

TAB A

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FROM: "The Mysterious Doings of CIA"; By Richard and Gladys Harkness;
in THE SATURDAY EVENING POST, 6 November 1954; pp. 66 and 68.

"In Egypt the communists were making capital of the lascivious regime of King Farouk. Skilled American political operatives were available to advise leaders of a pro-American Egyptian military junta when the time seemed ripe for a palace coup, and they indicated how such devious matters were best arranged. Another CIA-influenced triumph was the successful overthrow, in Iran...of Mossadegh....

"The soundness of this theory has its proof not only in the visible communist setbacks in Iran, Egypt, and Guatemala...."

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INTRODUCED BY R. H. H. • • • By Joseph and Stewart Alsop

To Waffle or Not to Waffle

Egyptian President Gamal Abdel Nasser's seizure of the Suez Canal Company is being compared in knowledgeable circles here to the aggression in Korea in 1950, and even to the assassination of Sarajevo in 1914 which sparked the First World War.

Nasser's action may not be that serious. But it is serious enough, as British Prime Minister Sir Anthony Eden's urgent invitation to Secretary of State John Foster Dulles suggests. At any rate, it is worth understanding just what is at stake.

The bulk of the oil which keeps the industry of Britain and Western Europe turning over passes through the Suez Canal. So does Europe's trade with Asia. The speech by Nasser in which he announced the Canal seizure was extraordinarily bitter and irrational, filled with an infatuated sense of personal power. It reads in many ways like a speech by Adolf Hitler, with strong pro-Communist overtones. It is such a man, then, who will have a grip on the economic jugular vein of Britain and Europe, if Nasser is allowed to get away with his unilateral action.

IT IS NO wonder that some of the British are talking very tough — talking, indeed, in terms which recall the bad old imperialist days of Disraeli and Palmerston, when the Canal was born. But it is also well to understand the American stake in the matter.

American Middle Eastern oil also moves through the Canal, and will henceforth do so, if Nasser has his way, only by courtesy of the Egyptian strongman. But that is only part of the American stake. The biggest part is the British alliance. British prestige, influence and power have been shrinking steadily. If Egypt successfully defies Great Britain on a matter absolutely vital to British interests, then it is no exaggeration to say that Britain is through, once and for all, as a great power. The value of the Anglo-American alliance, which remains the heart and soul of Western strength, will then be sharply and disastrously downgraded.

What is more, what has now happened is a very direct result of American, not British, policy. It is no secret that Jefferson Caffery, former American Ambassador in Cairo, had a lot to do with installing the Nasser regime. Through Caffery, moreover, very heavy pressure was

brought to bear on the British to evacuate the Canal Zone. And it was Secretary of State Dulles who took the lead in the Anglo-American decision to withdraw the offer to help finance the Aswan Dam—a decision which led directly to Nasser's act of defiance.

It has been said that Dulles' decision was a triumphant gamble because Soviet Foreign Minister Dmitri Shepilov subsequently remarked that the Soviet Union was not considering helping to build the dam. The triumph may well be premature. After all, two people are interested in a piece of property, and one withdraws the other is very apt to assume an air of indifference. The Soviet objective has clearly been to make certain that Nasser, when he goes to Moscow next month, will arrive hat in hand an without real bargaining power.

The objective has been achieved, and the danger of a Soviet-Egyptian deal which will make the Soviet Union the master of the Middle East must be added to the dangers inherent in Nasser's seizure of the Canal.

THERE ARE other dangers. The Israelis, for example, count Nasser their most formidable enemy. If Nasser now triumphant, defies the power of British and America, they will conclude that Israel is next on his list. The Israeli military men take "preventive

action," or could spark a Middle Eastern or even a general war.

In this situation there are three alternative courses of action, all hideously unattractive. One is to waffle—to protest, to denounce, but to do nothing.

Another is to bring maximum economic and political pressure on Nasser. Egypt's sterling accounts have already been frozen, and other punitive economic measures can also be taken, like undercutting Egypt in the world cotton market. But this kind of economic arm-twisting has an unpleasant smell to the world, and it would leave Nasser nowhere to turn but to Moscow, which is precisely what Moscow wants.

A third alternative is to send the British parachute and Royal Marine detachments on Cyprus to the Canal Zone, and back them up with the American Sixth Fleet. But the Egyptian army, such as it is, would almost surely resist, and war would result. Much of the world would regard the Western powers as the real aggressors. And a small war with Egypt might lead on to ultimate horrors.

The British probably will not use force without American backing. This is an election year. Thus the betting is about ten to one on a policy of waffling, and the grumbling acceptance of another major setback for the weakening West.

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Economic Poverty Behind Suez Crisis

By Marquis Childs

WHILE Secretary of State John Foster Dulles was still in London conferring with the French and the British on the Suez Canal crisis, it was determined that his return should be hailed as another triumph for "brinkmanship" or the art of pulling back from the brink of war.

Dulles' argument for restraint did have a calming effect and he successfully pressed his case for a 24-nation conference on internationalizing the canal. But any sense of triumph, as reflected in the Secretary's reiteration of the force of "moral principles" in his White House talk, has long since faded.

The threat to the canal which, in turn, menaces the whole Western stake in the Middle East, including Europe's oil supply, has brought the painful realization that this country has, in fact, had no Egyptian or Mideast policy in any constructive or positive sense of the word.

It is important to recall the sequence of recent events. On Nov. 14, 1954, Gamal Abdel Nasser supplanted Gen. Mohammed Naguib, who had been aiming at military dictatorship. The private boast widely circulated in Washington was that this bloodless coup had been engineered by the Central Intelligence Agency and that Nasser was "our man."

Shortly afterward, Henry Byroade went as American Ambassador to Cairo. Those who have seen his first dispatches say that he reported not that Nasser was "our man" but that he "could be our man."

THERE FOLLOWED a long haggle over the possible sale of American arms to Egypt, with negotiations reportedly breaking down over Egyptian insistence that payment could be made only in British sterling.

Then came the American-British proposal to build the high Aswan Dam on the Nile. This went so far that Eugene Black, head of the International Bank for Reconstruction, discussed the project with Nasser not once but twice. Black believed that with an initial grant of \$70 million from the two Western powers—\$36 million from the United States and \$14 million from Great Britain—the dam could be built to the great benefit of Egypt.

But abruptly, and with almost no warning to officials of the bank who were still discussing aspects of a bank loan Dulles withdrew the American offer.



Childs

One reason is said to have been pressure from Senators from the South, anxious to prevent more world competition from Egyptian cotton, who stipulated that the Aswan Dam deal be called off in return for their support of the foreign aid bill. But whatever the motive, the way in which the offer was pulled back seemed deliberately designed to send Nasser off on some new adventure.

Whatever any and all of his critics say about Nasser is less than the truth. But from the viewpoint of Western policy and the effort to maintain stability in the Middle East, to denounce Nasser as a demagogue is irrelevant.

It is irrelevant to the massive and terrifying facts of present-day Egypt. As the Population Reference Bureau recently pointed out, Egypt's birth rate is one of the highest in the world. At the same time, the death rate, thanks to modern health techniques, dropped 40 per cent between 1945 and 1952.

THE BOILING upsurge of population—23 million people in a country in which 96 per cent of the land is desert—mixed with the dynamite of nationalism, spells revolution of one kind or another.

To the other Arab countries, and even to many of the neutrals, this will seem to be a contest not merely between Arab and Western powers, nor even between "colonial" and "imperial" nations, but between the haves and the have-nots. For this reason, if for no other, it has the most dangerous implications for the oil supply on which the economy of Western Europe depends.

Seen from this viewpoint, it must appear that the West had no alternative but to try to work with Nasser to alleviate the fearful pressures of hunger and population. In Israel, with its heroic struggle to move forward economically and industrially, there must be some realization of the threat inherent in the inflamed Egyptian mass.

The question now is whether this is all in the tragic realm of what might have been, or whether it may still be possible to check the swift descent into the whirlpool.

"Washington Whispers"

American diplomats and intelligence appraisers bot exactly 100 per cent wrong on Egypt's Gamal Abdel Nasser. They had decided that they really had a "God" in Nasser before he joined up with Soviet Russia.

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Front Page

Is Nasser Acting Hitlerish With Diplomats?

(Editor's Note: Drew Pearson, with this column, continues his dispatches from the Middle East. Others will follow.)

BY DREW PEARSON
EGYPTIAN-ISRAELI BORDER—In the files of the American Embassy in Cairo is a speech delivered by Col. Gamal Abdel Nasser, which the American public has never read or heard about.

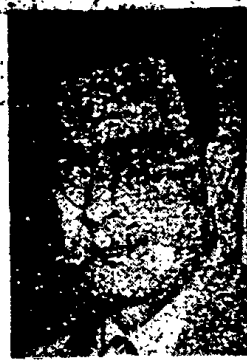
It has been cabled to the State Dept. in Washington, but has never been released, nor will it be.

For it shows the megalomaniacal character of the dictator John Foster Dulles picked when he bet American foreign policy in the Near East on Colonel Nasser.

HERE IS the way Colonel Nasser boasted to the Egyptian people about the way he browbeat American diplomats:

"Immediately after the arms deal was announced, Washington sent a delegate, George Allen, to Egypt," declared Nasser, referring to the man who was then Assistant Secretary for the Near East. "Cables from Washington said Allen carried an ultimatum to Egypt.

"Then an American official (reported to be U. S. Ambassador Henry Byroade) asked to meet and I agreed. He told me



HENRY BYROADE

he was very sorry. He said Allen carried a strongly worded message from the American government which might hurt Egypt's pride and nationalism.

"He said: 'In this connection, I assure you, you can ignore all its possible effects and I advise you to accept.'"

"I asked him: 'A message insulting Egypt's nationalism and pride? What do you mean by hurting Egypt's pride and nationalism?'"

"He said: 'It is a message from Mr. Dulles. A very strong message. We ourselves are amazed by the way this message is being sent. We ask you to maintain your nerves. You are always calm. Do accept his message with cool nerves.'

"I said: 'How can I accept a message which hurts Egypt's pride?'"

"He answered: 'This will have no practical consequences. I guarantee you this. Egypt's pride will only be hurt by the letter but not in practice.'

"I said: 'Listen to me. I'm not a professional Prime Minister. I never in my life expected to become Prime Minister. It just happened. If your representative comes into my office and says one word, I will kick him out. That is official.'

"The American official called once again. He said he had informed Mr. Allen of our talk and that Mr. Allen was perplexed. He said: 'Allen says that if he comes to inform you of the message he will be kicked out. And if he goes back to Mr. Dulles without communicating the message, Mr. Dulles will dismiss him.'

"Mr. Allen came, but did not open his mouth. He sat and listened to the Egyptian viewpoint and briefed me on the American viewpoint."

THE ABOVE tirade means one or both of two things:

(1) Colonel Nasser has got into the habit of behaving like Hitler in receiving foreign diplomats.

(2) Some American diplomats, unless Nasser strayed



ALLEN DULLES

far from the truth, have been afraid to carry out instructions from Washington.

THE REASONS why Dulles and advisers made such an error regarding the untried 38-year-old Egyptian dictator are:

(1) On the surface Nasser had a good case. The Egyptian masses definitely needed help. Thirty Egyptians own most of the wealth of the country—a situation made for Communist propaganda and revolt. But Nasser never carried out his promises, spent his money on arms, not for his people.

(2) A pro-Arab clique inside the State Dept has urged more support for Egypt and

the Arab states. They fear Arabian oil may suffer as a result of American private support for Israel. This group is led by Undersecretary Herbert Hoover, Jr., but has potent backing from Loy Henderson and other pro-Arab diplomats.

(3) Colonel Nasser had the secret support of a new, little-known arm of U. S. foreign policy—the Central Intelligence Agency. John Foster heads the official bureau of American foreign policy. His brother Allen heads the shadow, sometimes more potent branch of foreign policy, the CIA.

TO THOSE who know both Dulles brothers, Allen is the less publicized but the more able. He reports on foreign affairs direct to the President. His recommendations are based on the reports of a vast army of secret agents. The identity of some, if known, would cause their death.

But because they operate secretly, because they have been immune from Congressional investigation, because there is no public accounting of CIA funds, CIA's reports are sometimes far off base.

CIA was backing Colonel Nasser. It may even have helped him into office.

SEP 19 1956

Nasser's Aims

*The Egyptian Leader Has Voiced Some Heady Ambitions;
The Question Is Whether He Plans to Pursue Them*

By WILLIAM HENRY CHAMBERLIN

Where is Egyptian President Nasser headed? What are his long-range goals and objectives?

Is there a reasonable chance that he will settle down to the big task of trying to develop his own country economically and seeking to relieve the dire poverty in which most Egyptians live? Or is he committed to a policy of moving from crisis to crisis, from shock to shock, from adventure to adventure?

If there were firm, sure answers to these questions, it would be much easier to formulate and coordinate a united Western policy toward Egypt. As Secretary of State Dulles remarked in a recent news conference, the Suez Canal problem should be soluble if it is regarded not as a struggle of colonialism against anti-colonialism, of Europe against Asia, but as a simple technical problem of providing a competent, efficient and impartial administration of a great international waterway.

The course of negotiations should soon indicate whether Nasser will be satisfied with a businesslike Suez settlement, giving fair consideration both to Egypt's national rights and to the interests of the big users of the Canal, or whether the seizure of Suez is only a step in a program of heady personal and national aggrandizement.

Oratorical Flights

The world has suffered so much in our time from aggressive dictators that some concern may be legitimately felt over some of the methods and oratorical flights of Colonel Nasser, despite the fact that he has displayed a capacity to blow hot and cold, to alternate unilateral actions with professions of willingness to negotiate.

Although Egypt is not remotely comparable in military and economic strength with pre-war Germany, a suspicious mind might see two of Hitler's familiar gambits being repeated on the Nile. One is the practice of following up arbitrary acts with pacific assurances. The other is to harp on past grievances as an excuse for inflicting new shocks on international confidence.

Hitler invariably followed up acts which pointed toward war and which involved the repudiation of treaty obligations—like the rejection of all limitations on German armament and the remilitarization of the Rhineland—with assurances that his intentions were strictly pacific. And he exploited the bad conscience of the Western powers about the injustices and inequities of the Versailles Treaty to maneuver himself into a position of strength where he was able for a time to inflict on many of Germany's neighbors far more ruthless treatment than the Versailles Treaty prescribed for Germany.

"Colonialism" is serving Nasser very much as the Treaty of Versailles served Hitler, as a scapegoat for everything that is wrong in Egypt and as an excuse for proceeding莽莽 and unceremoniously against

the interests of "colonial" powers such as Great Britain and France.

One can understand the resentment of Egyptians and other peoples who have been under foreign rule over what they feel are the harsh and humiliating aspects of colonialism. But there are two points to be remembered before "anti-colonialism" can be accepted as a sufficient excuse for any and all acts of unilateral disregard for property rights and interests.

First, colonialism is dead in Egypt and in most other countries where it existed before the war. The last British troops have withdrawn from the Suez Canal area. And no one in his right mind believes that it would be possible to revive and reimpose the 19th Century "white man's burden" type of domination where it has been destroyed.

Colonial Benefits

Second, with all its faults and limitations, the colonial era brought Egypt considerable benefits in the way of public improvements, health and orderly finances. The Suez Canal would never have come into existence by the unaided efforts of Egypt. French, British and other foreign capital and technical aid were needed.

This is why there is a strong moral case for giving Great Britain, France and other maritime nations, whose shipping created the prosperity of the Canal, an effective voice in its use, so as to avoid the possibility of disregarding for political reasons the provisions of the convention of 1858, which decrees that the Canal shall be open to the shipping of all powers in peace and war. Egypt itself has been in flagrant contempt of this convention for some years by closing the Canal to Israeli shipping.

Colonel Nasser is the author of a book of reflections on Egypt's national revolution which has caused some disquiet in Western capitals. In this book he envisages an Arab empire from the Persian Gulf to the Atlantic, the complete exclusion of Western influence from this area, the downfall of the state of Israel and other objectives which could hardly be realized by peaceful means.

Political Bombshells

Of course political leaders do not always carry out what they write or say. But Nasser has already tossed a couple of political bombshells into the international arena, first by making a big barter deal for arms with the Communist bloc and more recently by nationalizing the Suez Canal with the enthusiastic blessing of Moscow.

Past experience with similar situations would seem to indicate that if the Western statesmen, who have already gone far to meet Egyptian national susceptibilities and interests in the plan worked out in London, should give in too easily and yield too much in negotiating with Nasser, the result would be more rather than fewer shocks from Nasser's ego in the future.



The Washington Merry-Go-Round

'Error' by Dulles Held Disastrous

By Drew Pearson

NAHARIA, Galilee.—When Gen. George C. Marshall, as United States Ambassador to China, recommended that Chiang Kai-shek bring two Communists into the Nationalist cabinet in order to head off China's swing toward communism, he was later pilloried on the floor of the United States Senate by Senators McCarthy and Jenner as the tool of communism and a traitor to his country.

When John Carter Vincent, United States career diplomat and expert on Far Eastern affairs, concurred with General Marshall that it would be wise to form a coalition Nationalist-Communist cabinet, he had to undergo several years of loyalty board investigation, after which John Foster Dulles fired him, not for loyalty, but for bad judgment.

John Davies, also a member of General Marshall's staff in China who concurred in this decision, also was fired by Dulles not for loyalty, but for bad judgment. Davies since has not even been able to collect the money he paid into the State Department toward a future pension.

This is how harsh Dulles has been toward career diplomats who guessed wrong—even though such noncareer Republican diplomats as Patrick J. Hurley, also once Ambassador to China, concurred with them at the time.

Russia Is Stopped

When President Truman started the world, and especially the American public, with the Truman doctrine for Greece and Turkey, it had one all-important objective—to block Russian influence from reaching down through the Bosphorus into the Mediterranean.

Truman was advised by Winston Churchill and Dean Acheson that Russia's greatest ambition, both under the czars and under the Kremlin, was to penetrate through the Black Sea, through the Dardanelles, through the Aegean to that ancient highway of European commerce, the Mediterranean. From there communism could fan out toward the restless Arabs of North Africa, the volatile Greeks of the Peloponnese, and spread up the Adriatic to Italy and Yugoslavia.

The Mediterranean lifeline of the British Empire, Truman was warned, might eventually become a Communist lake, from Gibraltar to the Suez, unless the Kremlin's penetration of Greece and Turkey was stopped.

So a rather unskilled President, at least regarding foreign affairs, took the unprecedented step of extending American influence all the way to the Bosphorus. Some three to four billion dollars of American aid was extended to Greece and Turkey. American military advisers trained their armies. They became allies of the United States. Russia was stopped. The Truman doctrine for that area was successful.

When Ferdinand De Lesseps, digger of the Suez Canal was awarded the honor of admission to the French Academy, President Renan said:

"You have set your seal on one of the great battlegrounds of the future."

He referred to the fact that the canal, connecting the world's two most thickly populated continents, Asia and Europe, was certain to become the world's most coveted waterway if an enemy of England or the United States should control it. Raw materials of the Orient, the lifeline of England with Australia, New Zealand, India, would be cut off and seriously hampered. Renan's prophecy was more accurate than he realized.

Known as the Suez Canal, it began even before the war's end, to be infiltrated by the Arabs of North Africa. In the summer of 1943, Moscow officially asked Washington for the right to send a Russian emissary to North Africa, ostensibly to be represented in the Allied occupation of Algeria, Morocco and Tunis. President Roosevelt said no.

After the war, Russian agents fanned out all through North Africa, Syria, Egypt. Blocked at the Bosphorus by the Truman doctrine, the Kremlin shifted its attack a few hundred miles south to the most important waterway in the world.

Dulles Is Wood and Won

In 1953, during his first year as Eisenhower's Secretary of State, John Foster Dulles journeyed to Cairo. There he sat with Egypt's persuasive, charming, Gamal Abdel Nasser, heard him talk of Egypt's downtrodden masses, about his ideas for ending starvation, revitalizing his nation. It was a moving appeal.

This was after one such dictator had already seized Austria, the Ruhr, the Rhineland, and the Sudetenland a few months before his attack on Poland was to plunge the world into war.

Dulles, listening to Nasser, made another disastrous decision. He decided to bet American policy in the Near East on backing Nasser and rebuilding Egypt.

To this end, he pulled wires with the British, all but demanded that they get out of Suez. He appointed Henry Byroade, a West Point colonel, who spoke the same language as Colonel Nasser, as U. S. Ambassador to Cairo. And he immediately poured \$30,000,000 of U. S. economic aid into Egypt—aid which Nasser only one year later was berating to the Egyptian people as the importation of diseased American chickens.

"Egypt today stands in every respect with the West," Colonel Nasser told Byroade shortly after word that the U. S. was bringing dollars to his defense.

That was the disastrous error made by the Secretary of State who fired two career diplomats for their errors of judgment in regard to China.

More regarding this error, why it was made and its consequences will follow in an early column.

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AUG 30 1955

CHRISTIAN SCIENCE
MONITOR

The Appeal of Neutralism

Hope in Egypt—III

By Robert R. Brunn

Alexandria, Egypt
Outside the bleak Officers' Club in Alexandria a crowd chanted "Nassef . . . Nasser . . . Nasser." More often than not Col. Gamal Abdel Nasser lives with this roar. It faded, and he leaned back in his chair, "We are full of complexes."

He was talking to visiting reporters about Egypt's foreign policy, something that is very much a mystery to the West these days. Yet perhaps the clamor outside, and what he had just said, were the key to it all.

One solid achievement bringing popular support to the revolutionary council of officers which rules with Colonel Nasser as its head is the coming departure

key-Iraq pact brought such a scorching Egyptian response because it touched in a convoluted way on the shaky Israel-Egypt truce:

There are American air bases in Libya to the west. The Sudan to the south may well drift out from under Egyptian influence. Israel blocks Egypt from the east and its natural allies. All this spells isolation. Then came the Iraqi "defection." Could it be that the Egyptians saw this as a western move to isolate Egypt further, and eventually force acceptance of unwelcome terms with Israel? More tortuous reasoning is possible, and, as Colonel Nasser said, "We are full of complexes." Whatever the reason, the Iraqi



of the British from the Suez Canal zone. The "Nasser . . . Nasser" gained some of its ardor from this fact. This is no age in which to occupy other countries.

Colonel Nasser's dark face can be extraordinarily intense. When he said, "We are full of complexes," he spoke out of Egypt's history, both recent and remote. Its people have been more used than governed and the complexes have multiplied in resentment of Pharaonic brutality, kingly cupidity, political corruption and colonialism.

Why does not Egypt ally itself to the West with other Arab nations in a mid-east chain linked to the Atlantic community? The answer in essence is Egypt cannot yet forget the exploitation of underdeveloped areas by Western nations in the last 100 years. Its response to pact talk is almost purely emotional. Egypt is rapidly becoming a second India, anti-Communist and pro-Western in any show-down certainly, but preferring to stand between the two colossi and avoid entanglement.

From his corner of the African continent the East-West hydrogen bomb impasse, for example, does not seem to Colonel Nasser something to be grateful for; nor does he thank the United States for building a bomb to checkmate the Russians. His stance is simple. He looks at the world in terms of Korea and asks

in the great power nutcracker? Will it be Iran, or Egypt, where a power vacuum will attract pressures and detonate? That is the way he would talk. So Pandit Nehru's "peace bloc"—standing aside—fascinates him.

Colonel Nasser's recent talks with Nehru must have deepened this feeling. And his triumph at the neutralist Bandung conference helped along the way. Now he is going to Moscow, and Peking is buying some of his embarrassing cotton surplus.

More, the Turkey-Iraq pact, bringing an Arab nation into the Western alliance for the first time, seems to have driven Egypt further into neutralism. Colonel Nasser has often claimed this pact needlessly split the Arab League front. However, injured Egyptian pride may be involved for Egypt was accustomed to leading the

action brought United States-Egyptian relations to a postwar nadir.

Yet having said all this about neutralism, isolation, and unknit relations an escape hatch is necessary: Egyptian policy may be building a bargaining position for a day when alliance with the West will come.

All of this pales for Egypt before the lurking Israeli situation. Colonel Nasser took a poised and admirable stand recently toward the killing of Egyptian soldiers in the Gaza Strip by taking it to the United Nations. If it should happen again could Egypt avoid retaliation?

As you watch tough, hawk-faced Egyptian paratroopers in purple tams jog smoothly past, rank after rank, and sand-colored tanks clank by in endless monotony, you realize the Egyptian Army is reinvigorated and instilled for the first time with a reason for fighting.—El Gammhouria, the new regime, and its devotion to the people. A new war with Israel could utterly jeopardize one of the most promising reform movements in the world, and yet with the reform there has come a new national pride that is fierce and may not stop to put first things first—holding up the lives of millions of

TAB B

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Foreign Affairs

The Nile, the Sphinx and Colonel Nasser

By C. L. SULZBERGER

CAIRO, Aug. 14—Egypt is in the middle of a revolution under way since King Farouk was deposed by an officers' coup d'état three years ago. But no one can yet define its ideology or predict an ultimate course. Like the river Nile it flows through a great political desert. Whether it eventually arrives at a nourishing delta of success remains still to be seen.

At this juncture Egypt is governed by uneasy military dictatorship. The clique of youthful officers that engineered the revolt has formed itself into a kind of politburo superimposed above the normal Cabinet. Already there have been disagreements within the group. Their front man, General Naguib, was ousted and is under house arrest. The role of Chief of State is filled temporarily by the energetic revolutionary leader Premier Gamal Abdel Nasser.

Nasser is more akin to such Asian revolutionists as Nehru and U Nu than to ideological insurgents of European tradition. He has no personal ideology. His aspirations are pragmatic, not dogmatic. He hopes to liberate his backward country from the fetters of an antiquated economy, burdensome illiteracy and pre-feudal conditions of health. But he is not yet sure just how or whether he should direct his political course.

He considers himself "amidst the whirlwind of the revolution" and "those who are at the depths of the whirlwind are hardly conscious of whatever is away from it." But his only mature experience is military. He says, "Throughout my life I have had faith in militarism." He relies upon the Army for political support. He is by experience a conspirator who recalls when his life was "like an exciting detective story; we hid in the darkness and arranged our pistols and bombs side by side."

Schooled in Conspiracy

Colonel Nasser is an upright, earnest man. Only 37 years old, he is the son of a poor postmaster who made his way through Egypt's limited educational and career opportunities by will power and ability. Tall, powerfully built and vigorous, he is in the prime of life and confidence. Yet his very conspiratorial background and resentment against colonial injustices of Egypt's past encourage in him an inherent suspicion.

Nasser says: "We began our revolution with principles, not a program. We find that sometimes we have to change our methods. I have read much about socialism, communism, democracy and fascism. Our revolution will not be labeled by any of those names. We seek to meet the needs and requirements of our own people and we are not trying to copy anybody else's ideology. We are a country of 23,000,000. Eighteen million are poor farmers. They have been deprived of personal liberty for 5,000 years. They have been under the domination of the landlords. Only when they are liberated from this will Egypt be truly free."

But what will be the eventual form of government? Military juntas cannot rule too long without risking intellectual sterility. Political parties—save for Nasser's own Liberation Rally—have been banned. The Premier says, "We have organized syndicates of intellectuals, white-collar workers, professors and laborers. The farmers have started with cooperatives. From these syndicates and cooperatives the people can choose representatives some day to participate in government. But we have no program yet."

This, of course, sounds familiarly like Mussolini's concept of the corporate state. The Premier denies such resemblance. But he is frankly vague about blueprinting a political future.

Neutrality Denied

Nasser denies he believes in neutrality. He stresses that Egypt's obligations to let British troops return to Suez in case of aggression against Turkey or the Arab states automatically negates neutrality in a conflict. But, he adds: "You must remember we have a complex of alliances with big powers. We fear that alliance is just another form of domination. We must *feeli free*."

