

Peace in the Middle East: Empire, Oil, and the Reshaping of the Middle East After World War I

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I. The War and Its Wake

The representatives of the victorious Entente gathered in Paris in January 1919 to make peace. At least that was the stated goal. Yet technically, the Conference was not a peace negotiation at all. Since all nationals of the vanquished powers were prohibited from setting foot on French soil during the opening months of the conference, it was rather an consultation or negotiation among allies. In the deliberations, dozens of working groups and committees heard hundreds of hours of "positions," but the only negotiation between the victors and vanquished came in the form of a two plenary sessions of the conference in which the Germans were, first, handed the treaty draft, and, then, a few weeks later, allowed to accept it.

What I want to do in this essay is to combine a very broad macro-historical description of Western strategies in the twentieth-century Middle East with a

particular microhistory that illustrates the larger dynamic.

First, let me sketch out a general interpretation of the of the relationship of the West to the Middle East over the last century and half. It seems to me that our understanding of the Middle East must fit into the larger context of the "new imperialism" carried out by the West from the 1860s to World War I, as outlined by British economic journalist John A. Hobson early in the twentieth century. Hobson pointed out that the "new imperialism" of this period was marked by some striking characteristics. Where older European imperialist ventures had indeed involved conquest, violence, and economic exploitation, the new imperialism both built on and added to this complex of negative virtues.

Certain technological advances now allowed European governments to take over larger hinterlands, and plant the flag there in vast colonies which were then controlled in various imitations of British rule in India. Moreover, the actual process of takeover was now different from that of earlier eras. New imperialism generally started with individuals on the ground who represented particular business, cultural, religious, or state interests and who called for support from their governments when their security was threatened. The European

government would then intervene militarily in the situation and "plant the flag" to protect its nationals in the place or to restore order. Alternately, and particularly in the conquest of more modernized regions with smoothly functioning governments (Egypt for example), a given Western power might take advantage of loans made by some Western financial institution, loans which the target regime was slow to pay back, and force the country to accept a European financial regime. This "short-term" financial regime usually turned into full-fledged colonial control.

These policies of empire tended to be carried out by "national liberal" regimes, as historian Carlton J. H. Hayes called them. These national liberals in Europe and its appendages were essentially statist who saw "democracy" and empire as the twin engines of future greatness. In Britain, the imperializers were called Liberal Unionists. In Germany, they were actually called National Liberals. We sometimes think of a larger category of "social imperialists."

To make distinctions clear, in all countries, classical liberals—those liberals of the small-government, individualist, peace-upholding persuasion--opposed the whole process of the new imperialism. On the one hand, European liberalism had been the most peaceful of all the social ideologies to emerge from the Age of Reason. On the other hand, liberals

abhorred state redistribution of wealth and legal privilege in any form, and the new imperialism represented a vast system of corporate welfare. The process worked more or less as in the following example. Industrialists needing a specific raw material (nitrates for example) pushed their government to subsidize overseas operations in the form of troops, infrastructure, and security in shipping. Hence, taxpayers who gained nothing from the colonial operation actually made it all possible. From the strategic standpoint, the whole of the new imperialism was built on highly aggressive premises and for the most part on a tautology: we must dominate Egypt or else we might not be able to continue dominating India. Offensive strategic thinking was, and is, always couched in terms of necessity, but it was, and is, always a matter of choice and the preferences of a relatively few individuals.

At the same time, the new imperialists always included some justification of doing good to the local peoples conquered in the process. But the bedrock of imperial policy was always the strategic and commercial value for their country. British missionaries write from the South Pacific, for example, and point out to the government how useful their primitive island parish would be to Britain strategically and commercially. And of course it would be good for their

converts too.¹ Even the senior British diplomat Eyre Crowe could discuss imperial moves in terms of what was good for the local people, as in the case of dividing Persia into spheres of influence before the First World War. "What I feel is that it is still in our power to do a great deal toward improving both order and good government in S. Persia..." But Crowe makes it clear that the real benefit of good government in Persia is that it makes it harder for the Russians to encroach on the British-controlled sector and endanger British strategic and commercial interests.²

This new imperialism led of course to the "scramble for Africa," and indeed a scramble for many other places across the globe. From the beginning, in none of the empires was it necessary or even desired that a given colony be ruled entirely by Westerners. It was always the case that some individuals and elites in the local countries—often outgroups seeking status--be co-opted into helping rule the empire, at least at the levels of middle and lower management and administration.

