

order of July 15, 1948; any other aggressive military action which United Nations truce observation personnel might find either party to have committed was similarly condemned. The parties were asked to settle their disputes by peaceful means.

On July 11, 1951 Israel lodged a complaint that Egypt had been violating international law — the Suez Canal Convention of 1888 and the Israeli-Egyptian armistice agreement of 1949 — by interfering with the passage through the Suez Canal of goods destined for Israel. Israel had raised this question with the Security Council once before, in the autumn of 1950, but had failed to get a ruling on the issue involved. On September 1, 1951, however, by 8 votes to none (with China, India and the U.S.S.R. abstaining) the Security Council adopted a resolution maintaining that active belligerency, which was Egypt's excuse for searching foreign ships for contraband, was incompatible with an armistice regime; that the practices complained of by Israel could not be justified by Egypt on grounds of self-defence; and that they represented an unjustifiable interference with the rights of nations. Egypt was asked to end the restrictions. The Council did not include in its resolution any specific reference to a counter-claim that Israel should be required to cease ignoring the Security Council's resolution of November 17, 1950 relating to the repatriation of several thousand Arabs lately expelled from the Negev into Egypt. The resolution of September 1, 1951 merely recalled in general terms that in November 1950 the Council had asked the States concerned to get on with the business of peace-making.

In general the Security Council has taken the position that the states concerned should air their grievances about non-observance of armistice agreements before the Mixed Armistice Commissions, and three of the four commissions (those handling problems on Israel's borders with Egypt, Jordan and Syria) continued to have a considerable amount of work to do up to the end of the period under review.

Iran: Nationalization of Oil Industry

On March 20, 1951 the Iranian Senate and Chamber of Deputies approved a resolution calling for the nationalization of oil throughout Iran. On May 2 a law was promulgated under which a National Iranian Oil Company was established for the purpose of extracting, processing and selling oil.

For an understanding of what this action involved, it is necessary to go back to 1908, when the Anglo-Iranian Oil Company was founded in London to exploit a 60-year concession granted by the Shah of Persia in 1901 to a financier by the name of William D'Arcy. In 1914, the British Admiralty purchased a controlling share of the company's stock and when the Shah in November 1932 cancelled the D'Arcy concession, on the ground that Iran was getting only half as much from oil royalties as it would from normal taxes on the sale of oil, the United Kingdom Government played an active part in negotiations which led to the acceptance of a new agreement on