Nasser considers Egypt faces two threats—external aggression and internal subversion. He thinks communism is trying to infiltrate the Army, which he regards as his most solid support. Therefore he wants more equipment for his troops—to keep the officers happy and unsubverted. For he unabashedly admits there is still danger that Communists or the extremist Moslem brotherhood may inflame popular passions against him. And he says: "My battle is to defeat these elements."

The seat of Egyptian power is an uneasy seat. Despite Nasser's energetic efforts the masses remain ignorant, impoverished and subject to sudden inflammatory winds of agitators. Hatreds and fears engendered by the Palestine war; deep-seated mistrust nourished by past injustice, all tend to hamper efforts at reform. The revolution in Egypt proceeds sluggishly like the great muddy Nile that runs slowly down this massive country's middle. Only the ancient Sphinx knows how and where it will debouch.

AFGHANISTAN:

Burglars in the House

With the first snows of last winter they came, mingling unobtrusively in the dusty crowds and confusion of Kabul's bazaars and streets. By last week, the dark-suited strangers were a familiar sight in the ancient capital of Afghanistan, squatting to eat with workers, praying in Moslem mosques, and conversing in curious Persian accents. They were, it became clear, Russians on a mission.

While the West looked the other way, Soviet Russia had slipped quietly, almost unnoticed, into a remote but nonetheless strategic crevice between Asia and the Middle East. It was wooing 12 million neutral-minded Afghans with a \$10 million Soviet "Point Four" program: New roads, a 60-mile oil pipeline, granaries, bakeries, and hundreds of technicians. Some reports said 300; others, 2,000. Few doubted that more would be

INTERNATIONAL

(Continued from page 46)

coming south once spring thawed the mountain snows.

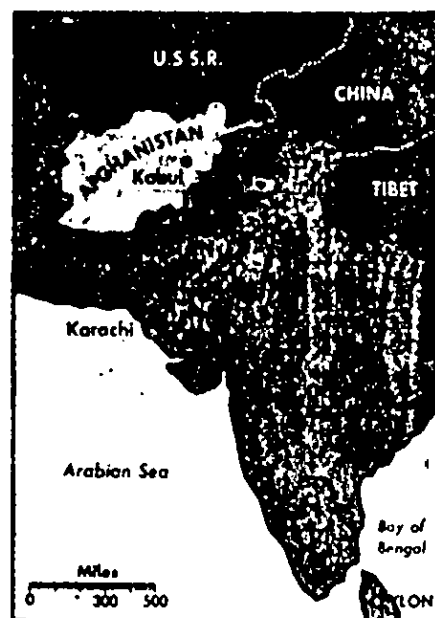
Russian gasoline, cloth, medicine, matches—even Soviet-style bread—all were common commodities in Kabul.

Even more alarming were reports that Russia has offered armed aid to the Afghans in their bitter seven-year-old dispute with Pakistan over control of the wild and turbulent "North-West Frontier" region. The quarrel flared recently into sporadic fighting and Afghan-Pakistani relations are tense.

Afghanistan demands a plebiscite among the 7 million Pushtoon tribesmen in the disputed area, confident an independent Pushtoonistan would become a close ally. Pakistan claims the region and has announced annexation plans.

Pushtoon Fakir Russia's motives were clear. By backing Afghanistan against the "menace" of an armed and pro-Western Pakistan, the Soviets carried favor in Kabul and kept the spark of trouble alive. There were reports two Russian agents had been in secret contact with the red-bearded Fakir of Ipi, a veteran agitator, at his cave headquarters in the Pushtoon mountains.

Against this background of danger, even the United States' substantial aid to Afghanistan seemed woefully inadequate: A \$40 million Export-Import Bank development loan and \$1.6 million in technical assistance in the current year. An American contracting firm, Morrison-Knudsen of Boise, Idaho, has three contracts totaling \$74.2 million for construction of roads, bridges, irrigation facilities, and dams. But these projects date back to 1946, before the Soviet



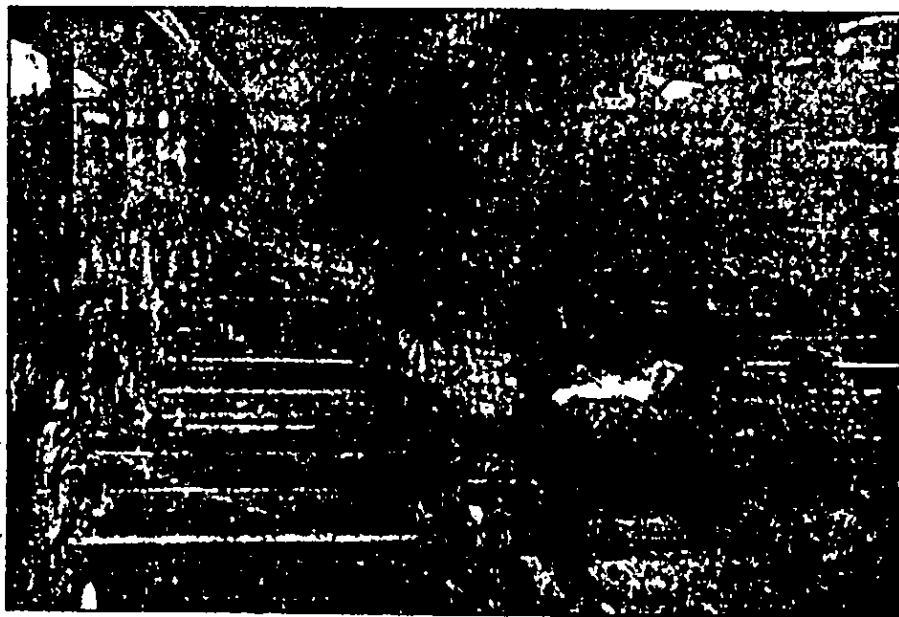
Afghanistan: The West napped

Union began casting covetous eyes south.

Last week, Washington showed signs of awakened concern. Afghanistan was a topic of earnest discussion by the Joint Chiefs of Staff. The State Department considered new grants for information and cultural activities there.

There was no question the stakes were high. Soviet conquest of Afghanistan, politically or otherwise, would drive a Red wedge deep into the West's solid northern tier of defense and split Asia from the Middle East. The Khyber Pass to India would be open to Soviet armies.

Obviously the West had some fence-mending to do—and fast



A Factory 50 Years Ago? No, this is a scene in the weaving department of Russia's newest textile mill at Barnaul, Siberia. The Soviet caption accompanying photo says it's also the biggest textile factory in all of Siberia. Production began this month.

Mideast: We Lose the Initiative

Amid all the pleasant talk about a thaw in the cold war between Moscow and the West, Western diplomats have tended to neglect the critical oil-rich Middle East.

Not so the Reds. Communist recruits and agitators have been steadily extending their influence. At the same time, Israeli-Arab strife has reached alarming levels; U.S.-Egyptian relations are at a new low.

Harry F. Kern, Newsweek's Senior Editor for International Affairs, has just toured the area. The following is his report on its problems and possible solutions.

Taif lies in Saudi Arabia on a rocky, gritty plateau 4,000 feet high and some 150 miles from the steaming Red Sea port of Jidda. The distant outline of the jagged, bare mountains gives a rugged beauty to the desolate scene. The late King Ibn Saud favored Taif, dry and comparatively cool, as a summer retreat. Here his successor, King Saud, likewise escapes the Arabian summer.

But the King escapes none of the burdens of state at Taif. In his big air-conditioned audience chamber, a visitor is escorted past a score of tough retainers in Arab dress, armed with rifles, pistols, swords, and daggers. The King sits in the middle of a row of heavy gilt chairs at the far end of the chamber. He explains his mounting concern over the Middle East and world developments vitally affecting a kingdom that only a few dec-

ades ago could ignore the outside world.

First, there are the Egyptian-Israeli border clashes at Gaza. If these turn into war, Saudi Arabia must automatically enter the conflict on Egypt's side. Then there is Communist infiltration in Saudi Arabia. The King is well aware that his country with its immense wealth in oil is a target for the Reds, and recognizes Communism as a mortal enemy. He makes no bones of the fact that Saudi Arabia would be 100 per cent on the side of the United States in any conflict with the Soviet Union.

Red Hands: King Saud's concern is echoed throughout the Middle East in strange contrast to the atmosphere of relief and expectancy produced in Europe by Russia's conciliatory moves. Seldom has Communism in the Middle East been more aggressive—or more subtle. The hand of Russia is rarely shown. The tactics are those of subversion, infiltration, and exploitation of the differences between the Arab states and the West.

Unfortunately this Red drive comes at a time when such Arab unity as existed has been shattered by the Iraqi-Turkish defense pact. Many observers feel that this pact is designed to meet a war that will never come—an overland attack by Russia against the Middle East—and that it is useless against the Communist tactics now being employed to undermine a region whose oil resources have become vital to the European economy. Worst of all, the Communists have taken the initiative at a time when Western



Saud: Communism is the enemy

diplomacy—and especially American diplomacy—seems static or in retreat.

From Iran come reports of new nationalist agitation that may hamper the functioning of the newly bought oil agreement. Little Kuwait, sitting atop the single richest reserve of oil in the world, stirs in the 100-degree-plus summer heat as agitators try to rouse the populace against the ruling family and the oil company. The pattern is repeated throughout the Persian Gulf region. Education and technical progress, based on oil revenues, have created new classes, and the Communists are moving quickly to fill the vacuum in their thinking.

Loosing Ground: The most striking example of underlying trouble occurs in Egypt. The Nasser regime is the best and only honest government the country has ever had. Premier Gamal Abdel Nasser enjoys the highest esteem, both with foreigners and Egyptians. Few feel there is any alternative except Communism, corruption, and chaos. Nonetheless, the regime has lost ground.

Recent incidents with the Israelis at the Gaza strip have deeply stirred both the country and the government. The officers who run Egypt feel that, with a new strategy based on space and maneuver, they can hurt Israel more than Israel can hurt them. But they know the Israelis think they can defeat Egypt again. This time, the Egyptians say the object would be to topple Nasser and estrange Egypt from the West.

A few weeks ago, Cairo felt a genuine concern that Israeli preparations and troop concentrations around Beersheba indicated imminent attack. The danger seems to have passed for the moment, but this incident has revived the old



Egyptian jeep on Gaza border: Israeli attacks spark distrust of U.S.

mistrust for the United States as a supporter of Israel. Furthermore, the Egyptians say the U.S. assured them months ago of Israel's peaceful intentions. They therefore cut back their arms program, which now must be stepped up again.

The Egyptians also have run into an impasse concerning the most important project for the country's future—the High Dam across the Nile above Aswan. This immense structure would take years to build but would greatly increase irrigation and triple Egypt's power supply.

Disillusion: The Nasser regime hoped the World Bank would finance the project, and bank officials have expressed enthusiasm. But, say the Egyptians, whenever it comes to providing money, the bank finds some excuse for delay—first, the dispute with the British over Suez, then the need for a Nile Valley survey, and now the lack of a water agreement with the Sudan. American officials deny any such obstructive intentions, but the Egyptians are disillusioned and are considering financing elsewhere.

These experiences have come on top of the Iraqi-Turkish pact which seemed

to the Egyptians a maneuver to transfer the leadership of the Arab world from Cairo to Baghdad with United States acquiescence if not complicity. During this vital period there was no American Ambassador in Cairo. The new envoy, Henry A. Byroade, arrived to find Nasser deeply distrustful of the U.S. and relations at the lowest point in years. A slight improvement perhaps is now discernible, but it will take time and considerable evidence of American good faith to repair the damage.

To those able to establish personal contact, Nasser remains courageous, decent, and likeable, still the army officer somewhat uncomfortable in peacetime, still somewhat appalled by the problems he faces. Perhaps the most significant development in his thinking occurred during his trip to the Bandung conference. This showed Nasser that the cultural gulf which separated Egypt and the Middle East from the Far East was far deeper than the differences between any Arab state and the West. Similarly, Egypt under Nasser still looks to the West for the help it hopes will not arrive too late.

Revolution party to be given by the French Embassy this fall. Insiders here believe the party will accept and thus return the courtesy shown by Soviet leaders in attending the July 4 party at the U.S. Embassy in Moscow.

COLUMBUS, OHIO—The truck has probably been cleared for Truman's party boss Mike Disalle to get back in politics next year running for the Senate against the GOP's formidable challenger, Sen. George Bender.

Where Are They Now?

NEW YORK CITY—Molla Bjurstedt Mallory, eight-time winner of the National Singles tennis championship and the only American ever to beat France's Suzanne Lenglen, lives in a small East Side apartment here and works as a saleswoman in a chic Fifth Avenue store. Her famous match

with Mlle. Lenglen took place in 1921. The Frenchwoman, suffering from a severe cough, defaulted while trailing in the second set after Mrs. Mallory had run her ragged. Now in her late 50s and a widow since 1934, Mrs. Mallory dropped tennis and took up golf in 1929.

SARANAC LAKE, N.Y.—Larry Doyle, the popular New York Giant second baseman who was the National League's batting champ in 1915, lives at a rest home for invalids here. Doyle joined the Giants in 1907 when manager John McGraw paid \$4,500, the biggest price till then, for the rookie from Illinois. He promptly cost the team his first game with a bonehead play. He was stricken with TB in 1942 and given half a year to live. Still frail, he coaches youngsters in the local Christy Mathewson League (named for his old Giant roommate).

Periscoping the World

International Sounding Board

GENEVA—Sources close to the Soviets report them more suspicious of the British delegation than any other. The Russians are said to feel both the U.S. and France are coming here with the genuine intention of talking peace. They suspect that Eden, whom they have never liked, is coming merely to pay off his election promise to talk to the Russians.

UNITED NATIONS—An ambassador from a Red satellite country recently approached a well-known Scandinavian diplomat who was going to Moscow. He wanted to know if the diplomat would sound the Russians out on just what they now had in mind for his satellite. His own government hadn't been able to learn.

JOINT INTELLIGENCE GROUP—Analysts here have come up with an unusual new explanation for Moscow's sudden easing of the pressure on the satellite countries. They believe the Russians have finally come to realize that the officials who have moved to the top in the puppet regimes actually are a pretty second-rate bunch. By easing up and permitting just enough nationalism, they hope to encourage some abler leaders to emerge—to Moscow's long-run gain.

Inside Foreign Offices

PARIS—The gift to the French of eight U.S. helicopters to use against North African nationalists has failed to ease French-American tensions. While U.S. officials complain the French aren't living up to their promise to tell them

what kind of policy the copters will enforce, the French are asking for still more equipment.

TEHERAN—The Shah of Iran's planned visit to Moscow next fall could seriously threaten the ties between this strategic country and the West. In the past, the Russians have always used sledgehammer tactics in trying to take over Iran. Now the Shah's shaky regime will be hard put to resist expected Red offers of military, technical, and economic aid.

World Whispers

PEKING—Soviet party boss Khrushchev has just sent top Red Chinese officials the word that insiders here have been long expecting: Russia won't have grain to ship to China for another three years, despite the firm promises made last year to send big shipments in 1955.

HONG KONG—Peking is facing trouble with disgruntled army veterans, according to word reaching here. In recruiting men for the Red Chinese Army, officials apparently made some large and impossible promises about giving them land when they got out.

CAIRO—A Russian information center has quietly opened here and a Soviet trade mission is currently operating, with Egyptian blessing, in the Sudan Red underground headquarters in Cairo are in the Czech legation.

For Periscoping TV-Radio, page 59; Science, page 51; Books, page 57.

The Reds Are Trying to Brew a 'Holy War' on Israel

Soviet Russia. Newsweek Mideast correspondent Sam Souki learned last week has suggested to the Arab States that further Israeli "aggression" should be met with a great jihad (holy war) by the Moslem world.

Russian agents also dropped the word that several thousand Russian and Red Chinese Moslems would join such a cause, much in the manner of the Chinese "volunteers" in Korea; that Russia would intervene, if asked, in the event of aggression against an Arab state from any source. Playing on Syria's deep mistrust of the aims of the pro-Western Turko-Iraqi pact, Moscow assured Syria that such intervention would apply to aggression by Iraq as well as Israel.

Significance

Russia's ardent wooing of Egypt and its allies appears aimed at starting a Red honeymoon before U.S. Vice President Richard M. Nixon arrives on the

scene in early November to press the long-delayed Western suit.

This high voltage troublemaking by the Russians is on an, as yet, unofficial basis. But the West doesn't discount its potency and popular appeal.



Associated Press
For Allah: A jihad in Islam?

Moscow seems determined to counter Western-backed Middle Eastern pacts with offers of defense alliances to Arab states which are willing to spurn NATO-sponsored agreements.

These new moves are part of a pattern which includes Russia's recent offers of arms to Egypt, Syria, and Saudi Arabia. Arab leaders, as suspicious of Russia's intentions as they are of the West's, have neither accepted nor declined Red offers. But Russia is banking on the pressure of Middle Eastern public opinion, growing increasingly hostile to the West, to carry her point.

Western and United States diplomacy is on a tough spot. There's little hope that Nixon can offer dramatic proposals to match the emotional appeal of those made by the Russians. And there may be more unpleasant surprises for the West when the Shah of Iran, Egypt's Premier Gamal Abdel Nasser, and, possibly, the King of Saudi Arabia visit Moscow in the near future.

CONSTANTINE BROWN

West Drops Ball in Mid-East

Reds Leap at Chance to Arm Egyptians, U. S. Finds Itself a Johnny-Come-Lately

Western diplomacy has muffed the ball in the Middle East and in the strategically important Mediterranean basin. And the Russians have quickly picked it up.

The Egyptian government has confirmed acceptance of a Communist offer of military equipment, through Czechoslovakia.

Heretofore, in order to maintain an illusory balance of power and prevent the Arab forces from getting more war material than the Israelis, the Western nations did not sell heavy armament to Egypt or the other Arab nations. Washington and London hoped thus to reduce the pressure on Israel. The Israeli technical superiority was believed to be a deterrent to the Egyptians and other Arabs who had come off second best in every encounter.

Recently the Communists have been putting on a drive to get the Egyptians on their side. A Chinese Communist mission visited Cairo and was received with great honors. It invited the head of the Egyptian state to visit Peiping and concluded a trade agreement which will relieve Egypt of a large part of its cotton surplus.

The Russians, too, visited Cairo and invited Prime Minister Nasser to come to Moscow. At the same time they arranged to supply Egypt with all the modern military equipment it needs—tanks, planes, heavy artillery, etc. The size of the order and how it will be financed has not been disclosed.

The State Department learned about the Communist-Egyptian transaction and Secretary Dulles gave the news to the public earlier this month. It became obvious in London and Washington that by our holding down the modernization of the armies of Egypt and her Arab allies we had not actually helped Israel. But we had managed to further estrange the Arab countries which would be of the utmost importance to us in the event of another great conflict.

Belatedly it was announced here this week that Egypt could purchase \$10 million worth of military equipment. But in the meantime the USSR and its satellites and Chinese ally had gotten the jump on us. The United States is now looked on as a Johnny-Come-Lately in the Middle East and our move is interpreted as having been forced by Russia's friendly action.

The Western allies, particularly Britain and the United States have played their cards poorly in the Cyprus issue. The subsequent serious break between Greece and Turkey has irreparably harmed the alliance between those two countries.

The intense nationalism which exists in the Mediterranean basin has been fanned by Kremlin agents for several years. We have never attempted to counter these moves seriously and never attempted to nip in the bud the natural Greek chauvinism concerning Cyprus.

There was a time when the

outbursts for a Cyprus-Greece union could have been controlled by the Athens government so as not to disturb the coalition set up to counter the Kremlin's aggressive plans. The issue has become "immediate" because no brakes were applied to the Communist "nationalist" propaganda which on the surface has nothing to do with Red intrigues in the Balkans.

The Communists lost their military battles in Greece because of the bravery of the Greek army and the quick support of the United States. But they have caused a break in the NATO by turning the attention of the Greek people to an immediate solution of the Cyprus question for which they could have waited until international skies had cleared.

The inexplicable violent reaction of the Turks to the Athens claims for an island which at one time was theirs was caused, according to Ankara official reports, by a handful of Moscow agents who have successfully played on the Turkish nationalist feelings. All these moves, to which must be added the upsurge in Morocco and Algeria, are definitely of Communist origin. Yet neither Washington nor London has done anything constructive to obviate their effect on the strategic position of the West in all these areas.

And it is an indisputable fact that our strategic air bases from Morocco to Saudi Arabia are of vital importance to our defense system in the event the men in Moscow decide to change their smiles back to scowls.



Red Firms Undercutting West In War to Win Arab Markets

By ISSA EL KORASHI

Special Correspondent of THE NEWS

Cairo, Oct. 30.—Communist trade agents, willing to take a loss to gain Arab markets, are undercutting American and other Western businessmen here so sharply that some of them are thinking of moving out.

The trade war is part of a general Communist plan to woo the Arabs with military support and a heavy dose of propaganda.

A typical example of Communist commercial success came when the Egyptian Health Ministry wanted to buy DDT. The lowest American bid was 10c a pound, while East Germany offered it at 7c.

IBM Also Hit

"Certainly we are not in a position to compete with East German materials that are dumped on the market," the Otto Gerdau Co., of 82 Wall St., New York, wrote its Cairo representative. International Business Machines also says it is facing tough competition, with East German firms undercutting its prices by 20%.

An English company lost a big railway freight car contract when Poland offered to provide the cars for 27% less than the English price.

Egyptian imports from the Soviet bloc are up to \$16 million so far this year, while its exports to the Reds are \$50 million. Both figures are increasing.

By contrast, Egyptian imports from the U.S. dropped from \$162 million in 1951 to \$50 million in 1954 and are still dropping.

Cotton a Factor

The Communists, aside from cheap labor and their indifference to profit, have another advantage in their willingness to take Egyptian cotton instead of cash as payment. In fact, they even pay more than the world rates for the cotton, Egypt's main crop.

France recently offered the lowest bid for a contract to provide diesel hydraulic engines, but the sale went to Hungary because it took cotton for payment.

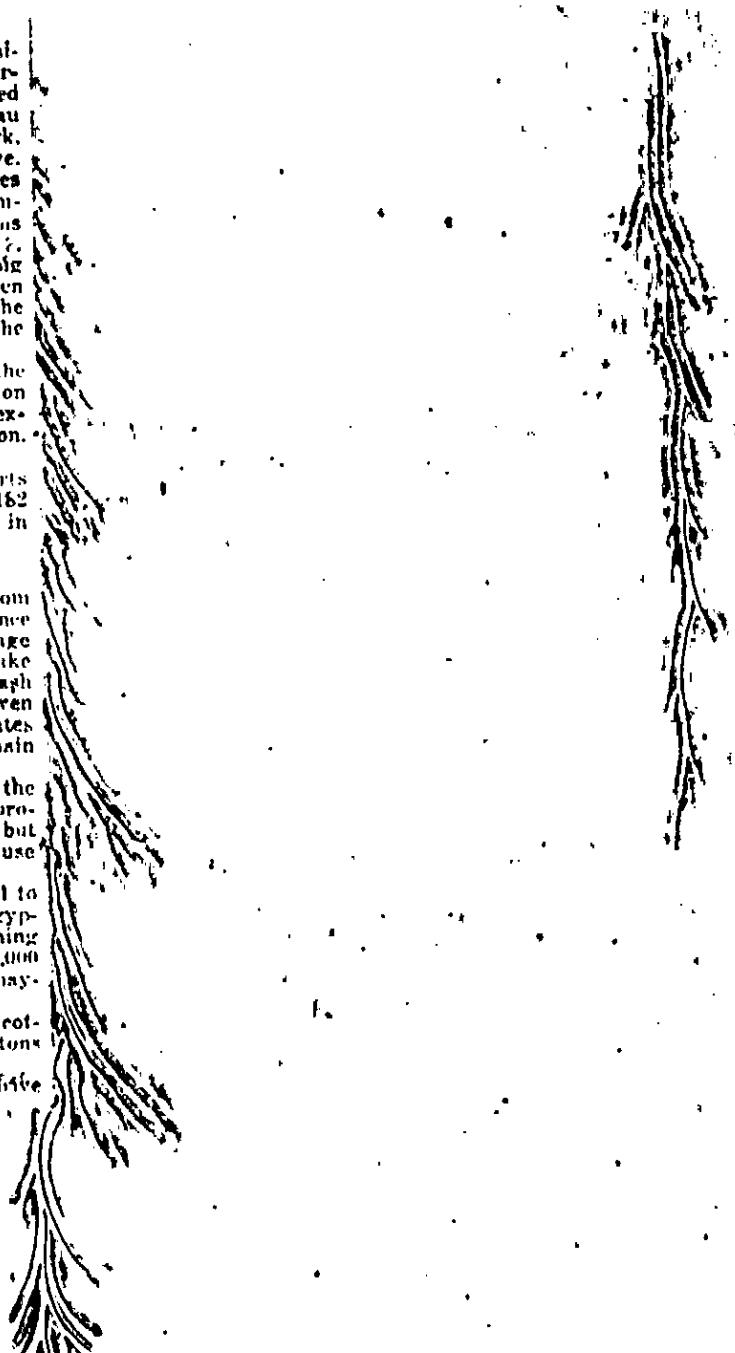
Red China has signed a deal to take \$28,800,000 worth of Egyptian cotton during the coming year in exchange for \$5,760,000 worth of steel, with the rest payable in sterling.

Russia has agreed to take cotton in exchange for 100,000 tons of kerosene.

The Russian economic drive

also includes tempting offers of economic aid. The Soviets have offered to finance Egyptian dam-building on the upper Nile and

even have proposed to pay for Arab-Israeli development of the Jordan River—a project planned and advocated by the U. S.



Egypt Said to Give Soviet Pledge To Bar Suez to British in a War

By DREW MIDDLETON
Special to The New York Times

GENEVA, Oct. 30—Israel has been informed by a Soviet satellite Government that in the event of war Egypt would not honor her obligation to re-admit Britain to the Suez Canal base.

This information was conveyed to the United States and British Governments by Israel, it was learned authoritatively. A United States spokesman here said that such a report had been heard "by some of our people." A British informant said he had no personal knowledge of the report.

The sources consulted felt sure that the Communist informants were telling the truth and were not relaying a bluff, for the satellite diplomats went on to assert that unless Israel refrained from choosing sides in the diplomatic conflict arising from the Soviet Union's infiltration of the Middle East she might find herself friendless and unprotected in the event of war.

Into an already difficult situation the charge was introduced that Egypt intended to block British re-entry into the Suez base.

Ten days ago, it was reported, when anxiety over the sale of Czechoslovak arms to Egypt was nearing its peak, Israeli dip-

lomats were approached by representatives of a Soviet satellite. The latter conveyed an unmistakable warning.

Israel, they said, would be unwise to protest too much over the sale of arms to Egypt. Its own position in the Middle East is deteriorating it was insisted. As proof the Communist diplomats offered information that when the arms deal was concluded, Premier Nasser told the Russians, Egypt did not intend to carry out its obligation under the British-Egyptian treaty. Under that treaty Britain agreed to withdraw from the Suez Canal base and turn the area over gradually to full Egyptian control during a peace time.

The Russians, it was said, expect Premier Nasser to announce that Article IV of the pact is a dead letter once the British troops leave Egypt some time early in 1956.

Article IV of the treaty between Egypt and Britain, signed Oct. 19, 1934 in Cairo, states: "In the event of an armed attack by any outside power on any country which at the date of signature of the present agreement is a party to the treaty of joint defense between the Arab League states signed on April 13, 1930, or on Turkey, Egypt shall offer to the United Kingdom such facilities as may be necessary in order to place a base on a war footing and to operate it efficiently. These facilities shall include the use of Egyptian ports within the limits of what is strictly indispensable for the above-mentioned purposes."

The members of Arab League are Egypt, Saudi Arabia, Yemen, Iraq, Syria, Lebanon, Libya and Jordan.

