

Note by the British Minister of State for Foreign Affairs on the first Interim Report of the Working Party concerning the safeguarding of oil supplies from the Middle East (London, 14 November 1955)


Caption: On 14 November 1955, Lord Reading, British Minister of State for Foreign Affairs, issues a note on the first Interim Report of the Working Party set up to examine what further action should be taken to safeguard the free flow of oil supplies from the Middle East. The memorandum from the Middle East Oil Committee emphasises the danger of the Soviet diplomatic offensive in the region. The document particularly outlines the economic measures that would be likely to counter the Soviet influence in the Middle East and ensure the defence of the United Kingdom’s strategic oil interests.

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14th November, 1955

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CABINET

MIDDLE EAST OIL

NOTE BY THE MINISTER OF STATE FOR FOREIGN AFFAIRS

I commend to my colleagues the attached report by officials, enclosing the first Interim Report of the Working Party which was set up in accordance with the decision of the Cabinet on 18th October to examine what further action should be taken to safeguard the free flow of oil supplies from the Middle East (C.M. (55) 35th Conclusions, Minute 6). The Report is summarised in the Middle East Oil Committee's Paper.

2. I ask my colleagues:—

- (i) to direct that the recommendations of the Report be carried out without delay subject to decisions ~~as~~ (ii) and (iii) below;
- (ii) to confirm that, to this end, it is their intention that there should be some additional expenditure on overseas Information (including the British Council) above what was contemplated before this Working Party was set up;
- (iii) to take an early decision about the future of the British Council so as to enable them to carry out the necessary recruitment for the task which the Working Party recommend;
- (iv) to direct that the Working Party should continue its work, and ^{arrange for} ~~conduct~~ the necessary discussions with the oil companies and with the United States Administration.

R.

Foreign Office, S.W. 1,
14th November, 1955.

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MEMORANDUM BY THE MIDDLE EAST OIL COMMITTEE

On 18th October the Cabinet decided that a Working Party should be set up with the following terms of reference:—

“With a view to safeguarding the free flow of oil supplies from the Middle East, to consider urgently—

- (a) what further action Her Majesty's Government should take; including action which involves increased expenditure;
 - (b) what action the oil companies should be urged to take;
- and to make early recommendations, if necessary in the form of interim reports.”

The Working Party's first Interim Report has been considered by the Middle East Oil Committee and is attached.

2. In considering this report, Ministers will no doubt wish to see it in perspective against the background of recent events in the Middle East. The recent Russian diplomatic offensive there, with the threat which it implies not only to our oil supplies but also to the peace of the area, raises issues of high political strategy which are outside the province of the Committee and are in any case being urgently considered elsewhere. This offensive has also prompted proposals for the supply of arms to certain countries, which are also being considered separately.

3. In due course it will be necessary to consider our longer term policy towards securing our essential supplies of oil from the Middle East. It is recommended that this study should be undertaken in the first instance by the Working Party; consultation will be necessary with the British oil companies, and with the State Department.

4. In the meantime it is necessary to initiate new measures designed to maintain and increase our influence in the Middle East. The value of these measures depends, of course, upon our real strength, both economic and military. They cannot be expected to secure our oil supplies by themselves. Although the full impact of such measures would not develop for two or three years, the evidence which they would give of increased British activity and self-confidence would have some impact upon the immediate situation. It is with measures of this kind that the Working Party's Interim Report is concerned.

5. The Working Party's Report recommends in the main an intensification of our present efforts in the Middle East. It has not been able in the time available, to go into every proposal in detail, but those proposals (a) to (f) below) for which it asks specific approval have all been the subject of detailed examination in the past with H.M. Missions overseas, and with the home Departments concerned.

6. The Working Party's recommendations can be summarised as follows:—

- | | |
|---|---|
| (a) An increase in technical assistance | £26,000 a year |
| (b) A gift of lorries to the Ruler of Muscat to enable him to ensure the security of oil operations there ... | £25,000 |
| (c) The establishment of a British boys' school in the Lebanon, £120,000 (capital) | £10,000 a year |
| (d) Improvements in the conditions of service of Her Majesty's Foreign Service in the Middle East and in the equipment and buildings of H.M. Missions, £225,000 (capital over 3 years) | £26,000
£45,000
(recurrent expenditure) |
| (e) A substantial increase in our information effort, £75,000 (capital expenditure) | £54,000 a year |
| (f) An increase in the activities of the British Council (including £175,000 capital spread over the first 3 years) | £300,000 a year |

In addition there are other proposals requiring further study including increased trade promotion activity, assistance to medical work, help in technical

education and the possibility of adding an additional Labour Attaché and an Oil Attaché to the Middle East establishment.

The total cost of all the above proposals would be of the order of £700,000 a year of which about £200,000 a year would be capital expenditure.

7. For budgetary purposes, the expenditure on the above proposals would fall in the main under the heading of ordinary Foreign Office expenditure, except for (e) and (f), which come under "Overseas Information" expenditure. The latter covers work by the Information Services of the three overseas Departments, the B.B.C., and the British Council. The present world-wide expenditure under this heading is just under £10½ millions, and the Departments had been discussing with the Treasury, before the Middle East Oil Working Party was set up, increases for next year covering the whole world. The Treasury consider that the allocation of any additional funds for overseas information work should be looked at as a whole and that the Middle East should not be considered in isolation. The necessary study of the Working Party's proposals in the wider setting of overseas expenditure on information work generally need not involve serious delay, since decisions on the general scale of overseas information expenditure in 1956-57 must in any case be reached in the next few weeks. The Committee wish, however, to draw the attention of Ministers to the fact that, unless some overall increase in information expenditure above what was previously contemplated is authorised, such study can only result in the sacrifice either of an important part of the Working Party's proposals, or of other activities elsewhere in the world. The Committee also wish to point out that, of the British Council's projects, approximately two-thirds of the expenditure proposed relate to the establishment and strengthening of schools run under British Council auspices, the subsidisation of British teachers in schools and universities, and the bringing of influential individuals to this country.

8. A further point to which the Middle East Oil Committee wish to draw the attention of Ministers is the statement by the British Council that, if they are to undertake the expansion of work proposed in the Working Party's report, they will have to close down in some ten to fifteen other countries where they now operate unless they are authorised to offer permanent employment in order to recruit new staff. This raises the whole question of the future of the British Council.

9. The Committee submit that Ministers should approve the Working Party's recommendations summarised in paragraph 6 above on the understanding that:—

- (i) items (a), (b) and (c) be put in hand forthwith (£36,000 per annum plus £145,000 capital expenditure);
- (ii) item (d) be proceeded with forthwith subject to day-to-day details being settled between the Department concerned and the Treasury in the usual way (£71,000 per annum plus £225,000 capital expenditure over three years);
- (iii) items (e) and (f), which are of equal urgency, should also be put into effect without delay, subject to the decision of Ministers on the points mentioned in paragraphs 7 and 8 above, namely, (1) whether there is to be an increase specifically devoted to the Middle East in the total overseas information expenditure, and (2) the future of the British Council (£380,000 per annum *including* £250,000 capital expenditure spread over the first three years).

