SPEECH
by
PRESIDENT ANWAR EL SADAT
on
LABOUR DAY
Suez, May 1, 1976

In the name of God,

Men and women workers of Egypt,

It gives me pleasure to meet you today, and all the toiling workers in Egypt, on May 1st, your International Day. I meet with you as the representatives of all the toiling workers in Egypt. I meet with you in this particular place, in the brave city of Suez which is of international and national renown; Suez, where every stone is a word in the epic of Egyptian history. I meet you on May First. It was an appointment and the appointment has been kept. No doubt this date recalls a flood of sentiments and recollections engraved in the memory of our entire nation, if not that of the entire world, on this date and in this place.

We recollect many precious memories. First, the glorious July 23 Revolution, that day that truly constituted the turning point in the lives of all the workers and labourers in Egypt. The most superficial manifestation of this is the fact that the International Labour Day has become an official and national occasion celebrated by all categories of the nation.
Although Labour Day is just a symbolic manifestation, you all know that the July 1952 Revolution has profoundly changed the life of the people's working forces, led by you. The Revolution has brought about changes which you all know of and which cannot be enumerated. Regimes, governments and peoples throughout the world are struggling to raise the standard of living of their citizens, particularly the broad masses of their people. In this struggle, they would rely on anything and in the first place on their citizens, particularly the productive elements such as the workers, farmers and producers. Therefore, when we say that the July 1952 Revolution was carried out by you and for you, we are not speaking rhetorically. It was carried out to change Egypt's way of life to expel the British as well as the monarchy and to end all inherited privileges, to open the scope for opportunities, for the first time, to the Egyptian working citizens. It was carried out by the vanguard of the armed forces. However, the full unreserved and unwavering support, extended by you and all working citizens, gave the Revolution its driving force, its legitimacy and made it change the way of life of the most ancient country in history and the country which was most subject to the ambitious designs of the world. This support made the Revolution effect all these changes without one drop of blood being shed.

The revolution came about, and this is a fact we should never forget, for the sole reason of saving the millions of workers from the dominating minority. This is why the revolution was exposed from its day of inception to internal and external intrigues; many wars were waged and political and economic blockades were imposed.

If the revolution came about simply to replace one ruler by another or one set of beneficiaries by another, it would not have been exposed to such enmities from the imperialist and colonial powers that were imposed on Egypt and had to be

As you know, the revolution came about to direct the destinies of our country far from the falsifying illusionarists, who stand for the most honored ideology and the national salvation of Egypt and

The Revolution started by the forces of our army and by the masses of our workers, it was begun by the organized working forces who were put into action by the masses of our citizens. It had to start by changing the way of life of the millions of workers. It was necessary to open the scope for opportunities, to make it so that the way of life in Egypt is transformed, and the masses of our people are able to change their way of life. This is why the revolution was exposed from its day of inception to internal and external intrigues; many wars were waged against Egypt, and blockades were imposed by the imperialist and colonial powers that were imposed on Egypt and had to be

These are the facts, and the people of Egypt remember how they were, and will remember them in every

powers throughout the whole world. It would not have been exposed to all those fierce attacks that you well know and that greatly exhausted the strength of the revolution.

As you know, those who are clowned today and who accuse the revolution of having been incepted to impress the world or to direct the attention of the people to outside wars; those people are falsifying history and are robbing the Egyptian people of their most honourable pages in the history of their national and international struggles. Those people who shared in altering life in Egypt and in the whole world.

The Revolution was never incepted to create disputes, nor did it start by opening one single front for conflict willingly. No, it was begun in Egypt solely to do away with backward social circumstances which deprived millions for long generations of their right to life. It was also established to open before these millions the road to progress. Thus, it was inevitable to abolish the monarchy and drive out the British, whose occupation you, here in Suez, more than in anywhere else, knew only too well. Having gone out of Egypt, imperialism attempted to besiege it through its influence and forces, in the various parts of the Arab world. Moreover, it instigated Israel to launch a warning and threatening attack shortly following the inception of the Revolution. It was imperative for us then, in order to protect your right to live, to engage in this conflict. We, in fact, have driven imperialism out of its last bastions in the Arab world. You, here in Suez, were hit twice, once when we supported Algeria in its struggle for independence, and the second time because we were fighting in Yemen to help it attain its independence.