Were Egypt to accept this clause a dead letter, as the informants confidently asserted, the strategic position in the Middle East in relation to a war involving the Suez Canal would change drastically.

Suez Essential to West

The British base in the Suez Canal zone is regarded by both the United States and Britain as essential to the defense of the area. Use of the base in a war would be a major strategic advantage. The Middle East is not mentioned in the treaty of joint defense between Israel and the Arab League.

Conceivably Britain might not reoccupy the base in that event, but Premier Nasser's abandonment of Article IV would reduce the effectiveness of British efforts to halt an Israeli-Arab League conflict.

Discussion of such a war, invariably described as "preventive" by Israel, sources, has developed rapidly in the last week.

Egypt's reported intention to renounce Article IV of the Suez pact became known in the midst of a flurry of consultations involving Moshe Sharett, Israeli Premier and Foreign Minister, Secretary of State Dulles and Soviet Foreign Minister Vyacheslav M. Molotov.

Results of Meetings Listed

Reports on these meetings, which emerged the following day, are:

Mr. Dulles warned Mr. Molotov that the Soviet Union risked an escalation in the Middle East by permitting bargain sales of arms to the Egyptian Government. British Foreign Secretary Harold Macmillan took the same line in a warning to Mr. Molotov yesterday.

Israel's request to the United States for defensive weapons such as aircraft and anti-tank guns, anti-submarine vessels and fighters will be announced in detail this week.

Mr. Sharett told Mr. Dulles Israel's "very existence" was menaced by the sale of Communist arms to Egypt and she needed both arms and a security guarantee.

"The United States does not exclude the possibility of selling a certain amount of arms to Israel but it will not engage in or support an arms race between Israel and Egypt, the latter backed by the Soviet Union."

At the moment the United States policy rests on the 1950 declaration by the United States, Britain and France pledging the maintenance of the present frontiers in the Middle East and of arms levels that would make aggression impossible by either Israel or the Arab League states. But in the present evolving situation there are no policy guarantees on either side.

Sharett talks to Dulles

Mr. Sharett discussed the Middle East situation with Mr. Dulles this afternoon. The Israeli Premier said the Secretary of State had been left in no doubt of his position as to the position of Israel in the present arms imbroglio.

Israel considers "her very existence" to be menaced by "this massive increase of strength" for Egypt, Mr. Sharett said. If

the West cannot prevent this reinforcement in material, he said, "then Israel's military position should be strengthened as far as possible."

The Premier called for "a security guarantee" deterring new aggression against Israel aimed at her "territorial integrity and very survival."

Mr. Sharett said he did not think the United States had yet decided on measures to deal with the situation. But Washington "can now make up its mind in full cognizance of what Israel thinks of the danger threatening her and of the line of action she believes should be followed," he declared.

If Mr. Sharett's appeal is not met he will return to Israel Tuesday empty-handed.

Ben-Gurion to Make Appeal

Much, perhaps even the gravest issues, will then rest, it is said, on the West's response to an appeal Tuesday that David Ben-Gurion, who resumes the office of Premier that day, will make in the Knesset (Parliament).

Mr. Ben-Gurion is expected to assert his Government's desire to negotiate a peace settlement with Egypt and the other Arab states. It is expected that in this announcement he will assert that although Israel wants such a settlement she is not prepared to make any commitments prior to the start of negotiations.

The seriousness of the situation from the Israeli standpoint was reflected in a remark of one authoritative source. He said although sentiment in Israel at present is against a preventive war he did not know what would happen in a week or ten days if the West failed to provide some support for Mr. Sharett and Mr. Ben-Gurion.

Such statements encourage a belief among observers here that the efforts of Mr. Sharett and Mr. Ben-Gurion's speech represent the last chance for the moderate in Israel to prevail over extremists, who are demanding preventive action.

1956 a Year of Decision As Arabs Turn to Russia

By Robert Heicelt

Associated Press

BEIRUT, Lebanon—A stone skimmed close over the heads of the visiting Americans. A ragged 10-year-old boy, bare-foot in the cold winter mud, peered around the corner of a stone hut and shouted in Arabic: "When are you Americans going to let us go back to Palestine?"

This little incident in an Arab refugee camp—one of scores housing 900,000 Arab refugees from Israel—illustrates the feeling in the Arab world toward America these days.

An embittered Western-educated Arab leader saw it coming. Six years ago, after the new state of Israel had fought the ill-organized armies of six Arab nations to a standstill, he told this correspondent:

"It's too bad there isn't an Arab vote in the United States. American politicians who support Israel to win Jewish votes are going to turn the Arabs against the West. Why does the United States oppose 45 million Arabs who want to be friends and support less than two million Jews who have taken our land by force?"

Today American diplomats and businessmen in this area agree that the Arabs are indeed turning against the West—and they are turning to Russia.

MANY AMERICANS and Britons in day-to-day contact with the Arabs see 1956 as the "year of decision" for the Middle East and for America's future in the area. They are convinced that there is very real danger of large-scale Soviet penetration of this strategic land bridge between Asia and Africa. And the desert sands and rugged hills cover more than half the world's oil which now goes to the West.

Many American newcomers are astounded at the depth of anti-American feeling among the Arabs and worried by the gains already made by the Iron Curtain countries. The Arab answer is, "Israel." Rightly or wrongly, most Arabs fear the Israelis more than they do Communism.

Arabs overlook their own disunity and blame the United States—and Britain to a lesser extent—for the loss of their lands to Israel. They claim that Israel never would have been carved out of Palestine in 1948 without the support of the West.

They point to Israeli bond drives raising millions of dollars in the United States as proof that Americans support Israel today against the Arabs. Many suspicious Arabs see the proposed American-financed Jordan Valley irrigation scheme and refugee resettlement plans as "tricks" for the ultimate benefit of Israel.

Moslem Arabs are traditionally anti-Communist. But Communism is no longer a nasty word since the Czechs began selling arms to Egypt and since Russia offered to build an oil refinery in Syria and to aid in Egypt's big Nile River dam project.

American and British diplomats are warning their governments that a compromise solution must be found soon. They fear a new flareup of big-scale fighting—which would profit only the Communists, no matter who wins—if peace efforts fail.

But in public statements, at least, each side insists that the other do the compromising. These are the main stumbling blocks:

1. Territory. The Arabs want Israel's boundary to be that prescribed in the 1947 United Nations partition plan. This would cost Israel considerable territory which she took during the 1948 war.

2. Refugees. The Arabs want the 900,000 Arab refugees repatriated to Israel. Some Arabs have said they would accept compensation for loss of their homes. Israel has said it has no room now to repatriate the refugees and the issue of compensation has never reached the discussion stage.

3. Economic boycott of Israel. Egypt has refused to let Israel-bound ships use the international Suez Canal or pass through the Gulf of Aqaba to the Israeli port of Elath. Most foreign firms which do business with Israel are boycotted in the Arab states and there is no trade between Israel and her neighbors.

"Trying to make a peace on the present basis simply hasn't worked," one American diplomat told this correspondent. "We are going to have to make a new approach unless we want to hand the Arab world over to the Communists. And if Soviet communism takes over the Middle East because of our Arab-Israeli policy, there will be more violent reactions in American politics than were caused by the loss of China, the Yalta agreements or the conduct of the Korean war."

WESTERN DIPLOMATS who have dealt with both Arabs and Israelis say it will be tougher to get concessions from the Israelis than from the Arabs. Their view is that most Arab leaders are basically anti-Communist and are turning to the Red bloc for support only because they haven't received support from the West. They believe that the Arab leaders would modify their demands for territory because they prefer the West as the lesser of two evils.

Certain American and British diplomats are hoping that Israeli leaders will modify their stand under pressure of American arguments that the Israelis may be blamed for Middle East Communism if no settlement is reached. But on the basis of recent Israeli statements, they are not too optimistic.

"The time has come when we must decide whether our policy is to support Israel on present boundary lines and refugees even at the risk of damaging American interests in the Arab states," declared an American diplomat who declined to be quoted by name. "You can call it Arab blackmail if you wish, but some just solution should and must be found. I think Israelis and responsible Jews in America will come to realize the present danger."

Nasser, Is View

By Drew Pearson

Most encouraging news on corner Herter running ahead of the otherwise disturbing Fuzer Nixon.

Canal front is confidential advice from American diplomats in Moscow that the Russians don't want an explosion in the Near East.



Pearson

U. S. diplomats report that Communist leader Nikita Khrushchev was speaking the truth when he publicly appealed to the West not to use force in the Suez crisis.

Although the Russians have literally deluged Egypt with arms and more are reportedly on the way, diplomatic sources say that the Kremlin has no intention of going to the aid of Egypt in case of war. Thus, if war broke, Russia would be exposed as a false friend.

NOTE—The French government has promised Britain 100,000 troops in any war against Egypt. They believe the time has come to crush Nasser before he rallies the whole Arab world against the West.

Ike, the Diplomat

Newspaper readers who scanned the cold type of the President's press conference on Nixon and Stassen would have a hard time deciding whom Ike was for. His words were chosen with masterful diplomacy. Only the late President Roosevelt, among recent Presidents, has been so adroit in dancing on eggs at a press conference.

Newsman who listened were not much more enlightened. But the warmth of the President's words, when he spoke of Harold Stassen's fine work on disarmament, was such that Stassen seemed to get slightly the better of the deal. There was also the fact that Ike described Nixon as "acceptable" but did not give an enthusiastic "I want him."

Behind the press conference, however, were other events which spoke louder than words. One was the fact that Ike had summoned Chairman Len Hall one day earlier and told him to pipe down on his strong "We Want Dick" statements. He advised Hall that his statements made it look as if the San Francisco convention was rigged to stifle all opposition. It was right after this talk that Hall issued his "open convention" statement.

The President has also made it clear to his closest intimates that he wants to be completely free to take any vice-presiden-

Kansas Democrats Fight

Harry Woodring, the little Governor of Kansas who stormed the capitol of Washington in Roosevelt days and ended up as Secretary of War, is trying for a comeback in Kansas tomorrow.

There have been only four Democratic governors of rock-ribbed Republican Kansas this century, and Harry Woodring was one of them. He was elected in 1900 when the

drought, a split among Kansas Republicans, plus the plight of the farmers, pushed him into the State House in Topeka.

Today, drought, depressed farm prices, and another split between Republicans have created a similar situation: Harry has hopped belatedly into the breach to make the most of it. In doing so, he is trying to elbow out George Docking, another Kansas Democrat, who got into the race considerably ahead.

Woodring has some interesting campaign slogans, one of them reminiscent of Hoover's "A Chicken in Every Pot" and "Two Cars in Every Garage." His latest is: "A Pond for Every Kansas Farm" and "A Lake for Every Kansas County."

Harry is also spending quite a bit of dough for a usually poverty-stricken Democrat, much of it reputedly coming from cattlemen Ken Anderson of Emporia and Leigh Warner of Cimarron.

Most interesting part of the Woodring campaign, however, is the way he has suddenly embraced Roosevelt.

Real truth is that Woodring had a lot of trouble inside the Roosevelt Administration. At the time when FDR was telling his Cabinet that the U. S. had to be prepared, Woodring was

dragging his heels. FDR was certain that sooner or later the dictators would attack the United States; so he increased the military budget as much as Congress would permit.

But Woodring, in charge of the Army, hung back. He couldn't believe there would ever be an attack. Roosevelt finally worked through the Assistant Secretary of War, alert Louis Johnson, to get more airplanes, and finally after Woodring got embroiled in a personal incident from which "Mystery Man" Henry Grunewald rescued him, FDR asked for his resignation.

that Hall issued his "open con- more airplanes, and finally, after Woodring got embroiled in a personal incident from-
vention" statement.

free to take any vice-presiden-
tial candidate, Nixon, whom
he likes, he recognizes to be a
liability. He also recognizes
that voters will be voting for
the Vice President as the
potential president. At the
same time, however, Eisen-
hower doesn't want to an-
tagonize the right wing of the
Republican Party whose dar-
ling Nixon is. That's why Ike
is tightrope walking, also why
if Stassen can build up enough
support for another candidate,
Ike will probably take him.

NOTE—So far the vice-
presidential poll conducted on
behalf of Stassen by profes-
sional interviewers shows Gov-

asked for his resignation.
Today, believes it or not,
however, Woodring's campaign
literature features pictures of
himself in chummy position
with FDR, the man against
whom he was so critical after
he was raised out of the
Cabinet.



For Negotiation On Waterway To Avert Force

By Chalmers M. Roberts
Staff Reporter

The United States is playing for time in the Suez crisis in order both to lower the temperature in London and Paris and to find a formula which Egypt can accept to keep the canal operating as an international waterway.

This is the essence of the position which Secretary of State John Foster Dulles took at the London talks with the British and French and on which he is continuing to act.

The Suez crisis is viewed by the Administration as grave

Wilson Views Suez Crisis 'Small Thing'

Defense Secretary Charles E. Wilson yesterday called the Suez crisis "a relatively small thing" in relation to United States military program. Page 6.

and serious. President Eisenhower is represented by persons close to him as deeply worried.

A check of highly responsible informed American sources yesterday emphasized these points:

• The Administration is just about as distrustful of, and fed up with, Egyptian President Gamal Abdel Nasser as are the British and the French. But Washington feels that Nasser's nationalization of the canal would be the wrong issue on which to take a stand. The proper issue should be the operating arrangements to assure continuity of the canal as an international waterway.

• Dulles in London rejected British-French talk of precipitate action as well as refusing to join in the British position that it does not recognize Egyptian nationalization of the Suez Canal Co. However, Dulles looks upon British-

French military activities as a show of willingness to use force which may help make its use unnecessary.

• Dulles last Friday dissociated the United States from the use of force by publicly declaring that this country had made no commitments if the proposed 24-nation conference in London on Aug. 16 should fail. He made that public statement both to reassure American Congressional leaders who had warned against any such commitment and to let both the Egyptians and the Soviet allies know the United States was counseling moderation and a peaceful solution.

• The Administration is going on the assumption that Moscow, like Washington, does not want any Middle East conflict which could touch off a big war. The belief here is that Moscow backs moves which will lessen Western influence in the Middle East but that the Russians will counsel the Egyptians to work out a peaceful solution.

• The United States, therefore, would be willing to see the proposed conference stall for time in the face of initial British-French anger and talk of teaching Nasser a lesson at once. He flew over himself only after Murphy reported he could not in effect stall further and that Dulles might now be able to reach an agreement.

In London, Dulles found the British and French wanted action. Dulles said the issue had to be broadened by bringing in other nations so that the West could not be accused of acting on selfish motives. The allies then agreed to a conference but wanted it within a few days and in London. Dulles argued for four weeks, compromised on two. He could not move the British and French, however, on location and had to agree in London.

Broad List

The list of invited nationalities was so broad as to serve Dulles' purpose of helping to water down British-French desires for quick action. However, the United States has been surprised that such invitees as Iraq and Pakistan have gone over so close to the Egyptian side just as the British seem to be surprised at the similar Indian swing.

At London, the British and French wanted to declare a new canal operating agency under an international system. Dulles refused to accept such hard language and the unique called for "operating arrangements" a term which

to have the conference somewhere else than in London, say in Geneva or some other "neutral" spot.

• The United States believes the most likely solution would be to start with the 1888 Constantinople Convention which guarantees the international use of the canal and which Egypt says it will continue to respect. This would have twin advantages: It would make it easier to win Egyptian acceptance of a revision of that treaty; it would avoid any discussion of the status of the Panama Canal, the Montreux Convention for the Dardanelles, the Kiel Canal or other widely used waterways.

• The United States thus does not want to see Suez tied to the United Nations. A glance backward at events since Egypt nationalized the canal sheds light on American thinking.

Dulles was in South America at the time. He sent Deputy Under Secretary of State Robert Murphy to London to stall for time in the face of initial British-French anger and talk of teaching Nasser a lesson at once. He flew over himself only after Murphy reported he could not in effect stall further and that Dulles might now be able to reach an agreement.

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gives room for diplomatic maneuver.

The British have said that the communique's reference to Egypt's "attempt to nationalize" the canal meant that Britain did not recognize nationalization. The United States flatly accepts nationalization, assuming payment of stockholders and a new operating arrangement satisfactory to all. French Foreign Minister Christian Pineau, on his return to Paris from London, said France wanted a new control agency with power to include the security of the canal. The United States feels the trouble with the 1888 Convention is that it is not self-enforcing. But the new guarantees for international use of the canal should be backed up by the force of the signatory nations, not of any canal agency itself. (Gasboat Diplomacy)

Some American officials, but not all, take the view that British-French talk of military action amounts to a modern-day version of Victorian gunboat diplomacy. They say the day for that is over and the United States must have no part of it. Diplomatic probing in Moscow appear to have brought little information thus far on what the Soviets are likely to do. In Cairo, Nasser has talked with American Ambassador Henry Byroade on the possibility of some sort of U. N. action, but without disclosing what he may have in mind. One theory is that he may go before the Security Council to charge Britain and France with a threat to the peace because of their military moves. Nasser himself was reported to have been completely relaxed in his talks with Byroade.

There is an impression here that Nasser is developing his own ideas on what to do and that Egyptian policy is not being master-minded in Moscow. But there is admittedly no hard evidence either way, officials say.

Yesterday, Dulles called in the Latin American ambassadors to talk about Suez. There was some confusion over what the Secretary had said, but there was agreement on the seriousness of the crisis and that the United States desires to avoid war. One envoy reported that Dulles had discussed a possible legal basis for British-French action and had mentioned new Egyptian arrangements for troop movement into the canal which area.

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Periscoping at Home and Abroad

Suez Storm Warnings

NEW DELHI — India's Prime Minister Nehru, key to any compromise in the Suez dispute, is drafting an intricate, face-saving formula to be presented at the 22-power conference in London this week (see page 38). Under his plan Egypt would retain actual control over the waterway under the auspices of an international body whose powers would be purely advisory.

MOSCOW — Western diplomats here discount reports Russia will make a mutual-defense treaty with Egypt during President Nasser's state visit. Best indications are Nasser will get full diplomatic support plus economic aid and stepped-up arms deliveries, but the Russians will steer clear of any military measures that could bring the U.S. off the sidelines.

CHARLESTON, S.C. — Within hours of former President Truman's statement telling of his efforts at the Potsdam conference to internationalize the Suez Canal, former Secretary of State James F. Byrnes was on the telephone to Secretary Dulles. Byrnes told Dulles that Truman never did anything of the sort.

Capital Straws

WHITE HOUSE — A major diplomatic reshuffle is whispered in the offing. In the shift, James Bryant Conant, Ambassador to West Germany, would succeed John Sherman Cooper as Ambassador to India. Conant would be succeeded by Deputy Under Secretary of State Robert Murphy. If Winthrop Aldrich decides to come

home, John Hay (Jock) Whitney is in line to go to Britain's Court of St. James's.

NATIONAL SECURITY COUNCIL — Look for two of Ike's top cold-war strategists to leave the White House. Dillon Anderson, Special Assistant for National Security Affairs, quits next month. His job will be taken over by William H. Jackson, psychological-warfare adviser, who plans to leave, himself, in January.

Defense Notes

ATOMIC ENERGY COMMISSION — Watch for AEC Chairman Lewis Strauss to announce shortly that the land-based prototype of the Nautilus atomic power plant has completed a 66-day, non-stop, full-power test at the AEC station at Arco, Idaho. This is equivalent to running the Nautilus, the world's first atomic submarine, at top speed of 24 knots around the world at the equator plus another trip around the top of the world through the Northwest Passage.

NAVY DEPARTMENT — Wave of the future: A new type of missile ship with its hull completely submerged and only a small control tower peering above the surface of the water is under serious consideration. The advantages: The ship would protect crew and quarters from atomic fallout and only the control tower would be detectable by enemy radar.

For Periscoping Medicine, page 54; TV-Radio, page 61; Books, page 89.

Newsweek, August 20, 1956

From: 32
Page: 31
Date:



The 'Plot' Against Nasser

By Max Lerner

There is something quite delightful about Nasser's plot of a British "plot" to overthrow him and his regime. It is as if Johnny Dio were to charge the FBI with conspiracy to blacken his reputation and drive him out of his legitimate racket.

The Russians, who had an underground party in every country, riddled with operatives whose job it was to spy and plot and capture power, used to cry out in agony whenever they found a foreign newspaperman, with a page of industrial figures he could have gotten from the World Almanac. The Nazis, who dreamt of a world empire ruled by blond Aryan gods, were always arresting some hapless fellow for a plot against Adolf Hitler. And here we have Nasser, whose whole career has been woven of plot and counterplot and who is up to his neck in bloody intrigues against the West, complaining to all that the British do not wish him well.

This is what makes the job of an observer of the contemporary world comely so joyous, if you really study it with an innocent eye.

I haven't the slightest idea whether James Swinburn and Charles Pittuck and their alleged accomplices, described only as "Mr. O. St. John and Mr. Cox," have really been engaged in a plot to overthrow Nasser or not. But unless I have wasted a fair number of hours reading the history of the Middle East, I find nothing strange about the idea. Of all the tyrannical Arab regimes of the Middle East there is not a single one that has not been born of a plot and lived by a plot, and that will not in the end die by a plot. Those who live by the sword cannot complain if the sword is turned against them.

Nasser is quite right in pointing out that Mossadegh's regime in Iran was overthrown by an internal coup that had British help—and (he might have added) American help too. Allen Dulles, head of our Central Intelligence Agency and brother of our Secretary of State, is credited in widely published articles with having had a hand in that episode, and I reckon it one of the better accomplishments of the CIA. I don't know whether the British have actually moved so far against Nasser, or whether Nasser forestalled them by inventing a plot before they had a chance to plan one. But if they didn't, then they missed a trick.

The real folly the British have shown was in waking up so late to the menace of Nasser, not only to British security and survival, but to the peace of the world. As I wrote the other day, the British had no business withdrawing from Suez without leaving a genuinely internationalized canal behind them, and they had no business building Nasser up. If they hadn't blundered so badly in the open intelligence of diplomacy, they wouldn't be faced by the need now of using their secret intelligence and perhaps even their military force.

Some "diplomatic sources" (which usually means the State Department) are reported to be guessing that Nasser has uncovered the British plot in order to cover up a planned retreat on the Suez issue. Presumably he is going to negotiate with the five-nation Mendes commission and wants to continue acting as he can before his admiring public while he actually backs away from his grand pose.

This strikes me mostly as wishful thinking, perhaps intended for the greater glorification of Mr. Dulles' mission to London and its presumed success. It assumes that Nasser has grown doubtful and is willing to listen to the voice of reason. Clearly the British are not convinced of it.

My own guess would be that Nasser has little intention of negotiating seriously about Suez because his politics is the politics of crisis, as Mussolini's was, and Hitler's too. Like them he belongs to the category that psychiatrists describe as the "Injustices collector." He must always feel that he is encircled by enemies who plot against him and mean to destroy him. He is a Mussolini without the grandeur of Roman history behind him, a Hitler without insane delusions, a Stalin without a dialectic. But he shares at least one trait with these predecessors of his—he is a leader who can live only in an atmosphere of permanent dynamism.

That is what his former puppet and friend, General Naguib meant when he wrote in his memoirs that Nasser always talked of the "philosophy of revolution," by which—said Naguib shrewdly—he really meant the psychology of revolution. There was the crisis of the palace revolution, followed by the Naguib crisis, followed by the Sudan crisis, followed by the Israeli crisis, followed by the crisis of Communist arms, followed by the crisis of the Algerian war which was fomented in and by Egypt, followed now by the Suez crisis. There will be others as long as Nasser is in power, because this man lives by them.

The irony of his career is that this frenetic excitement becomes in the end self-defeating. Take, for example, the Israeli issue. Nasser had built himself up in the eyes of the Arab masses throughout the Middle East as the great leader of the holy war against the Jews. And now? Now the holy war against Israel has been all but lost sight of, since it has been swallowed up by the grander holy war against France, Britain, America and the West. Nasser had reached the point earlier where he had partly duped and partly blackmailed Eisenhower and Dulles and our British allies into freezing arms shipments to Israel, despite his own arms purchases from the Communists. If he remains adamant on the Suez issue, it is hard to see how this ban can be continued, unless the Western powers are more insane and suicidal than I believe them to be. In fact, there is even some talk of a rival canal or an oil pipeline to be built across Nasser's hated enemy—Israel.

I can't guess where Nasser's permanent dynamism will lead him. But if history is any guide, it is bound to lead either to war or to his downfall.

WHAT SUEZ SQUABBLE IS ALL ABOUT

How Trouble Started—Why U.S. Is Involved

• Crisis over Suez has the world in a snarl. War seems unlikely, but . . .
• World shipping faces a 4,700-mile detour.
• U. S. hints of big new loans to Europe.
• Europe faces the prospect of oil rationing, a half-billion-dollar shift of trade, or a surrender to the demands of Egypt's Nasser.

There's another way out, of course; Com-promise, sooner or later, is likely. Neither side wants war; Nasser's Egypt is weakening.
Here you get the ABC's of the Suez affair, the events and the facts behind the effort of a Middle East dictator to build an Arab empire by taking control of a big ditch.

What is the Suez crisis all about?
It is about the control of traffic through the Suez Canal.

The Egyptian dictator, Gamal Abdel Nasser, not only took the Canal from a private company, he also claimed that he alone had the right to decide what ships could use the Canal and what ships were to be kept out. For the Western powers, this is the issue.

Back in 1888, the European powers signed the Convention of Constantinople. That agreement declared the Suez Canal should always be open to the ships of all countries.

As Egypt became independent, every Egyptian Government acknowledged this international character of the Canal. Just last June, when the last British troops left

the Suez Canal area, Nasser too promised that he would respect the 1888 agreement governing the Canal.

Now, suddenly, Nasser has taken to himself the exclusive right to say what ships may and may not go through the Canal. That's what Britain and France will not accept.

But what has the U. S. to do with this—did the U. S. sign the Convention?

No, the United States did not sign the Convention, but the U. S. has always recognized it as the instrument governing the free movement of all shipping through the Suez Canal.

U. S. today uses the Suez route more than any other country save Britain. And the Canal is so important to Britain and France, as the main route for the

supplies of oil which keep Europe's economy going, that both countries prepared to fight unless Nasser accepted some form of international control over Canal traffic. So the U. S. is involved directly and through her allies.

In addition, some officials argue, if Nasser is permitted to ignore the interests of other countries in the free movement of traffic through Suez, other small countries in a position to seize free channels of world trade will be encouraged to do the same thing. Syria and Jordan, for example, could claim the right to cut off the flow of oil through the pipelines from Iraq and Saudi Arabia to the Mediterranean. Spain might claim the right to close the Strait of Gibraltar, or Panama would ask why she could not close the



SHIPS WAITING FOR PILOTS AT THE ENTRANCE TO SUEZ

Will they soon be routed around the Cape of Good Hope to avoid the Canal Nasser has taken over?

the Suez Canal. There might be an end of such trouble.

What can the West do about it if the Suez Canal now belongs to Nasser?

That is what all the conferences are about. The U.S. and other countries using the Canal are trying to find a plan for control which Nasser will accept. Nasser rejects the whole idea of international control.

Latest U.S. proposal is that the 18 nations whose shipping accounts for 95 per cent of Suez traffic form a users' association with its own Canal pilots, which would pay Egypt for using the Canal. Nasser has rejected this, too, but the users are still trying to work out a compromise he might accept.

If there is no compromise, then the users may consider bypassing Suez and sending their ships all the way around Africa.

Is that the way they plan to boycott the Suez Canal?

Actually, yes, although diplomats do not like to use the word "boycott."

This plan also raises problems—the cost, for one thing. Ships now using Suez would have to add 4,700 miles or more to each trip from Middle East oil ports to European ports. That adds 12 to 18 days to a tanker's round trip.

There are not enough tankers available to carry the oil which Europe now gets through the Suez Canal route on this longer route.

