territories these sea routes pass.

Taking into consideration the foregoing, the Government of the Soviet Union, as a party to the convention of 1888, considers that the countries that should under any circumstances share in the discussion of the questions connected with the freedom of navigation through the Suez Canal should include Austria, Albania, Burma, Bulgaria, Hungary, the German Democratic Republic, Yemen, Jordan, Iraq, Lebanon, Libya, Morocco, Poland, Rumania, Saudi Arabia, Syria, the Sudan, Tunisia, Finland, Czechoslovakia and Yugoslavia.

The Soviet Government believes it indispensable for such a great power as the People's Republic of China to take part in this conference.

The Soviet Government hopes that the Government of the United Kingdom will raise no obstacles to the participation of the above-mentioned nations in this conference, provided they find it essential for them to do so.

On its part, the Soviet Government, being as it is a champion of peaceful settlement of international issues and bearing in mind that the forthcoming conference in London can provide an opportunity for finding such an approach to the settlement of the questions connected with the freedom of navigation through the Suez Canal as, with due regard to the new circumstances, might be acceptable to the Egyptian nation as well as to the other nations concerned, will delegate its representative to this conference. It goes without saying that the Soviet Government's participation in the conference in no way commits the Soviet Union to any restrictions or obligations arising from the principles which were proclaimed by the three Western Powers in their joint statement of August 2 or which may damage Egypt's sovereign rights and dignity. As for the date of the conference, the Soviet Government believes that, for the sake of better arrangements, it would be advisable to convene it toward the end of August.

The Government of the Soviet Union is a determined champion of the further relaxation of international tension, including in the area of the Near and Middle East. It is convinced that respect for sovereign rights of nations and the promotion of international cooperation in keeping with the spirit of the times on the basis of equality and non-interference in the domestic affairs of nations is the supreme condition for strengthening international confidence and ensuring a firm peace between the peoples.

The Soviet Government is confident that the arising disputed issues can and must be settled by peaceful means in accordance with the rights and legitimate interests of the peoples. It hopes that on the Suez Canal question, too, the governments of the states will be wise and farsighted and will refrain from any action that might have unwelcome consequences.