These are only examples. They are part of what we should remember here in Suez and part of what we should remind those illusionarists who think that they can harm Egypt, or those who
spread false rumours about Egypt's deserting the battle for Arab progress and for restoring the Arab right.

In this respect, what we present is not talk, charity or verbal struggle. It is work, struggle and sacrifice; and here in Suez you have more than once offered effort, work and blood.

Our history in fighting imperialism does not need anyone's testimony. Our stock in liberating the Arab Nation and in raising its banner and defending it, is not to be outbidded. Our presence today in Suez, especially here in brave Suez that has witnessed the last periods of the valiant war in the long path, reminds us that we are still faithful to our pledge.

Our meeting on this particular date and this particular place reminds us of many things and glorious histories. Here, in Suez, in this great convocation of labourers, we remember the battle over the nationalisation of the Suez Canal, the 1956 war, that war waged against us by Israel and the two great Empires, England of Eden and France of Guy Mollet, and we remember that the mention of the word Suez at the time meant 'fighting until death'.

We recall that Suez at the time had decided, to fight unto death. With the war which entered history books under the name of the Suez War, the last imperialist war in the region was defeated.

We recall that the Revolution tried to convert the city of Suez from a mere calling station for steamers to a great industrial bastion, as the aim has always been endowing new life and broad hopes to the masses of our people. In point of fact, big industrial plants were established in the city of Suez, by way of oil refineries, cement and fertilizer factories, electronics plants and ship-building yards.

Then the 1967 War came and Israeli flags were raised on the Eastern Bank of the Canal and Israeli guns pointed at the cities of...
of Suez and the other canal region cities. Israel thought that by occupying their lands, it had also occupied the people and their industries.

Suez, in particular, was subjected to the heaviest Israeli raids and aggression. Once again I say, that being here at this time and in this place, reminds us of another historic decision: the evacuation of the inhabitants of the region. For the people of Suez and the rest of the front did not desert their land. But we being in a position of leadership had a different standpoint. We not only asked them to evacuate, we forced them to. We were intending to turn these precious cities into a battlefield. We were thus announcing to the world our determination to resist and to defend our country, inch by inch, whatever the price.

Brothers and sisters,

The fact of the endurance of the people of Suez and the other Canal cities of the bitter years of emigration, is in itself a heroism of no less significance than that of the battle. They sacrificed their homes, works and shops to grant our troops the freedom of movement against the enemy, and lived the most austere kind of life away from their environment and homes for about seven years, in patience, perseverance and endurance that is only characteristic of the sons of the great Egyptian people.

The battle was violently raging at that time, and only a few remained of those whose presence was necessary to operate and manage the continuation of life, in unprecedented heroism and sacrifice. We were retorting tit for tat, and suppressing anger, meantime preparing for the inevitable battle.

Then, the day of the battle came, and with the shout of "God is Great," and under the banners of immortal Egypt, our Armed Forces crossed the Canal, thus turning the tranquil water and everything around it into a hell. Your Armed Forces stormed the Bar-
Lev line, and two complete armies succeeded in occupying and taking up positions on the eastern bank of the Canal, while the enemy's intractable manoeuvres failed to move them one single inch.

When the enemy seized the opportunity of the cease-fire as usual and infiltrated through the breach, he pushed forward at great speed, wanting to take hold of the biggest prize, namely, Suez. The enemy wanted Suez at any price because of its position and its repute throughout the world, and in this manner to cover up, through propaganda, his military defeat and forced retreat along the fighting front. The enemy wanted to capture this propagandist victory in violation of the cease-fire resolutions. He actually managed to arrive, with his tanks and his most seasoned troops, at the entrances to Suez which seemed almost deserted. Then, suddenly and once more all the armed forces joined the police force, the people and the popular resistance and took an unprecedented stand under the cruellest and most unexpected circumstances. The enemy then deceptively and misleadingly announced, as usual and more than once, the fall of Suez. However, Suez, with all justice and force, registered the most splendid epics of struggle, the ferocity and violence of which the enemy never expected until he tasted defeat and was forced to withdraw, leaving behind the remains of his destroyed tanks in the streets of this heroic city.