To get the same amount of oil from the Western Hemisphere, Europe would have to pay dollars. It would be much more expensive for them than the oil from the Middle East.

Can the U. S. spare enough oil to send Europe what it needs?

The experts say "yes." The U. S., they insist, could easily boost its oil production by a minimum of 800,000 barrels a day, probably more. About 300,000 barrels of this would replace Middle East oil which the U. S. is using now and the 500,000 barrels extra could be routed to Europe. This, with some 700,000 barrels a day carried around Africa would meet Europe's needs through an emergency period.

But all of this would be very expensive for the Europeans. Nobody knows for sure, how much it would cost to bypass Suez, but estimates run as high as half a billion dollars a year.

Who would pay the bill if it came to bypassing Suez?

This is a major problem. About 80 per cent of Western Europe's oil comes from the Middle East, most of it through Suez. The British, for example, get 70 per cent of their oil through Suez and pay for it in British currency.

Now if Britain, already operating within a narrow margin of safety, sud-

U. S. NEWS & WORLD REPORT, Sept. 28, 1956

Step by Step

HOW

GREW

June, 1955—Nasser sought aid for billion-dollar dam, got U.S. help on plans. But U.S. rejected Nasser's bid for arms, fearing Arab-Israeli war.

September, 1955—Nasser made deal with Russia for Communist arms in exchange for Egypt's cotton, helped Reds woo other Arab countries.

December, 1955—U.S., Britain offered to finance Nile dam through World Bank if Nasser agreed to concentrate Egypt's resources on the project.

June, 1956—Last British troops left Suez Canal zone under terms of treaty with Nasser, who promised to respect Canal company's rights.

July 19, 1956—U.S., Britain, World Bank, discovering that Nasser had placed Egypt deep in debt to Communist countries, withdrew their offer to help build the dam.

July 26, 1956—Nasser nationalized Suez Canal; Egyptian troops took over waterway. Nasser said dam will be built with Canal profits.

August, 1956—Britain, France asked international control of Canal traffic, rushed forces to Mediterranean, but U.S. urged negotiations.

September, 1956—Nasser rejected international control; foreign pilots quit Canal. U.S. proposed "users" agency; Nasser rejected this, too. Now, U.S. considers a plan to ask all users to bypass the Canal and take the long route around Africa. The catch: Europe would need U.S. help to pay for Western Hemisphere oil in place of Middle East oil lost to these countries.

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(continued)

WHAT SUZEU SQUABBLE IS ABOUT

...ly had to start paying for its oil with dollars. It would be a tremendous jolt to the British economy. In addition, the British would have the problem of moving the rest of its trade—rubber from Malaya, wool from Australia and all that via the long route around Africa.

Western Europe, simply, is far too short of dollar reserves to consider such a plan even as an emergency measure, without help. U. S. Secretary of State John Foster Dulles has said that the U. S. would consider making some loans to European countries to pay for dollar oil.

Nasser blames the U. S. for starting the Suez crisis. Is he right on that? No, Nasser says he took the Canal because the U. S. and Britain withdrew an offer to help build a billion-dollar dam on the Nile River.

Actually, what happened is that Nasser wanted Western credits to help build the dam and he also wanted a large quantity of arms for his military forces. The U. S. and its allies were willing to talk about the dam, but they refused to give Nasser the arms, fearing a new outbreak of war between the Arab countries and Israel if the arms balance in that area should be upset.

So Nasser got the arms he wanted from Communist countries in a deal with Soviet Russia. He insisted that he was buying only a limited quantity of arms and still wanted to build the dam with Western help.

At this stage the U. S., Britain and the World Bank offered to put up part of the money needed for the dam if Nasser agreed to concentrate all the resources of Egypt on this job. But, while terms of the deal were discussed, Nasser pledged more and more of Egypt's cotton crop to Russia for arms.

Finally the Western experts, looking into Egypt's books, said that Egypt simply did not have the resources left to build its share of the dam. That is when the offer was withdrawn. And just after that Nasser seized the Suez Canal and said he would build the dam anyhow with profits from the Canal.

Hasn't Nasser promised to keep Suez open to all traffic?

Yes, but that is not the main point to the British and French. They insist that no single nation, least of all Nasser's Egypt, should be recognized as having the power to make such a decision on its own.

Even before Egypt got complete control of the Canal, for example, the Egyptian authorities in the Canal area denied stores, fuel and repair facilities to ships

carrying oil and other supplies to Israel. Now that they are running the Canal they are still denying passage of such ships. If there is any such exception, ask the British and French, what is to prevent Nasser from using control of the Canal to get what he wants from the Western powers?

What does Nasser really want? Nasser makes no secret of the fact that he is out to become the leader of an Arab empire stretching from the Atlantic Ocean to the Persian Gulf. As Nasser sees it, control of the Suez Canal is his best weapon to accomplish this, because of European dependence on this route for the oil of the Middle East.



NASSER OF EGYPT worries even his friends

Is the dictator of a little country like Egypt really so strong that he can push the Western powers around? That remains to be seen.

There are signs, of course, that Nasser's position is becoming shaky. Egypt's reserves of gold and foreign exchange are dwindling fast. The "neutral" countries, which sided with Nasser at the start, now are urging him to be moderate, to look for a compromise. His Arab allies, too, are worried. Even inside Egypt, the leaders of the Egyptian Army, the main power behind Nasser's dictatorship, are beginning to ask questions about where Egypt is headed.

What is worrying the other Arab countries? The rulers of some Arab states are finding that Nasser is appealing over their heads to the people, asking all

Arabs, in effect, to revolt. It is necessary to follow his lead.

Some Arab rulers (also) are worried that the crisis will hurt their incomes from the sale of Middle East oil. The money these people get for their oil, the goods they can buy with this money, cannot be had save for Western markets.

Could this Suez crisis still develop into a war?

It could, but it does not seem likely that there will be war. Mr. Dulles' early in the crisis, persuaded the British and the French not to use force, but to try all means of persuading Nasser to accept some sort of control over Canal traffic.

Since then, following the U. S. lead, Prime Minister Sir Anthony Eden of Britain has said that Britain will not try to shoot its way through the Canal.

The danger, of course, is that Nasser may interpret this Western attitude as weakness and risk some other spectacular venture to improve his bargaining position or reject all compromise offers from the West. If that happens, war could come.

Is Soviet Russia behind all this, encouraging Nasser?

The diplomats say no. Russia's role, as they see it, has been to get all possible propaganda gain out of posing as a friend of Nasser and the Arabs. But Russia is reported to have refused to consider a mutual-aid agreement with Nasser which would have committed Russia to fight with Egypt in a war. Russia has sent pilots and technicians to help Nasser run the Suez Canal and has promised to send volunteers to Egypt if it comes to a war. But Soviet diplomats, behind the scenes are reported to be urging Nasser to tone down his demands, to avoid a war.

What's the outlook for the Suez crisis, then?

Nobody can tell, of course, how long Nasser can last under pressure from the Western powers, particularly if they organize to bypass the Suez Canal. At this stage it's a deadlock, but the chances are, unless Nasser commits more acts of desperation, that there will eventually be some sort of compromise over control of Canal traffic which both sides can accept.

For a firsthand report on how Egypt is running the Suez Canal, see page 39. Will gasoline be rationed if the Canal is bypassed? See page 60 for an authoritative opinion. See also pages 81 and 137.

FALSE DATA USED IN SUEZ STRUGGLE

Both Sides in a Propaganda
War Spread Distortions of
Fact to Sway Masses

By KENNETT LOVE

Special to The New York Times

LONDON, Oct. 10—Clandestine printing presses, secret radio transmitters and whispering campaigns are weapons in a full-scale, underground propaganda war over the Suez Canal.

The propaganda campaigns are part of the political struggle over control of the canal between the principal antagonists, Britain and Egypt. The main objective of each side in the propaganda warfare is to weaken the alliances of the other.

Both disputants devote their main effort to radio attacks from both secret and acknowledged stations, because of the prevailing illiteracy in the Middle East. But printed material also is used.

The latest example is a distorted imitation of a pamphlet of general information published recently by the Egyptian Government. It has been circulated here by mail from Cairo. Egyptian sources say it was printed by a foreign embassy in Cairo. British authorities deny knowledge of its origin.

Literary Data Falsified

The official Egyptian pamphlet gives statistics on the increase in literacy from 1927 to 1947. The falsified version, printed in similar format, reports an increase in illiteracy from 13,000,000 persons in 1927 to nearly 17,000,000 in 1953.

The official pamphlet contains a table showing the population by religious groups. The false one substitutes a table showing that 70 per cent of the population is engaged in agriculture and 3 per cent in industry. A budget table also shows a deficit not listed in the official pamphlet.

At the end of a list of "major projects," the bogus pamphlet outlines a plan for an Egyptian-controlled pan-Arab oil-marketing organization. It appears to be designed to excite Arab suspicions of Egypt's ambitions without exceeding the limits of credibility.

No such project was listed in the official Egyptian pamphlet. Copies of both pamphlets, available here, were printed in English.

Another printed item circulated here is a mimeographed collection of excerpts from President Gamal Abdel Nasser's autobiographical "Philosophy of the Revolution." British authorities deny knowledge of the source of this collection. The

quotations are taken out of context to appear damaging.

Radio Propaganda Duel

On the Egyptian side, the Cairo radio plays on the nationalist sentiments of Africans and Middle Easterners in British colonies and countries with treaty links with Britain. A broadcast Monday to the British-protected Sultanate of Oman on the Persian Gulf said: "Imperialism started crawling

into your country, Oman, to make its residence. By God, you are not the type to be caged or stoned. Work hard and sacrifice your blood to cleanse your country of the imperialists."

Egyptian propagandists also try to divide Britain and the United States. The Cairo radio has shown a recent tendency to blame Britain alone on issues in which the United States formerly bore the brunt of attacks. Among these issues are support of Israel and alleged refusals to sell arms to the Arabs.

Increasingly strong replies to the Cairo radio are being made by two unidentified broadcasting stations and the Sharq al Adna station (Near East) in Cyprus, which is operated by a syndicate including former British Colonel and Foreign Office officials.

The whispering campaigns, conducted in unattributable "backgrounding sessions" by officials of both sides, are designed to get widespread newspaper circulation. They concern alleged rifts in the British Foreign Office hints about damaging documents obtained by intelligence agents from Egyptian combinations of Arab kings and such matters. In general, these items are based on half truths or are not subject to proof.

Nasser Effort to Lessen Mid-East Tension Seen

By Ansel E. Talbert

Military and Aviation Editor

CAIRO. — Recent border clashes with Israel at the Gaza strip are helping to speed Egypt's military training activities.

The Army Academy school fielded a special jumping exercise at Ithpapolis air base near Cairo last week to demonstrate the proficiency of the West graduates. Tanks manned by training crews were sent on the roads leading to the Sphinx and the Pyramids.



Talbert

Because of the reluctance of the United States and Great Britain to supply arms to Egypt, there has been talk here of armament purchases from Communist Czechoslovakia. This talk began when the Czech government opened a huge industrial exhibit in Cairo a few days ago.

Follows Moderate Policy

But there are many indications that Prime Minister Gamal Abdel Nasser, chief of the governing Egyptian "council of revolution" wants his nation to be a firm friend of the United States. Although outwardly super-nationalistic, the Nasser regime appears to be following policies designed to lessen rather than to intensify Middle East tension. News of clashes with Israel at Gaza, for example, consistently has been played down in the Egyptian press.

One of the leading daily newspapers here recently printed a detailed analysis of communist "Arab" attack on the Moslem religion and in the latest issue of "The Egyptian Economic and Political Review" Aslan Khut, a writer who has a wide following, says "The fact that any Arab should have any illusions about Communists is astounding."

Col. Nasser is under heavy pressure, however, to adopt an anti-Western course of action. This is being generated almost entirely by two political groups which have become bitter foes both of his regime and of any defense bloc of Arab nations collaborating with the North Atlantic Treaty Organization.

These groups are the fanatical Moslem Brotherhood, several of whose leaders are in Egyptian jails, and Communists, who have a considerable underground and fellow-traveling following among Egyptian intellectuals. The latter never pass up any opportunity to generate anti-United States sentiment.

The Moslem Brotherhood clearly is anxious for the Israeli war to start up again. Its leaders point to the deaths of Egyptian soldiers during the initial Gaza incident as something which must be avenged a thousand times over. But their propaganda for the moment does not seem to be making much headway even among illiterate Egyptian industrial and agricultural workers who are highly aware of the Nasser regime's land-reform, education and public-works programs.

Prime Minister Nasser served with distinction during early days of the Israeli war. He was the first man of his battalion wounded in combat and later became the outstanding Egyptian hero of the siege of Foula. But it is clear to those who know him well that he feels re-awakened warfare would set back years fulfillment of Egypt's social revolution.

Stable conditions which the regime already has brought are attracted by the current building boom for all types of housing, including two new Cairo luxury hotels for tourists. The Egyptian Prime Minister said frankly in response to a question from this correspondent during an interview that he had been hopeful Egypt and Israel could "go on" side by side until time healed everything.

The latest Gaza incidents are serving to renew old tensions, he said. Although he puts the blame for them on an alleged Israeli "war party," headed by Israel Defense Minister, Ben-Gurion, he was careful to state that he knew of a second school of thought in Israel wishing to avoid all border incidents and bloodshed.

Col. Nasser tacitly advanced the view that all the blame was not on one side by admitting that "fanatics" from the Arab side sometimes slipped across the border on their own volition and committed acts of violence. He said almost plaintively that there are at least 250,000 Arab refugees from Palestine near Gaza and that "if four or five fanatics from their number de-

side to cross the border and attack those who occupy their homes I don't know how they can be stopped."

Egyptian Reds' Strategy

Egyptian Communists are attempting to make political capital out of the recent Turkish-Israeli defense pact and Britain's adherence by stressing the many years of British political domination of Egypt and Turkey's "betrayment" of the Arab world for more than 300 years. A high placed spokesman of the Nasser regime said: "We would do anything to aid the West in its breakdown but how could we explain it to the Egyptian people if we seemed to tie ourselves to the nation's traditional exploiters—the Turks and the British?" American military observers here feel, however, that it is of the greatest importance that Egyptian leaders, who are mostly army men, realize that Egypt is one of the world's most important natural strategic positions and know that no power could overlook their country. Regardless of the complicated Middle Eastern political situation, this realization is proving of great help to the United States in the cold war against Soviet Russia.

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Foreign Affairs

America's Difficult Role in the Middle East

By C. L. SULZBERGER

CAIRO, Aug. 12—Ever since the Second World War the United States has sought to play an increasingly influential role in the Middle East. Our diplomacy has been active. Our economic aid and commercial interests have expanded. We have sought to encourage peace and progress in a backward, uneasy area.

Nevertheless, our popularity has waned. The cancer of the Palestine war eats deeply into efforts at benevolence. Suspicious of colonialism rankle among these newly independent peoples. And the United States, as the most powerful symbol of the West, is suspected of new-fashioned imperialism no matter what we seek to accomplish.

Fear and deep-seated complexes distort Middle Eastern views of America. Israel, frightened of the hostile Arab masses, blames us for arming its enemies. Egypt claims we give weapons only to opponents of Arab welfare. And throughout the area inchoate revolutionary movements look increasingly toward the Communist bloc to solve their troubles.

When Iran, under the eccentric Mossadegh, almost collapsed, Washington intensified its concern with the Middle East. The Truman Administration began to conceive regional policies along lines Eisenhower later defined as our own "enlightened self-interest." We joined Britain and France in abortive efforts to establish a Middle East defense organization.

Army Reaction

Privately we encouraged London and Cairo to reach agreement on the Suez Canal base. Before the Suez settlement and while the Anglo-Egyptian quarrel continued, Pakistan requested our support for her projected alliance with Turkey. We agreed. From this developed the Northern Tier defense pact of states along the Soviet border—Turkey, Iraq, Iran and Pakistan.

This arrangement provoked a storm in the Middle East. Israel objected to our giving weapons to her enemy, Iraq. Egypt was angry that the moribund Arab League's political unity had been shattered. Cairo contended we were seeking to split, isolate and dominate the Arab states to force them into peace with Jerusalem. Advisers of Egypt's Premier, Gamal Abdel Nasser, told him Iraq was planning to federate with Syria and form a great state with Jordan under the Hashemite dynasty; that such a power would threaten Egypt.

Nasser and his Revolution Command Council—a sort of non-ideological Politburo—have been reared in an atmosphere of conspiracy and suspicion. They concluded we were trying to strengthen Israel, create an anti-Egyptian Hashemite state, stir up trouble to the south in the Sudan, and apply pressure from Libya to the west—in one skillful, diabolical scheme. Egypt therefore started a counter-move. She is seeking a pseudo-alliance with feudal Saudi Arabia and chaotic Syria. This is really nothing but a political coalition directed against Iraq.

We are in a diplomatically impossible position as long as the Palestine war remains unsettled. And there is no sign of approaching peace. Israel complains whenever we aid the Arabs, who in turn suspect we encourage Israeli pugnacity. Since the Gaza incident earlier this year and the Israeli elections which saw gains by the belligerent Herut party, suspicion has heightened.

Nasser's Views

Nasser complains that he sought to create a pro-American atmosphere in his army—which he regards as the basic political mainstay of his regime—but we refused to help. "What is the meaning of friendship?" he inquires. "For the army it is weapons." He insists he wants no war, and merely desires to develop Egypt's economy. However, one does not draw plows with tanks. His own revolution was inspired by army resentment at lack of equipment. He reasons: "If our officers feel we still have no arms they will lose faith in the Government."

The handsome, burly Premier admits his regime suffers from deep complexes, the heritage of centuries of foreign domination. His own conspiratorial background makes him look for hooks in any friendly Western gesture. Therefore Nasser is now flirting with neutralism. And he is coming to closer terms with Russia. Next spring he will visit Moscow.

The naive and youthful Premier confides that until recently he thought all Communists were "thieves." But, at Bandung, he found he liked the amiable Chou En-lai. Here he met and liked the affable Shepilov, secretary of the Bolshevik Central Committee. And he discovered he can trade with them. He is selling cotton to China for sterling at a moment when we are considering subsidizing our own exports. He is bartering with Russia and the satellites.

Some Arab leaders are beginning to wonder if, after all, the Soviet Union may not prove a better friend than the mistrusted West. The day Moscow offers them arms, many may switch affections overnight. Meanwhile, unhappily, we try to cultivate order and confidence. So far all we seem to have reaped is increased suspicion.

INTERNATIONAL

The Reds Angle for the Middle East

The American reporter asked the Egyptian Premier a purely hypothetical question: Would his excellency accept an invitation to visit the United States? The time replied Col. Abdel Gamal Nasser in measured English: "Not ripe." He would go only if he could return with substantial assistance for his 22 million countrymen.

That was several weeks ago. Last week, Radio Cairo announced that Premier Nasser had accepted an invitation to visit Russia next spring. About the same time, Soviet Premier Nikolai A. Bulganin will drop off in Cairo en route to India.

For Russia's campaign to win new allies in the Middle East, the time was never riper. Capitalizing on Western mistakes and lingering Moslem hostility to the former colonial powers, savvy Red diplomats from cosmopolitan Cairo to remote Kabul were delivering tempting offers of Soviet aid, trade, and friendship. The takers were increasing steadily.

Some recent Soviet maneuvers: Increased economic support for impoverished Afghanistan; an offer of military aid to neutral Egypt (including tanks and latest type MIG-17 jet fighters), and invitations to the Shah of Iran and to a Syrian parliamentary delegation to visit Russia.

Change of Pace. On other fronts, the Russians courted Arab states in the U.N. by voting against Israel, cutting off the stream of cash from Radio Moscow, improving commercial relations with trade pacts and gifts, exchanging athletic teams, invading the cultural field with ballet and movies, and ordering local Reds to lay off the subversion.

With the bid to Nasser last Tuesday, the Red friendship offensive in the Mid-



Front man in the rear, Shepilov peddled arms and ebarn Middle East really hit high gear. The same day, Communist China agreed to buy 14,305 tons of Egyptian cotton for what Cairo newspapers claimed was \$22,400,000 in sterling. The agreement was hailed by Cairo's press as a boon to Egypt's sagging, cotton-dependent economy at a time when the U.S. Government was jaying with the idea of subsidizing export of American cotton surpluses.

Four days later, Egypt proposed Russia for membership on the international commission which will supervise elections in the Sudan for independence or union with Egypt. Cairo also accused Britain and the U.S. of trying to swing the elections against Egypt's interests.

The man behind the latest burst of Soviet-Egyptian amity was one Dmitri T. A. Shepilov, Pravda's editor-in-chief, a recognized Moscow brain trust, and an honored guest in Cairo last month. An example of Communist diplomatic adroitness came last June when Nasser returned from the Bandung conference

of Afro-Asian countries. In the reception line at Cairo's airport the Soviet Ambassador gave the Egyptian leader a bear hug and a few well-chosen Arabic words. Conspicuous by their absence: The envoys of the Western Powers.

Cold Fronts. Next day, the government daily Al Gounhouria savagely blasted Western diplomats for their "diplomatic discourtesy." The envoys explained it wasn't customary to greet home-coming Premiers at airports, but it was of no use. U.S. Ambassador Henry A. Byrnes and other Western diplomats found themselves in a deep freeze of Egyptian hostility.

Belatedly, there were stirrings in the capitals of the West. One U.S. State Department officer said: "Naturally, we are watching the situation, but there is nothing to wring our hands over yet. Privately, there were rumors that President Eisenhower soon may dispatch Vice President Nixon to Egypt and the Middle East to patch up America's broken fences. His would be the first visiting ranking U.S. Government leader since Secretary Dulles's in May 1953.

With the friendship of 51 million Moslems and fabulous oil reserves at stake, it seemed scarcely soon enough.

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U. S. Hears Russia May Arm Arabs

Dulles Reveals Gaza Peace Plea

By Jack Tait

WASHINGTON, Aug. 29.—United States fears that Russia may be preparing to support the Arab cause in the bitter dispute between Israel and Egypt were pointed up today when Secretary of State John Foster Dulles disclosed he has received unofficial reports suggesting that the Soviet Union has offered to supply arms to some Arab countries.

But the Secretary emphasized at his weekly news conference that he had at hand no official information to substantiate the reports, and that so far at least there is no evidence that Russian military equipment has reached Arab hands. He said, however, that the reports possessed indications of reliability.

U.S. OFFERS ARMS TO EGYPT IN MOVE TO OFFSET SOVIET

Cairo Said to Be Interested
but to Want Fiscal Help—
Israeli Protest Likely

By The Associated Press

WASHINGTON, Sept. 25—In a move to offset a Soviet maneuver the United States has offered to sell arms to the Egyptian Government, it was reported today. Egypt is reported to be keenly interested, but has asked the State Department for financial aid to buy the military equipment she wants to bolster her armed forces.

The American offer is regarded as virtually certain to arouse a strong protest from Israel, which regards any attempt to build up the Arab countries as a serious threat to her existence.

Reports of the Soviet offer of weapons were confirmed three weeks ago by Deputy Premier Gamal Salem of Egypt. He said that if Western countries were not going to fulfill their promises, Egypt had no alternative but to accept Soviet arms.

A roundabout Soviet denial came last Wednesday through Jerusalem. The Israeli Foreign Ministry said the Soviet Union declared, in a statement handed Israeli Ambassador Joseph Avigdor in Moscow Sept. 12, that reports that the Russians had offered arms to Arab States are "devoid of any foundation and are nothing but fantasies."

Tension High in Area

Tension is high in the Middle East because of repeated bloody clashes between Israeli and Egyptian troops in the Gaza area.

The United States offer, submitted after intensive consideration within the Eisenhower Administration, is aimed mainly at keeping Egypt from buying a wide assortment of Soviet arms.

Any such offer by the United States will be subject to strict conditions, officials emphasized, would be for strictly defensive purposes and not to encourage aggression against Israel. Israel's armed forces are known to be far better equipped than those of almost all the Arab countries combined. This is a result of Israel's heavy purchases of arms in Britain, France, Belgium, Italy and Canada.

The details of a secret Soviet proposal to sell arms to the Egyptians have never been made public, but United States officials have learned it included tanks, artillery, jet fighters, naval vessels including submarines and infantry supplies.

In order to make it easy on Egypt to pay for this equipment, it is understood, Moscow offered to accept Egyptian cotton as part of a barter deal. Egypt has large quantities of cotton, but such an arrangement with the United States is unlikely because of the large surplus of United States cotton.

The State and Defense Department officials are reported to have been seriously alarmed by the Soviet arms offer. They regard it as a major move to increase Middle Eastern tension, perhaps by fomenting a full-scale war between Egypt and Israel.

Without disclosing what he knew of the Soviet offer, Secretary of State Acheson said at a news conference three weeks ago that in effect he violated the promise Moscow had made at

the Geneva conference of the Big Four Foreign Ministers to improve East-West relations.

Despite the virtual certainty of provoking Israeli protests, it was learned, the State Department made its offer recently on the theory it would be more important to the United States security to prevent Moscow from moving into the Middle East as a supplier of arms.

Limited Israeli Purchases

Israel has succeeded in buying only very limited quantities of American weapons, some machine guns and spare parts.

The United States has made no direct move to meet Israel's appeal for weapons under the foreign-aid program, nor to meet Israel's request for a defense treaty.

Diplomatic officials familiar with the United States offer to Egypt said the quantity of arms offered was small. They declined to reveal what kind of matériel was involved, but to offset the Soviet bid it would have to include such heavy equipment as tanks and artillery.

The State Department is understood to have informed the

Egyptians that their prospects of receiving weapons without charge under the foreign-aid program would depend on a substantial improvement in peace and stability in the Middle East.

Some high officials in Premier General Abdel Nasser's Government are known to favor accepting the Soviet proposal.

TAB C

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BRITAIN OPPOSES U. S. PLAN TO SELL EGYPT WEAPONS

Other Nations May Protest
Offer That Aims to Prevent
Purchases From Soviet

By BENJAMIN WELLES

Special to The New York Times

LONDON, Sept. 26—The Brit-

ish Government is opposing United States plans to offer arms to Egypt. The American aim would presumably be to forestall Egyptian arms purchases from the Soviet Union.

Reports that the Soviet Government has offered to supply Egypt with arms have increased recently, although Soviet Foreign Ministry officials assured Joseph Avudar, Israeli Ambassador, in Moscow last week that there was no truth in them.

The British are understood to be seriously concerned over indications that the United States will offer Egypt military supplies unilaterally. They believe that if arms shipments are to be made to Egypt they should be made only when Egypt has stopped her bargaining with the Soviet Union, not under the threat of such bargaining.

There were indications here that France and Israel might also add their own protests to those of Britain.

Foreign Office officials said late today that they had received no confirmation of the reported United States arms plan. They did acknowledge, however, that the issue had been under high level discussion.

Protest Made to U. S.

In other quarters it was stated that Britain had protested forcefully in Washington. The impression current in high quarters was that Washington had agreed not to pursue its plan at this time.

Britain's main argument against the United States proposal was put this way by an official: "America is embarking on a slippery slope if it agrees to furnish arms to a country under virtual threat of blackmail. Where does such a policy lead?"

Any non-Communist power that wanted American arms could begin openly bargaining with the Soviet Government as a lever, this official said. Moreover, he warned that United States arms deliveries to Egypt would be closely observed not only by every other Arab state but by every "noncommitted" country in the world, and they might adopt similar tactics.

Another British objection stems from the fact that the United States, Britain and France, since they guaranteed the Israeli-Arab territorial status quo in 1950, have closely limited arms deliveries to any Middle East nation. This policy has been framed to maintain the "arms balance" between Israel and her Arab neighbors.

Britain, as the traditional major power in the Middle East, has limited her arms shipments not only to her allies, such as Jordan and Iraq, but also kept a tight rein over shipments to Egypt.

Even though Egypt paid in advance for British arms after World War II, Britain so far has delivered only ten of the sixty-four Centurion fifty-two-ton tanks on Egyptian order. British aircraft to Egypt have been supplied equally sparingly.

