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SUEZ, A FUTURE SARAJEVO? THE SIGNIFICANCE OF THE REOPENING OF THE SUEZ CANAL TO THE SOVIET UNION AND THE ATLANTIC ALLIANCE

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15 September 1974

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THE SUEZ CANAL TO THE SOVIET UNION AND THE
ATLANTIC ALLIANCE

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INTRODUCTION

Following the disengagement of Egyptian and Israeli forces in Egypt and the Sinai terminating that portion of the Yon Kippur War of 1973, President Sadat began to implement plans to reopen the Suez Canal closed to traffic since the October war of 1967. In May, 1974, HMS "Abdiel" transitted from Port Said to Ismailia on Lake Timsah¹ and the Murphy Pacific Marine Salvage Co. of Emeryville, California² began salvaging the ten major wrecks³ blocking the canal, thus beginning the \$200 million-2 1/2 year project⁴ of restoring the canal to its 1966 capability of being able to pass ships up to 70,000 gross weight tons with a maximum 38-foot draft.⁵ Once the canal is opened, plans of the Suez Canal Authority call for a \$1.2 billion six-year project of enlarging the canal to take 250,000 gwt. ships.⁶

Beginning with Louis XIV and Napoleon I, both interested in the idea of a canal across the Isthmus;⁷ through Ferdinand de Lesseps' Compagnie Universelles du Canal Maritime de Suez (1856); its purchase in 1895 by Benjamin Disraeli on behalf of the British Government, and the subsequent British occupation of Egypt in 1882 to defend its canal interests, to the occupation of the Canal Zone only under the Anglo-Egyptian treaty of 1936; the canal had served as a symbol of human progress, the vital link holding together an empire, and a significant factor in the development of international commerce. On 19 October 1954, under pressure from the United States, the British acceded to Egyptian demands to leave her soil

and evacuation of the Suez base was completed on 13 June 1956. On 19 July 1956 in retaliation for Egyptian arms purchases from the USSR, Britain and the United States withdrew financial support for construction of the Aswan High Dam, and seven days later on 26 July 1956, Nassar proclaimed Egyptian nationalization of the Suez Canal Company SAE.⁸ Since that time the canal has become a battleground which twice in ten years has threatened world war. What of today? In the world of the 1980's will the rebuilt canal be that "positive step towards peace"⁹ in the mid-east hoped for by Dr. Kissinger, or will it be, like Sarajevo of 1914, the flashpoint of some future Armageddon? This paper addresses these questions in the light of growing Soviet naval power and presence East of Suez together with western alternatives.

SOVIET POLICY AND GOALS

First Secretary Brezhnev in his report to the 24th Congress stated:

We declare that, while consistently pursuing its policy of peace and friendship among nations, the Soviet Union will continue to conduct a resolute struggle against imperialism, and firmly to rebuff the evil designs and subversions of aggressors. As in the past, we shall give undeviating support to the peoples' struggle for democracy, national liberation and socialism.

...To eliminate the hotbeds of war in southeast Asia and in the Middle East and to promote a political settlement in these areas on the basis of respect for legitimate rights of states and people subjected to aggression.¹⁰

Secretary Brezhnev further stated with specific reference to the Mediter-

ranean and Middle Eastern area that:

The Soviet Union will continue its firm support of its Arab friends. Our country is prepared to join other powers who are permanent members of the Security Council, in providing international guarantees for a political settlement in the Middle East. Once this is reached, we feel that there could be a consideration of further steps designed for a military detente in the whole area, in particular for converting the Mediterranean into a sea of peace and friendly cooperation.¹¹

The inconsistencies of these two statements of goals would lead one to the conclusion that political settlements in the Middle East for which the USSR is willing to provide international guarantees will be within the context of the support for the peoples' struggle for democracy, national liberation and socialism which runs counter to the US policy of an even-handed approach to power balance in the area.