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INTERIM REPORT OF AN INTER-DEPARTMENTAL WORKING PARTY ON MIDDLE EAST OIL

The Working Party has taken as its geographical area Iran and the Arab world, including (a) Libya, since this country lies on the flank of Egypt and is the only country where the Armoured Division which is intended for the defence of our oil-fields can train in desert warfare, and (b) (for the limited purposes specified in paragraph 12 (v)), Pakistan and Aden, because of their close contact with the Middle East, in the case of Pakistan through the Bagdad Pact.

2. The Working Party believes that, within the limits imposed by finance, the general direction of our efforts in the Middle East has been right. They may be briefly described as the traditional methods of diplomatic and commercial representation which are of particular effect in a society where the personality of the individual is of decisive importance, supported by cultural relations and information work, by an active policy of military co-operation, and by encouragement to the local governments to develop their countries on modern lines and to spend their oil revenues for the benefit of their peoples as a whole. It must be stated, however, that we cannot expect to obtain the wholehearted goodwill of the Arabs so long as they remain dissatisfied with our policy on the Israel question, and that overt diplomatic activity, particularly in the field of information, can do no more than mitigate the hostility which they feel towards us on this account.

3. So as to make proposals for action at the earliest possible moment, the Working Party has so far confined itself to recommendations on measures which have already received sufficient study in the departments concerned to be put into effect at once, and has examined only some of the wider problems which require further study. Their recommendations, which cover the principal categories for which expenditure by Her Majesty's Government is likely to be necessary are listed in the annexes to this report, to which paragraphs 7 to 19 below refer.

4. Some of the recommendations are designed as a direct and immediate counter to the present Russian diplomatic offensive in the area, and will be so interpreted by its inhabitants. But it is important not to give any impression of panic, and not to allow the Arabs to think that the way to gain favours from the West is to accept them from the East. Moreover, much of the action proposed would lose its value to Her Majesty's Government if it were directly related in local minds to the preservation of our oil interests. The majority of the recommendations are therefore designed as an unobtrusive extension of our present activities.

5. It has not been possible in the time available to consult H.M. Missions overseas, or to attempt any detailed co-ordination with the oil companies or with the United States Government. The recommendations for immediate action have, however, all been studied in the past with the Missions concerned. The heads of the major British oil companies have, moreover, been consulted and have indicated that they agree with Her Majesty's Government's analysis of the situation as set out in the Cabinet paper, and that they are willing to help, both by reviewing their own policies in the field of local relations, and, where appropriate, by supporting financially some of the projects recommended in this report. An opportunity for co-ordination with the United States Government will be provided by the next series of regular bi-annual discussions on Middle East oil. The question of co-ordination of policy between the British and American oil companies can also be raised at these meetings. We might also renew our efforts to see whether the United States Administration can find any administrative means by which the deterrent effect of the United States anti-trust laws on all forms of co-operation can be reduced. In the meantime a general approach to the United States Government will be necessary.

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6. The *Working Party's recommendations* are summarised in the following paragraphs and described in detail in the Appendices. They cover the following points:—

- | | |
|---|---|
| (a) An increase in technical assistance. | £26,000 a year. |
| (b) A gift of lorries to the Ruler of Muscat to enable him to ensure the security of oil operations there. | £25,000 (capital). |
| (c) The establishment of a British boys' school in the Lebanon. | £120,000 capital and £10,000 a year. |
| (d) Improvements in the conditions of service of H.M. Foreign Service in the Middle East | £26,000 a year |
| and in the equipment and buildings of H.M. Missions. | £225,000 capital over 3 years and £45,000 a year recurrent expenditure. |
| (e) An increase in the activities of the British Council. | £300,000 a year. |
| (f) A substantial increase in our information effort. | £75,000 capital expenditure and £54,000 a year. |
| (g) Other proposals requiring further study, including increased Trade promotion activity, assistance to medical work, help in technical education, and the possibility of adding an additional labour attaché and an oil attaché to the Middle East establishment. | |

7. *Technical Assistance*.—Since the war, Her Majesty's Government has followed a policy of providing unobtrusive and modest assistance to Middle East countries in their efforts to improve their standards of living or to spend their oil revenues for the benefit of their populations. This policy has paid good dividends in results and in goodwill. The possibilities of expansion lie in an increase in the Middle East Development Division, the establishment of a sizeable fund for the provision, free, of *ad hoc* advisers and consultants; the subsidising of the salaries paid by local governments to British employees; and increased help with technical training and an increase in the development grant for the Trucial Coast, including Buraimi. Details of the Working Party's proposals are in Appendix A. Proposals for immediate action amount to £26,000 a year. The proposals for technical training cannot yet be costed. But these are modest sums compared with the size of the interests at stake, or with the proposals for expenditure under other headings. This is because any expansion in technical assistance must be done very discreetly. Mass offers in this field defeat their own ends, as has been seen in the case of the American Point IV and the United Nations Technical Assistance Programme. But it is recommended that the possibility of a further increase in expenditure in a few years' time should not be excluded. A limiting factor is the shortage of qualified technical experts in the United Kingdom, but the Commonwealth Relations Office are prepared to seek the help of Dominion Governments, especially Canada, Australia and New Zealand.

8. *Arms and Equipment*.—The Working Party consider that the general question of arms policy for the Middle East lies outside their terms of reference. There is, however, the case of Muscat, which is of direct importance to our oil interests, and where a small gift of equipment would have political effects out of all proportion to the financial outlay. Rapid exploration and development by the Iraq Petroleum Company in this country may provide a major source of oil on the fringe of the Arab world, with direct access to the Indian Ocean. The gift of £25,000 worth of motor transport to the Ruler would enable him greatly to improve the security of these operations.

9. *The Lebanon School.*—An opportunity occurs here to do something spectacular for the “have-not” Levant countries which are now wavering between the East and the West. Four years ago, a plan was elaborated by H.M. Embassy in Beirut, in conjunction with the present President of the Lebanon (now half way through his term of office) and representatives of the local Lebanese and British communities to found a boys’ public school there on the lines of Victoria College. This would serve the whole area. The total capital cost of the school, including an endowment fund to found a number of scholarships, would be £250,000. But if Her Majesty’s Government would announce an initial contribution of £Leb,1,000,000 (£120,000) the remainder would be raised from Lebanese at home and abroad and from the oil companies. Once the school was established, it would be self-supporting but for the first ten years an annual maintenance grant of £10,000 would be needed. An early announcement of Her Majesty’s Government’s support of the plan would have an immediate impact on the area as a gesture of goodwill and of confidence in our own future position. The school could start work in under three years; its pupils would begin to influence public affairs within ten years and, through the goodwill of their parents, even earlier. The Working Party recommend most strongly the immediate adoption of this proposal.

