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► **To cite this version:**

Angelos Dalachanis. Transnational Labour in Conflict: The Italian and Greek Personnel of the Suez Canal Company and the Second World War. Palgrave Macmillan. Italy and the Suez Canal, from the Mid-nineteenth Century to the Cold War, pp.313-328, 2022, 978-3-030-88254-9. hal-03120693

**HAL Id: hal-03120693**

**<https://hal.science/hal-03120693>**

Submitted on 17 Dec 2022

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## **Transnational Labour in Conflict:**

### **The Italian and Greek personnel of the Suez Canal Company and the Second World War**

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#### **Abstract**

The history of the Suez Canal Company (SCC) was replete with crises. From its foundation by Ferdinand de Lesseps in 1854 to its nationalisation by Gamal Abdel Nasser in 1956, it experienced strikes, two world wars and other local or regional conflicts. What made these events critical was that each of them could potentially prevent the SCC from conducting its basic mission: to keep the canal open to navigation in times of peace and war. This chapter focuses on the Second World War, which was crucial for the SCC's personnel, especially for the Italian employees and workers, since they were dismissed en masse when the war started and did not regain their positions after it. The author argues that the failure of the Italians to get their jobs back was not only due to the Egyptianisation of the workforce in Egypt but also to the competition they faced from other ethnic groups, mainly from Greeks, who were the largest non-Egyptian national group in the SCC and, indeed, in Egypt from the 19th to the mid-20th centuries.

**Keywords:** Suez Canal Company, Labour, Greeks, Italians, Second World War

The history of the Suez Canal Company (SCC) was replete with crises. From its foundation by Ferdinand de Lesseps in 1854 to its nationalisation by Gamal Abdel Nasser in 1956, it experienced strikes, two world wars and other local or regional conflicts. What made these events critical was that each of them could potentially prevent the SCC from conducting its basic mission: to keep the canal open to navigation in times of peace and war. A crisis is however useful to a historian because it constitutes a magnifying glass that makes apparent otherwise invisible threads that link small history with the big picture. Crises allow the historian to transcend different levels of analysis between local, regional and global; between the micro and macro scales. In this respect, a crisis related to a global company that was also universal in name, *Compagnie universelle du canal maritime de Suez*, allows us to observe how ordinary people of several ethnic and national backgrounds who worked for it

make decisions in the face of world-level events. Even though the history of the SCC has mostly been examined through the lens of its administrative elites, its impact on the urban context and the architecture of the canal cities, the history of its personnel remains largely understudied.<sup>1</sup> This chapter contributes to the filling of this gap. It examines the personnel of what was the biggest private employer in the Eastern Mediterranean for more than a century, with particular emphasis on the Italian and Greek personnel, in relation to the Second World War. I argue that the romantic, rosy and often nostalgic perspective on Egypt's cosmopolitanism overplays the peaceful coexistence between foreign communities and downplays the competition among them.<sup>2</sup> At the same time, the Egyptian struggle for full independence, and the consequent colonial or anticolonial discourse that has been very much focused on Suez, obscure other social dynamics. For these reasons there is a tendency to attribute the unemployment of foreigners in immediate pre- and post-war Egypt solely to the Egyptianization of the economy and labour.<sup>3</sup> In this sense, there is a tendency to see the departure of foreigners as a result of Egyptian legislation and not to the antagonism between foreign communities.

### *Personnel at War: Mirroring State Policies*

Legally an Egyptian joint-stock company, the SCC was rather a French company, in terms of the nationality of its founder, Ferdinand de Lesseps, the majority shareholding, the administration and the majority of highly qualified employees. Britain, however, after occupying Egypt in 1882, placed the country and the canal under its protection and owned the biggest proportion of shares (around forty percent). After the Anglo-Egyptian treaty of 1936, the British constructed their biggest military base in the world across the canal, which hosted 10,400 soldiers, officers and pilots. On the eve of the Second World War, the SCC board consisted of thirty-two directors: nineteen of whom were French, ten British, two Egyptian and one Dutch. The associated prestige and the prospect of reduced passage fees made membership of the board appealing for many countries. From 1899 to 1915 there

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<sup>1</sup> Piquet 2008; Bonin 2010; Piaton 2009 and 2011. Additionally Beinin and Lockman 1998 have linked the labour movements of the canal with the wider dynamics in Egypt. Curli 2014 is the only recent study on the work organization and Egyptianization of the personnel of the Company from the 1940s until the Suez Crisis, and also offers a gender approach.