Soviet goals in the Middle East may be enumerated as follows:

1. Build political influence by furnishing Soviet technicians to armed forces in areas where these forces are a dominant political power in order to secure basing rights particularly among the Mediterranean, Red Sea, Indian Ocean, and Persian Gulf littoral nations in order to be in a position to deny these seas to western navies, and, in the case of the Mediterranean, turn NATO's southern flank.¹²

2. Take all risks necessary to maintain preeminence

in Syria despite Syria's military and political weakness to squeeze Turkey, check Israel, and maintain association with Arab nationalism.¹³

3. Reduce western commitments and influence in Turkey and Iran on her southern border in order to secure the Dardanelles by having a "neutralized Turkey fully independent of NATO and the US and more subject to Soviet pressures and blandishments"¹⁴ and her avenue of approach to the Persian Gulf by weakening US ties and normalizing relations with Iran.¹⁵
4. Support Arab nationalism and radical Arab regimes in conflicts with the Western Powers and Israel.¹⁶
5. Secure unchallenged Soviet influence in this oil-rich area both for its own sake as a political prize of incalculable value and in satisfaction of her own domestic needs and those of her European satellites for oil and natural gas by acquisition from nearby Iran and other Arab states rather than developing remote Siberian sources.¹⁷
6. Deny Chinese penetration into the area.¹⁸

Secretary Brezhnev further stated in his report to the 24th CPSU Congress, in relation to Soviet policy towards Asia, that:

The Soviet Union has always favored and continues to

favor development of the best relations with Asian states. Our goal is to promote peace in Asia and to help its progressive forces fight imperialism and colonialism in every form.

We maintain and are successfully developing fraternal relations with and all-around cooperation with the socialist countries in Asia¹⁹

We attach especially great importance to our growing friendship with India and her great people that are traversing a road of freedom, independence and progress.²⁰

The Soviet Union maintains diplomatic relations with all the independent countries around the Indian Ocean. She has also concluded cultural, trade, and economic and technical aid agreements with Indonesia, Burma, Pakistan, India, Sri Lanka (Ceylon), Arab Republic of Yemen, Ethiopia, and Somalia, commercial and technical aid agreements with Peoples' Democratic Republic of Yemen, Kenya, and Tanzania, and trade agreements with Malaysia, Singapore and Thailand, and a cultural and scientific cooperation agreement with Kuwait.²¹ The principle Soviet goals in the Indian Ocean - South Asia area are:

1. Establish political influence in littoral countries to establish naval support bases not to harass western shipping in the Indian Ocean, but to exercise a measure of authority on the high seas for the protection of her own merchant and fishing fleets in the area.²²
2. Establish a Soviet naval presence in the Persian Gulf and the Arabian Sea both as a defense against the strategic threat of US SLBM (Poseidon) deployment and to

fill the vacuum left by British withdrawal in 1971 to create a Soviet influence over the principle oil producers.²³

3. Increased aid to Malaysia and Singapore to control the Strait of Malacca used for passage of Soviet naval and merchant shipping between the eastern and western Soviet Union.²⁴
4. Economic support and military aid to nations such as India, Sri Lanka (Ceylon), Mauritius and Somalia in return for port and mooring facilities to facilitate naval deployment promoting Soviet prestige in the area, to assure area neutrality recognizing the increased significance of conventional naval forces under conditions of nuclear parity,²⁵ and to complete the encirclement of the Peoples' Republic of China.²⁶

The maintenance of significant naval power in the Indian Ocean would secure Soviet control over the flow of Middle East oil and raw materials essential for capitalist industry in Asia and Europe.²⁷

In 1967 there were 1300 ships of over 1500 tons in the Indian Ocean belonging to NATO countries contrasting with 1400 such ships of these countries in the Pacific Ocean area, and 50% of Europe's, 60% of Australia's, 80% of Africa's, and 90% of Japan's oil moves through the Indian Ocean.²⁸