British Prestige at Stake

Britain's loss of her former bases in the Middle East—excepting Cyprus, to date—has hurt British prestige among the Arabs, but control over military equipment and especially over replacement parts for British equipment already in Arab hands has been London's last trump card.

Britain, for instance, has long opposed United States plans to deliver quantities of military stocks to Iraq at the latter's request. Britain offered unsuccessfully last year to make equipment for Iraq against United States repayment in dollars but finally a compromise was

reached that divided American and British military deliveries to Iraq. Even these have been extremely small.

Israel is expected to line up with Britain in opposing American plans to arm Egypt. For the last nine months the United States has refused to supply arms to any Arab state bordering on Israel and this policy pleases the Israeli authorities.

France has recently suspended any further arms shipments to Egypt in retaliation for anti-French broadcasting from the Cairo radio. It is believed here they will protest the American proposal because it weakens the established three-power policy of scrupulously balancing arms shipments between Israel and her Arab neighbors.

Report West Knew Red Mideast Aims, Goofed

(By Wireline to THE NEWS)

Geneva, Oct. 28.—Western intelligence officials knew the Soviets planned to stir up trouble in the Middle East as early as last May, but the chance to counteract Red arms sales to Egypt was allowed to slip by, THE NEWS was told today.

An informed source said the Kremlin published and broadcast a policy document April 17 asserting that "the time has come for Russia to exert its rights in the Near East."

In May, Dimitri Shaplov, edi-

tor of Pravda and a close friend of Soviet Communist boss Khrushchev turned up in Cairo to confer with the Egyptian government.

Soon after, British and French intelligence reported from Cairo that the Russians had suddenly offered engineers to help develop the Nile.

Russia, the source said, apparently plans either to support the Arab states in fighting Israel, or to force the Western nations to let it join in "controlling" the area.



A Report From Egypt and Israel

CLAIRE STERLING

WAR was on the point of breaking out in the Middle East on the night of November 2, when the Israeli government sent four hundred soldiers to drive an Egyptian garrison out of Israeli territory in the demilitarized zone of El Auja. War didn't come, but it is still closer in this part of the world than in any other.

The El Auja episode was not the first of its kind. There have been three other major armed clashes on the Israeli-Egyptian frontier in the past year, and 1,204 minor ones along one or another of Israel's borders since the armistice in 1949. What was new this time was the possibility that El Auja might be the beginning of another Korea.

That was not true of the battles in Gaza, El Kuntilla, and Khan Yunis earlier this year; serious as they were, neither side thought of them as much more than local border skirmishes. But last September the Soviet Union and Czechoslovakia offered to sell, and Egypt agreed to buy, a large quantity of heavy armament, including tanks, jets, bombers, and submarines. This arrangement, described by the Russians as a simple commercial transaction, has made it impossible to think in terms of local skirmishes between Israeli and Egyptian troops any more—not only in Cairo and Jerusalem but also in London, Paris, Washington, and Moscow.

WITH THIS simple commercial transaction, the Soviet Union has practically undone all the patient work of the western diplomats in the Middle East over the past six years. The West has had two objectives in this area. The first was to

keep some sort of balance between Israel (population 1,553,000, territory 8,000 square miles) and the hostile Arab states—Egypt, Saudi Arabia, Jordan, Syria, and Lebanon (total population about 40,000,000, total territory over one million square miles). The second western objective was to erect the so-called "Northern Tier" of Middle Eastern defense, comprising the Moslem states which lie to the north and east



of Israel's enemies and south of Russia—Turkey, Iraq, Iran, and Pakistan.

Because of their foothold in Egypt, the Russians now have the possibility of some day vaulting over this Northern Tier and landing neatly in Africa—on the shores of the Mediterranean and on the banks of the Suez Canal. They also have a chance of breaking up the Tier by fostering a war between Egypt and Israel.

There isn't much point in asking which side might start such a war. Either side might—the Israelis now while they're still militarily stronger; the Egyptians a year from now when they have assimilated their new military equipment. For the Israelis it would be a question of surviving as a nation, for Colonel Gamal Abdel Nasser a question of surviving as the ruler of Egypt.

Revolution at a Standstill

Twenty-four hours after Colonel Nasser announced the Soviet arms deal, U.S. Assistant Secretary of State George V. Allen flew to Cairo to talk the Egyptian Prime Minister out of it. He was much more than twenty-four hours too late. Nasser had decided to accept the Soviet offer at least a month earlier, and had been gravitating toward the Russians for several months before that. He may not have wanted them, but he needed them.

It is doubtful whether Nasser had even remotely considered such a possibility when he organized the Egyptian revolution and threw out King Farouk in 1952. But the revolution has changed since then, and so has Colonel Nasser. He had started off earnestly determined to bring at last some hope into the lives of the Egyptians, now numbering twenty-three millions, who for five thousand years had been among the most miserable people on earth. But he was a soldier inexperienced in politics then, and he had no idea that the way of reform would be so terribly hard.

For the first two years, Nasser made notable progress. He expropriated Farouk's huge estates and divided them among a hundred thousand landless fellahin, turned a \$225-million trade deficit into a surplus of \$11 million, and completed plans for the High Aswan Dam, a half-billion-dollar project that would give Egypt a third more usable land than it has now. He also weathered two big political storms; the expulsion of General Mohammed Naguib, who had been an idol of the people but a constant headache for the military junta that had carried out

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...a mystical terrorist organization with three million followers, to assassinate the junta leaders and take over. Finally, he managed to get the British out of the Suez Canal Zone after a stay of seventy-two years.

Since 1953, however, the road has been rocky all the way. Nasser claims now that he has had to curtail all his social-development schemes since February 28 of this year, when the Israelis attacked Gaza and killed thirty-six Egyptian soldiers. This evidence of Israel's aggressive intentions, he says, compelled him to subordinate everything to preparations for his country's defense. But Egypt's revolution has come nearly to a standstill for much deeper reasons.

FOR ONE THING, the Egyptian financiers who had flourished under Farouk and a corrupt Parliament have not shown the slightest interest in helping to further the revolution. They have been so pointedly uninterested, in fact, that the junta was recently forced to seize an enterprise directed by Ahmed Aboud, an influential industrialist in Egypt, for nonpayment of a \$13-million subsidy to sugar growers. This, in turn, has not encouraged Aboud and his friends to invest the capital Nasser must have.

Lack of capital has not been his only trouble. He has also been hampered by a lack of administrators and technicians. With both of these handicaps, his splendid dream of a Liberation Province—a project designed to reclaim a million acres of desert land and build an ideal society on it—has remained largely on paper. At the rate it's going now, it won't be completed in a hundred years.

On top of this, Nasser has not yet found the money for the Aswan Dam. The International Bank has been considering the project for three years; the plans have been pronounced financially and technically sound; a firm of British engineers has been signed up for the indefinite future. But no western government has actually put up any of the necessary money.

WORST OF ALL, the world cotton crisis this year has brought Egypt near to disaster. Cotton makes

exports, but with persistent rumors that the United States will soon dump its own ten-million-bale surplus abroad at bargain prices, Egypt's traditional buyers—Britain, France, Italy, and West Germany—would rather wait than buy. While they have waited, Egypt has gone in to the red again; the deficit was \$62 million by August and it's still increasing.

Nasser had no diplomatic victories—at least until last September—to offset all this. Negotiations for \$27 million worth of American arms got nowhere, since Nasser wouldn't accept a military mission and couldn't pay cash. The West went on with its business of building up the Northern Tier, into which Egypt was not invited. And in midsummer, the Sudanese suddenly yeeered away from the idea of union with Egypt—a diplomatic defeat that cost Nasser almost as much popularity as he had gained by getting Britain out of Suez last year.

With an efficient political machine, Nasser might have explained these embarrassments away. But he does not have one. Although he has managed to destroy his opposition—neither Naguib nor the Brotherhood has much visible strength now—he has not managed to organize the mercurial populace into a compact political party that could defend him. He is left, therefore, at the mercy of a divided army, whose interests do not always coincide very closely with his own.

'Pistol at My Head'

It is not surprising, under these circumstances, that the Russians should have appeared on the scene. Nasser is indisputably anti-Communist—there are several hundred Communists in Egyptian jails to prove it, serving terms of up to fifteen years. But if he isn't pro-Russian, he isn't particularly pro-western either. And even if he were, certainly he doesn't have much choice.

The Communists moved first at the Bandung Conference last spring, where they played on Nasser's vanity with tributes second only to those reserved for Nehru. Next they played on his genuine concern for Egypt's economic future, by either buying themselves or getting their satellites

West had turned down. As a result, Communist China has suddenly become one of Egypt's biggest customers, and Hungary and Romania are among the top ten, both of them for the first time. But above all, the Russians played on Nasser's fears—his fear of Israel and his fear for his own political career.

Nasser told a western correspondent a few weeks ago that he decided to ask Russia for arms last summer after reading an American newspaper that said Egypt would never be safe from Israeli aggression unless and until he did. Actually, the offer came first from Soviet Ambassador Daniel Solod; and while Nasser was trying to make up his mind, the Soviet Embassy in Cairo artfully let it be known among Egyptian Army officers that the offer had been made. After that, Nasser had no alternative. "The army," as he told one diplomat privately, "had a pistol at my head."

It was perfectly predictable that the army would insist on accepting the Russian offer—and indeed would have thought Nasser foolish to turn it down. Every army wants arms, and this army wanted them desperately after its painful defeat in Palestine in 1948. The army, however, may not have seen all the implications of the Russian offer, Nasser did. Or if he didn't then, he does now.

There is no doubt that Nasser's decision to accept the Russian offer has made him much more popular than he has ever been, not only in the army but throughout Egypt and the Arab world. Few of his fellow officers or fellow citizens see any moral conflict involved. "Ask anyone on the street here in Cairo," Nasser has said, "and he'll tell you that Russia is giving us what we want, where the West has been telling us what we ought to want." But he knows it isn't that simple.

First there is the question of what comes with these arms. Nasser has repeatedly refused to accept an American military mission, on the ground that his countrymen would not stand for another one after their experience with the British. What he's getting now, however, is in effect a mission, though it doesn't go by that name. Actually, he has had foreign advisers attached to his army for

THE REPORTER

expert in the Third Reich and later president-director of the Skoda works in Nazi-occupied Czechoslovakia. Dr. Voss was assisted until recently by about fifty German military experts. There is also an unspecified number estimates go from 100 to a hundred of Czech and Russian technicians who have been sent to teach the Egyptians how to use their new equipment. What Egyptian officers can learn from these instructors they can learn by going directly to Czechoslovakia and Russia. At least one group of pilots has already made the trip.

HAVING GONE that far, the Russians couldn't have failed to go a little further. Since the arms deal was made, Ambassador Solod has had several long, friendly talks with Nasser. Cairo bookshops are filled with Russian books; Russian movies are being shown for the first time; Russian and Romanian ballet troupes have arrived. The Russian Embassy in Cairo has redesigned and streamlined its information bulletin in preparation for an intensified propaganda campaign.

Nasser is well aware of how much this means to the Russians. The arms deal alone, he said recently, "was worth more than a quarter of a billion dollars in propaganda to Soviet leaders." But he is confident that he can control the situation. The Soviet Union, he says, isn't interested in subverting the population so as to make Egypt a satellite state; the Russians' only aim, he explains, is to keep Egypt out of the western orbit—which is all right with the Egyptians.

If the Russians aren't trying to convert the Egyptian people, however, they can still make a good try at capturing the Egyptian government. Nasser already relies on them for arms; he is beginning to rely on them as the main market for his exports; and they have offered him a thirty-year loan for the Aswan Dam at the attractive interest rate of two per cent—payable partly in cotton. What would happen, under these circumstances, if Nasser should refuse to accept an alliance with the now-outlawed Communist Party when and if he holds the free elec-

tion? In the meantime, another vexing question remains to be answered: What will Nasser do with the twelve shiploads of arms that have already reached Alexandria, and with the rest that is to come? He says he will use them only to defend Egypt if Israel attacks, and most people who know him believe that is his personal intention. A war with Israel would mean the end of everything he has done and is still trying to do for the Egyptian fellahin; even if he won it—to say nothing of what might happen if he should lose it.

To say that he doesn't want to make war, however, is not to say that he will not some day be forced to



make one. He is under pressure from many directions. There are, for instance, the two hundred thousand Palestine Arab refugees who have been camping miserably in the Gaza Strip, and who refuse to go anywhere but back to the homes they can see from the doors of their huts, only a mile or two across the frontier. There are the neighboring Arab states, whose leaders don't share Nasser's concern about improving the lot of their people. And there are the more hot-headed officers in his army, who still brood over the Palestine defeat, who are growing more resentful with every retaliatory Israeli raid on the bor-

enemy. So far, Nasser has been holding out against all these pressures. But he admits that "politics have become a disease with me now," and he might be prepared to pay a big price for remaining in power. Unless he can find the money to go ahead with his big social plans, unless he can achieve some spectacular domestic success in the next year or two, he may not be strong enough to resist these pressures.

A Preventive War? The Israelis say he will not be strong enough. They argue that Nasser has been trying in vain for three years to be another Kemal Ataturk (who turned his back on the whole Moslem world to modernize Turkey) and that he is now trying to become a hero of the Moslem world by leading a jihad, or holy war, against Israel. They may be wrong, but that's the way they think—and they are reacting accordingly to their interpretation.

The Egyptians have been saying for some time, especially since the February attack on Gaza, that Israel is preparing an aggressive war for territorial expansion. But that isn't really the problem. There is, of course, one political party in Israel that wants to "complete the Promised Land" by expanding to the Euphrates and the Nile—the Herut Party, led by the old Irgun terrorist chief, Menachem Begin. The Herut almost doubled its vote in the elections last summer. But it still has only fifteen of the 120 seats in the Knesset, and the dominant Mafdal Party (with forty seats), headed by Prime Minister David Ben Gurion, can easily afford to ignore it for the time being. Ben Gurion, however, cannot easily ignore the many voices in his own and other usually moderate parties that are clamoring for a preventive war—a quick thrust right now to knock out the two Egyptian divisions in the Sinai Peninsula before they have assimilated their new Russian equipment, and thereby cripple the Egyptian Army for at least a decade. Such an attack, too, the argument goes, need not last more than a week or two, after

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which the Israelis could go back to the United Nations and/or the Egyptians. The Prime Minister and all the government leaders have declared flatly that they will not make such a war. The plan seems logical, they say, but it is definitely the Israeli Army is much superior to Egypt's at present. Not only do the Israelis have 150,000 well-trained troops as against 100,000 Egyptians, but they can call in a National Reserve pool including most of the able-bodied men and women in the country, mobilizable in less than twenty-four hours. The Egyptians have no reserves, and except for Jordan's British-trained Arab Legion, a twenty thousand strong, the military strength of Egypt's potential allies is negligible. But an attack of this kind, however short, might exact a fearful price. It would mean the death of several thousand young Israelis who must make Israel's future. It might also mean losing the international good will that Israel must have in order to exist—in the United States, the United Nations, among world Jewry. Moreover, no amount of logistical calculation could guarantee that the war would be short; and if it lasted more than a week or two, it might not only destroy what the Israelis have made of their tiny state with infinite patience and labor, but touch off a third world war. Thus Ben Gurion is faced with the overwhelming problem of finding a better alternative.

The question of defense has been desperate for Israel from the day it became a state in 1948, when six Arab League nations invaded simultaneously. Israel defeated them in six weeks then, and might do it again. But it would not be easy.

It would be hard to find any other country on the globe so vulnerable to attack. Israel has 591 miles of frontier, all of it bordering on hostile territory, sixty-three times larger than its own, and there is almost no depth for maneuver behind Israel's frontiers. Three-quarters of the population lives either in the narrow Jerusalem Corridor or on the coastal plain from Haifa to Tel Aviv, where there is an average

width of twelve miles from the headquarters of the Israeli General Staff is within clear view of the Jordan hills, and almost no Israeli lives in works beyond easy range of enemy fire.

In desert (with in this exposed position, Israel has planted settlements, all along the frontiers, manned by soldier-farmers who are



forbidden to work in the fields without a rifle and who must build reinforced-concrete homes, and bomb-shelter nurseries for their children. Not a week has passed since 1948 without some sort of foray into one or another of these settlements. Some have amounted to no more than the theft of a sheep by an Arab refugee. (Some 900,000 such refugees are camped along the Syrian, Jordanian, and Egyptian frontiers.) Others have been organized raids by military intelligence or sabotage units such as the Egyptian Fedayeen, whose purpose is to terrorize the population and do economic damage. Five days before the Israeli attack on Gaza, a Fedayeen unit had gotten to within fifteen miles of Tel Aviv.

The Arab states have taken full advantage of Israel's geographical helplessness by blockading the country completely on land and as completely as they can manage by sea. Israeli ships are barred not only from the Suez Canal but even from the Gulf of Aqaba, Israel's outlet to the Red Sea.

In spite of these enormous handicaps—or perhaps because of them—Israel has made prodigious prog-

ress in acquiring statehood. Israel has taken in 750,000 Jews from the Diaspora, more than half of them Orientals, people whose way of life was several hundred years behind that of Jews from, say, Germany. By now permanent homes have been built for all but eighty-five thousand of them, and work has been found for all but nine thousand.

Finding work has meant bringing life to a land that has been barren for more than two thousand years. Between 1948 and 1954, the Israelis planted thirty million trees and reclaimed two hundred thousand acres of dead land, with their new pipeline from the Yarkon River, which is only sixteen miles long—they will soon have forty thousand more acres of productive land. These figures would be laughable in Texas, but a foot of soil means more to the Israelis than a mile would mean to Texans.

The Israelis have not gotten rich on this soil; their average yearly income is less than \$500 a year, though this in itself represents a twenty-seven per cent increase over last year. They have, however, managed to become self-sufficient in phosphates, sugar, and tobacco, and more than self-sufficient in citrus fruits. Within another two years there will be enough cotton.

Although the Arab blockade is costing Israel \$40 million a year (mostly because all oil has to be imported from Venezuela), Israel has kept that figure from being much higher by developing a sound market for its goods in the West and also by looking eastward to Burma and Japan. The latter has just signed a contract to buy half a million tons of salt.

With the help of the Old Testament, which is used as a geological as well as religious manual, Israelis have found great resources for the future—potash, bromine, phosphate, manganese, copper, feldspar, mica, glass sand, iron, gypsum, fluorite, chrome, sulphur. It was the Old Testament that provided the clue that led to the discovery of oil in Hefetz last September.

Despite this progress, Israel still depends on foreign help for future

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development; between German rep-
income of about \$200 million a
year. But the government hopes to
be independent of foreign help with-
in ten years, and if there is peace,
the Israelis will probably make it.
Unlike Egypt, Israel has made no
reduction in its development budget
this year. The Egyptian raids across
the frontier have been just as alarm-
ing to Israel as the Israeli raids have
been to Egypt, and economically,
Israel has suffered far more damage.
In the single kibbutz (collective
settlement) of Melasim, the main
water installations have been blown
up five times in the last six months;
the settlers have repaired the instal-
lations each time and gone back to
their tractors with their rifles.

THEY are struck and the rela-
tively small standing army be-
hind them have been enough until
now to stave off invasion. With the
arrival of Russian army and techni-
cians in Cairo, however, the Israeli
government does not think they are
enough any more.

Although Israel has had many to-
kens of friendship from all over the
world, the nation stands essentially
alone. All the neighboring Arab
states have treaties of mutual assist-
ance, either with each other (Syria,
Egypt, Saudi Arabia) or with the
British (Egypt, Jordan, Iraq). Israel
has nothing but a birth certificate
from the United Nations and an
oral promise from Britain, France,
and the United States—the 1950 Tri-
partite Declaration—to resist any at-
tempt by either side to change the
present boundaries by force.

Since September the Israelis have
been saying that this is not adequate.
They point out that the United Na-
tions couldn't keep the Arabs from
invading Israel in 1948. They also
point out that the Tripartite Decla-
ration has enough loopholes in it to
let any or all of the Big Three back
out of it whenever the situation is
embarrassing—as it is now, for in-
stance. In his Guildhall speech of
November 9, Sir Anthony Eden got
through two loopholes without much
trouble. He suggested that Israel's pre-
sent boundaries were not necessarily
permanent, and that they might be
substantially changed without neces-

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sarily using force. More precisely, he
set a new boundary line somewhere
between the present one—set by the
1949 armistice—and the original one
laid down by the United Nations in
1947. What the Israelis thought he
meant was that Israel should give up
the Negev. Nothing could be more
likely to goad Israel into war.
The southern Negev desert did not
belong either to Israel or Egypt in
1947. It was part of an independent
Arab state set up in the U.N. plan
to partition the Palestine mandate.
That state disappeared after the
Arab invasion; Egypt and Jordan
took parts of it, and Israel kept the
rest, including the southern Negev.
Since the partition plan is obviously
dead, Israel regards this territory as
its own, and Ben Gurion has made it
plain that his government will never
give it up. "The Arabs will have to
send an army to get it," he has said,
"and they will be expelled a second
time unless, with the help of Britain



and Russia, they succeed in their
attempt to destroy us."

It is difficult to see how Eden could
have expected any other answer. To
Israelis it seems clear that the Egp-
tians want the Negev as their first step
in the dismemberment of Israel; cur-
rently they are making it their first
condition for peace. But the Egp-
tians don't need it and can't use it,
having an ample desert of their own.
Israel could not live without it.

The Negev
The Negev makes up half of Israel's
territory. Immigrants are still com-
ing each year, and the thousands
by law. Israel's doors are open to
them, and the Negev is the one place
where they and their children can

live with any remote hope of suc-
cess. No one who had traveled over
these wastes of sand six years ago
would have imagined that anyone
could find hope there. But the Is-
raelis have already pushed the desert
back thirty miles, and even in the
far south they have made parts of it
bloom. "Go to Sde Boker," Ben Gu-
rion has said, referring to his desert
home, "and you will see green patches
that have not been there since the
creation of the world."
Like most of Israel's plans, those
for the Negev are ambitious. They
include bringing water down from
the River Jordan with or without
the co-operation from Syria and Jor-
dan that Eric Johnston has been try-
ing to get; building up the ancient
crossroads town of Beersheba into a
southern capital of fifty thousand in-
habitants; building plants to extract
copper and minerals from the Dead
Sea; and building a railroad to carry
exports down to the port of Eilat on
the Gulf of Aqaba, to be shipped out
through the Red Sea—regardless of
Egypt's blockade, which Israel has
said will be broken "whenever and
however we choose."

IN suggesting that all this might be
sacrificed to pacify the Arabs, Eden
has aroused bitterness among the
Israelis unlike any since the old man-
date days. They had been willing to
discuss several issues in order to ease
the tension: minor border rectifica-
tions, compensation for Arab refu-
gees, U.N. buffer zones at sensitive
border points. They had been will-
ing to go even further, offering land-
locked Jordan free use of their port
in Haifa, and offering Egypt a
through highway across the Negev.
They had never, however, shown
any willingness to be cut in half.
Once again, they feel, Britain is
trying to buy Arab friendship at
Israel's expense, in spite of all for-
mal commitments. They take this as
convincing evidence, if any were
needed, that Israel can't rely on west-
ern promises and that their only
guarantee of surviving this emergen-
cy would be western arms. "It's no
good talking to us about our army's
moral superiority over the Egp-
tians," Ben Gurion has said. "If an
ordinary soldier with arms faced a
man like Einstein, and Einstein was

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him."

The Israeli shopping list is now being considered by the U.S. State Department. It is not a modest list. The Israelis want heavy and a lot of them, and cheap; it would take practically their whole national budget of \$800 million to pay the full price for the quantity of armament that Nasser is reportedly getting—at giveaway prices—from the Russians and Czechs.

The Israeli government says it doesn't want these arms to make preventive war—but to prevent one. The one thing that could stop the pressure on Ben Gurion's Cabinet now, it is argued, would be the certain knowledge—in Egypt as well as in Israel—that if the Egyptians attacked, the Israelis could, as one deputy puts it, "knock the hell out of them."

Our Dilemma

While Secretary of State John Foster Dulles has promised to "consider" the Israeli shopping list, he is certainly proceeding cautiously. The U.S. State Department may be friendlier to Israel than the British Foreign Office, but both have similar problems. First, they fear they might be getting into a hopeless arms race; Nasser has warned that if the Israelis get arms from America, he himself will get still more from Russia. Next, they are reluctant to irritate the increasingly belligerent oil-producing Arab states, from which their two countries together have taken shipments of \$2.5 billion in the last eight years. Finally, they are afraid that any new sign of friendship for Israel will push Egypt further into the Russian orbit—and might well push Syria, Saudi Arabia, and Iraq, if not Jordan also, in the same direction.

In strictly military terms—and aside from whatever diplomacy may still be able to accomplish—this boils down to a choice between abandoning Israel and risking the loss of Egypt and most of the Middle East. Actually, however, Nasser has gone so far already that his return to the West seems exceedingly unlikely; and Israel has no intention of being abandoned without putting up a fight that would push Nasser further toward Moscow anyway. The sacrifice, therefore, would be not only tragic but useless.

16

Tunisian Self-Government:

Where Is the Booty?

HAR LEHRMAN

WHEN THE Bourguiba came home in triumph last June after a long French exile, he was given a gala banquet. Everyone at there: the Prime Minister, the union labor leaders, all the old comrades from the nationalist Destour Party, and all the old enemies from the Résistance Générale. The evening flowed with salutes to the conventions just agreed between Tunisia and France, to impending home rule, to a future bright with hope of growth and bloom in freedom. Tunisia's George Washington rose to the occasion. In French, with glistening eye and inspired syllables, Bourguiba extolled the genius of France. He praised her new enlightenment and greatness of soul. He gazed rhetorically into the mists ahead and saw an eternity of Franco-Tunisian friendship and mutual benefit. He was magnificent.

When he sat down, the hall rocked with ecstatic huzzas. Then one of his staunchest party associates leaned across the table and spoke in jargon and homely native patois somewhat as follows: "Hey! Haven't you noticed? There are Arabs in the room!" Bourguiba clutched his handsome head. He got sheepishly back on his feet, signaled for silence, and then gave the whole speech over again—in Arabic.

On September 17, after formal ratification of the conventions and the retirement of Tunisia's last Protectorate Government, came the induction of the country's first "autonomous" Government since 1883. At this writing, it is again quite noticeable that there are Arabs in the room.

Maybe the habit of resistance to authority has become congenital because of the long and bloody struggle against France. At any rate, all three Arabic dallies are now against their own Government. To get a good word in for the Cabinet, the Neo-Destour's Political Bureau

has actually been compelled to close a printing plant and start another newspaper. If you were to put your finger on the dissatisfaction rattling the country, it would be: Where is the booty?

Not Yet the Millennium

There has been trouble on Tunisian streets because some riders thought home rule meant no more fares. Others were shocked to see the rent collector. Not a few citizens expected that taxes would be abolished. A little higher on the scale of sophistication, some are irate because, though France has been humbled, the French are still very much in Tunisia. Higher still, consternation is rife that Tunisians have not been admitted to the forest of government jobs that presumably sprang up overnight after liberation. At the top level, complaint rages against the slowness—some call it the absence—of Government decisions.

Everywhere is the uninformed but widespread conviction that nothing has changed very much in spite of the nationalist victory. Yes, there is a new blaze of white crescents and stars centered in crimson fields on the flagpoles of government buildings. The exiles have returned. The jails have disgorged their political prisoners. The four French directors whose word was law in Public Works, Posts and Telegraphs, Education, and Finance have gone away. There is a brand-new Ministry of Interior, operated by a man in a fez. Instead of Resident Général, the energetic and casual young Roger Seydoux bears the more discreet title of Haut Commissaire.