10. *H.M. Missions.*—No general increase in staff is proposed but this is a region where the choice of the right man is all-important. Specialists are needed in the Arabic language and in the cultural, social, internal political, economic and military problems of the region. These are not at present forthcoming as willing volunteers. Arabic is by far the most unpopular of the “hard” languages, not because it is the hardest but because specialisation in it entails long service in a region where the climate is unpleasant and usually unhealthy, and where the need to live in constant personal contact with intractable and often hostile people imposes considerable strain. As inducements to encourage men to specialise and to increase the efficiency of H.M. Missions and consular posts in the region, it is proposed that conditions of service, accommodation and amenities in the region should be improved. Leave in the United Kingdom at public expense should be allowed annually in certain cases instead of every eighteen months as at present; the grading of certain posts in H.M. Missions and consular posts in the region should be raised to provide a better avenue of promotion for Arabic specialists; and language allowances should be substantially increased. In order to attract more students from outside Government service to the Middle East Centre of Arab Studies and to increase its efficiency, provision should be made for the improvement and repair of the buildings at the Middle East Centre of Arab Studies and for the improvement of living conditions and amenities there. Air conditioning should be installed on an extensive scale in offices and dwellings in the region; launches, for both prestige and recreational purposes, should be provided for the three posts in the Persian Gulf which at present need them; the Political Resident in the Gulf should have a personal aircraft both to facilitate his travel in the area and to increase his prestige. Finally, a start should be made on the most urgent and important of the many building projects in the region—the construction of a new combined Embassy residence and office on the site already owned in Damascus.

Details are in Appendix B. The cost of measures proposed for immediate approval would be approximately £130,000 in the first year, and £190,000 in the third year, over half on capital account.

11. *British Council and associated activities.*—We are not at present satisfying the active demand in the area for knowledge of the English language and of British achievements in professional, technical and other fields, or for help in education. We are losing old friends by default, and not making enough new ones. The Working Party consider that the most effective way of maintaining our position in the area over the next 20 years is to ask the British Council to plan for the greatest possible impact upon it, and give all possible help to those who are spontaneously asking for our assistance in education. Detailed proposals by the British Council are given in paragraph 12 below.

12.—(i) Proposals by the *British Council* provide for an increased annual expenditure of approximately £285,000. The first and second year include capital expenditure. By 1958–59 capital expenditure should have been completed, but recurrent expenditure will by then have risen to £320,000 (at present costs), at which figure it should level off for subsequent years. Of the figures for each of the first three years, the proposals for which immediate approval is recommended account

for approximately three-quarters of the total; and suggestions for further study about one-quarter. (For summary of proposed expenditure see Appendix C.)

In this field more than any other continuity is essential. It would be better to do nothing than to start schemes which later have to be abandoned. In this connection the Working Party strongly endorse the statement by the British Council that they cannot undertake the recruitment necessary for this expanded programme unless they are able to offer permanent employment. This depends on a Ministerial decision about the status of the British Council, *i.e.*, whether it is or is not a permanent service. The Working Party draw attention to the importance of an early decision on this question. (See Appendix D.)

The Working Party also consider that the scheme for expanding the Council's facilities for looking after the welfare of overseas students in this country (including some 3,000 Middle Easterners) is of the first importance and urgency. This scheme has already been approved in principle by Ministers. It depends on the provision of suitable premises in Central London. If the scheme is to have an early impact it should be in operation by the beginning of the next academic year (September 1956). The Working Party notes that this problem is under consideration by the Treasury and Ministry of Works and hopes that as speedy a decision as possible can be taken. (See Appendix E.)

(ii) *Visitors to the United Kingdom*

The British Council has already proved the value of—

- (a) brief visits of a few weeks by key individuals;
- (b) post-graduate scholarships at universities;
- (c) bursaries for a few months' study of professional and technical subjects; and
- (d) study tours and courses in public administration and other practical subjects for parties of ten to twenty.

We now recommend an increase in the total numbers invited under each of these heads, experience of this work having shown that to bring to this country influential individuals and groups of administrators, &c., and to maintain contact with them after their return is a rewarding activity particularly in backward countries. An increase in this activity has recently been strongly urged by a number of H.M. Ambassadors. The number now proposed for visits annually has been restricted to the number expected to be sufficiently important and well-qualified to be worth bringing and which can be absorbed in this country in any one year. Many of them would be of direct interest to the Board of Trade. (See Appendix F.)

(iii) *Subsidisation of British University Staff, School-teachers and Educational Advisers*

In the Middle East a British teacher placed in a local university, teachers' training college, military or police training establishment, or school, can exert a very great influence. There is a strong demand from many of these institutions for British staff. To secure the right men it will in many cases be necessary for the Council (a) to recruit and in some cases make emoluments more attractive by subsidies, (b) to guarantee the terms offered by the overseas employer and (c) to secure some assurance of re-employment on return to the United Kingdom. Financial provision is recommended for (a) and (b). For (c) the Ministry of Education has agreed to co-operate: the cost will be small and can be met under existing regulations. Similar arrangements are recommended for cadet schools run by the fighting Services in Pakistan (See Appendix G.)

(iv) *British Schools*

(a) British Ambassadors in the Middle East have been emphasising for years the value there of British schools which, because of their character-building reputation, tend to attract the children of important families and to build up understanding of Britain both by their impact on the pupils and by their contact with the parents. The British schools in Egypt and Iraq are existing examples of this. It is recommended that a British secondary school should be started in Iraq to take the output from the existing British primary school, a portion of the capital cost being raised locally, and that further consideration should be given to increasing the subsidies to the principal British schools in Egypt so as to put these on a sounder financial footing. (See Appendix H.)

(b) The proposal to start a British school in the Lebanon is dealt with separately (see paragraph 9 above).

(c) A proposal to start a British school in Libya is being given further study (see Appendix I).

(v) *Extension of British Council's General Work Overseas*

It is recommended that the following activities should be reinforced and extended:—

- (a) English teaching based on British Institutes. The fighting Services, police and native teachers of English are specially important targets;
- (b) Tours, for which there is a constant demand overseas, by leading men in various professions, &c., from the United Kingdom to give talks and advice. This activity is limited by the number of really first-class people likely to be available;
- (c) Supply of books and periodicals to British Council libraries; films for specialist audiences, e.g., medical films; translation of British books into Arabic;
- (d) The question of an occasional drama tour to the more sophisticated cities for which Ambassadors constantly ask is receiving further study;
- (e) Geographical expansion. The following proposals are receiving further study:—
 - (i) *Libya*.—The Libyan Government have asked that the British Council should start work there and we believe it would have great scope. The establishment of a British Council Centre in Tripoli, and the setting up of a British School at Benghazi are proposed;
 - (ii) *The Persian Gulf*.—It is proposed that the work recently begun in Kuwait should be expanded and extended to Bahrain and possibly elsewhere.
 - (iii) *Aden*.—The Council's Institute in Aden was closed some years ago as an economy measure. The Government of Aden have suggested that they would be prepared to find half the cost of reopening it if the Council would find the other half. This proposal should be examined on the spot by a representative of the British Council. (See Appendix I.)

13. *Information*.—The possibilities of expanding direct information activities are limited by the resistance within the Middle East to propaganda obviously originating from official Western sources. For this reason propaganda is often more effective if it can be put out from unattributable sources, and much of our information work in the area is already done in this way. Ways and means of stepping up this activity are under examination.

No major expansion in the staff or activities of the Information Offices of H.M. Missions in the area is recommended; but the list of projects mainly for improving or expanding broadcasting, film services and publications is given in *Annex "C"*. The list also includes services to help local national broadcasting and television services.

Estimates of probable cost are given in most, but not all, cases; they will require discussion with the agencies concerned (British Broadcasting Corporation and the Central Office of Information). The list is divided into—(A) "Projects for which immediate approval is sought," and (B) "Projects requiring further study"; projects of the second category require further discussion with the agencies concerned not only as regards their precise cost but also as to the form which they might finally take. So far as they can be at present costed, these projects involve an annual recurring cost of £54,000 a year and a capital sum (on a medium-wave relay station for the B.B.C.) of £76,000 taking probably eighteen months to complete from date of authorisation of expenditure.