SOVIET NAVY

In order to secure these goals in the Middle East, South Asia, and the Indian Ocean, Soviet naval presence in the eastern Mediterranean has grown from nothing in the early 1960's to a permanent squadron of more than 60 ships, augmented to more than 90 during the 1973 Arab-Israeli War,²⁹ using repair facilities in Syrian and Egyptian ports and having perfected methods of at-sea refueling and replenishment.³⁰ Soviet naval strength in the Indian Ocean varies from 12 to 25 ships seasonally consisting of several surface combat ships, fleet maintenance vessels, a number of submarines, space support ships, intelligence ships, hydrographic and oceanographic ships, and tankers³¹ utilizing refueling and repair facilities at Hodeida (Yemen Arab Republic), Aden (Peoples' Democratic Republic of Yemen), Berbera and Mogadishu (Somalia), Vishakhapatnam (India)³² Port Louis (Mauritius) and Socotra Island.³³ Although Soviet naval presence in the Indian Ocean is modest at present, its significance lies in: a. that it represents a relatively new initiative, b. that quite modest naval forces judiciously used can have quite substantial political effects,³⁴ c. that apparent decreasing competition from western powers and their navies gives her relative freedom of action, and d. that Soviet naval presence must be considered in conjunction with its other activities in the region such as in India and in Iran.³⁵

Because of its "humiliation" at being unable to counter the British and French invasion of Egypt in 1956,³⁶ the Soviet navy has since experienced rapid and balanced growth both in quantity and in quality of its forces

including merchant marine, oceanographic survey, and fishing fleets (used for intelligence gathering).³⁷ The table at Appendix I shows present 1974 Soviet naval strength.

Soviet naval power is not solely a phenomenon of the 1960's and 1970's. Based on German type XXI U-boat (Diesel electric U-2511) design, construction of Whiskey, Zulu, and Quebec class submarines was such that by 1958 there were 475 of these boats in commission.³⁸ At this time the Soviet naval mission was to defend the Soviet state and to help to isolate the potential European battlefield from the vast resources of the United States.³⁹ Construction of nuclear submarines began in 1953, and the first November class was commissioned in 1960.⁴⁰ With the advent of US nuclear SLBM and carrier-based nuclear-capable aviation, "the defeat of enemy naval forces, principally the defeat of carrier based shock units and annihilation of rocket carrying nuclear submarines...."⁴¹ was added to the Soviet naval mission.

The purpose and mission of Soviet naval power in the 1970's and the 1980's has been stated by Fleet Admiral S. G. Gorshkov, C-in-C Soviet Navy.

Purpose: The Soviet Navy is now present in every sea in the world, and the US will have to understand she no longer has mastery of the seas.⁴²

Mission: 1. A wartime mission of defending the sea frontiers of the Soviet block, and 2. In peacetime our navy reliably protects the state interests of the Soviet Union on sea and ocean.⁴³

By "protecting the state interests of the Soviet Union" Admiral

Gorshkov means:

1. Defense of the Soviet Merchant Marine grown from two million gross tons in 1948 to 15 million gross tons today and carrying politically sensitive cargo with potential for attracting western interdiction. The countries of the Indian Ocean - Red Sea littoral received between 40% and 50% of block assistance to developing nations during the 1954-1967 period.⁴⁴
2. Protect Soviet fishing interests in the seas and oceans.⁴⁵
3. Goodwill visits to "secure the noble purpose of improving mutual understanding between nations, . . . enhancing the international prestige of our homeland," and "strengthening the political influence of the Soviet Union."⁴⁶ As late as 1963, Soviet Naval visits to non-Warsaw pact countries were a handful while the US Sixth Fleet alone visited 95 ports. In 1968 Soviet naval vessels called in 26 countries and over the next two years paid over 100 calls in over 60 countries.⁴⁷
4. Application of gunboat diplomacy in the protection of client states as demonstrated by the deployment of surface combatants to Egyptian ports during the October 1967 war and in 1970 and 1971 to deter Israeli air strikes, the use of Soviet destroyers in November 1970 to deter further Portuguese raids on Conakry, Guinea, and in the 1971 coup

attempt against President Stevens in 1971 in

Sierra Leone.⁴⁸

5. Naval presence as a bargaining point for mutual withdrawal of all naval forces from all sea areas, the Mediterranean, the Indian Ocean, and the Caribbean.⁴⁹

In the ultimate sense, Soviet policy is still an all Communist world, but in the present Soviet perspective, this cannot be a realistic goal of political strategy. The key concept now is not control but influence, and in the Third World this means the reduction and exclusion of western and Chinese influence replaced by either Soviet alignment or indigenous non-aligned neutrality. A common theme in the application of Soviet gunboat diplomacy is the protection of "progressive" regimes in unstable developing countries from real or alleged external or domestic assaults. These interventions on the side of progressive regimes are aimed at the exclusion of western influence by the timely and meaningful insertion of a Soviet presence. In order to be effective, the Soviet Union must be able to insert the appropriate level of conventional power into unstable or insurgent conditions in order to tip the balance in her favor and to do so in such a manner as to preclude the threat of a major confrontation between herself and the US or another major western power.