But Seydoux is nevertheless the Bey's Minister of Defense and Minister of Foreign Affairs. Technically, he is even the ultimate boss of the Tunisian police. By treaty now, instead of by compulsion, Tunisia's economy is tightly linked with that of France—and all trade and finan-

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Middle East in Ferment

Shift in Soviet Policy Challenge to the West

(This is the second of three articles on the situation in the Middle East by Don Cook, head of the London bureau of the New York Herald Tribune, who has just returned from an assignment in that area.)

By Don Cook

LONDON. Soviet communism, in opening what the British Foreign Office has called "a new act in the drama of the struggle for power"—a drive to subvert the Middle East—has adopted an entirely new technique that has left Western diplomacy and the United States in particular at loss for a "counter concept, momentarily at least.

The instrument of Communist power in Europe has been strong, disciplined and militant Communist parties. East of the Elbe River these parties, backed by the Soviet Army, have successfully swallowed one democratic government after another. In Western Europe the threat of internal subversion has been successfully met and halted by the Marshall plan concept and the North Atlantic Treaty Organization—two pillars of economic and military strength.

Warfare One Instrument

In the Far East the Communist instrument of power has been open warfare: In China, Malaya, Burma, Indochina, Indonesia, Korea and the Philippines fighting has been incited to create the chaos and the conditions for Communist accession to power which the Communist parties themselves have not been strong enough to achieve. One by one these threats have also been met in the Far East, and if not defeated at least stabilized and contained.

Now in the Middle East this new phase of the struggle for power is featured by a sort of Communist "Marshall plan" technique in reverse. It is almost as if the Russians had studied



Herald Tribune—United Press
Egyptian Prime Minister Lt. Col. Gamal Abdel Nasser, who made the arms deal with Czechoslovakia.

the lessons of Western Europe and found that closer friends could be gained with unfettered aid than with strings attached. Aid, trade and assistance offered on remarkably free and generous terms are the current Communist weapons in the Middle East. This is a new technique, and it requires a new answer from the West and from the United States in particular.

Certainly "massive retaliation" is no answer to this situation unless it be massive economic retaliation. And even if the answer lies purely in a new Marshall plan for the Middle East, there has to be boldness and sweep and vision. A "cost accounting" mentality

is ineffective. While it may be perfectly true to reason that the Soviet Union cannot deliver effectively on its promises, or is a bad performer and not the sort of economic partner one gets along with comfortably, none of these arguments is of itself going to stop the Arab nations from embracing Soviet aid.

In a case recently in Egypt illustrates the point. The Egyptians are in need of diesel locomotives. The United States has a \$40,000,000 aid program to Egypt and was prepared to give locomotives. The Egyptians said they wanted diesel-hydraulic locomotives. The United States aid authorities said diesel-electric would be better. The Egyptians said they had some British diesel-electrics that were no good and they preferred diesel-hydraulic. The United States said they would only give diesel-electric locomotives, and anyway American diesel-electrics were better than British diesel-electrics.

So the Egyptians, after weeks of such exchanges, agreed to take the diesel-electrics. Then bids went out in the United States, but when the bids closed it was found that they had not been distributed widely enough under the law. So the bids were canceled and the contract reopened. The same thing happened a second time, this time the cancellation resulted from the writing of the specifications.

Hungary Wins Out

Three times the contract verged on completion. Meanwhile, the Hungarians entered the picture with an offer to supply locomotives in a cotton-barter deal. Less than three weeks ago, the Egyptians announced that they were obtaining eighty locomotives from Hungary—no strings attached, no argument over specifications, and a chance to unload surplus cotton.

This is the sort of thing that the Arab governments talk about when they complain over "interference in internal affairs" and this is the sort of free-wheeling economic incursion which Communism is enjoying in this part of the world.

Exactly the same thing happened in the Egyptian arms deal with Czechoslovakia. Prime Minister Lt. Col. Gamal Abdel Nasser told the American and British governments four months before he closed his deal that he was considering it. The American counter-offer had so many strings attached he would not go along. And he turned then to the Communists for his arms.

This is not to say that plain blackmail should be paid to the Arab states. But it does mean that no longer do the Western powers have things their own

longer is there nowhere else for Arab governments to turn for military equipment or economic aid. No longer is the West in a position to do business here on a take it or leave it basis.

Change Called For

What this means in how the West does business in this part of the world is part of the hard thinking that must now be done in Washington and London. One thing is certain: The West cannot do business the way it has and expect to meet Communist competition.

It is altogether too easy in the Middle East these days to understand why Col. Nasser had to make his deal with the Czechs. (He would have been deposed by the Army and his successor would have made a far worse deal.) Or to understand how it is that 14,000,000 bales of American surplus cotton hanging over the market have depressed things so that Egypt has no outlet for its No. 1 crop unless the Communist bloc takes 25 or 30 per cent. Or to recognize that any government is essentially free to seek aid wherever it wants.

There is very little inherent loyalty in the Middle East today to "democracy" or the "free way of life" as a concept for a simple reason that very few people in this part of the world know anything at all of these concepts. The political structure comes from feudal Communist or a free system makes little difference to the Egyptian peasant hoisting water by the bucket from the Nile—nor, evidently, to his Premier.

Time for Playing Boldly

To instill new loyalties, to demonstrate and dramatize the inherent worth of a free system as opposed to a Communist system, to stir imagination and hope and attachment—these are the first tasks of meeting Communist competition in this part of the world. This will require not only positive action, but also some negative action.

Some people in the Middle East are going to have to be told they are bad boys, and others are going to have to be rewarded. But one way or another a process of sorting friends from enemies, liabilities from assets, is going to begin. This will take some hard decisions and cause some difficult times in the conduct of foreign policy. But until the Western powers assert in strong terms what the test of friends is to be and what rewards will follow, the Middle East is going to remain shifting and incoherent.

By no means are all the cards in Communist hands. But unless the West plays boldly it may find itself folding on a winning hand.

The last article in this series will appear tomorrow.

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Riddle in Land of Sphinx

Suez Canal Grab Still a Big Mystery

Fair-Minded Appraisal of Affair Impossible
 Without Some Explaining by State Dept.

Daily News correspondent William H. Stoneman, who covered the London conference after having visited Egypt twice in recent months, would be a lot happier — and the world much enlightened — if the answers to these questions were known.



WILLIAM STONEMAN

BY WILLIAM H. STONEMAN
 Daily News Foreign Service

LONDON — A good many serious and cogent questions remain unanswered, even after the Suez conference here in London.

The real facts in the case and the real reasons that led to Egypt's nationalization of the canal on July 26 remain largely unknown even today.

Some of the questions which fair-minded people would like to have answered deciding on the rights and the wrongs of the case are the following:

1. Looking back into the more remote origins of the present trouble over the canal, to what extent was the United States responsible for persuading Britain to evacuate the canal zone under the terms of the

Anglo-Egyptian treaty of 1954 and to what extent was American policy in this regard properly considered by all responsible policy-making organs?

Is it true, as some people insist, that the then American Ambassador Jefferson Caffery was allowed to press the British to leave the zone despite the fact that the National Security Council had never delivered a judgment in the matter?

2. Was Egyptian President Gamal Abdel Nasser's coup on July 26 simply the act of a budding Oriental Mussolini bent on playing the big shot in the Arab world and grabbing an additional \$30 million a year from the canal revenues?

Nasser has admitted toying with the idea of nationalizing the canal for 2½ years. But he says that he took his final decision only after the United States suddenly announced that Egypt would not receive the \$400 million of outside money which the West had announced would be loaned or given to Egypt to help in constructing the Suez Canal High Dam.

(OVER)

Did the United States and Britain make a serious mistake when they announced last December to help flood the Nile? Were they panicked into having a hopelessly uneconomic program that funds might otherwise have been used for other purposes?

What exactly were the reasons that led them to withdraw their offer seven months later?

Was it because Nasser refused to cooperate with the British? Or did they know when we made the offer upon the Iron Curtain that it was a too crop.

Was it because--as people are saying--Nasser was filtering away his reserves of arms from the Iron Curtain?

We know, after all, that he needed arms for a possible Israeli attack on Gaza in February, 1956.

We had actually made our offer to help him long after the announcement of Sept. 27, 1955, and he had made an anti-foreigner pact with the Russians.

IT IS REALLY TRUE that we withdrew our offer because we had only just discovered that the Egyptian economy would not be adequate to finance Egypt's needs.

The whole purpose of our offer was to help the Egyptian economy. The annual increase of 5% (or a year) was a grant. We never regarded the deal as a loan.

Was our real reason for withdrawing the offer that it wasn't going to be a profitable deal?

5. Why did Secretary of State Dulles suddenly announce the decision to Nasser's ambassador without warning Britain or anybody else?

The primary excuse is that our ambassador was threatened to resign if he didn't announce the program.

But simple good manners suggest that an announcement be made publicly and with warning to the due expectations.

6. The Egyptians say that Dulles' announcement came after a period of five months of dead silence following their last comment on the Anglo-American offer. Is that true and if so, why the delay?

The explanation is that Nasser was busy with his work on the dam, anyway, until he had a settlement on water rights with the Sudan.

7. Why, when Dulles made his announcement, did he suddenly introduce an entirely new element by suggesting that any future agreement would have to be conditional on the consent of Uganda and other countries along the Upper Nile?

Why did he suddenly introduce this new element?

8. How many cooks were mixed up in the business as far as the United States is concerned?

There were several American officials who were involved. One was the US ambassador to Cairo, Arthur P. Jenks. He was not consistently and completely honest. He had a habit of saying "I don't know" when he was asked a question. The other American official was the State Department official who was in charge of the Nile project. He was a very capable man and he was very honest. He was the one who was in charge of the project after the death of the first American official.

ONE AMERICAN "OFFICIAL" in the case who remains to be identified is Mr. X, who according to Nasser, was seen by the last visitor.

Nasser quotes Mr. X as having told him that he could largely disregard the tough language of a letter which he received from Dulles was sending to him via George AD. See, and Secretary of State.

All that is known about Mr. X is negative. It is known that he was a black or Arab. He was a presidential advisor charged with trying to get an Arab settlement in the Jordan waters.

By and large, we are unable to identify him except to say that he was not a member of the embassy staff. So does the case stand?

IF THE EGYPTIAN NEW CIRCULATING...
The Egyptian New Circulating...
The Egyptian New Circulating...
The Egyptian New Circulating...

...which Dulles made his complete announcement...
 ...did he suddenly introduce this new element by suggesting that any agreement would have to be conditional on the consent of Uganda and other countries on the Upper Nile?
 ...never mentioned this angle before and were suddenly out of line in doing so at the last minute.
 8. How many cooks were mixed up in the business as far as the United States was concerned?
 ...Two of the principal American actors were Henry A. Byrde, U.S. ambassador to Cairo, and Eugene Black, head of the World Bank. Byrde has consistently and quite openly advocated Nasser's cause. Black has acted as an international civil servant but at one time last winter went along with the American line that Nasser should be given lenient terms in order to keep the Russians out of the dam operation. Black appears to have toughened up in a manner that surprised Nasser after the early silk glove treatment he received.
 ...ONE AMERICAN "OFFICIAL" in the case, who remains to be identified as Mr. X—who, according to Nasser, came over here last October.
 Nasser quoted Mr. X as having told him that he could barely discern the tough language of a letter which Secretary Dulles was sending to him via George Allen, assistant secretary of state.
 All that is known about Mr. X is negative. It is certain that he was not Byrde, Black or Eric Johnston, special presidential envoy charged with trying to get an Arab-Israeli agreement on the Jordan waters.
 ...refuses to identify him except to say that he is a member of the embassy staff. He says the State Department is not in a position to identify him.
 ...PRIOR NOW CIRCULATING as a...
 ...representative of the Central Intelligence Agency...
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 entire Jordanian aid program.
 But simple good manners seemed to demand that announcement be made politely and with warning and due explanations.

6. The Egyptians say that Dulles' announcement came after a period of five months of dead silence following their last comment on the Anglo-American offer. Is that true? If so, why the delay?

The official explanation...
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Date:

Real Facts in Suez Canal Crisis Go Unanswered at London Talks

By WILLIAM R. STONEMAN

Miami Herald-Chicago News Wire

LONDON—A good many serious and cogent questions have remained unanswered during the hasty-burly of the Suez Conference here in London.

The Miami Herald fills in THE BACKGROUND

July 26 remain largely unknown even today.

Some of the questions which far-minded people would like to have answered before deciding on the merits and the wrongs of the case are the following:

Looking back into the more remote origins of the present trouble over the canal, to what extent was the United States responsible for persuading Britain to evacuate the canal zone under the terms of the Anglo-Egyptian Treaty of 1934 and to what extent was American policy in this regard properly considered by all responsible policy-making organs?

Is it true, as some people insist, that the then American ambassador, Jefferson Caffery, was allowed to press the British to leave the zone despite the fact that the National Security Council had never delivered a judgment in the matter?

Was Egyptian President Gamal Abdel Nasser's coup on July 26 simply the act of a budding Oriental Mussolini bent on playing the big shot in the Arab world and grabbing an additional 30 million dollars a year from the canal revenues?

Toyed With Idea For 2½ Years

Nasser has admitted toying with the idea of nationalizing the canal for 2½ years. But he says that he took his final decision only after the United States suddenly announced that Egypt would not receive the 400 million dollars of outside money which the West had announced would be loaned or given to Egypt to help in constructing the \$1.3 billion high dam at Aswan.

Did the United States and Britain make a serious mistake when they agreed in principle last December to help finance the high dam? Were they panicked into backing a hopelessly uneconomic project by the fear that Russia might otherwise enter the scene?

What exactly were the reasons that led them to withdraw their offer a mere seven months later?

Was it because Nasser showed an increasing tendency to co-operate with the Iron Curtain? After all, we knew when we made the first offer that he was dependent upon the Iron Curtain countries for the sale of Egypt's cotton crop.

Was it because—as people have indicated—Nasser was frittering away his receipts from cotton sales or the purchase of arms from the Iron Curtain area?

We knew after all, that he needed arms because he had repeatedly made an arms-for-cotton barter deal with Czechoslovakia.

Is it really true that we withdrew our dam offer because we had only just discovered that

Egypt's finances wouldn't be adequate to finance Egypt's end of the deal—a 800 million dollar effort?

Dam Not Viewed As 'Smart Deal'

The whole purpose of our original offer was to help impoverished Egypt care for its 22 million population, and the annual increase of 300,000 a year, by what amounted to a grant. We never regarded the dam as a "smart deal."

Was our real reason for withdrawing the discovery that Russia wasn't going to be a menace in the area?

Why did Secretary of State John Foster Dulles suddenly announce the decision to Nasser's ambassador without warning Britain or anybody else? The general excuse is that congressional opposition to the dam project threatened to halt up the administration's entire foreign-aid program.

But simple good manners seemed to demand that the announcement be made politely and with warning and with due explanations.

The Egyptians say that Dulles' announcement followed a period of five months of dead silence following their last comment on the Anglo-American offer. Is that true and if so, why the delay?

The unofficial explanation is that Nasser was holding up preliminary work on the dam, anyway, until he could get an agreement on water rights with the Sudan.

Why, when Dulles made his announcement, did he suddenly introduce an entirely new element by suggesting that any future agreement would have to be conditional on the consent of Uganda and other countries along the upper Nile? We had never mentioned this angle before and were undoubtedly out of line in doing so at the last minute.

How many cooks were mixed up in the business as far as the United States was concerned?

Two of the principal American actors were Henry A. Byroade, U.S. ambassador in Cairo, and Eugene Black, head of the International Bank. Byroade has consistently and quite openly championed Nasser's cause. Eugene Black has acted as an international civil servant but at one time last winter went along with the American line that Nasser should be given lenient terms in order to keep the Russians out of the dam operation.

Mystery Man Visits Nasser

Later he appears to have

{OVER}



HENRY A. BYROADE
... championed Nasser

EUGENE BLACK
... he went along

toughened up in a manner that surprised Nasser, after the early silk-glove treatment he'd received.

One American "official" in the case who remains to be identified is Mr. X—who, according to Nasser, came to see him last October.

Nasser quoted Mr. X as having told him that he could largely discount the tough language of a letter which Secretary Dulles was sending to him via George Allen, assistant secretary of state.

All that is known about Mr. X is negative. It is certain that he was not Byroade, Black or Eric Johnston, special presidential envoy charged with trying to get an Arab-Israeli agreement on the Jordan waters.

Byroade refuses to identify him except to say that he was not a member of the embassy staff. So does the state department.

The rumor now circulating is that Mr. X was a representative of the Central Intelligence Agency.

This is interesting if it is true. It means that a representative of Allan Dulles, head of the CIA and a brother of John Foster Dulles, had told Nasser that the latter really didn't mean what he was about to tell Nasser on behalf of the United States government.

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LETTERS TO THE EDITOR**Congress Should Investigate
CIA 'Policy-Making,' Reader Says**

William Stoneman is to be congratulated for his appraisal of the State Department's lapses in its dealings with Egypt during the last year. Most interesting of all is the suggestion that the "Mr. X" who told Nasser to discount the tough language of Dulles' October letter to the Egyptians was from the Central Intelligence Agency.

This rumor fits into the category of other rumors, too numerous and too consistent to be brushed aside, which cast the CIA in the role of policymaker.

According to the picture these rumors draw, the CIA is pressing programs of its own which not only go far beyond mere intelligence work, but create policies which do not necessarily agree with those of the State Department or the President.

Apparently persons in the CIA itself see to it that the rumor mill assigns its credit for those efforts which are in line with official views. To this class belong the ousting of Iran's Premier Mossadegh, the overthrow of Guatemala's Communist regime, and the Polish riots.

There are other less popular efforts, however, which diverge from State Department policy and do not find their way so easily into the rumor mill. Among these is the support, for example, of the Iron Curtain.

A case in point is the NTS or National Labor Union in Frankfurt, Germany, an organization of hopeful Russian emigres whose principles and ambitions are just as anti-democratic as the present Guatemalan regime which the CIA helped to power.

If, then, there is any truth in the hint of CIA cross fire in our relations with Egypt, then this organization should certainly be put through the closed-door investigation which Congress threatened to carry out a while ago. ROBERT J. OSBORN.

Evanston...

Dulles Declines to Talk About It

Who Carried U.S. 'Threat' to Nasser?

By H. H. SHACKFORD Scripps-Herald Staff Writer

Who dunnit? Secretary of State John Foster Dulles—if he knows—won't tell. Nor will his chief aides. The crime is purported to have been committed by an unnamed "American official."

The accuser—Egypt's President Gamal Abdel Nasser.

The first suspect—U. S. Ambassador to Cairo, Henry Byroade—is not guilty according to Mr. Dulles' Assistant Secretary of State Carl McArdle. But the State Department won't say who is—or whether Mr. Nasser's allegation is correct.

This mystery element in the Suez Canal-Aswan Dam crisis goes back to July 26 when Mr. Nasser, in a bombastic speech at Alexandria, Egypt, announced nationalization of the Suez Canal Co. and delivered a long tirade on his version of the Aswan Dam snafu.

LONG, LONG TALE

Mr. Nasser's story about the mysterious American official went like this:

After Egypt's arms deal with the communists was announced last fall, Mr. Dulles sent Assistant Secretary of State George V. Allen to Cairo to talk to the dictator. News dispatches from here in Washington said Mr. Allen was carrying a strong protest from Mr. Dulles—"A threat," according to Mr. Nasser, "to sever this, that, and the other."

"An American official contacted me and sought a special interview," Mr. Nasser went on. "He said that he regretted very much the status of relations between the United States and Egypt.

"He also said: 'Mr. Allen has a strong note from the U. S. Government which might prejudice Egyptian nationality and prestige. I assure you that this note will have no effect because we shall be able to remove its effect. I advise you to accept this message.'

Q'S AND A'S

"I asked him: 'What is the insult to Egyptian nationality and prestige about?'

"He said: 'This is a message from Mr. Dulles and is strongly worded.'

"He said no practical outcome would emanate from this message and guaranteed this. I told him that if your representative (Allen) comes to my office and says something unpleasant, I shall throw him out

"This happened at the beginning of October. Then he (the unnamed American official) came again and told me that he had told this to Mr. Allen and that Mr. Allen was wondering whether he would be thrown out when he came to convey his message to me and also whether Mr. Dulles would throw him out if he went back without conveying his message."

Mr. Nasser concluded his version of this incident by saying that when Mr. Allen came to see him he "didn't open his mouth at all . . . he sat and listened to the Egyptian point of view."

A SUDDEN SHIFT

Just prior to Mr. Nasser's July seizure of the Suez Canal, the State Department announced that Ambassador Byroade was being transferred to South Africa. Mr. Byroade had been sent to Cairo to woo Mr. Nasser and to try to keep him in the Western camp. He had been sympathetic to Mr. Nasser.

Reports from London during the recent Suez Canal conference suggested that the "American official" might have been a member of the U. S. Central Intelligence Agency. The CIA is headed by John Foster Dulles' brother—Allen W. Dulles.

The Washington Post

AN INDEPENDENT NEWSPAPER

THURSDAY, AUGUST 30, 1954

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Whodunit?

Some weeks ago this newspaper called attention to the passage in Colonel Nasser's nationalization speech in which he observed that "an American official" had advised him to discount the strong note carried to Cairo by Assistant Secretary of State Allen last fall. The language was gleaned from the broadcast transcript made available in Washington. State Department sources were quick to minimize the accusation and to say that the unnamed "official" was not the then American Ambassador, Henry A. Byroade. Now, however, an article by Simon Malley in *The Reporter*, said to be based on a photostatic copy of the Arabic text of the Nasser speech, asserts that the American Ambassador was identified as the official in question. Does this mean that Colonel Nasser departed from his written text in the speech he actually gave and decided not to identify the official? Or does it mean that the broadcast transcript made available here was altered—which is almost unthinkable—to eliminate a reference to the Ambassador? Whatever the correct explanation, the charge of sabotage of American policy is sufficiently serious that the State Department ought to identify the person involved.

'Reporter' Calls Envoy Tipster

By Chalmers M. Roberts
Star Reporter

There was a new twist yesterday to the mystery of who tipped off Egyptian President Gamal Abdel Nasser that the United States was about to send him a stiff protest after Nasser made his arms deal with Moscow.

The Reporter magazine in a copyrighted story named the retiring American Ambassador to Egypt, Henry Byroade, as the tipster. The magazine published a photostatic copy of the Nasser speech, which it said identified "the American Ambassador" as the man. This already has been denied by both State Department officials and Byroade himself.

In his July 28 speech, which he announced nationalization of the Suez Canal, Nasser said that "an American official" had told him in advance that Assistant Secretary of State George V. Allen was about to deliver a stiff note from Secretary of State John Foster Dulles. The tipster said he was "sorry" that Dulles was doing so and advised Nasser to accept but "ignore" the note or so Nasser said in his speech.

The text of Nasser's speech, as monitored here from the Cairo radio, referred only to "an American official." Chicago Daily News Correspondent William H. Stoneman, in a dispatch from Cairo published in The Washington Post and Times Herald on Aug. 18, said that "an unexpurgated" version of Nasser's speech likewise referred to "an American official."

The Reporter magazine article, written by Simon Malley, an Egyptian correspondent at the United Nations who recently returned from Cairo, declares, however, that "the American Ambassador," Byroade, was the phrase used by Nasser. The photostat of the Arabic text was said to show that phrase.

Allen told the Chicago Daily News on Aug. 8 that Byroade had not given any such tip to Nasser. Byroade privately has told visiting American newsmen that he was not the person referred to by Nasser. The Reporter article, however, quotes Byroade as not challenging its report but saying, "Frankly, I was stunned and shocked. I did not expect him to say such things."

One American official who without doubt knows what facts there are has said privately that Byroade was not involved and that Nasser's account was a highly distorted version of what did occur.

The Reporter account says that Byroade at one point told Ahmed Hussein, the Egyptian Ambassador to the United States who then was in Cairo, that he, Byroade, was about to be transferred to South Africa. Byroade later was transferred to a high placed diplomat, Byroade warned Dr. Hussein that a new policy, if not overtly hostile at least unfriendly, was about to be adopted (by the United States) vis-a-vis the Egyptian government. Byroade is reported to have told Hussein of a cable from the State Department that Secretary Dulles "had assured Congress that the United States Government was no longer inclined to finance the Aswan high dam."

Dulles later told Hussein that the United States had withdrawn its aid offer.

The Reporter account appears only to deepen the mystery of the tipster. One possible explanation of the discrepancy is that the photostatic text is what Nasser had before him at the time he spoke but that he switched from a direct identification of "the American Ambassador" to "an American official" when he actually spoke. But that still leaves unanswered the question of what, if any, truth there was in Nasser's story.

Calro Enux Pas

How CIA Aide Upset Diplomacy in Egypt

By Chalmers M. Roberts

This is the story of the American who tipped off Egyptian Ambassador in South Africa, President Gamal Abdel Nasser and Allen has become American that Assistant Secretary of State George Allen was bringing him a protest note from Secretary John Foster Dulles. On Sept. 27, 1955, a year ago this Thursday, Nasser announced Egypt would buy arms from Communist Czechoslovakia in exchange for col- ton. (Ten months later Nasser admitted he bought the arms "from Russia," adding: "I say from Russia and not from Czechoslovakia.") That same day Dulles had talked in New York about the arms deal, about which he already knew, with Soviet Foreign Minister V. M. Molotov, but had received no satisfaction.

On Sept. 28, Dulles dispatched Allen on two hours' notice to Egypt, giving him a letter pointing out to Nasser the dangers of becoming in-

It also is the story of Ambassador to Egypt Henry A. Byrd and of the part played by an American newspaper account of the message Allen carried to Nasser protesting Egypt's arms deal with the Communists.

It is a very different tale from the one told by Nasser today he announced nationalization of the Universal Suez Canal Company, the move which produced the Suez crisis.

The American involved - a Central Intelligence Agency employe - is no longer in Egypt.



involved with the Communist bloc. The note reaffirmed the friendly intentions of the United States toward Egypt but made it clear they might be jeopardized by the arms deal. What Dulles wanted to find out—and that is why he sent an Assistant Secretary of State to Cairo—was whether the arms deal could be limited "to a one-shot operation," as he later publicly told the Senate Foreign Relations Committee.

Report On Allen's Trip

Allen flew out of New York on the night of Sept. 28, and on the afternoon of the 29th a wire service account of his trip appeared in Washington and other newspapers. At one point in the story it was stated that Allen "was prepared to warn the Egyptian government that if it (the arms deal) brought about a radical change in the Middle East power balance, the United States would be compelled to review its policies of cooperation with Egypt" on economic aid and "in policies governing world cotton supplies." By the time this story, or rewritten versions of it, reached Cairo it was taken to mean that Allen was carrying an ultimatum to Nasser. At Cairo airport Allen denied to reporters that the United States was going to break relations with Egypt or that America intended to break Egyptian cotton prices by dumping the huge United States cotton surplus on the world market. The Egyptian press was full of talk of American attempts to intimidate Egypt.

Dulles had failed to cable Byroade the purpose of Allen's

visit and Byroade was uneasy about it. The reason was that Byroade a few days earlier had been involved in a nasty, and until now unreported, incident with Nasser himself.

The American Embassy attache had had his car stopped in a dark corner of Cairo—he had been beaten up by a gang of Egyptian toughs.

A couple of days later, and just before Allen arrived in Cairo, Byroade had attended a dinner where Nasser was present. Byroade had lost his temper and had roared himself. This was asserted, denied, re-asserted and denied many times. One American Embassy employee, Nasser grew stone cold, told Byroade that from now on the American Ambassador would deal with him only through the Foreign Minister. Nasser left the room in a huff.

Byroade's Position

Thus when Byroade received the cable without explanation that Allen was coming to Egypt he was uncertain whether it had to do with the arms deal or whether it was to fire him for his row with Nasser.

It was in this atmosphere of ruptured Nasser-Byroade relations and amid reports of an American ultimatum that the Central Intelligence Agency employe took it upon himself to become a diplomat, a step for which he has been reprimanded.

