

it, history will judge it, that the exercise of that self-restraint, although possessed of great power, in deference to the obligations undertaken under the United Nations Charter, adds more from a moral standpoint to the so-called "great" nations who exercise that self-restraint than if they had used their force.

Now let's look at it from the standpoint of the economics of the situation: I do not think anybody can claim that Egypt is economically in a stronger position today than it was before it undertook to nationalize the Suez Canal Company.

I do not know precisely what are the so-called "trump cards" that you refer to other than the fact that there has been, and I hope will be, a continued loyalty of the great nations to their obligations under the Charter of the United Nations.

*Q.* Mr. Secretary, the British press today says that Britain plans to use an armed convoy to go through the Canal if the users' association ships are stopped by Colonel Nasser. Would the United States support Britain in such a venture?

*A.* Well, I don't know what you mean by "support". I have said that the United States did not intend itself to try to shoot its way through the Canal. But if by "support" you mean would the United States then go to war—I don't know if that's the impact of your question—if so, I think that was answered very fully by President Eisenhower at his press conference this week.<sup>15</sup>

*Q.* Thank you, Mr. Secretary.

### Speech by President Nasser Denouncing Proposal for a Canal Users Association, September 15<sup>16</sup>

In these decisive days in the history of mankind, these days in which truth struggles to have itself recognized in international chaos where powers of evil domination and imperialism have prevailed, Egypt stands firmly to preserve her sovereignty. Your country stands solidly and stanchly to preserve her dignity against imperialistic schemes of a number of nations who have uncovered their desires for domination and supremacy.

In these days and in such circumstances Egypt has resolved to show the world that when small nations decide to preserve their sovereignty, they will do that all right and that when these small nations are fully determined to defend their rights and maintain their dignity, they will undoubtedly succeed in achieving their ends.

<sup>15</sup> *Ante*, pp. 331–333.

<sup>16</sup> Given at an Air Force graduation ceremony at Bilbeis. Text from American press, Sept. 16, 1956.

We are now hearing saber-rattling in Britain and France, those big powers which aim at derogating Egypt from sovereignty. I declare in the name of the Egyptian people who have smashed the fetters of foreign domination, aggression and feudalism that we are fully determined to defend our sovereign rights and preserve our dignity.

Conspiracies and threats attempted by big powers will never intimidate us. We believe in our sovereign rights and we shall never allow imperialists to derogate them from us. These are objectives which we have proclaimed since the inception of the revolution. We shall never falter or be terrified by threats. We stick firmly to these principles and objectives and we shall defend them to the last drop of our blood.

I am speaking in the name of every Egyptian Arab and in the name of all free countries and of all those who believe in liberty and are ready to defend it. I am speaking in the name of principles proclaimed by these countries in the Atlantic Charter. But they are now violating these principles and it has become our lot to shoulder the responsibility of reaffirming and establishing them anew.

Now that we have effected complete evacuation of the British forces and purged Egyptian soil of the vestiges of foreign domination, it is our divine duty to defend our free and independent country against the conspiracies and vile desires of the imperialists.

Today we have practiced one of our sovereign rights and seen attempts made to derogate from our sovereignty.

Selwyn Lloyd declared at the London conference that we are living in an age in which a sovereign country may surrender some of her rights. But I believe this can be done only by countries practicing their sovereignty as well as that of other countries. A country that wishes to be really free and independent and that will not infringe on the sovereignty of others will practice its sovereign rights by itself and will never transcend them.

Egypt is now a sovereign country which will never transgress against other countries and she is fully determined never to allow others to infringe on her sovereignty. On Aug. 2, Britain, the United States and France called for a conference which they labeled a conference on internationalization of the Suez Canal.

They alleged Egypt could derive no benefits from the canal. Previously they had denied us loans and financial aid necessary for the High Dam project and they seemed bent on depriving Egypt of benefits she could derive from the canal to raise the standard of living of her people. The British Premier declared: "all our trouble is with Gamal Abdel Nasser," for naturally Eden is not interested in seeing a glorious and powerful army in Egypt.