Further projects will doubtless be suggested by H.M. Missions and the Regional Information Office, Middle East, when the time comes to consult them.

14. *Trade*.—The Board of Trade consider, and the Working Party agree, that measures to improve our commercial position in the area will also contribute to the maintenance of our political influence and the flow of oil. There is moreover some advantage in expenditure which, while producing political returns,

also helps our trading position. The Board of Trade consider that the proposals made in other paragraphs by the British Council and the Information Services to extend the programme of visits to the United Kingdom are of this nature and they would be glad to help in suggesting suitable people whose visits could result in the placing of orders in this country. Also in this category are the proposals by the Foreign Office to increase the Technical Assistance programme and to investigate urgently the possibility of providing more facilities for the Technical Training of Middle Eastern nationals. The measures suggested for improving the terms and conditions of service of Foreign Service Officers in the Middle East are also considered by the Board of Trade to be an important means of furthering these aims.

In addition, the Working Party wish to recommend that further study be given to a suggestion that the British Ambassador in Beirut should be provided with a fund to enable him to subscribe up to £1,000 a year for five years to the British Chamber of Commerce which is about to be established there. This Chamber of Commerce could serve as an information centre and reception point for businessmen visiting the whole of the Middle East. At a later date the possibility of establishing a trade centre in connexion with it might be examined. The possibility of a similar subscription by H.M. Ambassador in Bagdad to the British Commercial Society there should also be investigated.

In the longer term, consideration should be given to whether any action is open to Her Majesty's Government to encourage United Kingdom firms to establish local organisations or companies in association with local businessmen, a development which would carry obvious political advantages while providing much needed channels for increased trade.

15. *Medicine*.—British teachers and doctors are already making a valuable contribution to the health of the area and to our own influence. In addition, the Order of St. John and the London Ophthalmological Institute are about to start research into the greatest scourge of the region, the eye disease trachoma, from which 50 per cent. of the total population and 90 per cent. of the Arab refugees are suffering. Consideration should be given to giving some financial assistance to this work.

16. *Technical Education*.—A questionnaire has been put to all Middle East Missions to obtain facts about the demand in the Middle East for technical education, the facilities at present provided, and the ways in which this country can help. A full report will be submitted as soon as replies have been analysed. In the meantime there are two institutions already being run on British lines or with British equipment. These are the Technical College at Bagdad, and the Engineering Faculty of the American University at Beirut. It is proposed that the British Council should subsidise one or two professorships at the former (see paragraph 7 (iii) above) and that a gift of equipment not exceeding £20,000 should be made. The latter is already being equipped with British machinery at the request of the American Dean of the Faculty. Some £50,000 worth of equipment has already been presented by British industry. A gift by Her Majesty's Government of a similar value would establish the practice of equipping this faculty with British equipment, with considerable advantage to our prestige and to our trade. Engineers trained on British machinery will prefer and specify it later on.

17. *Nuclear Energy* will not be an economic proposition in the Middle East for many years. But its emotional appeal is great, and the Arabs will not accept our word for the technical and economic difficulties. If we do not help them they will turn elsewhere. Further consideration should be given to an offer to train in the United Kingdom research teams from selected countries.

18. *Labour affairs* are a subject which requires increasing attention in the Middle East. Up to date it has been possible for the Labour Counsellor at the British Embassy, Cairo, who also serves as a member of the Middle East Development Division, to cover labour questions throughout the Arab world with the help of our assistant. Now, however, the labour relations of the Oil Companies are becoming increasingly difficult, and there is at the same time a development of trade unionism in the Levant States, and a tendency for these trade unions to drift to the Left. The Working Party recommend that the possibility of attaching a Labour Attaché to the staff of the British Ambassador in Beirut, who would also cover Syria and Jordan, should be further considered.

19. The Working Party consider similarly that a proposal to attach a *Regional Oil Adviser* either to the Middle East Embassies or to the Middle East Development Division should be examined. He would serve as a link between H.M. Missions and the Oil Companies, and might be able to do useful work in educating local Governments in the commercial realities of the oil business.

20. The Working Party consider that the above proposals would substantially improve our influence in the area and the security of the flow of oil. The approximate additional expenditure involved if these interim proposals are approved would be of the order of £700,000 a year: including between £100,000 and £200,000 of capital expenditure.

November 10, 1955.

APPENDIX A

(see paragraph 7)

TECHNICAL ASSISTANCE

British political and commercial influence in the Middle East can be enhanced by technical assistance in at least four ways:—

- (a) to increase the Middle East Development Divisions;
- (b) to establish a sizeable fund for the provision, free of *ad hoc* advisers and consultants;
- (c) to subsidise the salaries paid by local Governments to certain British employees;
- (d) to improve the British contribution to the technical training of Middle East nationals either in their own countries or in the United Kingdom.

Immediate action can be taken in the first three cases.

Development Division

2. At present the Division has a Head of wide administrative and general experience and specialist advisers on agriculture, co-operatives, animal husbandry, forestry, labour, and statistics and economics. All are fully occupied and considerably raise our prestige in the relevant Departments of Middle East Governments. Odious comparisons are drawn against the United Nations and Point IV advisers. The co-operative adviser is so overburdened that it will be necessary to re-engage on a part-time basis a former Development Division adviser (Mr. Cheesman) to deal particularly with Egypt and Libya. The cost should not be more than £1,000 a year.

3. The Division's usefulness can, however, be increased by adding to the present largely agricultural staff an industrial engineer who might be an expert in, say, mechanical engineering and familiar with electrical and chemical engineering. Such a man might cost £5,000 a year, or more according to the amount of travelling he does. He would not only advise local Governments at their request but would serve as a point of quick reference, for technical advice, by the Commercial Secretaries in the area. He should enable us to introduce a number of useful *ad hoc* advisers into the region: see below.

4. No provision is now requested for increasing the accommodation of the Development Division at Beirut. It is assumed that the Embassy can continue to house it for the present.

Ad Hoc Advisers' Fund

5. The Foreign Office already disposes of a very small fund (£2,700) which is used for planting short-term advisers to supplement the expertise available in the Development Division. It is considered now that a much larger fund should be provided for the same purpose. It would be administered in the same way, on the basis of recommendations submitted by H.M. Missions, on which the

19. The Working Party consider similarly that a proposal to attach a *Regional Oil Adviser* either to the Middle East Embassies or to the Middle East Development Division should be examined. He would serve as a link between H.M. Missions and the Oil Companies, and might be able to do useful work in educating local Governments in the commercial realities of the oil business.

20. The Working Party consider that the above proposals would substantially improve our influence in the area and the security of the flow of oil. The approximate additional expenditure involved if these interim proposals are approved would be of the order of £700,000 a year: including between £100,000 and £200,000 of capital expenditure.

November 10, 1955.

APPENDIX A

(see paragraph 7)

TECHNICAL ASSISTANCE

British political and commercial influence in the Middle East can be enhanced by technical assistance in at least four ways:—

- (a) to increase the Middle East Development Divisions;
- (b) to establish a sizeable fund for the provision, free of *ad hoc* advisers and consultants;
- (c) to subsidise the salaries paid by local Governments to certain British employees;
- (d) to improve the British contribution to the technical training of Middle East nationals either in their own countries or in the United Kingdom.