According to Nasser's public speech, "an American official contacted me and sought a special interview. He said that he regretted very much the status of relations between the United States and Egypt. He also said Allen had a strong note from the United States Government which might prejudice Egyptian nationality and prestige. (He said that) I assure you that this note will have no effect because we shall be able to remove its effect; I advise you to

message... He said... practical outcome... guaranteed this... Nasser said that he told the American: "If your representative comes to this office and says something unpleasant, I shall throw him out."

Onus on Byroade

Subsequently, the story was printed in American newspapers and magazines that the "American official" was Byroade. This was asserted, denied, re-asserted and denied many times. One American Embassy employee, Nasser grew stone cold, told Byroade that from now on the American Ambassador would deal with him only through the Foreign Minister. Nasser left the room in a huff.

The fact is that not Byroade but a CIA employe, a man with a long-time interest in the Arab world, did call on Nasser because he was alarmed over

the "ultimatum" talk in the Egyptian press. He undertook to assure Nasser that the Dulles message which Allen was carrying was not, in fact, an ultimatum. In the subsequent investigation of this incident, the CIA man's motives were considered to be entirely loyal but his action to be clearly outside his jurisdiction, with the result a major disservice to State.

Unaware of the CIA man's actions, Allen and Byroade made an appointment to see Nasser.

On Saturday, Oct. 1, Nasser saw in succession the British and French ambassadors and Byroade and Allen. To the British he complained about British treatment of Egypt; to the French he complained about refusal to sell Egypt arms.

Nasser Gets Note

When Byroade entered Nasser's office, the two men did not speak at first. Then Nasser smiled and the two Americans took this to mean let's forget the incident about the American who was beaten up and the flap over it. Allen thereupon read Nasser the Dulles note.

Nasser's public account of the meeting was that Allen sat still "and didn't open his mouth at all. He sat and listened to the Egyptian point of view."

The Egyptian point of view, as Nasser actually expounded it, was very cordial. He realized, he said, that the United States was not trying to take over Egypt; he emphasized he had no more intention of be-

ing Sovietized than of being Americanized; he explained that the Communist arms deal was simply a business transaction (the same explanation was given by Soviet Premier Nikolai Bulganin in a letter to President Eisenhower). The two-hour meeting ended on a friendly note and as Allen left he denied to newsmen that he had brought an "ultimatum." This particular tale ends with Allen returning to Washington and Byroade remaining in Cairo, urge, and successfully, that the United States offer to help Egypt finance the Aswan Dam on the Nile River. When Dulles publicly withdrew the sit after this July, Nasser retaliated by nationalizing the canal company and precipitating the current Suez crisis.



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Date:

The Washington Angle

Two U.S. Officials Stub Toes on Suez Squabble

By DAVID BARNETT

WASHINGTON, Sept. 29 (NANA)—Some big toes in the American government have been stubbed on the Suez crisis. But most of the pain has been registered back stage.

One victim, who has pretty much recovered, is the chief Arab operator of the diplomatic section of the Central Intelligence Agency. He was reprimanded and called back to Washington. But he now has been rehabilitated and has returned to duty in an Arab country—not Egypt.

The other victim is in a longer period of irritation, ending perhaps in a separation from government service. He is Undersecretary of State Herbert Hoover Jr.

The CIA agent got into trouble by stepping into something he should have left to the State Department. He is the official to whom Egyptian President Nasser referred in his speech last June when he said "an American official contacted me and sought a special interview."

According to the Nasser speech the "official" told him Assistant Secretary of State George Allen was en route to Cairo with a strong note from the U. S. government, but guaranteed that "no practical outcome would emanate from this message."

Actually, Nasser's version appears to have been a distortion. The CIA agent was disturbed about press reports that Allen was bringing an "ultimatum" and merely wished to assure Nasser that the message was not that strong. At any rate, he should have stayed out of the picture.

Hoover's trouble is more subtle. State Department sources say he has presented to some Arab representatives a point of view that is not the official U. S. view on Suez.

Apparently Hoover thought of the Suez trouble as another Tehran crisis. And his approach is to make concessions to Nasser to keep Middleast oil flowing. In the Iranian crisis, Hoover did a magnificent job of negotiating a settlement among the British, the Iranians and the oil companies.

But the Suez case is big-time stuff compared to the seizure of the British refinery at Abadan by Premier Mohammed Mossadegh. And Nasser has more basic strength, if less fanaticism, than the aged Mossadegh.

At any rate, diplomatic informants contend, Hoover seems to be heading for a slow-motion departure. This view ties in with another report that the administration has a top State Department spot picked out for Gov. Christian A. Herter of Massachusetts. If President Eisenhower is re-elected, Herter could replace Hoover as undersecretary.

TAB E

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The War of Nerves Another Salvo

By Joseph and Stewart Alsop

BRITISH Prime Minister Sir Anthony Eden's proposal of a "users' association" to control traffic through the Suez Canal simply serves to underline the real issue in the Suez crisis. Can the Egyptian dictator, Colonel Nasser, get away with kicking the Western powers in the teeth?

Eden's proposal was not a serious proposal, in the sense that neither he nor anybody else seriously expected Nasser to accept it. The proposal was, instead, another salvo in the war of nerves being fought out between the Western powers on the one hand and Egypt, with the backing of the Communist powers and the Arab states, on the other. The British and French purpose is, at the very least, to force Nasser to perform a public back-down, and at best to get rid of him once and for all.

To this end, the British and French want to demonstrate, as a prelude to further action, that Egypt cannot run the canal. This is why the Suez Canal Co. has "authorized" the non-Egyptian pilots to quit their jobs, which will have the effect of crippling canal traffic. The Eden proposal is likewise designed to put on Nasser the onus of preventing ships from passing through the International waterway.

But, if Nasser flatly rejects the British proposal and defies the Western powers, as everyone expects, what happens next? Eden talked of using "other means" of bringing Nasser to heel.

ONE is to use economic and political methods to bring Nasser down, over a period of time, as old Mohammed Mossadegh was brought down in the end in Iran. But an attempt to bring Nasser down by starving out Egypt would alienate the whole Moslem world. Moreover, rather than quietly withering on the vine, Nasser would certainly turn to the Soviets.

The other alternative, of course, is to use troops and aircraft carriers to teach Nasser his lesson. At the very least, this would mean an ugly little war in the Middle East. At the most, it might mean world war.

This ultimate danger cannot be ruled out, especially since Nikita Khrushchev has promised Egypt the help of "volunteers," if Egypt is involved in a "just war against the imperialists." Yet the British and the French governments are genuinely convinced that their vital interests will be destroyed if Nasser is allowed to get away with the canal take-over.

With one eye on the election, Secretary of State John Foster Dulles has been trying frantically to dissuade the British and French from resorting to force. But his position is complicated by the fact that his own kick in the teeth for Nasser inspired Nasser's counter-kick. For the manner of Dulles' abrupt withdrawal of the American offer of aid to Egypt in building the Aswan High Dam—without any of the usual diplomatic niceties or delays—was nothing short of a calculated kick in the teeth.

THE KICK was largely the result of congressional opposition to the dam. But it was based on a grave miscalculation—that there was nothing much that Nasser could do about it. The plain fact is that American policy in Egypt, which has contributed heavily to the present crisis, has been based on a whole series of miscalculations.

For example, when American Ambassador Henry Byroade reported from Cairo in the spring of 1955 the Soviet offer of arms to Egypt, the offer was blandly written off as a bluff—which it was not. Again, when Nasser caught the American Government completely off base by nationalizing the canal, it was hopefully assumed that the Soviets would be nice about it, and restrain Nasser.

Instead, in Cairo Soviet Ambassador Kiselev has encouraged Nasser to go the limit. At the London conference Soviet Foreign Minister Dmitri Shepilov becked Nasser to the hill. And in Moscow Khrushchev talked about Soviet "volunteers" for Nasser's "just war."

Altogether, the record of American policy in the Middle East has been less than brilliant. It may be that the British and French, in their desperation, feeling Nasser's knife across their jugulars, will resort to force despite every American effort to dissuade them. If so, the American Government will bear a heavy share of responsibility for the consequences which are incalculable.



Today and Tomorrow • • By Walter Lippman

Suez and Eisenhower

THE SUEZ affair has now been brought to the condition which prevails at the other danger spots—Korea, Formosa and Indochina—that of a stalemate without a settlement, that of the acceptance, not in principle but in fact, of the status quo. The President has once again been the peacemaker



Lippman

in the sense that he has vetoed successfully a recourse to arms, and once again he has had no positive policy of his own which seized the problem, and opened up the prospect of a decent future.

ON THURSDAY, July 19, Secretary Dulles told the Egyptian Ambassador that the United States, which had been negotiating with Cairo for some months, was withdrawing its offer to help finance the high dam at Aswan. The next day, Friday, July 20, the British government followed suit. This was a major stroke at Nasser's government, and it was carried out by Mr. Dulles with the accompaniment of a sharp attack on Egypt's financial credit. It was most improbable, indeed almost inconceivable, that Nasser, a dictator who depends on prestige, would not react with some counterstroke.

Apparently, Mr. Dulles and the State Department did not expect one, and it is certain that they were quite unprepared for what Nasser did, which was to seize the Suez Co. The timetable tells the story. On Friday, the day after he withdrew American aid on the Aswan Dam project, the President, accompanied by Mr. Dulles, flew to Panama, where they stayed until Tuesday the 24th. On that Tuesday, Nasser delivered a violent speech attacking the United States and charging that Mr. Dulles had lied about the Egyptian economy. Two days later, on Thurs-

day, July 26, Nasser seized the Suez Co.

Where was Mr. Dulles? He was in Peru for the inauguration of the President, and he did not return to the United States until Sunday, July 29.

Thus for the first nine days following the crisis which he had touched off in his talk with the Egyptian Ambassador, Mr. Dulles was in Panama and Peru, away from the State Department, away from his expert advisers, away from the Ambassadors in Washington who could speak for the countries most vitally affected. No doubt, he was kept more or less informed by telephone. But by the time he got back to Washington such a crisis had flared up in London and Paris that, having just returned from Peru, he had to rush off to London two days later to put out the fire.

THIS TIMETABLE goes far to prove that the President and the Secretary were not really in touch with conditions in the Middle East and that they had prepared no policy for what might happen, once they had so abruptly made their break with Nasser.

This accounts for what has followed. There were three possible lines of policy which could have been followed. One was to coerce Nasser, as Britain and France meant to, with military and economic sanctions into accepting international management of the canal. The President himself vetoed the use of force, rightly enough it seems to me, since that would almost certainly have meant making Egypt and the Middle East a kind of enlarged Cyprus and Algeria.

But if Nasser was not to be coerced, then there were only two general choices left. One was to let him have his way. The other was to propose a new regime for the canal which would have the support of so many nations, including India and even the Soviet Union, that it would be very difficult for Nasser to refuse

it, very difficult for him to violate it.

BUT THE Administration had no ideas about such a new regime. If it had had any, it would have insisted at the first London Conference on a major effort to negotiate for common ground between what the 18 nations wanted and what India was proposing. It is no use saying that the Indian plan was not good enough. For the prospects now are very slim indeed of getting anything better, indeed of getting anything as good.

Lacking any positive policy of our own for building a new regime at the canal, Mr. Dulles found himself working principally to restrain Britain and France from following their policy. This has caused deep and dangerous resentment in London and Paris. Instead of taking a bold and independent line for a new deal at Suez, Mr. Dulles took a line of agreeing with London and Paris just enough to hold on to them, and not enough to support them. It was, to give it its name, a tactic of frustration which had as its aim the avoidance of hostilities without offering any real proposal of a settlement.

THE SUEZ affair illustrates the virtues and the limitations of Gen. Eisenhower as a peacemaker. He is opposed to fighting wherever and whenever it is avoidable, and he is quick and decisive to say no to those who might wish to fight. He reacts peaceably when a crisis reaches the point where war might come. He does not react much sooner. He reacts to what is happening and does little to foresee and little to prepare for what is going to happen. The result is that his solutions are stalemates in which he accepts the status quo and the accomplished fact, teaching his countrymen to live in the present with no serious concern about the future.

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CONSTANTINE BROWN

French and British Play With Fire

Dire and Far-Reaching Consequences Feared If Allies Take Suez by Force

There are two strange facts in the present crisis between the Western and Middle Eastern nations.

One is that our British and French friends, who have always urged us in the past to use the "utmost caution" in the Far East lest Russia enter the conflict, seem to have reversed their position.

The second is that despite the undeniable threat of war, the United Nations has been completely ignored.

Neither London nor Paris although both have ordered their air, naval and ground forces to stand by for action, seems to be worried about Moscow's attitude.

This reporter asked a highly placed and well-informed official in Washington whether there was any "deal" with the Kremlin to justify our allies' complacency. The answer was a very positive: "Certainly not."

"The seizure of the Suez Canal Co. came as a complete surprise to all of us," he added. "There could not have been any preparatory deals with the Kremlin or we would have known it."

The consensus in responsible quarters here is that our allies are playing with fire in the hope of saving the remaining shreds of their empire. They expect that their imposing military preparations might scare President Nasser into accepting an international control over the operations and revenues of the new nationalized Suez company. This, it is feared here, may be a far-fetched hope.

The only legitimate reason to compare Nasser with Hitler, as the French foreign minister has done, is that like the Nazi dictator, Nasser has the fanatical backing of the Egyptian masses, which for the first time in thousands of years enjoy certain freedoms and are considered as human beings instead of cattle.

Nasser has the strong support of the Arab states which have on their territories either oilfields leased to the Westerners or pipelines through which it is siphoned to tankers. Egypt, a pro-Western Arab kingdom and a member of the Baghdad alliance, has openly sided with Egypt in the present crisis.

There is no doubt that a combined British-French fleet can easily force its way into the canal; it is equally certain that a combined landing force can reoccupy the Suez Canal. But what will be the consequences if as a result of such action the Syrians refuse to permit the oil from Iraq to flow to the eastern Mediterranean pipeline heads? And what will happen if, as a gesture of Arab unity, Saudi Arabia decides to nationalize the oilfields developed so successfully by the American company, Aramco?

There is a full propaganda blast in the West against the high-handed methods of dictator Nasser. But the fact is that he has not yet given the slightest indication that he intends to interfere with traffic in the canal. Such action would cause him to lose the canal revenues. He nationalized the Suez Canal Co. because he wants that money. By the present saber rattling, the British and French are justifying the accusations of "colonialism and imperialism" which the Muscovites are hurling at the whole Western world. And we may get in the position of the innocent bystander who is hurt in a brawl.

But there is more than meets the eye immediately, and that worries the men in the Pentagon. We have been living on a powder keg, especially since the outbreak of the Korean war. Nothing is settled yet. There is a tense situation between Communist and Na-

tionalist China. There is a strain between North and South Viet Nam. The Communists have a military advantage in Korea where there is only a shaky armistice. So long as things went blithely along in the world, there was a possibility that these matters might be settled without recourse to arms. But in the event of a French-British show of strength in Egypt with our participation, the prospects that these dormant crises might be violently revived will certainly increase.

We might witness a show of strength on the part of the Communists, say in the Formosan straits, or if the Middle East crisis became really serious, the men in Peking might decide to take over Hong Kong, which is as much a leasehold as the Suez Canal.

But insofar as our military planners (not politicians) are concerned, the Red shadow lurks dangerously in the background. Nasser made his daring move, breaking all international rules, after long consultations with Messrs. Shepilov, Tito and Nehru.

None of these are our friends or well-wishers.

Communist China has unequivocally endorsed the Egyptian dictator's stand. None has any love for the Egyptians or other Arabs. They are using them as tools of Red imperialism and will not fail to take advantage of the rashness of our French and British allies.

The United States is unlikely to let them down in a moment of crisis. Nor are we likely to give them only lip-service as we received from them after the Chinese Communists entered the Korean war in November, 1950.

Many staunch supporters of world collective security have asked with some justified anguish: Where and what is the United Nations doing in this serious crisis? The answer may be: The same thing the League of Nations did when World War II was unleashed.

NEW YORK
HERALD TRIBUNE

JUL 30 1956

By Marguerite Higgins

WASHINGTON and the Western world were decidedly premature last week in their self congratulations over putting President Nasser of Egypt "in his place" by withdrawing offers to help with the high dam at Aswan. For President Nasser very unaccommodatingly refused "to stay put" as he so spectacularly displayed by nationalizing the Suez Canal Company out of which he hopes to gain sufficient extra revenue to proceed with the dam which has become a national crusade and the symbol of Egypt's own new deal.

Secretary Dulles himself called the decision to withdraw American aid a calculated risk. But judging from Washington's startled reaction the nationalization of the Suez Company was not one of the risks which had in fact been calculated.

And yet it should not really have come as a surprise that President Nasser should resist being boxed into a situation which highly placed Westerners (such as British Foreign Office spokesmen) have described hopefully as a debacle that would result in the Egyptian leader's downfall.

Secretary Dulles believed that two results were likely as the result of the withdrawal of aid for Egypt's dam which will take some thirteen years to build:

1. That Nasser after being cut down to size would come gradually to his senses, normalize his relations with the West, and thus become a candidate for expanded assistance though initially on a less ambitious plane than the Aswan Dam.

2. That Nasser would conclude a deal with the Russians for the fifty to sixty million dollars a year of foreign exchange he would need for the dam. The alarm with which the State Department once looked on such a possibility was softened by two further considerations; first, the belief that such an offer to Egypt would get the Kremlin in difficulty with its own impoverished population and with equally poverty stricken satellites; secondly, the conviction that the constructing of the dam would require a decade of unpopular austerity for the Egyptian people who would start to associate Russia with their economic grievances.

Instead, with the nationalization of the Suez Canal, the West and Egypt are caught in a mutually destructive conflict.

In fairness, it is not just Egypt's Nasser who is providing the world with a display of emotionalism and vitriol.

It is strange indeed that the sharpest attacks on Egypt's na-

Did President Nasser commit an illegal act by nationalizing the Suez Company?

Answer: It is debatable if looked at from the view of international politics. From a strictly technical viewpoint it can be argued that legality is on Nasser's side because the company is Egyptian and was incorporated under Egyptian law (however the majority of investors are foreigners). Also there has been an international precedent upholding the right of a nation to confiscate property on its own territory. This was the decision of The Hague upholding Iran's right to nationalize the British-owned oil fields at Abadan.

On the other hand, the Suez Canal is unquestionably a vital international waterway involving the economic welfare of many nations other than Egypt. If it could be proved that Egypt's administration of the canal would adversely affect other nations, the nationalization might be brought up before the United Nations Security Council.

2. But does Egypt's nationalization imperil navigation rights of other powers?

President Nasser has stated (and reiterated over the week end to Washington) that there will be no change in the policies of canal administration. The Suez will continue to be administered in accordance with the nine-power Constantinople Convention of 1863 which pledged freedom of navigation of the canal in peace and war. The Egyptian President has also denied reports of any intention to raise the tolls.

Egypt has been charged with violating the Constantinople Convention by refusing to pass Israeli ships carrying war material (however, over-all non-military Israeli tonnage through the canal has been on the increase). Egypt has invoked a clause in the convention which says that in the event of war Egypt has the right to take necessary steps in its own defense. Egypt and Israel are in a state of war.

3. How under present conditions could the Western powers be sure that Egypt would live up to its promise not to interfere with international traffic through the canal?

Answer: They can't but they can take comfort from the fact that it is in Egypt's national interest to have maximum traffic through the canal so as to obtain maximum revenues also since the nationalization decree traffic has moved routinely.

4. What if the Western powers did not agree to the nationalization of the Suez Company and Nasser retaliates as he has threatened

to do) by refusing to compensate stockholders?

Answer: It will be a mess. None can predict whether or not this would in the long run make it impossible to operate the canal profitably. The Egyptians say they can manage even under these conditions. The Westerners express doubts.

5. What role are the Russians playing in this move? Answer: No direct role. It is reported that the Russians have promised a veto if the matter should be brought to the Security Council. Westerners say that the nationalization of the Suez is proof that the Egyptians could not obtain the funds from the Russians. This is open to question. Nasser stated publicly in his speech that Russian assistance for the dam had been discussed. Nasser has not been contradicted. He also has said in private that he did not wish to get overly involved with the Soviet bloc with which he has concluded an arms deal. The Russian comments both in Cairo and Moscow (they preceded Nasser's nationalization speech) were highly confusing. What they appear to boil down to is this:

Russia has not of late been considering the Aswan Dam project because no such request has been put forward by Egypt. It is official Soviet opinion, anyway, that other projects (perhaps less expensive ones?) would be more beneficial. But if Egypt should ask for assistance in Aswan, Russia would be willing to give some assistance (how much remains a moot question).

6. What can the West do to avert the nationalization of the company? (The concession would have expired in any event in 1968). Answer: Very little that would not hurt the free world as much as Egypt. Although France has proposed sending troops to occupy the Canal Zone, it is unlikely that the French public would take on a war against Egypt in addition to its war against the Arabs in Algeria. Renouncing of ships away from the Canal around the African Cape of Good Hope would be expensive. If the British block the sterling payments to Egypt for World War II expenses it would not by any means cripple the Egyptian economy. A dumping of American cotton in the world market—as proposed in some trade European circles—would injure not only Egypt but countless other countries.

And anyway does the West really want permanently to inaugurate the hatred and bitterness of the entire Arab world?

The best guess in Washington

Foreign Minister Christian Pierson who has both the principle of nationalization especially when, as in the case of the Suez, full compensation for stockholders has been promised.

British outrage is certainly understandable in light of large British holdings of Suez stock but it would be more impressive had the British not sat determinedly quiet, for instance, while the Chinese Communists nationalized without compensation an estimated \$6,000,000,000 worth of British assets in China and in addition held hundreds of British businessmen for ransom.

With so much indignation rather than facts radiating from the embattled capitals, it is no wonder that the public is not getting the answers to the key questions and answers which it seems to this writer should furnish the guidelines for policy.



"You know, if we had wheat instead of poison in the government would pay us for it!"

...better part of international relations would be to try and...
 ...the economic impact on all parties. Nasser for his part could become something more than a local hero if having won the nationalization he abandoned his embittered diatribes and made positive efforts to cooperate in promoting the fairest economic outcome possible and to settle the international...
 ...At the moment unfortunately, international feelings and wounded national pride have so distorted the picture that any application of common sense seems impossible.
 ...Isn't it time that a respected and truly neutral nation be asked to use its good offices to see these natural allies working together instead of against each other?

Matter of Fact By Joseph and Stewart Alsop

Middle-Eastern Menace

THE FURTHER you dig into the background facts of the constantly developing Suez crisis, the more likely it seems that there may be shooting in the Middle East this summer.

Secretary of State John Foster Dulles will certainly do everything he can to prevent it—if only because the appearance of peacefulness in the world is held to be such an important Republican election asset. But in view of the prevailing moods of the British, French and Egyptian governments, and the irreconcilable positions that have been taken, it is hard to see how a clash can be avoided.

Both London and Washington, and particularly Washington, were caught completely by surprise when Egypt's President Nasser vengefully announced the immediate nationalization of the Suez Canal, in retaliation for Secretary Dulles' abrupt withdrawal of the American offer to help build the Aswan high dam. A day or so before the Nasser speech, French Ambassador Maurice Couve de Murville suggested to the State Department that a grab for the canal was Nasser's most likely riposte. But his warning only evoked complacent laughter.

Taken thus by surprise, the American policymakers were utterly unprepared to react positively and constructively. The idea of calling a conference to insist on the internationalization of the canal originated in the British and French governments, after British Prime Minister Sir Anthony Eden had rather reluctantly rejected a plan to blockade Egypt's ports with-out further ado.

THE SCHEME for a conference had already been agreed upon in principle in London when President Eisenhower sent Secretary Dulles to join

in the talks there. What Dulles really did in London was simply to give his approval to the conference scheme, and to work out with the French and British the terms of the plan for internationalizing the canal that will be jointly offered to the conference by Britain, France and the United States.

What Dulles did not do was considerably more important. In brief, he did not reach any agreement with our leading allies — he did not even try to reach any agreement — about what would be done in the highly likely event of the proposed conference ending in failure. Yet this is, of course, the essential problem.

It is essential for several extremely simple reasons. In the first place, the Suez issue is not really a legal or practical issue. It is, at bottom, a naked test of will and power. But, by its manner and timing, Secretary Dulles' abrupt turn-down of the Aswan Dam project was a severe blow to President Nasser's prestige. Prestige is what Nasser chiefly lives by. His real aim in grabbing for the Suez Canal was not to get the money Secretary Dulles had just refused him. His real aim was to restore and increase his prestige by showing that he could get away with inflicting the maximum public humiliation on the leading Western powers.

BY THE SAME token, the real aim of the plan for internationalizing control of the Suez Canal is not to insure free passage of shipping. The real aim is to force President Nasser to climb down, to make him eat a dish of crow, to show, in short, that he cannot get away with kicking the Western powers in the teeth. This is a legitimate and vital aim, moreover, for the very good reason that all the critically important Western Inter-

ests throughout the Middle East will be hopelessly jeopardized if Nasser is not taught a sharp lesson.

But precisely for these reasons, the odds are heavy that Nasser will not accept this scheme for internationalization of the canal which is really a scheme for taking him down several pegs. If he does not accept, in turn, the Western powers have only two choices. Either they can eat crow themselves or they can take forceful measures to persuade Nasser to comply with their wishes. This is why the British are hurrying land and naval forces to the Mediterranean, and why Sir Anthony Eden informed Secretary Dulles that he would use force against Nasser if worst came to worst.

Since returning to Washington, Secretary Dulles has said that he was shocked and astonished by the extreme hardness of the British and French attitudes. It is odd that he should have been, for it has been clear from the outset that for Britain, particularly, this test of will and power with Nasser is quite genuinely a life-and-death matter. It is also a life-and-death matter for Sir Anthony Eden's government, which will surely suffer a mortal loss of political support in Britain if Nasser triumphs in the end.

In these circumstances, there appears to be very little basis for the hopes expressed by Secretary Dulles in his television report on his London journey. Furthermore, if Britain and France finally decide not to act against Nasser, there are always the Israelis. A resounding triumph for Nasser is all too likely to spur Israel to a preventive showdown with her Arab neighbors. Altogether, the outlook is not pretty.

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Herald Tribune - United Press

Randolph Churchill as he arrived on the Queen Mary.

Correspondent Churchill In

Randolph Churchill, newspaper correspondent and son of the former British Prime Minister, said yesterday he thought the British government was "prepared to use force if necessary" in the Suez Canal situation.

Interviewed aboard the Cunard liner Queen Mary, on which he arrived to cover the national political conventions (see "The London Evening Standard," Mr. Churchill said, "N" only the British government, but the British people are resolved to restore the situation over the seizure of the Suez Canal company.

"I think the British government is prepared to use force if necessary."

He added, however, "I think that's going to be all right."

As to the United States, he said the British people were "concerned over the attitude" of this country "but they realize you are on the verge of a national election."

Mr. Churchill said that as far as the United States goes "the British attitude is, 'If you can't help, please don't hinder.'"

He also told reporters, "You only have war when you are weak and run away."

Mr. Churchill and his fifteen-year-old son, Winston, were among the 1,897 passengers on the Queen Mary, which docked at Pier 90, Hudson River and 60th St., at 6:30 a. m.



Nasser Intent on Preventing Any Incident to Provoke West

Doesn't Want Egyptians to Provide Powers With Excuse to Enter Country to Protect Their Nationals.

By BRIG. GEN. THOMAS R. PHILLIPS, U.S.A. (Ret.)
Military Analyst of the Post-Dispatch

CAIRO, Aug. 8.

IN Egypt, the inclination is to regard the extensive military preparations being made by Great Britain and France as a bluff. Certainly they are not a bluff; Britain and France may have no desire to use force, but their preparations for using it are very real.