A major weakness in Soviet naval ability to operate effectively is her present lack of carriers and the vulnerability of relying on land-based air support as demonstrated when she lost her Egyptian base in 1973. However

the 75,000 ton, VSTOL carrier "Kiev" built at Nikolayev on the Black Sea is undergoing sea trials and a second is under construction with the goal of eventually having 12 such ships.⁵⁰ Presently the two helicopter carriers "Moskva" and "Leningrad", recently created naval infantry, and a developing "sea train" gives the Soviet Union a distant-intervention capability at least equal to that of Britain.⁵¹

The Soviet Union is in the process of creating a high seas fleet capable of operations in all areas of the world, but she remains vulnerable due to her classically landlocked geographic position. She maintains a squadron in the eastern Mediterranean, but it will long remain vulnerable due to its inferiority in strike power to NATO Mediterranean fleets, and to the fact that lines of communications through Gibraltar and the Dardanelles are not under her control.⁵² In the Indian Ocean her squadron is vulnerable due to the extremely long lines of communication to her Pacific ports and the influence of weather on their use. This makes it dependent on foreign bases ashore in this highly volatile area among nations which are basically wary of Soviet intentions.⁵³ Here again the Soviet Union does not control the vital choke points of the Suez Isthmus and the Straits of Malacca. Basically the Soviet Navy at present levels of deployment cannot be considered a major threat to the security of countries bordering either the Mediterranean Sea or the Indian Ocean area, and before this naval presence could be elevated to a major threat it would be necessary for the Soviets to be able to both deploy sizable forces rapidly and sustain these forces for long periods at sea. This capability could

be achieved by the reopening of the Suez Canal, but her secure utilization of the canal is dependent upon her ability to maintain hegemony over Egypt⁵⁴ which becomes less probable as US prestige in Egypt increases. However US prestige among the Arab nations is tenuous at best being linked as it is to the Israeli problem.

SIGNIFICANCE OF THE CANAL

Admiral Thomas H. Moorer, then Chairman of the U. S. Joint Chiefs of Staff, said in an interview published in the 8 July 1974 U. S. News and World Report that:

The opening of the Suez Canal will greatly facilitate Soviet maintenance of a naval presence in the Indian Ocean, because they can draw their forces from the Black Sea rather than from the Pacific Fleet. So they will then have about a 2,000-mile versus an 8,000 or 9,000-mile run from their bases.⁵⁵

In a similar interview in 1973 Admiral Worth H. Bagley C-in-C US Naval Forces Europe said:

Well consider this: The distance from the Black Sea to the Gulf of Aden where the Soviets have been doing a good deal of their operations in the Indian Ocean, is 2,200 miles. To go all the way around the Black Sea, through the Mediterranean and around the Cape of Good Hope to the Gulf of Aden is about 11,000 miles. The Russians now place ships from their Pacific fleet at Vladivostok in the Indian Ocean. The distance is 9,000 miles.

So you can see the reopening of the Suez Canal could give them an improved capability to use their current forces in three areas simultaneously.⁵⁶