Immediate action can be taken in the first three cases.

Development Division

2. At present the Division has a Head of wide administrative and general experience and specialist advisers on agriculture, co-operatives, animal husbandry, forestry, labour, and statistics and economics. All are fully occupied and considerably raise our prestige in the relevant Departments of Middle East Governments. Odious comparisons are drawn against the United Nations and Point IV advisers. The co-operative adviser is so overburdened that it will be necessary to re-engage on a part-time basis a former Development Division adviser (Mr. Cheesman) to deal particularly with Egypt and Libya. The cost should not be more than £1,000 a year.

3. The Division's usefulness can, however, be increased by adding to the present largely agricultural staff an industrial engineer who might be an expert in, say, mechanical engineering and familiar with electrical and chemical engineering. Such a man might cost £5,000 a year, or more according to the amount of travelling he does. He would not only advise local Governments at their request but would serve as a point of quick reference, for technical advice, by the Commercial Secretaries in the area. He should enable us to introduce a number of useful *ad hoc* advisers into the region: see below.

4. No provision is now requested for increasing the accommodation of the Development Division at Beirut. It is assumed that the Embassy can continue to house it for the present.

Ad Hoc Advisers' Fund

5. The Foreign Office already disposes of a very small fund (£2,700) which is used for planting short-term advisers to supplement the expertise available in the Development Division. It is considered now that a much larger fund should be provided for the same purpose. It would be administered in the same way, on the basis of recommendations submitted by H.M. Missions, on which the

Development Division offer their comments. The enlarged fund would enable us to step in with an offer of an expert whenever it suited us politically or commercially to do so and also when the local Government was either chary of undertaking any expenditure or was turning to the wrong source of advice. In particular, the Development Division and H.M. Missions (working on advice obtained from the Board of Trade) would try to arrange "introductory" missions for British consultants at our expense, in the hope that the local Government possessing a sound preliminary report, would themselves engage the consultant on a long-term basis.

6. The best prospects for the provision of *ad hoc* advisers seem at the moment to lie in Persia, in Iraq (where new fields such as land settlement have to be tackled), in Kuwait, and possibly in Saudi Arabia.

PROVISION: £10,000 A YEAR

Subsidies

7. United Kingdom subsidies to employees of Middle East Governments must obviously be used with great caution. They should in any case not be spread thin but applied with reasonable liberality so as to provide the right incentive in selected quarters. A very few key jobs may require big money, e.g., the £4,000 a year now being paid as a subsidy to the British member of the Iraq Development Board. In other cases, our strategic interests may require the payment of subsidies to a number of people in one country: Libya. In general, however, it will be possible to insert suitable British employees in chosen jobs by the expenditure of small annual amounts or possibly installation grants or terminal gratuities. Cases in point are the four or five foresters required by the Persian Government who would, if appointed, practically run the Department and could make it a success which would redound to our credit. All told, it is estimated that about £10,000 a year should be allocated for subsidies for non-educational posts. In the field of education, including medical education, it seems appropriate that the British Council should administer any subsidies required. There would be close liaison with the Levant Department of the Foreign Office as regards general principles and practice in particular countries.

PROVISION: £10,000 A YEAR

Technical Training

8. No immediate measures can be proposed, but a full report will be submitted in consultation with the Board of Trade, Ministry of Labour, Ministry of Education and the British Council when the facts are known about the demand for technical training, the existing facilities, and the ways in which this country can help.

Economic Assistance

9. The question of economic aid to the Middle East countries has not been considered by the Working Party, except for the development grants to the Trucial States. The Development Division will be instructed to explore the possibilities of expanding the present grant of some £25,000 a year to the Trucial States, whose importance will grow if oil is found, and where we must in any case show our beneficent power to consolidate the Buraimi move. Our present assistance to Jordan is reviewed annually, and any alterations can then be made in the light of existing circumstances.

PROVISION FOR THE TRUCIAL COAST £6,000 A YEAR

Further Possibilities

10. It is certain that the recruitment of British experts to advise, or be employed by, Middle East Governments would be facilitated if candidates were offered the security of employment in a permanent Crown Service or if they were given substantial relief from United Kingdom taxation. Immediate results cannot be expected in either field—hence the present need for subsidies—but both problems should be examined as a matter of urgency.

TOTAL PROVISION: £26,000

APPENDIX B

(See paragraph 10)

HER MAJESTY'S MISSIONS

Category A.—Recommended for Immediate Approval

Reduction of Tours of Duty for Members of the Foreign Service in Posts in the Middle East Scheduled as Unhealthy (Including Khartoum) from Eighteen Months to One Year

1. This proposal would do much to mitigate the unpleasant effects of climate particularly in the Persian Gulf and therefore to make specialisation in the Middle East more attractive. It is particularly important that no officer or his family should be obliged to serve for two consecutive summers in the area without a break.

The Working Party recommends that no formal change should be made in the present leave regulations, but that the Foreign Office should be authorised to bring Foreign Service officers home on leave by air at public expense at convenient times after the completion of each year's service in these posts.

MAXIMUM ESTIMATED COST £10,000 P.A.

Upgrading of Posts at Her Majesty's Missions and Consular Posts in the Area

2. To provide a real incentive for the able and ambitious young officer to become an "Arabist," it is essential to improve the promotion prospects for Arabic Specialists who feel themselves at a disadvantage with other specialists because, owing to the extent of the Arab world they must at present expect to serve for up to two-thirds of their career in that particular area. To achieve this, the grading of some Head of Mission posts should be raised; there should be corresponding upgradings at medium levels (i.e., the post of Counsellor at Bagdad should be raised to Minister and about seven First Secretary posts should be raised to Counsellor status, i.e., the No. 2 at Beirut, Damascus, Amman, Jedda, *Chargé d'Affaires* to the Yemen, the Commercial post at Bahrain and the information post at Cairo). In addition, it is important to provide some fairly senior posts in the pleasanter cities to which Arab specialists can look forward as a break from the more arduous conditions in the greater part of the area. This need could be met by upgrading the posts of Consul-General at Tunis and Algiers from Grade A6 to 5, a step which the increasing importance of these posts will probably justify in any case.

The Working Party agreed that the Treasury should be asked to give sympathetic consideration to the upgrading of these posts. The changes would not be made at once and the Foreign Office would consult the Treasury in each case.

ESTIMATED COST £11/12,000 A YEAR

Increased Language Allowances

3. The present Arabic language allowances are not as high as those for some other languages. An increase in the Arabic allowances to the highest existing level would provide a direct financial incentive to potential Arabists which, with the other measures proposed by the Working Party, should greatly increase the attractiveness of long service in the Middle East.

There are three classes of Arabic allowances in force, and the Working Party recommends that each should be raised by 60 per cent. to £300 a year (Branch A Higher Allowance), £150 a year (Branch A Lower Allowance), and £90 a year (Branch B Allowance).

ESTIMATED COST £4,000 P.A.

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Middle East Centre of Arab Studies (Shemlan)

4. The premises of the Centre are in need of repair and re-equipment; there are very few amenities or opportunities for recreation for the students; much of the accommodation is primitive. These conditions do not encourage attendance by fee-paying outside students, *e.g.*, from the banks and oil companies, whose influence for good in the Middle East would be much enhanced if they had passed through the Centre. If conditions were improved, the Centre would be likely not only to attract more students but would improve its efficiency and turn out better Arabists.

