CONCLUSIONS of a Meeting of the Cabinet held at 10 Downing Street, S.W.1, on Tuesday, 28th February, 1956, at 11 a.m.

Present:

The Right Hon. Sir ANTHONY EDEN, M.P., Prime Minister.
The Most Hon. the MARQUESSE OF SALISBURY, Lord President of the Council.
The Right Hon. the VISCOUNT KILMUIR, Lord Chancellor.
The Right Hon. GWILYM LLOYD-GEORGE, M.P., Secretary of State for the Home Department and Minister for Welsh Affairs.
The Right Hon. Sir WALTER MONCKTON, Q.C., M.P., Minister of Defence.
The Right Hon. D. HEATHCOAT AMORY, M.P., Minister of Agriculture, Fisheries and Food (Items 8-11).
The Right Hon. IAIN MACLEOD, M.P., Minister of Labour and National Service.

The Right Hon. SELWYN LLOYD, Q.C., M.P., Secretary of State for Foreign Affairs.
The Right Hon. the EARL OF HOME, Secretary of State for Commonwealth Relations (Item 1).
The Right Hon. DUNCAN SANDYS, M.P., Minister of Housing and Local Government (Items 1-8).
The Right Hon. Sir DAVID ECCLES, M.P., Minister of Education.
The Right Hon. the EARL OF SELKIRK, Chancellor of the Duchy of Lancaster.

The following were also present:
The Right Hon. JOHN HARE, M.P., Minister of State for Colonial Affairs (Items 1-6).
The Right Hon. HENRY BROOKE, M.P., Financial Secretary, Treasury.
Admiral the Right Hon. the EARL MOUNTBATTEN OF BURMA, First Sea Lord and Chief of Naval Staff (Items 1-4).

Secretariat:
The Right Hon. Sir NORMAN BROOK.
Mr. H. O. HOOPER.
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CIM (56) 17th Conclusion Item 1

CLOSED UNTIL 2007

under LCI 78

(date) 5 Nov 1986
(Signed)
2. The Cabinet considered a memorandum by the Foreign Secretary (C.P. (56) 52) inviting their views on the concessions which might be made in seeking a settlement of the dispute with Saudi Arabia over Buraimi.

The Foreign Secretary said that, in the recent discussions in Washington, President Eisenhower had asked whether there was not some concession which we might offer in order to induce the Saudis to enter into direct negotiation on this question and to prevent them from taking it to the Security Council. Could we not offer them some means of access to the sea, east of the Qatar Peninsula? It now seemed possible that the Saudis would agree to start bilateral discussions without any assurance, given in advance, that we should be ready to modify our position; but, even if the talks could thus be
begun, it was unlikely that they could be sustained for long without any concession on our part. He had therefore considered what offer we might make along the lines suggested by President Eisenhower. There were three possible ways of giving the Saudis access to the sea—

(i) by granting them special transit facilities, particularly for oil, and a free port;
(ii) by setting up some kind of neutral zone; or
(iii) by cession of territory.

The third of these courses would be most damaging to our interests, and he did not recommend it. The first would be the easiest for us, but he feared that it might not be sufficient for the Saudis. The Cabinet might therefore be willing to authorise him to offer the second, if he found that the first was insufficient. The device of a neutral zone had worked well in Kuwait, and this encouraged him to think that it might be acceptable to the Ruler of Abu Dhabi.

Discussion showed that there was general agreement in the Cabinet that it would be wiser not to go beyond the offer of transit facilities and a free port. Such an offer should not give rise to any claims for compensation: if it did, they could be resisted. On the other hand, an offer to establish a neutral zone might appear to imply that there was some justice in the Saudis’ claim.

The Cabinet—

(1) Agreed that, in bilateral negotiations with the Government of Saudi Arabia over Buraimi, the Foreign Secretary might offer the Saudis a means of access to the sea, east of Qatar, by way of special transit facilities and a free port.

(2) Invited the Foreign Secretary, before offering any further concession (e.g., the establishment of a neutral zone), to give the Cabinet a further opportunity of considering the matter.