The reopening of the canal would greatly enhance Soviet ability to

project its influence into the Indian Ocean area for whatever her intended purpose. At the same time British and American naval units are helping to clear the canal of mines and other explosives, an American firm has contracted to clear the wrecks blocking the canal, and the American sponsored settlement in the Sinai facilitates its opening by Egypt with the withdrawal of Israeli forces from the east bank. The reason behind this seeming anomaly is that the canal is not only a value to the UAR and the USSR but also to the Atlantic Alliance. The factors are economic as well as political, and the canal cannot remain closed regardless of the advantages which its reopening gives to the Soviet Union. The United Nations has reported that the blocking of the canal has cost the world \$1.7 billion in lost commerce and higher navigation costs, and that the countries of the Indian Ocean are especially hard hit by the reduction of their access to European markets.⁵⁷ The closed canal costs Europe 815 million dollars annually in increased shipment costs⁵⁸ as shown in the table at Appendix 2. In a three month period of an average year prior to 1967, the total canal traffic was 42 million tons (60% European bound oil shipments) (240 million tons passed the canal in 1966), and in 1966, Egypt's revenue from the canal was 250 million dollars annually.⁵⁹ Egypt would stand to gain at least this amount without relying on other Arab states presently replacing this income.⁶⁰ Politically the reopening and the normalization of the utilization of the canal serves as a symbol of the returning stability in the Middle East.

The fear that the closing of the Suez Canal in 1967 would have the

same serious implications for Europe's oil supplies as the 1956-57 experience failed to materialize because a combination of technology and efficient organization increased tanker fleet capacity by 7% within one month of closing and by 17% by the end of 1967.⁶¹ This was done with the advent of VLCC (very large crude carrier) "super-tanker" technology among other things, and it was asserted by their advocates that the canal was "technologically obsolescent".⁶² However the economies of scale of VLCC's have been greatly reduced due to the off-setting increased costs of both port facilities and the vessels themselves.⁶³

Europe consumes nearly 10 billion barrels of oil per day, and consumption increased by 11% during 1970 and should double by 1980. Even before the events of 1973-74 the OPAEC realized the potential of their seller's market and "oil blackmail" had been applied to raise prices by Libya in 1970 and by Algeria in 1971. In the meanwhile, the demand for oil in the non-Communist world has been growing at the annual rate of 3 million barrels per day (equivalent to a "new Libya every year")⁶⁴ taxing available tanker capacity to the maximum and beyond. The reopening of the canal would very quickly turn the present tanker shortage into a surplus, reducing shipping charges and putting western consumers in a better bargaining position.⁶⁵ The figures for free world trade in T-2 equivalents (T-2 equals 16,600 dwt. vessel with a speed of 14.5 knots operating 345 days per year) are 6991 T-2 equivalents in 1969 projected to 7544 by 1975 and 9957 by 1980.⁶⁶ In 1970 western oil consumption very nearly exceeded available T-2 equivalents.⁶⁷ The opening of the canal would immediately effectively

increase tanker capacity by 600 T-2 equivalents and by about 1,000 in a year, increasing supply efficiency by 10% to 15%,⁶⁸ and pushing supply above demand. Thus it is that the European-American interests in the reopening of the canal are as great as those of the Soviet Union though for different reasons.

THE THREAT

The fact remains that a Soviet presence "East of Suez", an area in which opportunities for intervention in politically unstable conditions contrary to US-European interests are legion, is greatly facilitated by its utilization of the Suez Canal. In the vital Persian Gulf area alone sovereignty issues are in dispute between almost every country. Iran disputes her Shatt Al Arab boundary with Iraq. Iraq and Kuwait contest their mutual boundary and the Islands of Bubiyan and Al Warbah controlling approaches to the Port of Umm Qasr. Possession of the Island of Hawar is disputed between Bahrain and Qatar. The United Arab emirates dispute their southern border with Saudi Arabia. Possession of the Islands of Tunbs, Sirri, and Abu Musa east of the Strait of Hormuz is disputed between Iran and Ra's Al Kaimah and Sharjah. The United Arab emirates dispute mutual borders among themselves. Ethnic, racial, and religious antagonisms also abound as with the Kurdish independence movement involving Iraq and Iran, and the religious controversy between Saudi Arabia and Iran to name but two.⁶⁹

US naval presence in the Persian Gulf - Indian Ocean area is limited

at present to one seaplane tender command ship and one or two destroyers⁷⁰ based at Bahrain augmented by recent deployments of the aircraft carriers "Hancock", "Oriskany" and "Kitty Hawk"⁷¹ individually from the Pacific Fleet, and the development of a facility at Diego Garcia Island. The Soviet presence is as recited earlier, and the forces of both nations will increase after the canal is reopened. The condition presently existing between the US Sixth Fleet and the Soviet Mediterranean Squadron in the eastern Mediterranean may simply be extended into the Arabian Sea - Persian Gulf area.