The Working Party therefore recommends that the Treasury should give sympathetic consideration to any proposals made by the Foreign Office for the repair, maintenance and improvement of the Centre's buildings and for the provision of better living conditions up to an initial cost of £15,000 and up to £5,000 a year thereafter.

Air-Conditioning

5. Living and working conditions in the Middle East could be greatly improved by the extensive installation of air-conditioning in offices, Her Majesty's Government houses and hiring. Although a certain amount of air-conditioning has already been installed there are insufficient funds available to do more than cater for the worst places. Without making an extensive survey of all properties and hirings it is not possible to give an accurate estimate of what is required. The Working Party agrees, however, that £30,000 could well be spent in the first year. During the following two years further expenditure also would be required, but at this stage it is not possible to give more than an approximate estimate of another £30,000 in each of the two years.

Aircraft

6. Better means of air travel are required for the Political Resident, Persian Gulf. At present he has either to rely on a wing of decrepit Ansons which are stationed at Bahrain, or use scheduled aircraft or charter. In view of the importance of the area, the distances involved and the time factor, the Working Party considers that he should have an aircraft at his disposal mainly for efficiency but also for prestige. The means to effect this remain to be investigated in detail but the present estimated cost is £35,000 annually.

Launches

7. For official requirements, prestige and recreation, the Working Party agrees that posts in the Persian Gulf area should all have launches. At present those without launches are Khorramshahr, Doha and Abu Dhabi. The Working Party agreed in principle to the provision of proper launches. The provisional estimate is £20,000 capital cost and £5,000 a year running costs.

Buildings

8. A considerable amount of building could be done in the Middle East area in order to provide better offices, better residences and staff houses. The provision of up-to-date offices would greatly improve our prestige and the efficiency of the staff. Better residences would ease the task of the Ambassador and the provision of staff houses would enable the staff to live in better and more attractive conditions. Any building scheme, however, takes a long time to develop and little money could be spent in the first eighteen months. Thereafter, with a carefully phased programme, a considerable amount of money could be well spent each year. Since building is very expensive and long term, only the most important project among many (that at Damascus) is included here.

In view of the importance of Syria, the unsuitability and insecurity of tenure of the present offices and residence in Damascus, it is recommended that a new combined Embassy residence and offices should be built on the site which Her Majesty's Government now own there.

ESTIMATED COST IS £100,000

The cost of this project would be nothing in the first year, about £20,000 in the second year, and £80,000 in the third year.

Category B.—Recommendation for Further Study

9. To give some indication, however, of the building problem, the following is a list of other projects in order of priority with approximate estimates:—

Tehran

(a) Reconstruction of houses which have fallen or are about to fall down in the Gulhek compound:—

	£
Say, 2 A6 houses at £25,000	50,000
3 A7 houses at £12,000	36,000
5 B4 houses at £7,000	35,000
(b) New offices	150,000

Bagdad

Building of staff houses:

2 A6 houses at £25,000	50,000
4 staff houses at £7,500	30,000

New offices (present ones will have to be replaced in ten or fifteen years owing to the state of the structure) 200,000

Kuwait

Improvement of offices and compound and provision of staff quarters. So far it has not been possible to include the progressive scheme for this in the Overseas Building Vote 50,000

Beirut

New Residence 100,000

APPENDIX C

THE BRITISH COUNCIL

(See paragraph 12)

Proposals for Expansion in Middle East, 1956-59: Summary

Serial (Item numbers in main report)	Project	Cost		
		1st year £	2nd year £	3rd year £
(ii)	Visitors to the United Kingdom (<i>Appendix F</i>)	51,500	74,000	74,000
(iii)	Subsidisation of British university staff, teachers and educational advisers (<i>Appendix G</i>)—			
	(a) Middle East	20,000	42,000	70,000
	(b) Pakistan	5,500	5,500	5,500
(iv)	Creation of British school in Iraq and support of British schools in Egypt (excludes Lebanon and Libya) (<i>Appendix H</i>) ...	92,000	62,000	29,000
(v)	Extension of Council's general work overseas (see <i>Appendix I</i>)—			
	(a) British Institute, teaching, &c. ...	75,000	65,000	73,000
	(b) Tours by experts from the United Kingdom	3,500	4,500	4,500
	(c) Additional books, films, &c. ...	25,000	30,500	32,000
	(d) Dramatic tours	10,000	—	10,000
	(e) Extension of work to Libya and Aden	51,500	32,500	31,500
(vi)	Additional staff and overheads at headquarters, training, &c.	11,500	20,000	20,000
(vii)	GROSS TOTAL	354,500	338,000	351,500
(viii)	Less deduction for probable underspendings, cancellations, delays, &c. ...	—70,000	—50,000	—30,000
(ix)	NET TOTAL	282,500	286,000	319,500
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APPENDIX D

THE BRITISH COUNCIL

Proposals for Expansion in Middle East 1956-59

NOTE BY BRITISH COUNCIL ON RECRUITMENT OF STAFF

The British Council cannot undertake additional activities on this scale without some permanent additions to staff. If the proposals are accepted in full, the Council would need to expand its own establishment by some thirty new London-appointed posts above the clerical grade over the next three years. (These figures do not include subsidised posts in universities, schools, &c.)

2. This raises a recruitment problem which may be summarised as follows. Immediately after the war, at the request of Her Majesty's Government, the British Council was greatly expanded. From 1951 on it was sharply contracted. The resulting dismissals of staff have naturally undermined its credit with University Appointments Boards. There has been no cadet recruitment to the British Council for six years. Before cadet recruitment to the British Council can be resumed it will be necessary for Ministers to approve proposals designed to enable the British Council to state unequivocally that it is a permanent service. Proposals to this end were contained in a letter from the Foreign Secretary to the Chancellor of the Exchequer dated 6th July, 1955.

3. Temporary recruitment would not produce the kind of candidates who would be good representatives of this country overseas, and the British Council would be unwilling to take on additional work on this basis.

4. The only other method of producing the necessary staff would be to close down in a considerable number of other countries. Experience has shown that to withdraw the British Council after it has started in a country does serious damage to good will. The Foreign Office is unable to recommend countries to be eliminated.

5. In practice therefore the only solution to the problem of staff is to enable the British Council to undertake permanent recruitment. It is accordingly recommended that an early decision should be given on the proposals contained in the Foreign Secretary's letter of 6th July, 1955.

APPENDIX E

THE BRITISH COUNCIL

**Proposals for Reception and Care of Students from Middle East
in United Kingdom**

A plan for extending the Council's welfare work for Commonwealth and foreign (including Middle Eastern) students in the United Kingdom has been approved in principle. It includes the purchase of a building for a new student centre in London for £107,000 non-recurrent and an annual cost of the whole scheme of £23,000 recurrent. The only really suitable building which has so far been found turns out to cost about £160,000 non-recurrent and to raise the annual cost of the whole scheme to £28,000 recurrent; the project is hanging fire partly because of the increase in costs but mainly because of the objection to laying out the large capital sum involved in repairing the particular building in view. There is a possibility that another, less suitable, building may become available at an annual rent of about £20,000.