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The Prime Minister said that the officer commanding the Arab Legion had asked that a United Kingdom Minister should visit Jordan to attend the Annual Parade of the Legion on 7th April. Subject to the Cabinet’s views, he proposed that the Secretary of State for Air should attend this Parade, provided that it had first been verified that the invitation had the support of the King of Jordan and his Prime Minister.

The Cabinet endorsed this proposal.

The Foreign Secretary invited the Cabinet’s attention to telegrams from H.M. Ambassador at Amman (Nos. 224, 239, 240, 251 and 255) reporting that the Government of Jordan had asked us for an assurance of military assistance in the event of an attack by Israel on Syria. He circulated to the Cabinet drafts of two telegrams outlining the reply which H.M. Ambassador should return to this enquiry. These made it clear that, if Israel attacked an Arab State other than Jordan, the United Kingdom Government would not be under any obligation to render military assistance to Jordan under the terms of the Anglo-Jordan Treaty. Such action by Israel would, however, bring into play the Tripartite Declaration of 1950; and, as soon as it became clear that Israel was the aggressor, the parties to that Declaration would range themselves behind the country attacked and take all appropriate steps to restore the position. The United Kingdom Government would therefore find themselves side by side with Jordan in a common determination to resist Israel’s aggression,
and would consult with the Jordan Government on the best means of carrying out this common purpose. They would be prepared in such an event to send reinforcements to Jordan, but it was important that the Jordan Government should themselves avoid precipitate action and allow time for the most effective deployment of the joint resources of the two countries. The Jordan Government should also be on their guard against attempts to lure them into action which might obscure the responsibility for the outbreak of hostilities.

In discussion the following points were raised:

(a) The action to be taken by the United Kingdom Government in these circumstances should be plainly based on the Tripartite Declaration. It was agreed that the draft telegrams should be amended so as to make this more clear.

(b) Was it desirable that we should commit ourselves to sending reinforcements to Jordan in this event until we were certain that corresponding action would be taken by the United States Government?

The Cabinet were informed that there were already clear indications that, if such a situation arose, the Americans would be quick to honour their obligations under the Tripartite Declaration.

(c) British ground forces in Jordan would have to be reinforced by air, and in earlier plans it had been assumed that the Israel Air Force would have been neutralised before reinforcements were flown in. The reinforcements would be in a vulnerable position if they had to be sent before this had been done. This risk might, however, have to be taken unless the United States Government were willing, in the circumstances envisaged, to join us in preliminary action against the Israel Air Force.

(d) Was it not desirable that a strong warning should be given to the Israel Government that, if they began work on the Jisr Banat Yacoub canal near the Syrian frontier, there was a grave risk of Syrian reactions which would lead to war?

The Cabinet were informed that this warning had already been given to the Israel Government in clear terms and had recently been repeated.

The Cabinet—

(1) Authorised the Foreign Secretary to instruct H.M. Ambassador at Amman in the terms of the draft telegrams which he had circulated, subject to the amendments approved in the Cabinet's discussion.

(2) Invited the Minister of Defence to arrange for the military implications of this question to be considered in the staff discussions now proceeding in Washington on the means of implementing the Tripartite Declaration of 1950.

4. The Foreign Secretary said that, on his way to and from the forthcoming meeting of the Council of the South-East Asia Treaty Organisation in Karachi, he would be visiting various capitals in the Middle East and India. In connection with these visits there were three points on which he would be glad of the advice of his colleagues.

Since the Cabinet’s meeting on 22nd February he had again considered the line which he should take in his conversations with the Prime Minister of Egypt. He intended to make it clear that in the Middle East we had no Colonial purpose, and that our sole interests were to protect the sources of our oil supplies in the Persian Gulf and to prevent Soviet encroachment. Those interests were, however, vital
to our security and we were resolved to protect them. We were in particular determined to uphold the Bagdad Pact. We desired friendlier relations with Egypt, but these could not be established unless the Egyptian Government discontinued their hostile propaganda and their attempts to undermine our position throughout the Middle East. If they changed their attitude towards us, we could do much for them in return—by assistance over the Nile waters and in their relations with Iraq.