I would like to say here, so that every Egyptian in each part of our country may know, that we are deeply indebted to Suez — Suez which sacrificed for the entire country, which decided to die in self-defence, and to defeat the biggest tanks with just its citizens. I am saying this so that each Egyptian complaining of a shortage of money or one of the many problems of life which are inevitable after any war, may know that there are priorities, foremost among them those of the brave people who were deprived of life and面包.

Whatever what more...
foremost among which is the return of the citizens of Suez and those of the other Canal cities to their homes, which they were deprived of and which were completely destroyed.

Whatever difficulties we bear are trivial in comparison with what more than half a million citizens had to put up with. They left their cities and lived as evacuees for about seven years. Therefore, we must build them their life anew.

I say this, so that we might all know that the priority in construction given to this area is not only for the welfare of the brave people of the Canal, but it is also a security condition for our entire country. We are not only building and reconstructing the land of the Suez Canal area, but we are also and for the first time transferring life to its east. For the first time we are transporting the Nile water to Sinai which ever since was a sterile desert. In the long run, this reconstruction and housing in the east is a major item in our country's national security. Without providing this security, there will be no value to what we accomplish for the sake of building, reconstruction and improving the living conditions of the broad base of our people.

My sons, the labourers, performed a heroic role during all these historic events. They stood in all the sites of production backing our Armed Forces. By working in fields and factories, they satisfied most of the essential needs of the people and the army, thus enabling them to stand fast.

The role performed by the factories of the public sector with its managers, engineers and labourers was an examination in which the public sector succeeded with flying honours, and proved that it is really the principal base for industry in Egypt. Whatever was spent on it from the people's money, sweat and savings bore fruit in the seven years of steadfastness which we had to cross before crossing the Suez Canal and before burying the enemy's arrogance.
insolence and propaganda in the sand, under his fortresses and bastions, and on the battlefield.

Our workers have unblemished pages of struggle which ought to be recorded in detail, one day, as they reveal the genuineness of the people. A good example of this struggle was the epic written during the war, when thousands of Egyptian engineers and Egyptian workers participated in building a wall of missiles under perpetual bombing by Israeli planes, at the time when they had the free run of our skies, hitting whatever targets they chose to strike. The enemy tried all he could, through his airforce, to prevent the building of this wall; yet our engineers and workers went on night and day with their job, amidst the ceaseless bombing, which took hundreds of lives, until they accomplished a job of vital necessity for us.

The building of the missile positions in the depth of our country in 1970 is itself an epic of no less magnitude than the epics of the battles. Through the effort, sweat and determination of our engineers and workers, a miracle was achieved; they accomplished a job which usually takes years of work and toil, in just 40 days. You can well imagine how big a job that was when you know that we spent in those 40 days, L.E. 40 million; a record figure achieved in a record time.

It is enough to remember the enemy striking the region of Abou Zaabal, and with the quick efforts of our workers, work was resumed at full power in under 45 days, and they even increased production afterwards.

During the October War, when the enemy concentrated its air raids in their last days on Port Said, the Armed Forces requested from the « Arab Contractors » volunteers from among the workers to be sent there, where they can re-build what was being destroyed, so as to help the military effort along. The Armed Forces...
es had estimated for this task only three teams of workers. What exactly happened is that in one day the number of Egyptian workers who volunteered to participate in this undertaking could form 30 work teams instead of only three. They all left for Port Said where the fighting was still going on, so as to work in support of the Armed Forces.

That is why, brothers and sisters among Egypt’s men and women workers, the first of May and this very place in Suez remind us of many splendid images demonstrating the Egyptian people’s heroism and struggle for the sake of its eminence, that of the entire Arab Nation and even the liberation movements at large.