The great danger is not that the two powers would directly engage one another, but that either they would become involved in disputes among their clients or that they would actively engage in interventions in such internal insurgencies as exist in Oman and between the Arab Republic of Yemen and the Peoples' Democratic Republic of Yemen.⁷² Should either power attempt to interdict the other's use of the canal or the use by a client under such circumstances, the threat of their confrontation would have grave implications for world peace.

THE ALTERNATIVES

Realistically in the period of the 1980's and beyond, how significant is the threat now that its nature has been defined? Technically the USSR with a significant naval force in the Indian Ocean area could have the capability of seriously endangering the capitalist societies of Japan and western Europe by interdiction of fuel supplies either by the active subver-

sion of Arab countries or naval blockade, but the latter would be an overt act of war, and the former could only lead to dangerous confrontations. Only as she perceives military weakness, lack of commitment, and a general disunity of purpose would she dare, and even under these conditions the risks would be grave. The countries of the Middle East, East Africa, and South Asia are basically suspicious of Soviet intentions which she demonstrated in her attempted takeover of Azerbaijan, and one of the basic reasons why the whole area has not succumbed to the blandishments of Soviet Communism following the departure of Britain has been "An almost imperceptible psychology of fear of Soviet expansionist tendencies".⁷³ That the Soviet Union has recognized this barrier, especially after her estrangement with Peking, is demonstrated by her subtle tactics in her relations with Afghanistan in which she has made her penetration more acceptable thus attempting to prove to Asians that the Russian bear can be benign rather than rapacious,⁷⁴ and the result is Afghan neutrality. India, though driven by US support of Pakistan into accommodation with the Soviet Union in her goal of dominance on the sub-continent, seeks to take the lead in the Indian Ocean defense system to exclude the great powers and their allies from the Indian Ocean area.⁷⁵ China naturally concludes that any Soviet presence in the area is a direct threat to her national security.⁷⁶ Given these circumstances the probabilities of a direct Soviet military intervention in say Ethiopia or Yemen or Oman would seem to be remote because such an act, though it might be successful in the local condition, would be disastrous to her relationships elsewhere in the region.

The western nations must be careful not to react to the potential threat in such a way as to predetermine the result, and the sufficiency factor of the response is critical in that it must be adequate and credible but not subject to aggressive preemptive interpretations. The destabilizing effects of an arms race in the Indian Ocean should be avoided, as should either vacuums or great asymmetries in political and military power. The alternatives of a significant preemptive buildup of naval and air forces, such as massive development of Diego Garcia and increased size of our permanent forces deployed in the area, or the total withdrawal of all presence must be avoided as either move will serve to cause a reaction from Soviet imperialism. The development and encouragement of client nations possibly Iran, Jordan, Pakistan or Saudi Arabia as our surrogates in local conflicts must be carefully controlled to maintain regional strategic balance, thus hopefully lessening the potential of being drawn into conflict.

The relatively insignificant event at Sarajevo in 1914 triggered the unstable conditions of an arms race fostered by imperialistic nationalism and polarized alliances, and the result was world war. The commercial and strategic significance of the canal to the Soviet Union and the Atlantic Alliance dictates prudent restraint to insure that Sarajevo is not re-lived at Suez.

The most prudent policy for the US and her allies to follow, granting the mutual necessities which are satisfied by the reopening of the Suez Canal, is to actively promote indigenous solutions to regional problems favorable to their interest while carefully monitoring Soviet political and

military initiatives and maintaining a credible deterrent capability.