APPENDIX F

THE BRITISH COUNCIL

Proposals for More Visitors to the United Kingdom

Serial (Item numbers in main report)	Project	Cost		
		1st year £	2nd year £	3rd year £
(ii) (a)	Six-month courses for junior administrators (20 in first year, 40 in second and third years)	10,000	19,000	19,000
(ii) (b)	One-month study tours for 60 teachers a year	6,500	6,500	6,500
(ii) (c)	One-month visits for 30 senior visitors a year (Ministers, Rectors of Universities, &c.) ...	9,000	9,000	9,000
(ii) (d)	Three-month visits for 70 professional or technical visitors a year, plus a few one- year scholarships	20,000	20,000	20,000
		<u>45,500</u>	<u>54,500</u>	<u>54,500</u>
(ii) (e)	Less deduction for those (3) willing to pay own fares	7,500	8,000	8,000
(ii) (f)	Net cost	<u>38,000</u>	<u>46,500</u>	<u>46,500</u>
(ii) (g)	Additional staff and accommodation in Syria, Lebanon, Jordan, Persia and/or Iraq required for organising above arrangements	8,000	13,000	13,000
(ii) (h)	Three-month visits for teachers from Pakistan	2,500	2,500	2,500
(ii) (j)	Additional staff in the United Kingdom ...	10,000	12,000	12,000
(ii) (k)	TOTAL	<u>58,500</u>	<u>74,000</u>	<u>74,000</u>

Note.—As far as possible the Council tries to get its visitors, scholars, &c., to bear the cost of their own visits and especially of their own fares; and a number of those from the Middle East do come either wholly or partly at their own expense or at the expense of their Governments. It is thought that this activity could be considerably increased immediately if the Council were able to offer full expenses, including fares. The figures assume that the fares of one-third of the increased numbers will be paid either by themselves or by their Governments.

APPENDIX G

PART II

THE BRITISH COUNCIL

Proposals for Subsidising British University Staff, Teachers and Educational Advisers for Service with Foreign Governments and Institutions in the Middle East

Serial (Item numbers in main report)	Project	Cost		
		1st year £	2nd year £	3rd year £
(iii) (a)	Middle East—			
	(1) Subsidies	18,000	38,000	63,000
	(2) Guarantees of contracts	2,000	4,000	7,000
(iii) (b)	Pakistan—			
	Subsidies and guarantees for British staff in cadet colleges in Pakistan	5,500	5,500	5,500
(iii) (c)	TOTAL	<u>25,500</u>	<u>47,500</u>	<u>75,500</u>

Note.—To enable good-quality British staff to be recruited for posts in schools, teacher training colleges, universities and under the armed Services and police, it is proposed

- (a) to offer subsidies. Figures above cover 21 professors, 12 lecturers, 1 headmaster, 34 teachers and assistant masters and 2 advisers; subjects covered might be English, medicine, political science, history, economics and social studies. The above figures represent approximately two-thirds of the present known demand. It may be advisable to subsidise half-a-dozen teachers' posts in the Service cadet colleges in Pakistan.
- (b) to guarantee the candidate's contract with the foreign institution. Figures above assume that between 2 per cent. and 5 per cent. of this liability would need to be met each year.
- (c) A note by the Ministry of Education is attached. (Appendix F, Part 2).

APPENDIX G

PART 2

Recruitment of Teachers

NOTE BY MINISTRY OF EDUCATION

There are four main requirements if teachers of the right quality are to be recruited for service in the Middle East in sufficient numbers. These are salaries, security of contracts, the assurance of suitable employment on return to the United Kingdom and the safeguarding of pension rights.

It is assumed that the responsibility for making financial conditions more attractive and for security of contracts would rest with the British Council, which is responsible for recruiting teachers. The Ministry of Education does not itself employ teachers in England and Wales nor does it pay their salaries and legislation would probably be needed to enable the Ministry to pay or supplement the salaries of teachers going overseas.

The British Council have stated that a major obstacle to recruitment at present is the fear that there may be difficulty in securing suitable employment in this country on return. It is not possible to deal with this problem as it is dealt with in a country like France where teachers are civil servants but there is much that can be done and the Ministry is very willing to help as far as it properly can.

Local education authorities and other employing bodies have already been urged to help by agreeing to the secondment of teachers seeking overseas service (Circular 170 of May, 1948, which was replaced by Circular 277 of July, 1954). Schools and institutions for which the British Council recruit staff are specifically mentioned in those circulars. On the whole the response by local education authorities to those circulars has been satisfactory and the majority are willing to take teachers back into their service after periods of service overseas, normally varying between two and four years. Some authorities, however, are unwilling to agree to secondment; in certain cases it is not practicable, *e.g.*, where the teacher holds one of a very small number of specialists posts, or where the initial period of service is a long one. In addition teachers often do not desire secondment. There is also difficulty in arranging secondment where the employer is an individual school and not an authority.

It will be necessary to secure the co-operation and goodwill of the representatives of the employing bodies and teachers' organisations both in encouraging the fullest possible use of existing secondment arrangements and in devising supplementary machinery to help teachers who have not been seconded to find appropriate posts on their return to this country. The Ministry is ready to take the necessary steps in consultation with other Government Departments concerned, *e.g.*, the Colonial Office and the Scottish Education Department. A useful analogy is the Joint Appointments Board of Teachers run by the National Union of Teachers and the Association of Education Committees which has been extremely effective in placing teachers who find difficulty in securing posts. The cost of a similar organisation with one full-time officer, which would be sufficient at any rate in the early stages, would be small and could be met by the Ministry under existing grant regulations.

Arrangements already exist for safeguarding pension rights of teachers going abroad after some contributory service in Great Britain. (The new Teachers Superannuation Bill will also cover those without previous contributory service in this country.) The normal maximum period of service abroad is five years but in appropriate cases this can be extended by the Ministry on an annual basis. These arrangements would cover the large majority of teachers and difficulty will only arise in the few cases where a teacher's service abroad extends substantially beyond five years.

APPENDIX H

THE BRITISH COUNCIL

Proposals for Creating New British School in Iraq and Supporting British Schools in Egypt

Serial (Item numbers in main report)	Project	Cost		
		1st year £	2nd year £	3rd year £
	Iraq—			
(iv) (a)	Grant towards new building for Ta'ssissia Primary School (balance to be found locally)	20,000	—	—
(iv) (b)	Foundation of new Ta'ssissia Secondary School	60,000	50,000	17,000
	Egypt—			
(iv) (c)	Additional subsidies to British schools* ...	12,000*	12,000*	12,000*
(iv) (d)	TOTAL	92,000	62,000	29,000

Notes—

1. The proposed British contribution (£100,000) towards the total cost (£250,000) of a new British school in the Lebanon is not included in these figures.

2. See also *Appendix I* ("Extension of Council work to Libya") for contribution to cost of new British school in Libya (£31,000/10,000/10,000).

3. * For further study.