<sup>2</sup> For a solid critique on Egypt's cosmopolitanism see Hanley 2008.

<sup>3</sup> Alleaume 1997; Karanasou 1992; Piquet 2009.

was also a German director, but during the First World War a Frenchman replaced him. The Italians first sought representation on the board in 1922. Unsuccessful, in the late 1930s they became more insistent. By this time, their claim to a boardroom position had become more substantial because their military involvement in Libya and Ethiopia had resulted in Italy being the second highest user of the canal after Britain.

For the British Foreign Office, the real reason for Italy's request was its desire to access vital information about the canal's security. Only a few high-ranking SCC officials were aware of top-secret plans that had been drawn up by the British navy and the company. Indeed, the British were extremely sceptical about the appointment of an Italian director because this would provide 'a very considerable advantage to the Italian government in the event of war'.<sup>4</sup> Within the antagonistic environment in the Eastern Mediterranean, London considered the Italian demand as the first step in a policy to undermine Britain's dominant position in Egypt, fearing it would endanger communications with the empire east of Suez. British officials also had concerns that Italian claims for representation would lead to similar demands from Germany and Japan. France and Britain did not share the same opinion as to how they should deal with the Italian demands and with Mussolini in general. For instance, when Paris agreed to discuss Italian claims on Suez, London only countenanced the possibility of reducing fees.

In August 1939, the SCC examined the possible impact on its personnel of a possible future war between Italy and France. At that time, the SCC personnel comprised 3,600 persons: 600 employees (white-collar workers, engineers, navigation pilots and foremen) (364 French, 78 Italians with the remaining 158 comprising Greeks, Egyptians and other nationalities) and 3,000 workers (100 French and 370 Italians, with the remaining 2,530 composed of Egyptians, Greeks and other nationalities).<sup>5</sup> According to the company's estimates, in the event of war, 172 French would be called up and all the Italians employees – accounting for forty two percent of the employees – would be dismissed. The impact of any war on Italian workers would be much less significant since only nineteen percent of them would leave their job. As for the Greeks, their dependence on a state that had no military rivalry with the French or British made them an ideal workforce for critical times, according to canal administrators. In June 1938 the head of the transit service G. Douin, wrote from his base in Ismailia to the Paris SCC headquarters that he was much in favour of recruiting Greeks because: 'These are people who will never make war – whose patriotism will never boil over to the

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<sup>4</sup> Note of V. Gavendish-Bentick, 3 Jan 1939, TNA, FO, 371 23343.

<sup>5</sup> Note, 23 August 1939, ANMT, ASCC, 1995 060 1326.

point of making them commit reprehensible acts – and who, by the way, are good and disciplined sailors’.<sup>6</sup>

In May 1940, Italy’s intention to go to war was becoming increasingly evident. Paris adopted a cautious approach, suggesting that the SCC should refrain from any action that could antagonise the Italian government. At the same time, London and Cairo believed that there was no room for concessions with the Italian government and the only important matter at that stage was ‘to prevent any harm being done to the Canal by Italian sympathisers, especially the Italian employees against whom there were grounds for suspicion’.<sup>7</sup> Suspicion of Italians was not only confined to the canal but was widespread in Egypt because of Fascist propaganda and activities.<sup>8</sup> British and French intelligence provided classified information to the SCC administration about gatherings of Italians at the *Domus Italica* in Ismailia. The secretary of the local Fascio had informed his compatriots that an Italian attack on the Suez Canal Zone was imminent and that they should provide assistance to the Italians parachutists. Moreover, he even gave some Italians concrete instructions about what to do in the event of an attack. Additionally, he asked them to remove the Fascist insignia from their lapel and to avoid relationships with Greeks because they were unreliable and could betray them.<sup>9</sup> At the time, relations between Italy and Greece were rapidly deteriorating, which led to the outbreak of the Greek-Italian War in late October 1940. After the Italian defeat in Greece in April 1941, the subsequent German invasion broke Greek defence. Until late 1944, Greece would remain under tripartite German, Italian and Bulgarian occupation.<sup>10</sup>