The Prime Minister said that he was in full agreement with the line which the Foreign Secretary proposed to take. We must show no lack of resolution in our support of the Bagdad Pact. If it collapsed, there would be nothing to prevent Soviet influence from reaching down to the Persian Gulf.

The Cabinet—

(1) Approved the line which the Foreign Secretary proposed to take in his forthcoming discussions with the Prime Minister of Egypt.

The Foreign Secretary said that the Prime Minister of India was also likely to express disquiet about the Bagdad Pact. He had been disturbed at the suggestion that Jordan might join the Pact, and he might ask for an assurance that no other Arab State would adhere to it. The Foreign Secretary said that, if this point were raised, he would point out that these were independent sovereign States, which could not be prevented from joining regional pacts if they wished to do so. He could, however, say that, if India accepted the existing membership of this Pact, the United Kingdom would not urge other Arab States to join it.

In discussion the suggestion was made that India’s dislike of this Pact was due to Pakistan’s attempts to use it as a means of assuring herself of support in a war with India. The Foreign Secretary said that under the Bagdad Pact the members only agreed to “co-operate for their security and defence” and that our obligations to Pakistan under the [Bagdad] Pact added nothing to our obligations to her as a member of the Commonwealth. There was certainly no obligation on members of the Pact to give assistance to Pakistan in the event of an attack by Pakistan on India. If, therefore, India had no aggressive intentions against Pakistan, she had nothing to fear from the Bagdad Pact, and a firm assurance to this effect could be given to the Prime Minister of India.

The Cabinet—

(2) Took note with approval of the arguments which the Foreign Secretary proposed to use in favour of the Bagdad Pact in his forthcoming discussions with the Prime Minister of India.

The Foreign Secretary said that, in the course of his forthcoming visit to Israel, an attempt was likely to be made to induce him to visit Jerusalem in circumstances which could be taken to imply that the United Kingdom Government recognised it as Israel’s capital. He could not avoid paying an informal visit to Jerusalem, but he proposed to decline any formal hospitality there. If he had to meet the Prime Minister of Israel in Jerusalem, he would do so informally.

The Cabinet—

(3) Took note of the steps which the Foreign Secretary proposed to take to avoid any action impliedly recognising Jerusalem as the capital of Israel.
5. The Cabinet considered telegrams which the Colonial Secretary had sent from Cyprus (Nos. 436 and 437) reporting that, in the latest stages of the negotiations, Archbishop Makarios had put forward unacceptable demands in connection with future responsibility for public security and an amnesty for political offenders, and had raised further questions about our intentions in respect of constitutional development. The Colonial Secretary proposed to reaffirm the position of the United Kingdom Government on these points and invited the Cabinet's concurrence in the terms of a statement which he proposed to make to Archbishop Makarios. On the question of constitutional development, he proposed to inform the Archbishop that a constitutional Commissioner would be sent to Cyprus to draw up, in consultation with representatives of all sections of opinion there, a liberal and democratic constitution which would provide for an elected majority in the Legislative Assembly and would safeguard, *inter alia*, the interests of minority sections of the community. The constitution would reserve to the Governor powers over foreign affairs and defence, and all powers over public security for as long as might be necessary to safeguard law and order and British defence requirements; and the control of all other Departments would be transferred as rapidly as was consistent with orderly government to Cypriot Ministers responsible to the Legislative Assembly. At the same time the Colonial Secretary would reaffirm to the Archbishop the circumstances in which an amnesty could be granted and the Emergency Regulations repealed.

In discussion the following points were made:

(a) In the statement to be made by the Colonial Secretary it should be made quite clear that it would be for the Governor of Cyprus to decide when the time had come to transfer to Cypriot Ministers the responsibility for public security.

(b) The proposed statement that the constitution would provide for an elected majority in the Legislative Assembly could be preceded by the words "As was made clear in the London talks." This would serve to remind the Archbishop that at the London Conference the United Kingdom Government had proposed that a proportionate quota of seats in the Assembly should be reserved to each community.