APPENDIX I

SOVIET NAVY

CLASS	FLEET				TOTAL
	NORTH	BALTIC	BLACK SEA	PACIFIC	
Fleet Submarines					
Delta (SSBN)	4				4
Yankee (SSBN)	24			8	32
Hotel II (SSBN)	6			3	9
Charlie (SSGN)	11				11
Echo II (SSGN)	15			12	27
Echo I (SSGN)	1			2	3
Victor (Fleet)	12				12
November (Fleet)	9			4	13
Golf I & II (SSB)	14			8	22
Zulu V (Patrol)	2				2
Juliet (SSG)	10			6	16
W Twin Cyl. (SSG)	6	2		4	12
W Long Bin. (SSG)	4				4
Alpha (Fleet)	1				1
Bravo (Patrol)	1	2	1		4
Foxtrot (Patrol)	31	14(varying)		11	56
Romeo (Patrol)		5	9		14
Quebec (Patrol)		11	11		22

APPENDIX I (Continued)

SOVIET NAVY

CLASS	FLEET				TOTAL
	NORTH	BALTIC	BLACK SEA	PACIFIC	
Zulu (Patrol)	12	5		5	22
Whisky (Patrol)	25	44	27	34	130
Whisky (Radar Picket)	3			2	5
Surface Ships					
Kiev (Carrier)			1 + 1		1 + 1
Kara (CLGM Cruiser)			1 + 2		1 + 2
Moskva (ASW HEL. Carrier)			2		2
Serdlov (Cruiser)			2		2
Chapaev (Cruiser)	2	3	4	3	12
Kirov (Cruiser)	1	1			2
Kresta II (CLGM Cruiser)	3	2	1		6
Kresta I (CLGM Cruiser)	3			1	4
Kujda (CLGM Cruiser)			2	2	4
Krivak (DDGSP)	2	3			5
Kashin (DLG)	3	2		1	6
Krupny (DDGS)				2	2
Sam Kotlin (DDG)	2	1	3	2	8
Kildin (DDGS)			2	2	4

APPENDIX I (Continued)

SOVIET NAVY

CLASS	FLEET				TOTAL
	NORTH	BALTIC	BLACK SEA	PACIFIC	
Kotlin (DD)	3	5	3	7	18
Tallin (DD)		1			1
Skory (DD)	7	12	10	16	45
Nanuchka (Missile Boat)		3	3		6
Mirka I & II (Frigate)	5	4	12	4	25
Petya I & II (Frigate)	12	10	11	12	45
Kola (Frigate)	2	1	3		6
Riga (Frigate)	14	5	15	14	48
Urga (Sub Support)	4	2		2	8
Lama (Missile Support)	2		1	2	5
Don (Sub Support)	3			3	6
Girsha (Frigate)	3	2	4	2	11
Stenka		19	4	7	30
Poti (Corvette)	25	25	5	15	70
SO I (Corvette)		45	40	15	100
Kronstadt (Corvette)	5	20	8	7	40
Fleet Sweepers	45	60	40	50	10 Natya 45 Yurka 20 T-58

APPENDIX I (Continued)

SOVIET NAVY

CLASS	FLEET				TOTAL
	NORTH	BALTIC	BLACK SEA	PACIFIC	
					120 T-43
Coastal Sweepers	30	45	25	25	125
Aligator (LST)	1	4	3	3	11
Polnocny (LSMR)	12	15	18	15	60
Landing Craft	20	30	45	40	135

Source: Cpt. John Moore, RN ed. Jane's Fighting Ships 1973-74, p. 530.

APPENDIX II

ESTIMATED ANNUAL COSTS OF THE SUEZ CANAL CLOSURE

	(\$ millions)
A. Costs borne directly by Europe	585
1. Increased prices of Mediterranean crudes	300
2. Increased costs of Cape deliveries (oil)	400
a. Route distance effect	300
b. Rate escalation factor	100
3. Minus: Savings in Suez Canal Dues*	(115)
 B. Costs borne by Europe and others (Not geographically assignable)	 230+
1. Rate escalation factor: routes other than Gulf/North- west Europe (oil)	150+
2. Route distance effect: General cargo	150+
3. Minus: Savings in Suez Canal Dues	(70)
Total Burden	815

* This conservative calculation presumes a total traffic equal to only two-thirds of the pre-1967 level.

Source: Thomas R. Stauffer, "Who needs the Suez Canal," Mid East October 1970, p. 31.

FOOTNOTES

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