Under the terms of the 1936 Anglo-Egyptian treaty, the British took control of Egypt following the outbreak of the Second World War and put pressure on the SCC to dismiss Italian personnel. The Italians were given a fortnight’s leave, starting on 15 May 1940, and their full dismissal followed shortly thereafter. After Italy’s declaration of war on 10 June 1940, Egypt ordered the internment of Italian citizens. In total, sixty percent of Italian males living in Egypt were arrested and detained in camps, where they remained for up to four years.<sup>11</sup> By 1 September 1940, 331 Italian SCC staff had been dismissed: thirty-eight employees, thirteen pilots, eight foremen and 273

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<sup>6</sup> Douin to Febvre, Ismailia, 9 June 1938, ANMT, ASCC, 2000 038 0189

<sup>7</sup> Young to Norton, Paris, 24 May 1940, TNA, FO, 371 24601.

<sup>8</sup> Viscomi 2016, 66.

<sup>9</sup> Note of Mitteman, Ismailia, 20 May 1940, ANMT, ASCC, 1995 060 1326.

<sup>10</sup> Mazower 1993.

<sup>11</sup> Viscomi 2016, 113.

workers.<sup>12</sup> Eighty-three workers with more than fifteen years' service had the right to a proportionate pension. The others received indemnities. This was not the first time the company removed 'enemy subjects'. At the outbreak of the First World War, German and Austrian employees (who were far fewer in number) were also summarily dismissed. After the war, only those who subsequently obtained Italian or Yugoslav citizenship were reemployed.<sup>13</sup> As for the German pilots, they were never reemployed. In 1940, however, the SCC offered the Italians pensions and indemnities. Thus, thirty-eight white-collar workers, twelve pilots, eight foremen and eighty-three workers with more than fifteen years' service received a proportional pension. Seventy workers with less than fifteen years' service and 120 workers were dismissed with an indemnity. The SCC considered this the best possible solution since the Egyptian decrees made no provision for indemnities for the Italians who would lose their jobs.

For those foreigners who were to be enlisted during the war, namely the French and the Greeks, the situation was different. The armistice of 22 June 1940 between France and Germany gave birth to the Vichy regime on 10 July. The consequent rupture in Anglo-French relations unavoidably raised questions about the security of the canal. The French were divided between the supporters of Vichy and those of de Gaulle. While the canal was under full British military control, it was administered locally under the authority of Baron Louis de Benoist, as *agent supérieur* of the SCC, who was also the leader of the de Gaulle-aligned French National Committee in Egypt.<sup>14</sup> De Benoist and other French officials continued their cooperation with the British military authorities during the war.<sup>15</sup> Apart from the French personnel of the *Ateliers généraux* who took up their positions in June 1940, the majority of the French staff shared the opinions of the directors and the senior managers in France, who were 'inveterate Vichystes'. Many of the Vichy sympathizers left the SCC and Egypt in 1942 and most of them never returned.<sup>16</sup>

In December 1941, the Greek government in exile, which had established itself in Egypt the previous May, decided, in accordance with its British allies, the enlistment of Greek nationals

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<sup>12</sup> Extrait du livre vert « Guerre 1939 » questions du personnel – Tome I ), p. 19 et les suivantes ANMT, ASCC, 1995 060 3017.

<sup>13</sup> Charles-Roux to Belardo, Paris, 17 June 1948, ANMT, ASCC, 1995 060 0976.

<sup>14</sup> Note of Young (s.d). TNA, FO 371 24601.

<sup>15</sup> 'No Fears about the Suez Canal' *Sunday Times*, 21 July 1940.

<sup>16</sup> Carelli to Saillant, Port Said, 15 June 1945, TNA, FO, 371 45954.

residing in Egypt.<sup>17</sup> This decision provoked strong reactions from the de facto leadership of the Greek community in Egypt, who feared that those who left their jobs would not be able to return to them after the war because Egyptian officials were already demanding that Egyptians filled the vacancies created as a result of the mobilization. Believing that the future of the community was being jeopardized, the community dignitaries unsuccessfully tried to exempt the over twenty-fives from enlistment.<sup>18</sup> Members of the Greek personnel, who constituted the biggest foreign group in the SCC and which had professional characteristics similar to the Italians', were called up and joined the Greek armed forces in the Middle East. At the same time, Maltese and Greek Cypriots with British citizenship were also enlisted in and joined the British army. Indeed, Egyptian nationals replaced those who were dismissed or enlisted.<sup>19</sup> This was in line with the Egyptianization economic and employment policy, which sought for more Egyptians to be hired by the SCC but also by other private companies in the country. But the Egyptians were not the only problem the Greeks had to deal with in the labour market. What would happen after the war when Italians and other nationals who had been interned or enlisted started claiming their jobs back, or worse, if they were liberated from the internment camps or demobilized before the Greeks?