(c) In the final sentence of the draft statement it was suggested that under the proposed constitution a minority would not be allowed to obstruct majority opinion in matters which did not prejudice the particular minority interests concerned. There was general agreement that this sentence should be omitted. It was certain to give offence to the Turks. Moreover, it was inconsistent with the accepted principles of Parliamentary Opposition and with liberal constitutional doctrines.

The Cabinet—

Subject to the amendments noted in paragraphs (a) to (c) above, agreed that the Colonial Secretary should make an oral statement to Archbishop Makarios in the terms of the draft set out in Cyprus telegram No. 437; and authorised the Minister of State for the Colonies to inform the Colonial Secretary accordingly.

6. The Prime Minister said that it had been arranged that, subject to the Cabinet's approval, the Governor of Malta, who had come to London for consultation, should break his return journey at Rome for a discussion with the Pope. There was reason to believe that the Pope might be prepared to exercise his authority over Archbishop Gronzi and to ask him to refrain, while the Report of the Round Table Conference was before the Parliament at
Westminster, from pursuing or countenancing courses which would exacerbate the situation in Malta. It was also hoped that the Colonial Secretary would be able to visit Malta for discussions in the course of his return journey from Cyprus.

The Cabinet—

Took note with approval of this statement.

Parliament.

7. The Cabinet were informed of the business to be taken in the House of Commons in the following week.

The Cabinet were also informed that, in the week beginning 12th March, it was provisionally proposed that the House of Commons should debate the Second Reading of the Death Penalty (Abolition) Bill and the Report Stage of the Teachers (Superannuation) Bill.

Soilviet Union. Visit of Soviet Leaders to the United Kingdom. (Previous Reference : C.M. (56) 15th Conclusions, Minute 7.)

8. The Lord President said that he had noted the Cabinet's decision of 16th February that the invitation to the Soviet leaders to visit this country should not be withdrawn. He accepted this decision, though he regretted the necessity for it. He wished, however, to make one suggestion about the programme for the visit. He noted that The Queen was to receive the Soviet leaders at Windsor Castle. He hoped that Her Majesty would be advised not to allow herself to be photographed with the Soviet leaders on this occasion.

Discussion showed that the Cabinet were in full agreement with the view expressed by the Lord President on this point.

The Cabinet—

Took note that the Prime Minister would advise The Queen that no facilities should be given for photographs to be taken on the occasion of the visit of the Soviet leaders to Windsor Castle.

Betting, Lotteries and Gaming. (Previous Reference : C.M. (56) 8th Conclusions, Minute 8.)

9. The Cabinet considered a memorandum by the Home Secretary (C.P. (56) 54) covering the draft of an announcement of the Government's intention to give effect to the recommendations of the Royal Commission on Betting, Lotteries and Gaming.

The Home Secretary said that in the debate in the House of Lords on 8th February there had been general support for the main recommendations of the Royal Commission's report. Press comment on the debate had also been favourable in the main. There was good reason now to suppose that legislation on this subject would arouse much less controversy than had been feared. The Government were likely to incur stronger criticism for delay in proposing amendment of the law. A motion was to be moved in the House of Commons on 9th March inviting the Government to introduce legislation on this subject. He recommended that this opportunity should be taken to make an announcement, in the terms of the draft annexed to C.P. (56) 54, stating that the Government accepted the main recommendations of the Royal Commission's report and had given instructions for the preparation of the necessary legislation for introduction as soon as opportunity offered.
In discussion there was general agreement that the Government should now proceed with this legislation at the earliest practicable opportunity. The Lord Privy Seal said, however, that there was no possibility of passing this Bill in the current session. Moreover, it was already clear that the Government would have to undertake a very heavy legislative programme in the 1956–57 session. Projects for legislation in that session already involved a total of ninety-seven Bills, of which not less than fifteen were proposed by the Home Office. It was not yet clear what priority could be given to a Betting Bill. A preliminary review of this programme would have been made before the debate in the House of Commons on 9th March.

The Cabinet—

(1) Agreed that legislation to give effect to the main recommendations of the report of the Royal Commission on Betting, Lotteries and Gaming should be prepared for introduction in the 1956–57 session.