Once more I say that our meeting here today and in Suez in particular is an evidence of the fact that we shall remain committed to our pledge while maintaining our position at the forefront of the struggling ranks, standing steadfast. All those who strive to abuse Egypt’s role or to undermine its constant readiness to assume this role are striving in vain. Here are our pages not filled with words, but with facts and sacrifices with respect to which no one whatsoever can outbid us. For the whole Arab world knows that foam is transitory, whereas the true, successful work is what really endures.

We stand here on a land rich in history — circumstances had willed that the name «Suez» becomes a symbol and banner, even a turning point in many ages before the digging of the Canal. It was the last port from the distant East, and the meeting point across Egypt to Europe. After the Canal was dug by your grandfathers, the Egyptian workers, with their bare hands and nails and under the threat of the whips of European exploitation, Suez became the most precious strategic prize over which empires fought.

Since the British occupied our country, Egypt and the Canal
became the axis of the national movement over a period of 80 years. The last imperialist traditional war waged in Egypt was that of 1956. It was and is still known in the books of history as the Suez War. During the 1973 War, Suez was the fruit which the enemy desperately fought to grab but it withstood all attempts, and at its gate the last round of the glorious October War was ferociously fought. However, God willed it to be a battle in which the people, the army and the police merged and fought together. In the political history of any spot in the world, historians make reference to the strategic battles of Suez; and in any staff room in the world the military refers to East of Suez and West of Suez. However, the October 1973 victory, and your deadly fight at its gates restored it to its owners, the Egyptian people, forever. Now, we are required to complete, as fast as possible, the reconstruction operations we commenced in Suez and the other Canal cities, with all the means at our disposal; to return the evacuees to their homes by all possible means, and to turn areas in them into free zones that will serve the whole world. All this cannot be achieved overnight, but needs time, and endurance, and we have endured the most difficult circumstances and what remains is much less difficult.

Brothers and sisters,

We must continue the liberation of the land, the land of Egypt and the other Arab countries. We must reconstruct and give opportunities to broader categories of the people. You see work progressing rapidly with the aid of the Arab brothers who are loyal and give credit where it is due. They know that Suez and its surrounding area are not only the key to Egypt, but to entire Arab world.

Brothers and sisters, sons and daughters of our active people in Egypt, despite this being your day and my desire to confine my speech to you, the turn of the conversation and our being here in Suez presents a different aspect.

pressured by their circumstances, the Egyptian people...

The people of your land, all of them, to which the...
hers. It was obvious after this that the stage was one of political investment of the military victory. In fact, in successive steps and in order to reap the fruits of this victory, the occupation forces withdrew twice from Egypt and once from Syria. The world began to bear pressure on Israel like never before. The United States, after it entered into war with us face to face for ten days, came to us seeking peace. Europe also came to us seeking peace. I saw this myself after my recent European tour, which forced Israel to adopt a retreating and defensive position, in countries which it thought were strongholds for it and which would embrace it alone and none else. More important still, we struggled for the Palestinian people politically until the Palestine Liberation Organisation reached a position which no other national liberation movement reached in such a short span of time. The Palestine Liberation Organisation entered the international organisations through their widest doors. It was only natural that we would become aware that the enemies of the Arab nation were not going to allow the Arab march to proceed easily. It was also natural that we would know that they were going to exert repeated efforts and design one conspiracy after the other to tear the Arab ranks apart, to ignite a certain Arab explosion in a certain Arab place and to encourage cheap outbiddings so that the Arabs may not maintain a unified rational stand. Unfortunately, this has actually taken place in a dear and sensitive Arab country — Lebanon.

Ever since the beginning and before the horrible civil fighting reaches the extent it did, we were aware of the danger, and many times we talked about the depth of the plot and its complex dimensions. From the very beginning, they wanted it to be a Lebanese civil war which draws to it many Arab countries so that all the Arabs might join the fighting. We have frankly expressed our opinion.

From the beginning, we said that there are two matters which
should be emphasised. The first is that the blame lies in the first place on the Lebanese leaders themselves. They have to take into account the outcome of being immersed in their own interests, and in their violent state sensitivities, especially that this time they are using weapons. They must stop the catastrophe before the inevitable happens, before other conflicts and parties become involved.