*Italian claims: Seeking the return of their pre-war life*

The Italians were no less sensitive than the Greeks about what the loss of employment could entail for their post-war position in Egypt. Their pressure to be re-hired by the SCC started as early as October 1943.<sup>20</sup> The Greek embassy in Cairo closely monitored the situation, and especially Italian activities, in the country after the collapse of the Fascist regime in July 1943. Greek diplomats feared that, after the armistice with Italy in September 1943, the British would announce that Italy was then considered at the Allies' side. The Greeks should be aware that at least 250 internees had signed up to the anti-fascist *Movimento Libera Italia* (MLI) and were about to be released from Fayed internment camp.<sup>21</sup> In an internal note, the embassy expressed its anxiety about MLI advice

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<sup>17</sup> Clogg, 1979.

<sup>18</sup> Dalachanis 2017, 86-87.

<sup>19</sup> Piquet 2008 p. 292.

<sup>20</sup> Note of the Greek Embassy in Cairo, Cairo, 18 Oct 1943, AYE, D/2/1943-1944.

<sup>21</sup> Viscomi 2016, 151.

encouraging Italians to request their release from the camps in order to be first in line in the labour market, ahead especially of the Greeks who were still serving in the Allied army of the Middle East. According to classified information, negotiations between anti-fascist organisations and the British authorities in Egypt got underway in October with the intention of supporting the Italian personnel in returning to their pre-war jobs. Indeed, the Italians sought the moral support of the British for their demands, even if the Cairo-based *Agence supérieure* of the SCC was negatively disposed to the re-employment of the Italian workers and employees in Port Said, Ismailia and Suez. However, the Greeks did not take the SCC's refusal for granted: 'There's no doubt whatsoever that the *Agence supérieure* wants to accept the Italians back to their job. Thus, the positions of the enlisted Greeks will be fully occupied by them.'<sup>22</sup>

Most of the Italians would not be released from the camps until the end of the war.<sup>23</sup> After the war, the pressure to reemploy the Italians of the SCC became more and more systematized and concerned all levels: from the diplomatic authorities to individual claimants. As early as December 1945 the reemployment of Italians became a matter of negotiations at the highest level in France between the company administration and the French Foreign Ministry. While the ministry had no objection to the rehiring of Italians, the company considered it a very delicate issue that was 'likely to have multiple and serious impacts in various areas'. The administrators believed that a decision could not be made without a thorough examination of the situation in Egypt.<sup>24</sup> In Cairo, the first representative of the post-war Italian government Giovanni de Astis<sup>25</sup> asked De Benoist to facilitate the return of the Italians to their pre-war jobs.<sup>26</sup> The demand mostly concerned workers and seven Italian pilots. The return of workers was not a simple matter as the Egyptians who were hired during the war could not be dismissed, especially as the government was increasingly putting pressure on the company to hire more and more Egyptians, as is confirmed by the minutes of a meeting between Hackney, a British SCC director, and King Farouk.<sup>27</sup> Farouk was particularly eager to see the company hire Egyptians as pilots, as it had none up to that time. In September 1946, Abdel Meguid Ibrahim Pasha, the Egyptian minister for Social Welfare, also made clear that companies and

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<sup>22</sup> Note of the Greek Embassy in Cairo, Cairo, 18 Oct 1943, AYE, D/2/1943-1944.

<sup>23</sup> Viscomi 2016, 150.

<sup>24</sup> Bonnet to Bonneau, Paris, 15 Dec 1945, ANMT, ASCC, 1995 060 3017.

<sup>25</sup> Turiano, 2016, 322.

