CONCLUSIONS of a Meeting of the Cabinet held at 10 Downing Street, S.W. 1, on Tuesday, 11th September, 1956, at 3 p.m.

Present:

The Right Hon. Sir Anthony Eden, M.P., Prime Minister.
The Most Hon. the Marquess of Salisbury, Lord President of the Council.
The Right Hon. Selwyn Lloyd, Q.C., M.P., Secretary of State for Foreign Affairs.
The Right Hon. James Stuart, M.P., Secretary of State for Scotland.
The Right Hon. Alan Lennox-Boyd, M.P., Secretary of State for the Colonies.
The Right Hon. Duncan Sandys, M.P., Minister of Housing and Local Government.
The Right Hon. D. Heathcoat Amory, M.P., Minister of Agriculture, Fisheries and Food.
The Right Hon. Iain Macleod, M.P., Minister of Labour and National Service.
The Right Hon. R. A. Butler, M.P., Lord Privy Seal.
The Right Hon. the Viscount Kilmain, 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. the Earl of Home, Secretary of State for Commonwealth Relations.
The Right Hon. Sir Walter Monckton, Q.C., M.P., Minister of Defence.
The Right Hon. Peter Thorneycroft, M.P., President of the Board of Trade.
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 Right Hon. Patrick Buchan-Hepburn, M.P., Minister of Works.

The following were also present:
The Right Hon. the Viscount Hailsham, Q.C., First Lord of the Admiralty (Item 4).
The Right Hon. Nigel Birch, M.P., Secretary of State for Air (Item 4).
The Right Hon. Antony Head, M.P., Secretary of State for War (Item 4).
The Right Hon. Edward Heath, M.P., Parliamentary Secretary, Treasury.

Secretariat:
The Right Hon. Sir Norman Brook.
Mr. H. O. Hooper.
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1. The Cabinet were informed of the arrangements proposed for the meeting of Parliament on 12th to 14th September.

The House of Commons would debate the Suez situation on 12th and 13th September. The Government spokesmen would be the Prime Minister and the Foreign Secretary. The debate on the first day would be held on a motion for the adjournment: this would leave it open for the Foreign Secretary to move, at the outset of the second day's debate, an appropriate motion of confidence in the Government's handling of the situation.

On the 14th September the House of Commons would hold a debate on Cyprus, in which the Government spokesmen would be the Colonial Secretary and the Minister of State for Colonial Affairs.

In the House of Lords the Lord President would open the debate on the Suez situation on 12th September and the reply to the first day's debate would be made by the Lord Chancellor. The Minister of State for Foreign Affairs (Lord Reading) would be the Government's spokesman if the debate were to continue into a second day. There would also be a debate on Cyprus in which the Government spokesman would be the Parliamentary Under-Secretary of State for the Colonies.

2. The Cabinet had before them a memorandum by the Colonial Secretary (CP. (56) 204) recommending that the remaining steps should now be taken to accord full self-government to the Gold Coast under the new name of Ghana and that the necessary legislation for this purpose should be prepared for introduction in the forthcoming session of Parliament.

The Colonial Secretary recalled that, with the Cabinet's approval, he had announced in Parliament on 11th May that the United Kingdom Government would be prepared to promote the final stages of constitutional advance in the Gold Coast after the people had been given the opportunity in a general election to express their views on the proposed constitution and a motion calling for independence had been passed by a reasonable majority in the new legislature. Both of these requirements had now been fulfilled and, although the Opposition Parties in the Gold Coast mustering less than one-third of the seats in the legislature had refrained from voting on the motion for self-government, this was not a sufficient reason for modifying the policy to which the United Kingdom Government were committed. Every effort had been made to meet the wishes of the Opposition Parties by introducing the greatest possible measure of regional devolution into the new constitutional arrangements, but it would not have been practicable to have gone further and devised a federal form of constitution for the Gold Coast. Given the safeguards provided by the arrangements for regional devolution, the right course for the dissident Parties was to form themselves into an effective Parliamentary Opposition and to attempt to make the constitution work. He had emphasised this to a group of Opposition leaders from the Gold Coast now in London.

There were two further points. First, as regards corruption in public life, the Prime Minister (Dr. Nkrumah) had announced that the report of the recent Commission of Enquiry into irregularities in the finances of the Cocoa Purchasing Company would be published in full and that steps would be taken to bring the finances of such bodies under closer Parliamentary control. Secondly, as regards Togoland, the inhabitants proposed to appeal to the United Nations against the termination of trustee status for their territory. But the Trusteeship Council had, by a virtually unanimous decision, already decided to approve the termination of the trusteeship and there was little doubt that their recommendation would be endorsed by the General Assembly.
He therefore proposed to issue in the following week a public statement on the advance of the Gold Coast to full self-government with effect from 6th March, 1956, and to introduce the necessary legislation in the forthcoming session. The risk must be accepted that this announcement might lead to disturbances in the Gold Coast; but there was a certainty of much more serious disorder if the Government failed to fulfil their undertakings.