The second matter is that ever since the beginning, we called for exerting a unified Arab effort to face the problem. An effort which is above sensitivities and regional, narrow partisan theories.

The purpose behind this appeal was doublefold. First, to prevent the Arab axis policy from moving onto the land of Lebanon, which is submerged in blood. Second, to prevent the shortcomings of the Arabs from leading to internationalisation.

But this clear principled attitude, from which we desired no special position, no influence over others, was not, unfortunately, accepted by all parties. For some preferred regional welfare to the national welfare, and showed concern for the near future rather than the effect in the long run. This is how a mixture of Lebanese factional aspirations and greed for partisan and regional propaganda has contributed to allow the fighting to reach this point of horrible massacres, the like of which the Arab world has never known before. Similarly, we can see how alien hands wearing Arab gloves have become uncovered and bare. This is also how world powers are assuming diverse roles whilst the united Arab opinion has no role to play.

In spite of all these grave events and despite what happened and is still happening, we must not fan the fire any further nor take advantage of the current situation for propaganda purposes, for the blood of both the peoples of Lebanon and Palestine is more cherished and dear to us than all this. We heartily hope, without
any sensitivity, that this tragedy would shortly be brought to an end that the active, creative Lebanese people would come to their senses, to work, so that they make up for what was lost and connect what was cut off.

In this connection, we firmly assert two basic principles, concerning which we can never stand with folded arms:

**First:** That we are categorically opposed to any attempt aimed at partitioning Lebanon, whatever its form or source.

**Second:** We are absolutely against every attempt aiming at affecting or causing harm to the body of the Palestinian Revolution or to the freedom of its will. We have had our disagreements with different Palestinian organisations, yet the manner of our disagreement with them can never be interpreted as an endeavour to weaken their determination or their free will. This shall always be our method in dealing with them whether in case of agreement or disagreement, until the people of Palestine, who are the basis of the entire problem, can realize what they want.

We were compensated for this calamity by the people of Palestine themselves, who are suffering under the yoke of Israeli occupation. The occupied Western bank stood up as one man in the streets; all its girls, men and children crying out against occupation, and throwing stones at the occupiers' ugly faces. Thus they were expressing their determination to regain their freedom and be represented through the Palestine Resistance, and announcing the failure of Israel to tame the Palestinians, as they thought they could.

We are addressing from Suez of 6th October, without any bias to a certain race or religion, a tribute full of respect and esteem for the great struggle of the Palestinian people in the occupied land, under the leadership of the Palestine Liberation Organisation. They were capable through unified will, organisa-
tion and goal to deal with the present fact created by the spirit of the victories of the October War, in a courageous and conscious manner. They were also able to put up with the assaults and threats of the Israeli occupation in the municipal elections on the Western bank, and win more than 80% of the seats in the city councils.

This is a historic occurrence which represents an unprecedented turn of events, since 1948. It is a practical lesson in struggling given by the people of Palestine inside their country, with all modest heroism, to those who try to fill the Arab domain today with forged revolutionary slogans, for the sake of escaping the sacrifices of the true struggle; and so as to evade the job of national responsibility. They are sometimes blinded by ignorance and sometimes by fear as to the present circumstances, and the new enormous capacities the war of October has made possible in the interests of our Arab nation in general, and the Palestinian cause in particular.

This splendid morale from our occupied people on the Western bank reveals four major facts:

First: The soundness of the line of struggle we are pursuing in Egypt and which has united, in spirit, the military and political action in dealing with Israel and defying it in all the attitudes, extending from the arena of war and sacrifice to the political arena with its complicated strategies and tactics. Thus, we are objectively evaluating the role of the Fatah Organisation and its leadership, which insisted on entering the municipal elections, despite the opposition of this small group who still think with the mentality of the forties.

Second: The result of the municipal elections is a decisive declaration on the part of the Palestinian people that there is no possible or available alternative to the Palestine Liberation Or-
ganisation as their sole and legitimate representative. This declaration is directed to everyone in the entire Arab nation and the whole world, and is a special and definite message to both Israel and King Hussein and all the accomplices, who dream of any chance to impose trusteeship on the Liberation Organisation.