<sup>26</sup> F.R Hoyer-Millar, 6 Nov 1945, TNA, ADM, 1 19321,

<sup>27</sup> Hakney to Killlearn, Cairo, 9 Feb 1946, TNA, FO, 371 53271.



factories had the right to reemploy old employees and workers who had been enlisted during the war on the condition that it did not conflict with the interests of the Egyptian workers who had been hired during the war.<sup>28</sup>

Egypt's claims should be seen as part of the long-term Egyptianisation of the economy and labour market, a process that, although underway since the 19th century, had accelerated in the 1930s. The Egyptian workforce of the SCC rose from thirty to forty percent in the late 19th century to fifty-nine percent on the eve of the Second World War, an increase that took place mostly during the 1930s. From 1939 to 1943 the Egyptian personnel increased from fifty-nine to sixty-seven percent.<sup>29</sup> After the Second World War, Egyptianisation accelerated as a consequence of the 1947 company law and the 1949 agreement between the Egyptian government and the SCC. For the latter, the increase did not only concern workers but also employees and pilots. Especially for the prestigious corps of pilots, the Egyptians were not represented at all in 1939 and by 1949 they represented only seven percent of the pilots.<sup>30</sup> Italy's ambassador in Egypt, Cristoforo Fracassi Ratti Mentone di Torre Rossano in a letter dated 24 July 1948, asked the SCC to look into the matter once again and, if possible, to help those former employees who were in a difficult situation. The director general of the company proposed to give 'personal gratuities of twenty Egyptian pounds a year to eleven workers aged fifty years or more and who were unemployed or in bad health or in a difficult family situation and a yearly allowance of twenty Egyptian pounds for nine agents having three dependent children under nineteen with a supplement of five Egyptian pounds for every additional dependent'.<sup>31</sup>

In the second half of the 1940s, dozens of Italians who did not leave Egypt after their liberation wrote to the company seeking their old jobs back. In their letters, many highlighted their long-term relations with the SCC, which they presented as their proper home and measured in decades the generations of their family who worked for the canal: Loreto Coppola wrote about his father, Gaetano, and his uncle, Alessandro Coppola, who 'together, gave more than 70 years of devoted service to the company'.<sup>32</sup> The recruitment of members of the same family was very common in the company. Its recruiting policy aimed to reinforce loyalty and secure durable

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<sup>28</sup> Triantafyllidis to Greek ministry of Foreign affairs, Alexandria, 23 Sep 1945, AYE, CS, 1946 36 3 5035.

<sup>29</sup> Piquet, 2008, 303.

<sup>30</sup> Piquet, 2008, 311.

<sup>31</sup> Hakney to Clutton, 21 Sep 1948, TNA, FO, 371 69183.

<sup>32</sup> Coppola to the General Director of the SCC, Port Said, 22 June 1948, ANMT, ASCC, 2000 038 0035.

settlement through employing generations of employees and workers in the canal zone. Recollections about decades of uninterrupted service served to remind the company that loyalty should be rewarded. Another set of arguments insisted on the cultural or linguistic orientation of the personnel. Xavier Croci, who was dismissed from the works department, claimed that, even though he had only lost his job because of his Italian citizenship, his loyalties were not necessarily related to his nationality. He pointed out that his parents had been living in Paris since the 1930s, his younger brother was a naturalized French citizen, that his mother tongue was French and, above all, he had received a French education and French professional training in the hope of working in a French environment.<sup>33</sup>

There are cases of ex-workers who filed a claim in the Egyptian court against the company. Joseph Novelo accused the company discriminating against the Italians because it recruited the French who returned from the front but not them.<sup>34</sup> He also claimed to the court that an Egyptian joint stock company mostly active in Egyptian territory should not favour the French over other nationals. The SCC rejected the allegations, claiming that it provided pensions and indemnities and that the French had not been dismissed, unlike the Italians. Another interesting case was that of Wilhelm Preckwinkel, a German pilot considered 'excellent' by the company, who joined it in 1929 but resigned ten years later to join the German forces. Finding himself in the British zone of occupation in Germany after the Second World War, Preckwinkel contacted the company but, having resigned, he was not eligible even for a pension. The SCC did not discuss any possible reemployment but was willing to ask the British authorities in Germany to employ him in one of the firms under their control.<sup>35</sup>