In discussion the following points were made:

(a) The Minister of Housing said that the introduction of this unitary constitution would have the effect of placing the tribal inhabitants of the Central and Northern Territories of the Gold Coast under the control of the more advanced and educated merchant groups in the coastal areas. Moreover, it was proposed to withdraw from the Northern Territories without their consent the protectorate status which they now enjoyed. This was not a satisfactory discharge of our responsibilities. He strongly urged that, even at this late stage, further consideration should be given to the possibility of adopting a federal system.

The Colonial Secretary said that he was satisfied that, both on economic and financial grounds, the Gold Coast, with five million inhabitants, was too small to be divided into the five separate units which a federal system would entail. Nor was there any practicable alternative but to abrogate the protectorate treaties when, under any system of self-government, we should be unable to fulfil our obligations under them. The Chiefs concerned had seen that this was inevitable, and the provisions in the constitution for devolution of authority contemplated a House of Chiefs in the Northern Territory.

The Commonwealth Secretary endorsed the views expressed by the Colonial Secretary on these points.

Discussion showed that it was the general view of the Cabinet that, having regard to the undertakings already given, there was now no alternative but to proceed with the introduction of the unitary constitution proposed for the Gold Coast.

(b) It would, however, be necessary to examine the implications which the withdrawal of protectorate status from the Northern Territories in the Gold Coast would have for our policy in Northern Rhodesia and Nyasaland. The Governments of Northern Rhodesia and Nyasaland had been assured that we could not withdraw protectorate status from the native populations in their territories which enjoyed it. It would now be necessary to satisfy these Governments that a policy in regard to protectorates was being followed which was not inconsistent as between one colonial territory and another.

(c) The Chancellor of the Exchequer said that it should be made clear to the Gold Coast Government that the proposed advance to self-government status would not carry with it a claim to any funds of the Colonial Development and Welfare Corporation. Moreover, Gold Coast balances now held in London amounted to nearly £100 millions. In view of the strains which sterling must be expected to suffer in the period immediately ahead, it might be desirable to defer the date on which full self-government would come into effect in case this might involve the risk of these balances being withdrawn for investment elsewhere.

On this, however, it was pointed out that the Gold Coast authorities were already free to withdraw their balances from London, should they so wish, and it was agreed that the next stage of constitutional advance could not be deferred on that account.
The Cabinet—

(1) Approved the proposals in paragraph 18 of C.P. (56) 204.
(2) Invited the Commonwealth Secretary and the Colonial Secretary, in consultation, to give further consideration to the implications for Commonwealth policy of the point recorded in paragraph (b) above.

Bechuanaland Protectorate.

The Cabinet had before them a memorandum by the Commonwealth Secretary (C.P. (56) 206) on the prospects of resolving the problem of the succession to the Chiefship of the Bamangwato tribe.

The Commonwealth Secretary said that both Seretse Khama and Tshekedi Khama had decided to renounce their claims to the Chiefship and were prepared to support Rasebolai as African Authority. They wished to be allowed to return to the Bamangwato Reserve with the right as free citizens to serve their people in any capacity to which they might be elected. They had both signed a statement to that effect.

He was disposed to accept these assurances, in the hope that they would bring to an end the troubles over the succession, and to allow Seretse and Tshekedi to return to the Reserve. It was of course conceivable that the presence of Seretse in the Reserve would excite a spontaneous demonstration in favour of his election as Chief but, as Tshekedi would be opposed to this, the risk could be discounted.

Subject to the approval of his colleagues he proposed, therefore, that Seretse’s renunciation should be made known to the Tribe and announced in London during the current month. Seretse himself would then be allowed to return to the Reserve in October and an Advisory Council for the Tribe, on which both Seretse and Tshekedi would be free to serve, if called upon to do so, would be set up.

The Cabinet agreed that the assurances which had been given offered a reasonable prospect of a settlement of this question. The risks involved might be reduced if Seretse, on return to the Reserve, continued to receive, while of good behaviour, the allowance which had been paid to him in London, and it was agreed that this point should be further considered.

The Cabinet—

Approved, subject to the further point made in their discussion, the proposals in C.P. (56) 206.