What does all this amount to? They are determined to frustrate Egyptian attempts at progress and industrialization. Economic pressure has been applied against Egypt to stifle the progress of her people and reduce them to submission. But I am fully aware we shall never submit to pressure or threats and that we can rely on our own resources and efforts.

Then came the London conference to which certain states were invited and where a number of resolutions were laid down with the concurrence of some of the states invited. This was followed by a visit to Egypt of the five-power commission headed by Menzies who declared he had come to reach an understanding with Egypt—an understanding under the threat of aggression and use of force.

We have tried by all possible means to cooperate with those countries which claim to assist smaller nations and which promised to collaborate with us but they demanded their fees in advance. This we refused so they started to fight with us. They said they will pay toward building the High Dam and then they withdrew their offer and cast doubts on the Egyptian economy. Are we to declaim [*disclaim?*] our sovereign right? Egypt insists her sovereignty must remain intact and refuses to give up any part of that sovereignty for the sake of money.

Egypt nationalized the Egyptian Suez Canal company. When Egypt granted the concession to de Lesseps it was stated in the concession between the Egyptian Government and the Egyptian company that the company of the Suez Canal is an Egyptian company subject to Egyptian authority. Egypt nationalized this Egyptian company and declared freedom of navigation will be preserved.

But the imperialists became angry. Britain and France said Egypt grabbed the Suez Canal as if it were part of France or Britain. The British Foreign Secretary forgot that only two years ago he signed an agreement stating the Suez Canal is an integral part of Egypt.

Egypt declared she was ready to negotiate. But as soon as negotiations began threats and intimidations started.

Yesterday many ships arrived and for the first time in years fifty ships were piloted through the canal. The canal authority has today seventy Egyptian pilots. These Egyptian and Greek pilots who refused bribery and temptation worked day and night and were able to maintain navigation in the canal. As I speak to you now the canal, thanks to Egyptian and Greek pilots, is still open. We have succeeded in foiling a conspiracy of Britain, France and the pilots and we have proved to the world when a nation wants to preserve its freedom, it will be free.

Today in the name of the Egyptian people, in the name of each one of you, I honor those men by granting them the Egyptian Order of Merit.

Today we have won a battle of conspiracy and treachery. Today conspirators in moral and international anarchy have been defeated. Today as we win this battle through perseverance and will power we go forward to attain victories in other fields. Today we must defeat forces that are trying to mislead world public opinion.

Great powers are struck with the fever of greed, but we will nevertheless preserve our rights.

Eden stated in the House of Commons there shall be no discrimination between states using the canal. We on our part reaffirm that and declare there is no discrimination between canal users. He also said Egypt shall not be allowed to succeed because that would spell success for Arab nationalism and would be against their policy, which aims at the protection of Israel.

Today they are speaking of a new association whose main objective would be to rob Egypt of the canal and deprive her of rightful canal dues. Suggestions made by Eden in the House of Commons which have been backed by France and the United States are a clear violation of the 1888 convention, since it is impossible to have two bodies organizing navigation in the canal.

It is equally impossible for the proposed organization to remain abroad and continue to collect dues. If this were permissible we for our part would form an organization for users of the port of London—a situation which would spell international anarchy and the end of international law and relations.

We instructed our Ambassador to Washington to tell America's Foreign Secretary that America is helping Britain excite people in Egypt and engage them in a new war. The American President has been speaking of maintaining peace, so why does America support this proposal for the formation of an association which they call an association for users of the canal but which is in truth one for declaring war?

If the big powers are using threats to derogate from our independence we will have them know we happen to believe in this independence and that what we have done is purely within our sovereign rights. What users of the canal have a right to is free passage through the canal and this we guarantee.