The case of Rodolfo Castelli, who was an experienced long-distance captain in the Italian merchant navy before he was recruited as a pilot by the SCC on 1 January 1935, on the recommendation of the Vatican Secretariat of State, puts to the fore the role of religious institutions in the employment and reemployment of Italians.<sup>36</sup> This ex-pilot wrote an extensive letter from Alexandria to Giovanni Belardo, a lay official of the Secretariat of State, about the life of Italian pilots of the Suez Canal Zone before the war and the necessity of getting them rehired. According to Castelli, the Italian pilots of the SCC either had the recommendation of the Holy See or were the

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<sup>33</sup> Crocci to the General Director of the SCC, Cairo 25 Jan 1947, ANMT, ASCC, 1995 060 3017.

<sup>34</sup> Raafat to Court of Appeal, 1953, ANMT, ASCC, 1995 060 3017.

<sup>35</sup> Georges-Picot to Fraser, Paris, Feb 1947, TNA, FO, 371 63011.

<sup>36</sup> Note on the Italian Pilots, 9 June 1948, ANMT, ASCC, 1995 060 0976.

sons or nephews of older pilots of the company. He also claimed that before the war the Italian personnel found itself in a delicate position between the fascist consular authorities, who considered them to be not patriotic enough, and the other employees of the SCC, who viewed in each of them ‘*un capo fascista*’ or ‘*delle spie*’ and constantly humiliated them.<sup>37</sup> In any case, Castelli had no chance of reemployment because British naval intelligence had advised against his reemployment on security grounds.<sup>38</sup>

Apart from the Vatican Secretariat of State, the Apostolic Nunciature to France also intervened on behalf of former SCC personnel. On 28 July 1949, the archbishop of *Mésembrie* (Nesebar) Roncalli wrote to the president of the SCC, François Charles-Roux, asking to employ again the Italians of the Suez Canal, who, in a precarious condition after their liberation from the camps, deserved to get their old jobs back: ‘Hopefully the war is over, [the Italians] paid with the limitations to their freedom, the sequestration of their money and assets, searches, jobs, all sorts of humiliations and forced repatriations.’<sup>39</sup> In his response, Charles-Roux tried to defend the SCC’s actions and to show that it treated the Italian personnel as fairly as possible: they received proportionate pensions or compensation, even if the Egyptian military decrees did not foresee any. Additionally, and in reply to the demands of Fracassi, the SCC distributed monthly aid to the Italians who were not reemployed after the war and were in real need. Roux placed the blame on the 1949 agreement between the SCC and the Egyptian government, which implemented the increase in the Egyptian personnel in the company. Of course, Charles-Roux did not explain why the SCC was reluctant to reemploy Italians even before the 1947 company law or the 1949 agreement.<sup>40</sup> This was a crucial question that Novelo’s attorney also asked before an Egyptian court.

### *Prospects and Obstacles*

When the SCC fired the Italians, its administrators considered that the younger people among them would easily find another job. Securing other employment, however, was not always possible because of the high degree of specialization of the SCC workforce and because of the rising unemployment in Egypt after the Second World War. Some of them managed to get rather poorly

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<sup>37</sup> Castelli to Belardo, Alexandria, May 1948, ANMT, ASCC, 1995 060 0976.

<sup>38</sup> F.R Hoyer-Millar, 6 Nov 1945, TNA, ADM, 1 19321.

<sup>39</sup> Roncalli to Charles-Roux, Paris, 28 July 1949, ANMT, ASCC, 1995 060 3017.

<sup>40</sup> Charles-Roux to Roncalli, Paris, 9 Sep 1949, ANMT, ASCC, 1995 060 3017.

paid work in the auxiliary services of the British military base. But instead of being a viable solution to unemployment, a job in the British military services entailed several problems. First, finding a job in Egypt did not occur through Egyptian labour networks. Secondly, the collapse of the economic life of the Italian community offered limited possibilities for finding a job within the Italian networks. Thirdly, the departure of the Allied forces and the slowing down of economic activity in Egypt made it difficult for Italians, but also for other foreigners, who had been enlisted and were returning from the front to find a job in post-war Egypt. Many preferred to leave the country for good and return to their country of origin or to other destinations of their respective diaspora.