Suez Canal.

The Foreign Secretary said that Mr. Menzies’ mission to Cairo had at least produced a clear-cut result. The Egyptian Government had flatly rejected the proposals for international control of the Suez Canal which had been put to them by Mr. Menzies’ Committee on behalf of eighteen of the nations represented at the London Conference. The Prime Minister and he had therefore been considering with the Governments of the United States and France three possible courses which might now be taken. The first was to proceed at once with military action to restore the position. To this the United States Government were strongly opposed. The second was to put forward in the Security Council a resolution supporting the proposals emanating from the London Conference and calling on Egypt to restore to the maritime Powers their rights under the Convention of 1888. The United States Government were now inclined to think that we should be on weak ground in putting forward such a resolution at this stage. They favoured the third course of
putting into operation the plan, which they had now elaborated, for establishing an organisation to enable the principal users of the Canal to exercise their rights under the 1888 Convention. It was to be fully effective, this plan would require the co-operation of the Egyptian authorities; but it had now been confirmed that the American proposal was, not to enter into negotiations with the Egyptians, but to call on them to provide the necessary facilities. The essence of the plan was that the principal users should together take positive action to assert their rights. It would, moreover, be a part of the plan that all the countries making use of the facilities provided by this organisation would immediately pay the transit dues to it. The plan would have two great advantages: first, it would directly involve the United States in action designed to enforce the rights of users of the Canal; and secondly, it would deprive the Egyptian Government of more than 80 per cent. of the transit dues for passage through the Canal. The Egypt Committee had therefore decided, at their meeting on the previous day, that we should go forward with this plan if the United States Government were willing that their intention to participate in it should be publicly announced in the forthcoming debate in the House of Commons. In that event we should not at this stage submit any resolution to the Security Council: we should do no more than bring the situation to the notice of the Chairman of the Council under Article 35 of the United Nations Charter.

In discussion it was recognised that an organisation of users, operating from outside Egypt, would find great practical difficulty in operating the movement of ships through the Canal. It should be able to organise a service of pilots, working from warships stationed at either end of the Canal; but it would have no control over the bridges and the signalling system along the Canal. It was likely, therefore, that this attempt to assert the users' rights under the Convention would produce a confused situation in the Canal, even if the Egyptians refrained from taking forcible action to prevent the passage of ships operated by pilots acting on behalf of the users' organisation. It was, however, the view of the Cabinet that these practical difficulties were outweighed by the great advantage that the United States would be publicly involved in a plan of positive action to enforce the users' rights under the Convention. If the plan succeeded, Colonel Nasser's original action would be largely frustrated: if it failed, by reason of Egyptian obstruction, the maritime Powers would have stronger grounds either for an appeal to the Security Council or for recourse to more forcible measures.

Discussion then turned on the question whether any reference should be made to the Security Council at this stage. The Cabinet were informed that the High Commissioners of the older Commonwealth countries, in their recent discussions with the Commonwealth Secretary, had expressed the view that recourse should now be had to the machinery of the United Nations. It was likely that this view would be reflected in the forthcoming debate in the House of Commons. The Foreign Secretary said that, if the United States Government were willing that the Prime Minister should announce in the House of Commons on the following day the plan for the establishment of an organisation to enable the users of the Canal to assert their rights under the 1888 Convention, he would be in favour of sending simultaneously to the Chairman of the Security Council a simple notification of the situation in the terms which had been agreed with the French Government. This notification would be made under Article 35 of the United Nations Charter. It need not lead to any immediate debate in the Security Council, nor would it preclude the continuance of negotiations between the parties under the terms of Article 33 of the Charter. It might, however, be to our advantage to have made this preliminary notification if it became necessary at a later stage to bring the issue before the Council under Article 37 of the Charter.
The Prime Minister, summing up this part of the discussion, said that it was evident that the Cabinet were in favour of proceeding with the plan for establishing an organisation to enable the principal users of the Canal to exercise their rights under the 1888 Convention, provided that the United States Government were willing that this project should be announced in the forthcoming debate in the House of Commons and brought into operation without delay; and that the Cabinet were further agreed that in this event, the situation should be formally notified to the Chairman of the Security Council under Article 35 of the United Nations Charter.

Discussion then turned on the further steps which might subsequently have to be taken.

