

### **Crisis Council: Suez Canal Crisis**

#### **Section 1: Background Information**

According to the Suez Canal Authority, 17,550 ships weighing over a million tons including cargo passed through the Suez Canal in 2017 alone. Since its opening in 1869 the canal has connected the Mediterranean with the Red Sea, and west with east through Egypt. Throughout its history the canal has been owned and operated by two companies, the Suez Canal Company (1869 - 1956) and the Suez Canal Authority (1956 - Present). Due to it being part of multiple major international sea lanes, stock in the canal companies is extremely valuable and the canal's security is vital to international trade, especially between Europe and Asia.

The two largest stockholders in the original Suez Canal Company from 1875 to 1956 were the British government and French stockholders. However, in 1956 the second president of Egypt's new nationalist government, Gamal Abdel Nasser announced Egyptian nationalization of the canal. Egyptians strongly supported Nasser, fed up with over half a century of European, especially British, interference in the Middle East. Britain, France, and the rest of Europe had heavily relied on the canal for trade with Asia. Invigorated with resentment for the collapse of their empires and fear of another fascistic uprising led the two governments to collude with ally Israel to take military action against Nasser. This was strongly frowned upon by the new Cold War Era powers, America who sought a diplomatic solution, and the Soviet Union who had allied with Nasser.

As the British, French, and Israeli invasion of Egypt reached a climax on November 6 and 7, America and the Soviet Union both issued condemnations; the Soviet Premier Nikita Khrushchev, went as far as threatening nuclear strikes on London and Paris. The rest of the world also turned on the British and French in the UN General Assembly. Passed were resolutions, pushed by the Canadian Secretary for External Affairs Lester B. Pearson, condemning the invasions and calling for the creation of the first large scale UN peacekeeping force. Under this international pressure the British, French, and Israelis were forced to accept a ceasefire as the UN Peacekeeping Force relieved them. The outcome of the Suez Canal Crisis heightened tensions in the Cold War Era and fostered greater instability in the Middle East with consequences to last decades.

#### **Section 2: Construction and Ownership**

Construction of the Suez Canal began in 1859 led by French diplomat Ferdinand de Lesseps. It took ten years to complete and cost thousands of Egyptian labourers' lives. The distance to travel from Europe to Asia and vice-versa via ship was shortened by 5000 miles by the canal opening in 1869. The operators of the canal, the Suez Canal Company, was at first owned by French stockholders and the Egyptian crown. However, in 1875 Egyptian King Ismail Pasha sold his 44% stake in the Suez Canal Company to the British government to pay off his debts. British

ownership first became vital to secure the sealane which connected Britain to the “crown jewel” of its Empire, India. In 1882 Egyptian Army Officer Ahmed Ourabi led a revolt against Egyptian ruler Tewfik Pasha for allowing Western interference in Egypt. After the British defeated the Egyptian Army at the Battle Tel El Kebir total British occupation of Egypt would last until 1947 when troops were withdrawn to the Canal Zone. As the twentieth century dawned and progressed security of the sealanes made possible by the canal became vital to both Britain and France to ensure access to oil.

### **Section 3: Independence and Revolution**

Egypt was formally granted independence from the British Empire in 1922, however Egypt’s sovereignty was still compromised as the British still controlled much of the government from the shadows. British military occupation continued, but in 1936 Egyptian King Farouk signed the Anglo-Egyptian Treaty under which British occupation could continue until 1956.

Come 1952, Egyptian nationalism is on the rise. The Egyptian people blame King Farouk for the creation of Israel in 1948, defeat in the Arab-Israeli War in 1948-49, and for allowing British troops to remain in the Canal Zone. Riots in the Canal Zone targeting British troops stoked the fires of revolution. Nationalist Egyptian Army officers led by Colonel Gamal Abdel Nasser seized power in a military coup and Egypt was declared a Republic in 1953 with Muhammad Naguib serving as first president. Colonel Gamal Abdel Nasser, ambitious leader of the revolution, and strong Arab nationalist replaced Naguib in 1956 as second president.

### **Section 4: The Cold War and the Aswan Dam**

As Egypt toiled through revolution, the rest of the world was also toiling through a great ideological struggle we call the Cold War. The communist world powers of the Soviet Union and China worked to exert their influence beyond their borders. An “Iron Curtain” was drawn across Eastern Europe as the Soviets set up puppet communist governments in states they occupied. Meanwhile the Western, democratic, and capitalist Allies lead by the United States of America fought against the communist menace to secure their own interests and freedom. The Allies and China had already waged a proxy war against each other in Korea (1950-53). Both sides were looking for allies wherever they could to gain an upper hand in the worldwide conflict.

Enter Gamal Abdel Nasser’s Egypt, the largest and most powerful Arab state. American President Dwight D. Eisenhower was looking to make Nasser an ally, but Nasser’s top priority was to acquire modern arms to re-equip the Egyptian Army. However, Eisenhower could not provide arms as they would likely be used against existing American ally, and Egyptian enemy, Israel. Instead Eisenhower along with British Prime Minister Anthony Eden offer to finance Nasser’s largest infrastructure project: the Aswan Dam. But Nasser’s conflict with Israel was more pressing due to the Israeli raid on Gaza in 1955. Nasser turned to Soviet Premier Nikita Khrushchev who supplied arms to Nasser through the Soviet puppet of the Czechoslovak

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Socialist Republic. Nasser then established relations with China. America and Britain withdrew their offer to fund the Aswan Dam in retaliation. All the while British troops remain in the Canal Zone with the deadline for their removal arriving.

### **Section 5: Canal Seizure**

On July 26, 1956 President Nasser nationalized the Suez Canal Company, announcing to the Egyptian people and the world: “We dug the canal with our lives, our skulls, our bones, our blood... the money is ours and the Suez Canal belongs to us.” Nasser planned to use profits from the Canal Company to fund the Aswan Dam himself. The seizure was also legal, all stockholders were to be bought out at fair price. This did not stop outrage from Prime Minister Eden in Britain, who saw the seizure as an attack on British interests, and Nasser as another Hitler-esque dictator to be stopped. French Prime Minister Guy Mollet agreed with Eden, the French had been fighting a revolution in Algeria (54-62) and the revolutionaries were being supplied by Nasser. Half of Western European oil was shipped through the canal, important to both the French and British. It had been a mere eight years since the Arab-Israeli War and Israel was still fighting Arab rebels in Gaza. The Eisenhower administration was focused on re-election, the Hungarian revolution, and limiting Soviet influence around the world, including the Middle East. The Soviets believed they had a new ally in Nasser and were looking to exert their influence on the Middle East.

### **Section 6: Conclusion**

The outcome of the Suez Canal Crisis will affect the Middle East and the global geopolitical power structure for decades to come. The new age of independence for Egypt, and the rest of the Middle East has already featured a war with Israel. The canal seizure could easily lead to another conflict. Old empires are crumbling and new superpowers are rising. It has yet to be seen whether the superpowers can resist the temptation of nuclear conflict.

This year’s CHAMUN Crisis Council will be a simulation of the diplomacy between countries attending the Suez Conference in London on August 16, 1956. The countries in attendance have been modified, most notably the addition of Egypt, to ensure the council is dynamic and exciting. Delegates will be able to attempt to resolve the crisis according to their countries’ real-life position during the crisis.

### **Questions to Consider:**

1. Is the Egyptian government justified in its decision to nationalize the canal?
2. What course of action will Britain and France take as a result of this seizure?
3. What role will superpowers U.S.A. and U.S.S.R. play in this crisis?

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