Apart from a few, mainly highly specialized staff, who were difficult to replace, the company refused to rehire most Italians. One of the lucky ones was Eduardo Esposito, who was reemployed in 1948 because he was considered young (forty-one), because he had not been political active before the Second World War and because he still lived in Egypt at that time.<sup>41</sup> The SCC's attitude and reactions to Italian demands shows that it had nothing against Italians *per se*, but it did not want to rehire en masse a big number of dismissed employees and workers. Its official stance was that it could not fire those who had been recruited to replace the Italians during the war and that Egyptians should now fill all the vacant posts. However, the problem with the second argument is that negotiations between the company and the Egyptian government for the Egyptianization of the personnel started in 1948 and concluded in March 1949. The resulting agreements sought the hiring of more Egyptians to the company, determining that new hires should be at a ratio of nine Egyptians for every ten administrative vacancies and four Egyptians for every five technical vacancies. Even so, Floresca Karanasou argues that the terms of the 1949 agreement allowed the SCC plenty of room for manoeuvre.<sup>42</sup> Vacancies came about by creating new jobs or retirement and it was not always easy to find qualified Egyptian pilots, for instance. Thus the SCC continued to hire more non-Egyptians.<sup>43</sup> We also know that companies affected by the 1947 Egyptianization law that wanted to keep or to hire employees and workers managed to do so despite any legal restrictions.<sup>44</sup> The

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<sup>41</sup> Gambi to General Director of the SCC, Port Said, 11 June 1948, ANMT, ASCC, 1995 050 3017.

<sup>42</sup> Karanasou 1992, 305.

<sup>43</sup> This was possible also because after the war and after the 1949 agreement, the SGG partly filled the Egyptian quota by hiring Egyptian women white-collar workers, in order to keep the most qualified positions for Europeans, see Curli 2014.

<sup>44</sup> The Company Law 138, in July 1947. Its main aim was to secure employment for the ever-increasing Egyptian labour force, which could not be absorbed by either the public or agricultural sector. It also sought to pass control of joint-stock companies to Egyptians. The law stipulated that companies had three years to ensure that 51 percent of the capital, 40

companies could increase the overall number of the personnel. Besides, it is important to keep in mind that the SCC was not an ordinary company with limited resources. It had a huge budget, which was equivalent to that of some states. It employed thousands of employees and workers and provided several benefits, with family and housing allowances, etc. During the war the personnel costs reached almost forty percent of the turnover because of the aid being given to enlisted persons and the families of the interned Italian and because of the extra cost of the personnel who replaced those who had left.<sup>45</sup> In 1948 it had 3,300 workers, which is estimated to have reached 4,000 by the end of 1949.<sup>46</sup> However, after the war seventy-five percent of the workforce was Egyptian.

If nationality was the main qualification for finding a job after the war, had nationality been the only criterion to dismiss someone before the war? The president of the board, Charles-Roux, denied this in a confidential letter of June 1948 on the matter of the ex-pilot Castelli. He argued that when the Italians were removed from May to September 1940, the SCC took into consideration political issues and not nationality.<sup>47</sup> ‘Please remember Radio Bari!’ he noted. Charles-Roux asserted that ‘after years of fascist propaganda and under the effects of the events of summer 1940, many Italians, when Graziani’s army moved toward Sidi-Barrani, many Italians among those who now complain at not being rehired were not immune from celebration and did not remain calm.’ For the SCC president, the Italians were dismissed because of their fascist activities. This is also confirmed by the fact that Egyptian citizens of Italian origin were also dismissed. Alfred Gambi, a Port Said resident who had obtained Egyptian citizenship in 1933, was also dismissed with the other Italians in 1940.

For Charles-Roux, Italians who could not be rehired after the war had to consider themselves ‘war victims’.<sup>48</sup> But victims of whom? In the same letter, he stressed that the main causes for the denial was the fact that the SCC personnel was not homogenous in terms of nationality and it was absolutely necessary for the company to maintain harmony within the ranks of the personnel and the pilots in particular. He stated: ‘Among our pilots in service, there are some who belong to nations which harbour rancour against the Italians more than we do in France. The French people want the

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percent of the board of directors, 75 percent of the employees, and 90 percent of the workers of these companies were Egyptian.

<sup>45</sup> Piquet 2008, 146

<sup>46</sup> Wylie to Steward, Ismailia 10 April 1949, TNA, FO, 371 73622.