The Chancellor of the Exchequer said that, in his judgment, it was unlikely that effective international control over the Canal could be secured without the use of force. He regarded the establishment of this users' organisation as a step towards the ultimate use of force. It would not in itself provide a solution. It was very doubtful whether the Canal could be operated effectively under such an arrangement as this; and it seemed certain that the Egyptians could not accept it as a permanent system. It should, however, serve to bring the issue to a head. This was of great importance from the point of view of the national economy. If we could achieve a quick and satisfactory settlement of this issue, confidence in sterling would be restored; but, if a settlement was long delayed, the cost and the uncertainty would undermine our financial position. He therefore hoped that Parliament could be persuaded to give the Government a mandate to take all necessary steps, including the use of force, to secure a satisfactory settlement of this problem.

The Minister of Defence said that he hoped that the adoption of this plan for the establishment of a users' organisation would not be regarded solely as a step towards the use of force. He did not exclude the possibility that, if the Canal could be brought under effective international control, the present régime in Egypt might be overthrown by means short of war. Any premature recourse to force, especially without the support and approval of the United States, was likely to precipitate disorder throughout the Middle East and to alienate a substantial body of public opinion in this country and elsewhere throughout the world.

The Lord Chancellor said that it would be mistaken to assume that, if force had ultimately to be used, this would be inconsistent with the United Nations Charter. While the detailed provisions of the Charter placed all their emphasis on the preservation of peace, it was one of the essential purposes of the Charter, as reflected in the preamble, to secure respect for international obligations. It was this which was the main issue at stake in this situation. We certainly had a duty to do our utmost to secure it by peaceful means. The establishment of the users' organisation would be a further step, in addition to those which we had already taken, to secure a peaceful settlement. But, if it failed, by reason of Egyptian obstruction, he believed that we should be fully justified in having recourse to force and submitting the issue simultaneously to the Security Council.

The Lord President supported the views expressed by the Lord Chancellor. In the last resort, a decision to use force could be based either on some incident in the Suez Canal or on the need to enforce respect for international obligations. He would greatly prefer that our case should be based on the second of those grounds. It was on that basis that an approach should be made, when the time came, to the Security Council. If it failed by reason of a Russian veto, it would be seen that the United Nations was incapable of enforcing the principles laid down in the preamble of the Charter. We should then be justified in taking action ourselves to enforce respect for international obligations.
The Lord Privy Seal said that the Conservative Party in the House of Commons would be ready to support the use of force if they were satisfied that all practicable steps had been taken, without success, to secure a settlement by peaceful means.

The Prime Minister, summing up this part of the discussion, said that it was clear that the Cabinet were agreed that Egypt's disregard of her international obligations could not be tolerated and that effective international control over the Suez Canal must be re-established; that every reasonable effort must be made to secure this objective by peaceful means; but that, if these should all fail, we should be justified in the last resort in using force to restore the situation. It would be a difficult exercise of judgment to decide when the point had been reached when recourse must be had to forceful measures. In determining this, we should weigh, not only the state of public opinion in the United States, but also the views of the French, who were eager to take firm action to restore the situation and were increasingly impatient of delay.

The Cabinet then held a brief discussion on the nature of the military operations which might, if need arose, be undertaken in the Eastern Mediterranean. They were informed of certain changes in the military plans. These had been discussed with representatives of the French Government, who were in full agreement with them. The revised plans had much greater flexibility than the earlier proposals which the Cabinet had considered. They would not involve so large a redeployment of forces, and they could be brought into effect at shorter notice.

The Cabinet finally discussed the resolution on the Suez situation which had been passed at the recent meeting of the Trades Union Congress. It seemed likely that, if in the last resort it proved necessary to have recourse to forceful measures, this course might be actively opposed by some trade unions. Difficulties were most likely to arise in the mines and in the docks. It would be useful if, after the forthcoming debate in the House of Commons, the Minister of Labour could ascertain confidentially from responsible trade union leaders what prospect there was of serious industrial trouble if military operations had to be undertaken in the Eastern Mediterranean.

The Cabinet—

1. Invited the Foreign Secretary to obtain the agreement of the United States Government to the announcement, in the forthcoming debate in the House of Commons, of the project for establishing an organisation to enable the principal users of the Suez Canal to exercise their rights under the 1888 Convention.

2. Agreed that, if the announcement foreshadowed in Conclusion (1) were made, a formal communication should simultaneously be made to the Chairman of the Security Council notifying him, under Article 35 of the United Nations Charter, of the situation in the Suez Canal.

3. Took note of the revised plans for possible military operations in the Eastern Mediterranean.

4. Took note that the Prime Minister would arrange for the Minister of Labour to ascertain at the appropriate stage from responsible trade union leaders whether it was likely that serious difficulties would arise within industry if it became necessary to undertake military operations in the Eastern Mediterranean.

Cabinet Office, S.W. 1,
12th September, 1956.