Third: The Palestine Liberation Organisation which succeeded in achieving this victory against Israeli terrorism and injustice, and despite the bloody events in Lebanon, is a responsible entity capable of building up its independent national authority on the land that could be liberated from Palestine.

Fourth: The victory we achieved strengthens what we were and still are confirming in all our international contacts, particularly with the United States, namely that full recognition of the Palestine Liberation Organisation is the main key to a just peace in the area, as Palestine is, actually, the core of the cause.

From a position of commitment to responsibility and without blackmailing anyone, as this is not in our nature, we ask all to respect and heed the great lesson that was given by the people of the Western bank by their sacrifices and awareness.

From Suez I hail, on behalf of the Egyptian people, the heroic Palestinian people. I hail their martyrs who are not dead, but living with their God.

In the same spirit, that does not seek to outbid, and is only guided by the greater national interests of the Arab nation, I say that the date for renewing the mandate of the U.N. observers, on the cease-fire lines, in the Golan, is due at the end of this month. I say from now with all objectivity and serenity, that we leave to Syria the option to take the decision it deems fit, on this matter. It would be easy for us to outbid, particularly after all the idiotic acts that have been committed, but we do
This declaration and the agreement of both Israel and Jordan of any organisation.

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not seek that, nor will we embarrass anyone. We do not seek to
outbid or embarrass. We wish to give others the example that
calculations should be based on the higher Arab interest alone.

In the course of my speech on the Arab position, I must
point to my trip to six Arab nations in the Arab East. I also
must mention my recent European trip.

The two trips were principally made for economic reasons,
although what we asked of our Arab brothers differed from what
we sought from Western Europe. In all frankness, we face a
violent economic crisis. But it is not an economic disaster as
some people wish to portray it. We face a crisis and economic
difficulties we were bound to meet in the wake of strong emphasis
on certain aspects of development and neglect of others for long
years; the vestiges of the 1967 War, the exorbitant cost of the
years of steadfastness, rebuilding the Armed Forces, and finally
the stupendous cost of the October War. But after all this we
cannot lay down our arms. To achieve political success we have
to be prepared to assimilate the lessons of the battle, and to be
on our guard against any new fighting. We are resolved to diver-
sify the sources of arms, to make available to our officers and
men the most advanced and up-to-date weapons. All this, in addi-
tion to the soaring prices of all commodities. It was this that
raised the subsidies for the basic commodities in the 1976 budget
to L.E. 511 million. We pay this sum to form a reasonable margin
between the soaring prices abroad and the domestic market,
so that the position does not deteriorate during the interval of
construction, for the broad base of our people.

But all this does not deny the fact that life is difficult for
the crushing majority. This is why I announced the open-door
policy, as Egyptian savings are not sufficient for all the projects
we wish to implement, and as it is necessary that we should learn
and use modern technology in the production of our needs, in the biggest quantities and at the cheapest cost.

It pleases me to announce, regarding my trip to the Arab countries, that the Arab brothers whom I visited have not failed us. We are now considering organising the whole operation within the framework of an investment fund, within the limitations of an annual amount, to implement the required projects.

On my trip to Europe I found great understanding, both from the economic and political aspects. Israel's position was badly shaken in countries which Israel considered as its bastions. Federal Germany's Chancellor Helmut Schmidt showed a high degree of economic and political understanding of our position. He offered over D.M. 300 million for works to be carried out by Germany in the course of this year. They were all eager to offer us their expertise in the various fields: in France, Italy, Yugoslavia and Austria.

The third trip, or the third move which, in its turn, scored great success was the visit which Hosni Mubarak, the Vice-President, paid to the People's Republic of China.

The greetings which the Chinese people directed to the Egyptian people in the person of the Vice-President were, in fact, magnificent and went beyond any description. We concluded commercial agreements as well as extremely important military ones. I would like to seize this opportunity to address in your name, and in the name of all the Egyptian people, from the land of heroism in Suez, greetings of appreciation and gratitude to President Mao Tse-Tung and the great Chinese people, for their understanding and appreciation of our difficult circumstances which we shall overcome with God's help.