At the same time everything is being done in Egypt to assure westerners that they have nothing to fear, that the Suez canal will be kept open and that there is no danger to westerners in Egypt.

This is official policy. Egypt's President Gamal Abdel Nasser does not want under any circumstances to have riots that would provide an excuse for the Western powers to enter Egypt to protect their own nationals. So not only are westerners treated with courtesy, but with the utmost consideration.

British and French military preparations are obviously aimed at providing the capacity to blockade Egypt and to re-occupy the Suez Canal Zone. No such grandiose operation as the occupation of Alexandria and Cairo, the latter with a population of 2,500,000 could be envisaged with the type and numbers of forces being prepared.

British Forces on Cyprus. Britain now has nine infantry battalions on Cyprus, the Royal Armored Corps, equipped with armored cars, and the Third Commando Brigade of the royal marines.

These troops are primarily engaged in restoring order in Cyprus, but some are available for movement elsewhere. Also on Cyprus are three battalions and a company of parachute troops placed there as a strategic reserve for the Middle East.

En route from Britain, with leading elements already under way, is the Third Infantry Division, part of the nation's strategic reserve. This division is being filled to 18,000 men.

The British have units of the Tenth Armored Division in Cyrenaica and Tripoli, including an armored regiment (the Queen's Bays), the King's Royal Rifle Corps and the Third Regiment Royal Horse Artillery. The Queen's Bays have 60 Centurion tanks.

Armored Regiment in Jordan. In Jordan, at the port of Ajlun, there is an armored reg-

iment, the Tenth Hussars, equipped with Centurion tanks.

Four squadrons of Canberra light bombers have been sent to Malta. Naval forces being readied or underway include three aircraft carriers, five large tank landing ships, some landing craft, destroyers and cruisers. At least one cruiser and one destroyer are in the Gulf of Aden where they could blockade the entrance to the Red sea, if desired.

The French fleet, including the 35,000-ton battleship Jean Bart and three aircraft carriers, is in readiness to sail from Toulon.

To oppose these forces, the Egyptians have an army and air force of about 80,000 men and a navy of 5000 equipped mostly with light vessels supplied by the British. The Russians are supposed to have supplied some patrol vessels and two large destroyers.

Egypt has long frontiers and small forces. A substantial part of its effective army is now east of the Suez canal on the Israeli border. If French and British forces landed east of the Suez to occupy the Suez base, these would quickly be cut off on the Sinai peninsula.

Little Logistic Reserves. In considering the relative advantages of the two sides it must be remembered that Egypt's forces are equipped and trained according to Middle East standards. The logistic reserves necessary to keep fighting and the amount of ammunition in reserve are negligible.

It is probably correct to assume that the Suez canal base can be reoccupied without extended military operations. But this would be only the beginning. Egypt and the Arab world are united in their determination to get rid of the last vestiges of colonialism, no matter how.

Holding the Suez canal base after it is reoccupied would be to subject the occupying troops to a long siege of guerrilla operations. Presumably, the Western powers would want to nego-

ciate from strength from this position. It is more likely that the entire Arab world would join against the West, stop the flow of oil from all the Middle East except Iran and harass every Western position in the Middle East.

Arabs Might Hold Out.

In such a case the Arabs might be able to hold out longer than the West, for 90 per cent of Europe's oil comes from the Middle East. If the Suez were closed, it would be possible to keep adequate supplies of oil moving to Europe by increasing production in the United States and by shipment of Middle Eastern oil around South Africa. But there is no way to make up for the loss of all the oil production of the Arabian states.

Assuming that Britain and France believe after the London conference that they must reoccupy the Suez canal base, they will be faced with the problem of protecting their own citizens in Egypt. This will be difficult. Arab passions are so intense that serious anti-Western rioting can be anticipated.

A couple of battalions of Marines and infantry cannot move at will into the center of Cairo and perform a rescue mission. A serious military operation would be required.

All the alternatives in this situation are bad. Military re-occupation of the Canal Zone will mean a lot more than just that. Surrender to the seizure of the Suez Canal Co. means that in the not distant future, the oil wells, refineries and pipelines all over the Middle East will be nationalized and the West will be blackmailed by its own properties.

In the absence of genuine conciliation of Egypt's president, Britain and France are determined that they must act decisively.

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DOROTHY THOMPSON

Antidiplomacy in Dulles Speech

Talk Viewed as Short-Circuiting U. N. By Okaying Show of Force on Suez

Secretary Dulles' address Friday, televised with the President, is an example of the open diplomacy which is antidiplomacy. Directed to the American people, it was really designed for Great Britain and France (as a demonstration of solidarity in the Suez crisis) and, in the second line, for Egypt.

It gave the British and French the green light they have wanted, to go ahead with a show of force, without committing the United States to join them. This was satisfactory to our European allies, who know that once we have approved an action initiated by others, there is no possibility of return.

Thus the United States has pledged herself to actions of unpredictable consequences, without adequately exploring the ground in advance.

The three powers have agreed to call an international conference of 24 states, eight being from the original nine signers of the agreement of 1888, breached by Egypt's nationalization of the canal; plus eight additional countries whose nationals own the next most shipping passing through the canal, plus another eight whose shipping is heavy.

But when Dulles made his speech he did not even know whether these governments (the full list of which has not even been published) would accept the invitation. In the alarm engendered and the "do something quick" panic that broke out in France, and, to a lesser degree, in Britain, a decision was reached without previous exploration of its possible success.

Russia and Egypt were originally signatories to the nine-power agreement (the United States was not). Of the other seven, Britain, France, Italy, the Netherlands, Turkey and Spain (all within the Western alliance) remain. Germany was an original participant, but "Germany" is

divided into two states, and West Germany shows little disposition to enter the quarrel.

Austro-Hungary, an original signatory, was destroyed after World War I. Today's Austria is landlocked. Her ports and the maritime facilities, once on both sides of the Adriatic, have been divided between Italy and Yugoslavia. She is no more a maritime country today than are the only other three landlocked European nations, Switzerland, Czechoslovakia and Hungary.

Every nation with ports and with ships on the sea has an interest in securing freedom of passage through the Suez Canal, and so, for that matter, do those who ship their cargoes under other flags. The size and amount of that shipping is not the issue, in a world committed, via the United Nations, to "the sovereign equality of all nations."

Among the members of the United Nations the great majority are maritime states.

In South America, only Bolivia and Paraguay are landlocked.

All the Arab states, except Jordan, who lost her ports to Israel, have sea outlets and are, actually or potentially, maritime nations. Some of their ports have been active in

world trade since before the birth of Christ. And outside the U. N. are the maritime nations of mainland China and Japan.

On what principle, therefore, should some maritime states decide for all?

Russia (who is keeping her shirt on) has many cards she can play in regard to an international conference. In Eastern Europe, Poland, Rumania and Bulgaria have sea-ports. Poland, especially, has developed a considerable merchant marine. The "uncommitted" states of Southeast Asia are all interested in seagoing trade. If anything is a concern of the United Nations, one would think it would be the control of an international waterway through which the ships of nearly every member pass.

Finally, in a "showdown" there are further cards the Arab states can play. Two-thirds of the oil reserves of the world are in their hands, and most of these are exploited by British or American concessions.

The West will go to war to prevent the economic strangulation of Europe by cutting off her life blood. But war is a tragic resort only when patient diplomacy has failed. And diplomacy is not radio speeches and press trumpeting.

1950 U 1000

Dulles Is Rebuked Angrily by Eden

By Drew Pearson

The truth about John Foster Dulles' quick trip to London was that he did not have a happy time. He got one of the worst bawlings-out in his long years as a public figure.



Here is what happened: Secretary Dulles arrived in London to find Prime Minister Eden literally seething over the Suez Canal seizure. He was almost as irate against the United States as against President Nasser of Egypt—though not quite.

The French were equally aroused, possibly more so, and both were resolved to use force to take the canal back from Egypt.

Their position can best be understood by imagining how the American Government and public would act if the Panamanian government, without notice, took over the Panama Canal Zone. Any United States Administration which did not mobilize the fleet off Panama would lose the next election.

By the time Dulles arrived, Prime Minister Eden had already notified three British divisions to be ready to move, together with parts of the British fleet. The French had also promised 100,000 troops to support the British.

No U. S. Troops

It was at this point that Dulles raised the red flag. He warned that Eden's plan would precipitate full-scale war between the Arab states and the West, with only the Russians benefitting.

Dulles also warned that not a single American soldier would be sent to bolster the Allies.

Eden, however, was not convinced. And during a hot four-hour session, the British Prime Minister considered going ahead with an occupation of the Suez Canal area by force. During this top-level argument between the leaders of the Western world, Eden gave

Dulles about the bluntest bawling-out that the head of one nation can give the Foreign Minister of another. He blamed Dulles for pressuring Britain to get British troops out of the Suez Canal in 1953 and then building up Nasser's power in a race to see which could do most for Egypt—the United States or Russia.

Then, said Eden, Dulles precipitated the current crisis by suddenly withdrawing support for the Aswan Dam, which hitherto he had almost urged Nasser to accept. Placed on that kind of a spot, a dictator like Nasser, who depends on public acclaim, had to do something drastic.

Eden also pointed out that Britain and France had supported the United States when we got into trouble over Korea, even though the Korean war was extremely unpopular in Europe. In contrast, he said, the United States was now dragging its feet, expecting the British and French to take responsibility for a problem which the United States had precipitated.

Dulles listened silently. In the end, Eden and French Foreign Minister Pineau agreed to hold off military action for the time being—but only for the time being. In order to propose international control and give Nasser time to retreat.

Republican Worries

What worries Dulles and high Republican strategists is the timing of the international meeting on Suez and its aftermaths.

The meeting is to be held on Aug. 16, just as Republican delegates head for Sar Francisco to renominate Ike and Nixon or Herter. Assuming the

Suez meeting takes about a week, and that another two weeks is given Egypt to act on an ultimatum, this would put any Suez Showdown just at the beginning of the election campaign—a campaign built on the Eisenhower political theme song—"Peace and Prosperity." Judging by the temper of the French and British, they are not going to take any more fooling from Nasser. He can take or leave the international control idea.

If he leaves it, the chances are about 100 to 1 that the British and French will move in. They have enough troops and battle wagons so that Egyptian opposition would be like a desert fleabite—unless Russia intervenes.

This is another possibility that has Republican strategists worried. Present advices from Moscow are that Russia doesn't want to get mixed up in the Suez mess, but this could change.

Another thing that worries Dulles and GOP strategists is the attitude of the French. They are even more determined to act than the British. They believe Nasser must be crushed, that as long as he leads a militant Egypt, the rest of the Arab world will be crusading behind him.

The French attribute their troubles in Algeria partly to Nasser. Not only do Algerian rebel supplies come from Egypt, but Algerian rebel inspiration comes from Nasser.

That's why the French are ready to contribute 100,000 men out of their 400,000-man force in Algeria to fight against Egypt over Suez.

In brief, the French and British are not bluffing. Meanwhile, Nasser is drunk with power and the cheers of Egyptian mobs.

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"Washington Whispers"

Sir Anthony Eden, Britain's Prime Minister, quietly passed this word to Gamal Abdel Nasser, Egypt's President: "Either you will agree to some form of international control for the Suez Canal, or there will be war." Nasser's enthusiasm for a fight cooled quickly.

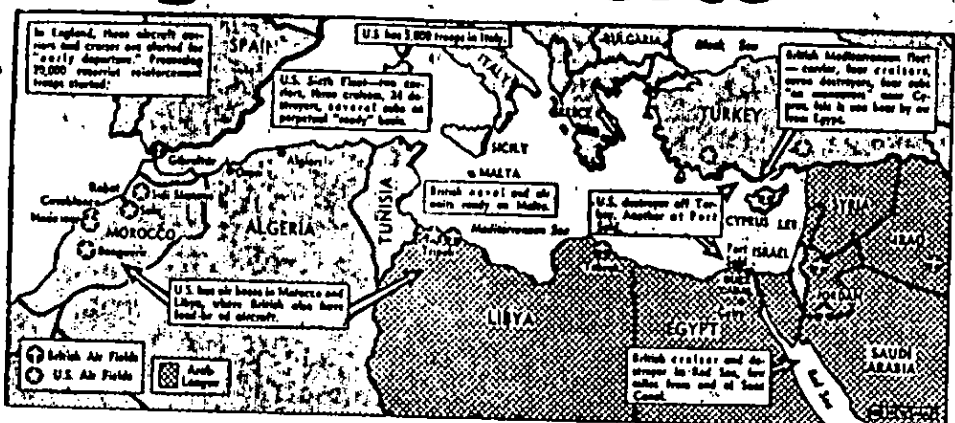
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Egypt's Nasser found that his new friend, Soviet Russia, would make few hard promises of troops or free arms when asked what help he could expect if he took on the British in a gun fight. Communist leaders prefer to have others do the fighting, and they want cash or goods in return for weapons they supply.

* * *

King Ibn Saud, of Saudi Arabia, where U. S. has an important air base and American companies have immense reserves of oil, is reported to be running into increased opposition from members of his family who are urging him to align himself with Nasser. King Saud is a firm friend of this country.

French Assembling Huge Task Force



There doesn't seem any immediate danger of general conflagration in the Suez Canal crisis. Should worse come to worst, however, here's the known strength assembled in the area by Western allies. —NEA Newsmap

LONDON, Aug. 30 (AP) — France was reported assembling a 80-ship task force in the Mediterranean today for joint Anglo-French military moves against Egypt should the Suez crisis deteriorate further. Hopes for a peaceful settlement were low.

France and Britain announced jointly that French troops would be sent to Cyprus, easy striking distance of the Canal Zone, and unofficial reports said French paratroops were already en route to the British base from Algeria.

The Times of Cyprus reported today in Nicosia that 1000 French troops landed near Limassol. British authorities refused to confirm or deny the report.

SCOTS ON MOVE?

Unofficial reports from Gibraltar said a battalion of Scots Highlanders, veterans of desert fighting, would join the Anglo-French expeditionary force off Malta next week.

Some sources spoke of a "grave" deterioration of relations between Britain and Egypt, but the foreign office refused even to comment on the situation. British newspapers accused Egypt of imposing a "reign of terror" on Britons living there.

The feeling of crisis was heightened by the arrest of three Britons and the expulsion of two British diplomats on spy charges. Egyptian sources said they were engaged in a plot to overthrow the government of President Gamal Abdel Nasser.

All 41 battleships from Egypt indicated Col. Nasser would not back.

from the Arab world, including threats to sabotage western oil installations in event of war. Last night he moved to consolidate the national liberation army of some 300,000 volunteers with the nearly 1,000,000-man standing army.

Col. Nasser scheduled further meetings today with V. K. Krishna Menon, roving Indian ambassador, who has submitted a plan to let Egypt own and run the Suez Canal with help of an "advisory" international body.

Cairo Col. Nasser would not budge from his stand that the Suez Canal was... he was anxious to negotiate a compromise settlement.

CARIO UNAFRAID

Egyptian sources in Cairo denounced the Anglo-French decision to move troops to Cyprus as "crude pressure" and said it would have no effect on the firm Egyptian stand.

It was against this background that the five-nation Suez committee headed by Australian Prime Minister Robert Gordon Menzies prepared to fly to Cairo Sunday for talks with Col. Nasser on the Dulles plan to place the canal under international control.

Col. Nasser was buoyed in his firm stand by a pledge of Soviet support, a hint of Soviet help in event of hostilities and a promise of Soviet pilots to man the canal should foreign employes of the old canal company cripple the waterway with a mass walkout.

He also had grounds of help

British, French Forces To Get War Reporters

By William J. Humphreys
From the Herald Tribune Bureau
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LONDON, Sept. 3.—The British and French Defense Ministries, it was reliably learned tonight, are preparing for the accreditation of newspaper correspondents to the Eastern Mediterranean forces which both nations have been building up as a result of the Egyptian seizure of the Suez Canal.

While talks aimed at a peaceful solution of the crisis opened in Cairo today, neither Britain nor France has made any secret of troop movements to Cyprus or of their apparent readiness for action should force be resorted to in the Middle East.

French Expert Due

Defense planning on the subject of assigning correspondents with Franco-British forces, should the situation require it, is known to be well advanced. A French Defense Ministry specialist is coming to London this week for what is expected to be a discussion of accreditation procedure.

At the same time, it was learned that five Foreign Ministers are likely to attend Wednesday's meeting of the fifteen-nation North Atlantic Council at Paris. Selwyn Lloyd, the British Foreign Secretary, has asked

for an opportunity to tell the North Atlantic Treaty Organization of the Suez crisis at the weekly council meeting.

The other four foreign chiefs expected are Lester Pearson, Canada; Paul Henri Spaak, Belgium; Christian Pineau, France; and Gaetano Martino, Italy.

Supplies Reach Cyprus

FAMAGUSTA, Cyprus, Sept. 3 (AP)—A steady stream of British and French military supplies poured into Cyprus today. Supplies were unloaded throughout the day from newly arrived cargo ships at this east coast port. Three of the supply ships were French and four British.

The French supplies were sent here in preparation for the imminent arrival of thousands of French parachute troops, Foreign Legionnaires and Air Force men. A French Air Force officer at the scene of the unloading said the bulk of the men will arrive tomorrow.

French troop arrivals were estimated at 800 so far, comprising advance parties of cooks, vehicle drivers and planning and liaison officers.

Orders to Suez Pilots

PARIS, Sept. 3 (AP)—Jacques Georges-Picot, director general of the Suez Canal Co., said today,

secret new orders had gone out to its European employees in Egypt—including pilots vital to operation of the canal.

Reports are current in Paris that the pilots have told Egypt they will quit Sept. 15.

The company's first instructions to the pilots after Egypt seized the canal July 26 were to stay on the job. But last week it said it could no longer take the "moral responsibility" for asking the 325 non-Egyptian employees to continue working against their will indefinitely. New instructions, it added, would be sent by the end of the month.

Today, Mr. Georges-Picot confirmed that new instructions had gone out. He refused to say what was in them or to confirm reports that the pilots are signing.



CONSTANTINE BROWN

Suez Blitz Without Warning Possible

British and French Forces in Cyprus: Could Strike in Matter of Few Hours

Britain and France have been steadily reinforcing their military forces in the Mediterranean. Both British and French troops are now stationed in force on Cyprus, only a matter of a few hours from the Suez Canal Zone. At least one division on Cyprus is a paratrooper division, with full equipment. Motorized armor is on hand in force. Jet fighters and bombers are lined up with huge transport planes on runways at Cyprus and Malta. The stage is set if the signal for attack is given.

The military build-up began almost immediately after the seizure—or nationalization—of the canal zone by Egypt's President Gamal Abdel Nasser in July. It has gone on at an increased pace ever since. While the delegates of five nations talked with Nasser in Cairo last week, the troop transports continued to disembark their thousands of armed men on Cyprus daily.

When and if the signal to take punitive action against

Egypt for the canal company seizure comes, the assault will explode like a blitz, without warning. Land, sea and air forces will converge on the Suez Canal Zone in one massive lightning blow, designed to effect a permanent occupation of the canal's key points within hours.

The Egyptian Army, dedicated though it is to the dream of leadership of the Arab world, is neither large enough nor well-equipped enough to offer prolonged or effective resistance. That it will fight under Nasser's leadership no one doubts. But even with support from other Arab nations, even with Moslem "volunteers" from behind the Iron Curtain such as Khrushchev has hinted would be quickly forthcoming in the event of an allied attack, there is almost no chance that Nasser could stem a determined assault.

An immediate result of a military occupation could, and very likely would, be the closing of the canal to shipping. Even if the Egyptians did not seriously sabotage the waterway, which they would certainly attempt to do, the canal would probably close anyway because of a sudden absence of qualified pilots. Their ranks already seriously reduced because of the continuing crisis over the canal, many more pilots could be expected to depart if a shooting war makes life along the big ditch any more hazardous than it already is.

If the decision to attack is made in London and Paris, the advocates of "he cannot be allowed to get away with it" will have won the day. There is mounting opposition

in Britain to any use of force in the Suez crisis. Parliament has been summoned to meet in special session to deal with the problem, and the Labor and Liberal parties of the opposition will make the most of their challenge to the cabinet of Sir Anthony Eden.

Opposition to punitive action in France is apparently very minor. The French have been biding their time for a crack at Nasser. Egyptian propaganda, arms, money and technical aid have been too long and too freely provided to nationalist rebels in French North Africa, in Morocco, Tunisia, and most of all, Algeria. There are 400,000 French troops in Algeria today, attempting at great cost to subdue a determined nationalist revolt. France is championing at the bit to move against Nasser, in part at least in an effort to restore the sadly damaged prestige of that nation, battered and broken after the Indo-China debacle.

An immediate result of armed attack on Egypt will be open warfare in Israel, where the Arab states will grab the opportunity they have so long awaited. Oil pipelines in Iraq, Lebanon, and even from Saudi Arabia will be cut off, perhaps destroyed. King Saud is reported as having already given warning that he will halt the flow of oil from that kingdom's rich wells if the attack on Egypt comes.

And Soviet propaganda will go on a double-time basis. The Reds will tell the former colonial areas that the colonial powers have not changed their habits. Neutral India, Indonesia, Burma, and Ceylon will be further alienated from the West.

But the political leadership in Britain and France is determined that Nasser, whom they look upon as a bandit, must be punished.

State Dept. in Dark On British, French Suez Strategy at UN

Washington, Sept. 29 (AP)—Top American officials are reported somewhat upset over a lack of solid information on strategy the British and French intend to use at the UN in dealing with the Suez crisis.

For the past five days, it is understood, the State Dept. has been kept in the dark while British and French leaders chart their next steps in the dispute with Egypt.

This absence of the close consultation which had marked American-British-French policy heretofore appears to be further evidence of a deepening split in Western ranks over how to handle the problem growing out of Egypt's seizure of the vital waterway.

Moreover, Secretary of State Dulles' aides insisted that Western Big Three unity has not been broken in advance of UN Security Council discussion of the problem next week. They expressed confidence the three governments will consult in advance of the actual start of debate in the UN next week.

Some diplomatic authorities view the British-French silence as a sign the two nations may think Dulles is weakening in his determination to press for international operation of the canal. Dulles is regarded by these authorities as veering somewhat closer to a possible compromise settlement which Egypt could accept, but which would fall short of the goal first agreed upon at an 18-nation conference in London last month.

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CIA Faces Fresh Intelligence Test

WASHINGTON—The Central Intelligence Agency is headed for another critical scrutiny at the coming session of Congress.

The plan is to try again to set up a special committee with watchdog authority over CIA, as the Joint Atomic Committee has over the Atomic Energy Commission. Such legislation was rejected by the Senate last spring.

The bipartisan sponsors of the measure are already preparing for the inquiry. The crises in the Middle East and Soviet satellite countries are providing them with material.

Allen Dulles Quizzed

There was a significant spoff on the undercover operations at the Senate Foreign Relations Committee's meeting with top administrative officials.

CIA Director Allen W. Dulles was subjected to critical questioning on charges of failing to provide adequate advance information on the British-French-Israeli assault in Egypt, and the Polish and Hungarian revolts against Russian rule.

The Intelligence Agency long has been under fire by both Republican and Democrats on complaints of incompetence and bungling. Significance of

the latest barrage is that it was obvious for the purpose of providing ammunition for the coming legislative battle.

Sen. Mike Mansfield (Mont.), slated to be the Democrats' assistant floor leader, bluntly put Dulles on the spot.

"Why were we caught napping on what happened in the Middle East, Poland and Hungary?" demanded Mansfield. "Why is our intelligence always so inadequate, so poor, or totally missing?"

Dulles retorted: "Our intelligence concerning the attack on Egypt was excellent. A full report warning that Israel was preparing a major attack against Egypt was placed on President Eisenhower's desk more than 24 hours before the event occurred. That report also forecast the likelihood that Britain and France would aid Israel once the fighting broke out."

That brought an exclamation of surprise from Sen. J. William Fulbright (D-Ark.).

"Then how did it happen the President displayed so much astonishment when his press secretary handed him a news dispatch about the attack?" asked Fulbright. "I have a press report in my hand quoting Hungary (James C.) as being the President got his first word of this attack from a press dispatch."

"I believe you will find out what Hungary actually said," said Dulles, "who said the President was informed of the attack when he read the news report. That is quite different from first knowing about it. The President did know about it in advance."

Why Didn't President Act?
That drew a challenge from another angle by Senator J. ... "He has known an attack was

coming," demanded the Montanan, "then why didn't he act? Why didn't he do something to avert the Hungarian assault?"

"That's a question which should be directed to other officials," declared Dulles. "I am concerned with intelligence. My job is to gather information, evaluate it and to report it. What is done about it is outside of my jurisdiction."

Dulles also admitted the CIA had submitted numerous reports on events in the Middle East and the Balkans of springs.

4 lines per page

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Dulles

GINSBURG
Battle on the Potomac
OLS

By Robert S. Allen



Washington, Nov. 17.—The Central Intelligence Agency is definitely headed for another critical scrutiny at the coming session of Congress.

The backstage play is again to try to set up a special committee with watchdog authority over CIA, as the Joint Atomic Committee has over the Atomic Energy Commission. Such legislation was rejected by the Senate last spring, but another fight will be made for it next year.

The bipartisan opponents of the measure are already laying the ground for this. The war-torn crises in the Middle East and satellite countries are providing them with a lot of material.

There was a Republican lip-off on these undercover preparations at the Senate Foreign Relations Committee's long meeting with top Administration officials.

CIA Director Allen Dulles was subjected to critical grilling on charges of failing to provide adequate advance information on the British-French-Israeli assault on Egypt, and the Polish and Hungarian revolts against Russian rule.

These blasts at CIA are nothing new. The Intelligence Agency has long been under fire by both Republicans and Democrats on complaints of incompetence and bungling. The significance of this barrage is that it was obviously for the purpose of providing ammunition for the coming legislative battle.

This intention was not lost on Dulles. He defended himself and his agency vigorously.

Sen. Mansfield (Mont.), slated to be the Democrats' new Assistant Floor Leader, wasted no breath in bluntly putting Dulles on the spot.

"Why were we caught napping on what happened in the Middle East, Poland and Hungary?" demanded Mansfield. "Why is our intelligence always so inadequate as paper, or totally missing?"

A categorical denial of all these accusations was made by Dulles.

"Our intelligence concerning the attack on Egypt was excellent," he retorted. "A full report warning that Israel was preparing a major attack against Egypt was placed on President Eisenhower's desk."

NEW YORK TIMES
 on NOVEMBER 18 1956

power's dark more than 20 years before the event occurred. That report also pointed out the possibility that Britain and Syria would be threatened in the fighting between them.

This brought an immediate response from Sen. Fulbright (D., Ark.).

"Then how did it happen that President Eisenhower played so much extension time when his press secretary handed him a news dispatch about this attack?" asked Fulbright. "I have a press report in my hand quoting Fulbright as saying that President Eisenhower got his first word of this attack from a news dispatch."

"I believe you will find that what Fulbright actually said," pointed out Dulles, "was that the President was informed of the attack when he read the press report. This is what Fulbright meant from first knowing about it. The President did not know about it in advance."

That drew a challenge from another senator, Sen. Mansfield.

"If he knew an attack was coming," demanded the Montanan, "then why didn't he act, why didn't he do something to avert this dangerous conflict?"

"That's a question which should be directed to other officials," declared Dulles. "I am concerned with intelligence. My job is to gather information, evaluate it and to report it. What is done about it is outside of my jurisdiction."

Dulles also asserted the CIA had submitted numerous reports on progress in the satellite and the likelihood of uprising.

"It is difficult to forecast the exact timing of such revolts," he pointed out. "But we have felt just what will back them up. We had completely knew they were in the making and that the Kremlin would react by ruthlessly as it did in Hungary, and may yet do in Poland."

NEW YORK POST, SUNDAY, NOVEMBER 18 1956