<sup>47</sup> Charles-Roux to Belardo, Paris, 17 June 1948, ANMT, ASCC, 1995 060 0976.

<sup>48</sup> Ibid.

Italians and they have no problem with them. But there are nationals of other countries that do not share our opinion.’ Charles-Roux does not reveal the nationality of the pilots in question but the fact is that pilots in 1945 were comprised as follows: forty-two British, one Dane, one Egyptian, thirty-two French, eleven Dutch, four Norwegians, one Swedish, one Yugoslav and seven Greeks. Given that the French and the British were not against the recruitment of the Italians, it is likely that the Greeks were in opposition, especially when it is considered that behind the seven pilots were hundreds of Greek employees and workers, making them the most important non-Egyptian component in the workforce.

May we assume that the Italian occupation of Greece and hostilities between the two countries could have to do something with this stance? This hypothesis may seem exaggerated. Most Greeks of the Canal Zone originated from the Dodecanese, but they were born in Egypt and some of them had close contact with Italians. They spoke Italian and most of the few mixed marriages in the area were between Greeks and Italians. At the same time we know that relations between the foreign communities in Egypt were not always harmonious despite the popular image of cosmopolitanism and peaceful coexistence. Competition between the foreign communities in the labour market was sometimes harsh in the immediate post-war years. In a period of increasing unemployment, all communities sought to reinforce their position in Egypt, often by turning against other communities. And this did not happen without the support of their respective state. The head of the SCC transit department, L. Lucas, admitted in 1947 that the SCC was the subject of pressing requests in favour of the Greeks of the company ‘either through diplomatic channels or through their patriarch’.<sup>49</sup> As we have seen, before the war Greek communities were particularly anxious about possible unemployment after the war. As a result, they did all they could to return to civilian life before the liberation of the Italians from the camps. In addition, there was no question of replacing Greek personnel with other nationalities. The SCC felt obliged ‘not to dismiss some important Greek captains who performed very well during the hostilities’.<sup>50</sup> Additionally, for the company, most Greeks had an excellent reputation as workers and a profile very similar to the Italians. Therefore, in the absence of the Italians, the chief of the transit department believed that it was necessary to retain Mediterranean elements in his service.<sup>51</sup>

But pressure did not only come from diplomats or have to do with a country’s importance in the international scene. After the war, the Greeks still remained by far the largest non-Egyptian

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<sup>49</sup> Lucas to General Director of the SCC, Ismailia, 18 Feb 1947, ANMT, ASCC, 2000 038 0189.

<sup>50</sup> Ibid.

<sup>51</sup> Ibid.

national group in the SCC. At a time when Egyptian visa restrictions were becoming ever more strict, Greeks represented a well-qualified workforce already settled in Egypt. In addition, some of them held Egyptian citizenship. These characteristics were a major advantage in the post-war environment and must have had some kind of influence on the SCC's recruiting policy. Even if we cannot take national or ethnic solidarities within a community for granted, we need to bear in mind that the Greeks of the Canal Zone strongly linked to each other through job specialization, kinship networks, common origin and residence in a rather isolated area. Besides, the SCC's recruiting policy was based on generational family ties. Evidence shows that while Italians were banned from being rehired, Greeks were recruited to the company for the first time in the late 1940s despite quotas that favoured Egyptians and pressure from Paris to this end.<sup>52</sup> This may explain the fact that many Italians left the Canal Zone after the company's refusal to rehire them. At the same time, there was a community with conflicting interests to the Italians. The Greeks' rather strong interconnections and feeling of belonging in the area were also illustrated some years later during the Suez Crisis, when most Greeks remained in the area even after the company itself left Egypt for good.

### **Archival sources and abbreviations**

ANMT, Archives nationales du monde du travail, Roubaix

ASCC, Archives of the Suez Canal Company

AYE, Archives of the Greek Ministry of Foreign Affairs, Athens

CS, Central service of the Greek Ministry of Foreign Affairs

TNA, The National Archives of the United Kingdom, London

FO, Archives of the Foreign Office

ADM, The National Archives of Admiralty, Navy, Royal Marines, and Coastguard

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<sup>52</sup> Homolle to Lucas, 2 April 1948, ANMT, ASCC, 2000 038 0168.

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