We have proved to the world our capacity to move, to take the initiative, and to strengthen the ties of friendship which most
of the world states maintain for Egypt due to its long national struggle, its ability to withstand the test of war, and the straightforwardness of the political principles it pursues.

As you know and as our people and our country all know, we strongly guard our independence and the freedom of our will. After this, we extend the hand of friendship to one and all. We do not ever want to break historical bonds of friendship with any party. If campaigns are mounted against us today, by the Soviet Union, we shall not answer them except by clarifications. We do not want to enter or escalate the battle with the Soviet Union and we appreciate what it has given us. We are also aware of what we have given it. We do not aspire to more than that day would come when our independent position would be understood and that relations between us would be established on new and solid bases. Once more I say, we shall not answer the Soviet Union's campaigns against us with campaigns but with clarifications, and we shall answer the battles against us with clarifications, too.

It was published, and you must have read during my recent European trip, the famous Soviet statement and the assaults it included. We had to enter a battle to put all the facts clearly. I say in principle that we should answer with facts only. I gave instructions to the Foreign Minister to publish a letter which I sent on August 29, 1972 to the Soviet leaders. This letter answered all what the Soviet Union has said and will say in the future, without conflicts and without rashness.

Coming back to the economic situation, as I said before, we are passing through difficult circumstances. But who in the world is not passing through difficult circumstances at present? The condition of certain advanced countries is far worse than ours. Thank God, our capitalisation on the results of the October War has added assets to the ones we already possessed. What we suf-
ter from is temporary, as we have resources. They are the self-
same difficulties suffered by other nations of our size. The wheel
of work is progressing in all directions in our country. Some peo-
ple may not be aware of that in their environments. This is why
I asked to meet you, and hold our celebrations in this part of
the country, so that you may see for yourselves the devastation
and the reconstruction beside it. You see the war, and the liber-
tion war.

I asked them that you should make a tour of the city, before
you come here, so that we may all learn the responsibilities that
confront us. I have already mentioned the heroic role of the
evacuees, which I place on par with the battle waged by your
Armed Forces, in its endurance and performance.

In Egypt, there is a simple picture I wish to lay before you,
before I proceed with my talk. With regard to the subsidy for
the prices of commodities which we all complain; despite that,
their prices abroad are double the price here. But the govern-
ment intervenes and subsidises them. I shall give you figures
which the government will announce and place before you, as no-
thing, at present, is concealed from the people. In 1970, the sub-
sidy for basic commodities was L.E. 20 million so as to fix the
price of the loaf of bread and the other basic foodstuffs for the
broad base of the people. In 1971, the subsidy became L.E. 39
L.E. 433 million, in 1975 L.E. 642 million and in 1976 it dropped
to L.E. 510 million.

There are indications of our cutting down on expenditures,
nevertheless I know how much the toiling classes in this country
are suffering. Yet I would like to lay before you the situation
of the balance of payments in a few simple words.
The export of invisible commodities in 1975 was L.E. 621 million; this year, 1976, thanks be to God, it reached L.E. 1127 million, i.e. with an increase of about 80% for two reasons, one is petroleum and the other is the reopening of the Suez Canal — these are all good signs.

The imports of consumer goods, food commodities, accessories and invisible imports was L.E. 1839 million in 1975; and is expected to reach L.E. 2032 million, with an increase of about 10% only. This means that our exports are very much increasing in comparison with our commercial imports between 1975 and 1976, due to the two previous reasons.

Thanks be to God, we do not waste one moment in promoting the progress of the cause; we are pushing it forward to exploit all the accomplishments of the October War, i.e. the reopening of the Suez Canal of our own free will, and our restored petroleum. God’s will which is always with us in our calamity, has made us discover new sources of petroleum in the Gulf of Suez, here in your city. It is estimated that in 4 years’ time, in 1980, we shall produce one million barrels per day. Thanks be to God who is guiding our steps in this calamity, and our problem is to pass this 4-year period of difficulty.