APPENDIX I

THE BRITISH COUNCIL

Proposals for Expansion in Middle East

EXTENSION OF COUNCIL'S GENERAL WORK OVERSEAS

Serial (Item numbers in main report)	Project	Cost		
		1st year £	2nd year £	3rd year £
(v) (a)	British Institutes, English Teaching, &c.—			
	(1) Iraq: Secretary for new Anglo-Iraqi Club (foundation of club to be financed from local £150,000 trust fund for Anglo-Iraqi cultural projects)*	3,000	3,000	3,000
	(2) Lebanon: Additional staff at Beirut	3,000	3,000	3,000
	(3) Syria:			
	(a) Expansion of centre, Damascus	4,000	10,000	10,000
	(b) Expansion of centre, Aleppo	—	3,000	3,000
	(4) Persia: Expansion of centre, Tehran	4,000	8,000	11,000
	(5) Jordan:			
	(a) New building for centre, Amman (£7,000 already available) and expansion	17,000	7,000	5,000
	(b) New centre on West Bank (Nablu, Ramallah or Jerusalem)	4,000	8,000	10,000
	(7) TOTAL FOR BRITISH INSTITUTES, TEACHING, &c.	35,000	42,000	45,000
(v) (b)	Tours by visiting experts from the United Kingdom	3,500	4,500	4,500

Serial (Item numbers in main report)	Project	Cost		
		1st year £	2nd year £	3rd year £
(v) (c)	Additional Books, Films, &c.—			
	(1) Books, book and book periodical exhibitions, library staff overseas ...	14,000	17,000	18,000
	(2) Films for specialist audiences: visual aids ...	6,000	7,500	8,000
	(3) Translation of books into Arabic ...	1,500	2,000	2,000
	(4) Recorded programmes for broadcasting ...	1,500	2,000	2,000
	(5) Additional staff in London ...	2,000	2,000	2,000
	(6) TOTAL BOOKS, FILMS, &c. ...	25,000	30,500	32,000
(v) (d)	Dramatic tours (one four-week tour to Cairo, Alexandria and Beirut every two years)* ...	10,000*	—	10,000*
(v) (e)	Geographical Expansion—			
	(1) Begin work in Libya—*			
	(a) Council office and centre, Tripoli ...	17,000*	20,000*	19,000*
	(b) British school (200 boys) (possibly in Benghazi)* ...	31,000*	10,000*	10,000*
	(2) Reopen British Institute, Aden* (Government of Aden to contribute half cost) ...	3,500*	2,500*	2,500*
	(3) Persian Gulf:			
	(a) New building and expansion in Kuwait* ...	40,000	13,000*	13,000*
	(b) Begin work in Bahrein and possibly elsewhere* ...	—	10,000*	15,000*
	(4) TOTAL GEOGRAPHICAL EXPANSION ...	91,500	55,500	59,500
(v) (f)	TOTAL EXTENSION OF COUNCIL'S GENERAL WORK ...	165,000	132,500	151,000

* For further study.

APPENDIX J

(See Paragraph 13)

EXPANSION OF INFORMATION WORK IN THE MIDDLE EAST

The estimates of costs given below are based upon discussions which have taken place in the past with the various Agencies concerned. As costs may have risen meanwhile, the figures are subject to confirmation.

A.—Projects for which Immediate Approval is Sought

1. BROADCASTING

- (a) An increase in duration of the British Broadcasting Corporation's Arabic Language Broadcast by half an hour so as to bridge the gap between the present transmissions at 1700 to 1900 G.M.T. and 1930 to 2030 G.M.T., so as to make a continuous transmission of 3½ hours.

Cost ... £10,000

- (b) Resumption of British Broadcasting Corporation. Transcription Services to enable recorded material to be supplied to National Stations in different Arab countries.

Cost (rough) ... £2,000

2. FILMS

Improvement of existing Arab News Reel produced by Central Office of Information in co-operation with commercial film companies.

Cost ... £2,000

3. DAMASCUS TRADE FAIR

The importance of participation has been urged in past years on political grounds by Her Majesty's Embassy in Damascus. The Board of Trade and Industry have hitherto regarded this event as of little trade promotional value, but the Federation of British Industries are understood to be reviewing this judgment. They could probably be persuaded to arrange for the erection of a British Pavilion and to encourage British firms to rent space if £10,000 could be provided towards the cost of an official stand. The next fair is not due until 1956, but preparation for it should be begun as soon as possible.

Cost £10,000

4. "AL'AALAM"

The circulation of this popular illustrated magazine (*Picture Post* type) produced in Arabic by the Central Office of Information could be increased, and if air freight could be used instead of slower means of transport, for despatch of copies when printed to Middle East posts for distribution, up-to-date comments on topical events could be included.

Cost will require investigation with the Central Office of Information.

5. ARABIC PAMPHLETS AND PUBLICATIONS

An increase in the amount of material produced by the Regional Information Office in Beirut should be discussed as soon as possible with that office and the Central Office of Information.

B.—Projects Requiring Further Study

6. BROADCASTING

The development of medium-wave listening in the Middle East has already caused examination to be given to establishment of a medium-wave relay transmitter within range of the Middle East. It is estimated that to build in Cyprus—

- (a) a 20 kW. relay would cost about £53,000;
- (b) a 100 kW. relay would cost about £76,000.

Range of (1) would be limited to Egypt (not very loud), Lebanon and Syria; that of (2) would extend to Iraq. An alternative site but more expensive, would be Kuwait. The more powerful transmitter is recommended. Installation should take about 18 months from authorisation of expenditure.

Cost £76,000

7. FILMS

Restricted financial resources have compelled the Central Office of Information to concentrate on the production or acquisition of films suitable for general use through the world. Such films are rarely well adapted to Arab tastes which ideally require incorporation of material about the Arab countries. Initially the sum of £20,000 might be set aside for making two or three films specially for showing in the Middle East. If they prove successful more could be allocated in following years. A twenty-minute documentary costs about £4,000 to £5,000: if material were "shot" in the Middle East for inclusion the cost would increase to about £6,000 to £7,000.

Cost £20,000

8. TELEVISION

The acquisition by the Iraq Government of a transmitting station and the possibility that the Egyptians may emulate this step means that we should be ready to exploit this medium, though numbers reached will at first be small, and the region is really hardly ready for a large-scale development of television. The question of advice for the Iraqis in programming is being currently explored with H.M. Embassy in Bagdad. Production from B.B.C./I.T.A. material of a television newsreel might be investigated.

9. TOURS AND VISITS

(a) Information Policy Department run an annual programme of tours of the United Kingdom by journalists, trade unionists and, with Treasury agreement, other persons "capable of influencing public opinion." An increase in the number

of tours from the Middle East should be considered (at present six or seven parties of four each are possible): but previous experience indicates that—

- (i) no dividend is likely to be got from bringing here large numbers of Arab journalists;
- (ii) the general and industrial "sight-seeing" tour of the type which the present machinery of the Central Office of Information is geared to run is of little interest to Middle-Easterners.

To be worth while the guests invited should be senior officials and perhaps politicians, and the programme for them here should include interviews with and hospitality offered by senior British officials: and the guests will often expect to be received by Ministers and other leading political figures. The extent to which the number of tours should be increased therefore depends not so much on money as on the time which those concerned here will be able to give to them. If the guests are of high calibre and are treated here as V.I.P.s the tour is very valuable: otherwise it may be money wasted. (See also paragraph 8 (ii): close liaison with the British Council and the Board of Trade will be necessary.)

(b) Sponsorship of lecture tours of the Middle East by prominent British personalities or experts should be considered: but language may limit the choice.

10. "ARAB LISTENER"

The revival of the "Arab Listener," formerly published by the British Broadcasting Corporation should be considered. The cost would be about £10,000.