They are threatening to use force against us. But we are fully determined never to surrender any of our rights. We shall resist any aggression and fight against those who attempt to derogate from our sovereignty.

By stating that, by succeeding, Abdel Nasser would weaken Britain's stand against Arab nationalism, Eden is in fact admitting his real objective is not Abdel Nasser as such but rather to defeat Arab nationalism and crush its cause. Eden speaks and finds his own answer. A month ago he let out the cry that he was after Abdel Nasser. Today the Egyptian people are fully conscious of their sovereign rights and Arab nationalism is fully awakened to its new destiny.

Then they claim they wish to apply such and such clauses of the 1888 convention. But Egypt has been executing provisions of the 1888 convention throughout past years till the present day. Between 1888 and 1956 ships have been sailing through the canal and paying dues to a body responsible for its administration. Ships had always abided by measures and regulations imposed by the canal company.

Of 8,000,000 Algerians, 10,000 are fighting half a million French soldiers. We have arms sufficient to equip those who can fight. We shall fight aggressors.

Those who attack Egypt will never leave Egypt alive. We shall fight a regular war, a total war, a guerrilla war. Those who attack Egypt will soon realize they brought disaster upon themselves. He who attacks Egypt attacks the whole Arab world. They say in their papers the whole thing will be over in forty-eight hours. They do not know how strong we really are.

We believe in international law. But we will never submit. We shall show the world how a small country can stand in the face of great powers threatening with armed might. Egypt might be a small power but she is great inasmuch as she has faith in her power and convictions. I feel quite certain every Egyptian shares the same convictions as I do and believes in everything I am stressing now.

We shall defend our freedom and independence to the last drop of our blood. This is the stanch feeling of every Egyptian. The whole Arab nation will stand by us in our common fight against aggression and domination. Free peoples, too, people who are really free will stand by us and support us against the forces of tyranny.

Today we are victorious while we are serving every nation of the world. We are serving countries like India and Indonesia and we are victorious while we contribute toward world prosperity and development of world trade.

This we have achieved by the efforts of Egyptian citizens who are working day and night so navigation in the canal will go on uninterrupted and even better than it ever was before.

Today we are going forward armed with our belief in God, with our patriotism and with our self-confidence to attain for Egypt its dignity, freedom and honor.

# Decree of Gamal Abdel Nasser on the nationalisation of the Suez Canal Company (Cairo, 26 July 1956)

**Caption:** On 26 July 1956, the Egyptian President, Gamal Abdel Nasser, officially announces the nationalisation of the Suez Canal Company.

**Source:** Documents on American Foreign Relations. 1956. Dir. of publ. Zinner, Paul E. 1957. New York: published for the Council on Foreign Relations by Harper & Brothers. "Decree of the President of the Republic of Egypt on the Nationalization of the Suez Canal Company (Cairo, July 26, 1956)", p. 289-291.

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## **Decree of the President of the Republic of Egypt (Nasser) on the Nationalization of the Suez Canal Company, Cairo, July 26, 1956.**

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

In the Name of the Nation

The President of the Republic,

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

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

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

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

with the advice of the State Council;

has issued the following law;

### **Article I**

The Universal Company of the Suez Maritime Canal (Egyptian joint-stock company) is hereby nationalized. All its assets, rights and obligations are transferred to the Nation and all the organizations and committees that now operate its management are hereby dissolved.

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

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

### **Article II**

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

Without prejudice to the auditing of its final accounts by the State Audit Department, the organization shall have an independent budget prepared in accordance with the rules in force for commercial concerns. Its financial year shall begin on July 1 and end on June 30 each year. The budget and final accounts shall be approved by an order of the President of the Republic. The first financial year shall begin on the effective date of the present law and end with June 30, 1957.

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

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

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

### **Article III**

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

### **Article IV**

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

### **Article V**

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

### **Article VI**

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

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

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

Gamal Abdel Nasser