Brothers and sisters,

On this same day of last year, that is on Labour Day which we celebrated in Assiut, I announced that the Civil Service Reform Bill is no more than a step along a long route. I also declared that we should move along it in order to realise further social justice, as well as justice in the distribution of burdens whilst easing them with regard to the junior employees, particularly the toiling classes in our society. I then announced the decision to grant a high cost of living allowance to junior employees in the government and the public sector, as well as the Armed Forces.
and Police force as of May 1, 1975, with a minimum limit of 30% of the starting salary of their grade in December, 1974. In addition, it was decided that they are not to be subjected to taxes or insurance premiums. Then, it was decided that the high cost of living allowance would not be deducted from the periodical raise. This also applied to those from whom it was formerly deducted.

In extension of the policy of alleviating the burdens of living with regard to junior employees and realising further social justice, I announce today the following:

First: Increasing the high cost of living allowance formerly decided in May 1975 by 40%, covering those workers who previously benefited from this subsidy. About 3 million workers will benefit from this decision.

Second: In application of what I had previously announced as regards the necessity of extending the social insurance umbrella to include every Egyptian man and woman living on this homeland before the termination of the present legislative session, a draft law was drawn up whereby social insurance will be extended to reach 13 categories of our people who do not enjoy any kind of insurance, and who number about 2.5 million citizens supporting 8 million individuals. They will, for the first time, benefit from the advantages of the social insurance laws.

Third: Granting pensions to those categories who do not obtain one. Those are the government labourers and employees who retired before May 1st 1960, and, accordingly, were not included in the monthly pension system. The heirs will also benefit. Also, granting pensions to widows, mothers, divorced or widowed daughters and the sisters who were deprived of pension. Also, the student who has an intermediate certificate can still receive a pension.
a pension till he is employed or reaches the age of twenty-four years, whichever is more.

Fourth: Increasing the minimum level of pensions granted according to the social insurance law No. 79 for 1975 to L.E. 9 instead of L.E. 6. Accordingly, the share of the widow will increase to L.E. 4.5 instead of L.E. 3.

Fifth: Reducing the necessary subscription period in the social insurance system necessary for granting a monthly pension at the age of retirement from 180 months to 120 months, and widening the base of the beneficiaries of pensions instead of giving a retirement compensation. As for workers' profits, they will remain the same.

Brothers and sisters,

The Revolution started for your sake and for the sake of your brothers the farmers and everyone who toils to shape life on this land. It started in order to put the real producers, regardless of their beliefs, in the vanguard instead of the exploiters and the parasites.

You all know that the cabinet has ratified some of the new tax laws and now they are on their way to the People's Assembly, in order to take from everyone what he should pay as a due right to the people. The new taxes will take from the large incomes but will take nothing from the small ones.

We have always affirmed the inevitability of the socialist solution and the maintenance of all the gains of the revolution, the capacities of the public sector and your right to 50% at least in the elected councils.

We have always aspired to the day in which all differences among classes will be eliminated, and in which the social trans-
formation will be achieved peacefully through the alliance of the working people's forces.

When I declared the beginning of the application of political democracy after the progress we had achieved along the path of social democracy, I only meant to deliver the trust to you, thus placing the responsibility in your hands to protect your revolutionary and militant gains.

The ideal method opened before you to fulfill this mission is to win an extremely important battle, namely, the battle of development and production. It is the same battle waged by the whole world today, and woe to the conquered. There is no room in our world today for the negligent, the lazy, troublemaker, work obstructors or outbidders who only see today and not tomorrow.

The economic open-door policy is but a step. We commenced from the logic of our self-confidence, our confidence in our awareness and the huge production base we founded, and our confidence in the alliance of the people's working forces whose seeds we further deepened. It is an open-door policy to transfer modern expertise to our country and grant our manpower as many opportunities as possible to assimilate the most up-to-date and modern skills and know-how.

You, the workers, are the most important provision of the open-door policy, and its principal guarantee, so that it will not deviate from achieving its objectives. It is you who must be the interested parties in this field. The glorious history which you made and which sponsored you, is the guarantee, all the guarantee you require. You will win, with God's help, the battle of progress and construction which lies ahead of you.

May God's peace and mercy be upon you.