(2) Agreed that in the forthcoming debate in the House of Commons on 9th March it should be stated that the Government intended to introduce this legislation at the earliest practicable opportunity; but invited the Home Secretary to settle the precise wording of this statement with the Lord Privy Seal in the light of the preliminary review which the Future Legislation Committee were to make of the programme of Government legislation for the 1956–57 session.

10. The Cabinet had before them a memorandum by the Minister of Agriculture (C.P. (56) 56) setting out the basis for a settlement of the current review of farm prices and seeking authority to offer initially a revised schedule of price guarantees at an additional cost of approximately £17 millions in comparison with the figure for the previous year.

The Minister of Agriculture said that agricultural costs had risen by about £40 millions. This was partially offset by an increase in efficiency in the production of commodities covered by the review which would be said by the farmers to amount to £16 millions. Although it was estimated that the actual net income of the industry would rise by £14 millions over the forthcoming year, this would conceal a fall of £28 millions (from £320 millions to £292 millions) in net income if it were calculated on the basis of normal weather conditions. These were the main factors to be taken into account in reaching a settlement. The farmers would seek to recoup in increased price guarantees the net rise in their costs, and they would argue that a total net income of £300–£320 millions was not excessive if it were to provide a margin for re-investment in the industry. The Chancellor of the Exchequer had concurred in the recommendation of the Ministerial Committee on the Farm Price Review that a settlement should be sought at approximately £20 millions, although he himself felt that a figure nearer £25 millions would not be inequitable. The Farmers' Unions were unlikely to agree to a settlement at less than £30 millions, and it would be necessary to impose a settlement if the negotiations were to be concluded at a figure in the region of £20 millions.

The following points were made in discussion:—

(a) Although the farmers would resist as inequitable a figure of £20 millions, it would be difficult to defend a more generous award at a time when sacrifices were being demanded of all sections of the community.
(b) As in the case of industry, the larger farms were more efficient and relatively more profitable than the small farms and the price guarantees had the effect of increasing this disparity. It was, however, the small farmers who were experiencing the greatest difficulty and theirs would be the case most strongly pressed in the negotiations.

(c) The small farmers concentrated mainly on milk, eggs and pigs. It was proposed, however, to reduce the pig subsidy and to leave the subsidy for eggs unchanged. While it was uneconomic to subsidise the over-production of milk, which was based on imported feedingstuffs and restricted the United Kingdom market for the milk products of Commonwealth countries, it was impracticable for the small farmer—especially during a period of credit restriction—to turn easily and promptly to beef production. There was therefore a case for offering as part of the final settlement the alternative proposal set out in Appendix B to C.P. (56) 56 which contemplated an increase of 4d. rather than 1d. in the price guarantee for milk. It was however agreed that, although the Government’s initial offer of increased guarantees totalling £17 millions would cause disquiet in the farming industry, there would be little advantage, if a settlement of about £20 millions had to be achieved, in raising the opening figure to £19 millions by offering forthwith an increase in the guarantee for milk.

The Cabinet—

Approved the proposals in C.P. (56) 56 and authorised the Minister of Agriculture to offer, in the next stage of the negotiations with the Farmers’ Unions, increased price guarantees to a total value of approximately £17 millions as set out in Appendix B of his memorandum.

Food.

Danish Bacon.

(Previous Reference: C.M. (56) 8th Conclusions, Minute 11.)

11. The Minister of Agriculture reported that agreement had been reached with Denmark on the proposal to impose a 10 per cent. duty on imports of Danish bacon into this country. The agreement would run initially for four years and the Danes had been assured that, should it become necessary for any reason to reimpose quantitative restrictions on the import of bacon, Danish interests in the United Kingdom market would be fully safeguarded. The agreement would be announced in Denmark that day, and it was proposed that the Minister of State, Board of Trade, should make a corresponding announcement in the House of Commons that afternoon. He himself would announce, in answer to a written Question, that State trading in bacon would now come to an end.

The Cabinet—

Took note of this statement, and agreed that an announcement should be made in the House of Commons that afternoon of the outcome of the tariff negotiations with Denmark on bacon.

Cabinet Office, S.W. I,

28th February, 1956.