¹ *Modern History Sourcebook*, "British Missionary Letters: Urging the Annexation of the South Sea Islands, 1883," <http://www.fordham.edu/halsall/mod/1883hebrides.html>, accessed 10 April 2007.

² Rose Louise Greaves, "Some Aspects of the Anglo-Russian Convention and Its Working in Persia, 1907-14—II," *Bulletin of the School of Oriental and Africa Studies, University of London* 31 (1968): 307.

Each colonial case was unique. And there was a wide variety, since the British, French, Americans, Dutch, Portuguese, Germans, Italians, Spanish, and others disposed over many colonies each—of course the British most of all.

Finally, the techniques of the new imperialism could include from the very beginning the financial manipulation of the target region, especially in less primitive situations, in which a functioning local government existed—Tunisia, for example. The process usually involved generous loans to the government, default on the loans after some years, subsequent agreements for European power to take over some part of the financial management of the country, and finally the decisive say over most governmental functions. The paradigmatic example here is Egypt, where this process ended in the British domination of the local Egyptian dynasty and government by 1882.

It should also be pointed out here that financial interests working hand in glove with the growing bureaucratic state were not the "free traders" or capitalists of story and song. Not only did Western financial groups welcome anti-liberal interventionary policies, the strained and lobbied for them. Indeed, for these "rent-seeking" classes, influence and power depended on the manipulation of the state's resources.

Yet the great merchant banks which by the end of the nineteenth century increasingly stood behind this sort of process began to develop more complicated strategies for imperialism by the early twentieth century. As revolutions broke out in a number of countries just after the turn of the century (Russia in 1905, Persia in 1906, China in 1911, etc.) and effected regime changes, the global braintrusts began to work out elaborate schemes for pooling resources, dividing "markets" in conquered areas. These great schemes represented planning on a vast "strategic" scale: the Chinese Consortium Loan just before World War I is one such example, or the wartime investment strategy of the Morgan interests. In particular, these imperializing teams became expert at the public relations of manipulating collectivist nationalism both at home and in the colonial areas, using upstart proto-nationalist leaders, like Aquinaldo in the Philippines during the Spanish-American War, to help topple older regimes standing in the way, then removing or controlling the new local leader.

Where did the Middle East stand in all of this? We must recognize first that the Ottoman Empire protected a very large part of the region to some extent from outside imperialist incursions. The Ottomans were of course themselves

imperialists of an older kind, and there were certainly brutalities that went along with Ottoman rule, brutalities that were on the increase by the end of the nineteenth century. And there were many, many inequities and inefficiencies that doomed subjects of the Empire to squalor and worse. But for the core areas of Palestine, Syria, Iraq, Anatolia, and for the most part Arabia, the Empire at least ward off outright conquest from the West.

It was in fact in apparently more focused and more energized states that lay outside of Ottoman control where the new imperialism first struck. I am speaking of Egypt and Persia. Egypt had been more or less independent from the Ottoman Empire since well before the modernizing dictator Mehmet Ali set up his dynasty in Egypt in the early nineteenth century. Yet the building of the Suez Canal, the British closeness to Egypt connected with the Canal, British loans, and British desires to control their best route to India—all these factors led to near protectorate status for Egypt. Persia, on the other hand, an old but surprisingly cohesive state trying to modernize itself, was simply caught between Russians and British imperialisms and divided in the happy moment of the Triple Entente, famous for bringing the predestined allies together in 1907 so that they could fight the Germans together seven years later. British oil exploration had been going on

in Persia since 1901. One year after the British and Russians divided Persia into spheres of influence, the British discovered one of the largest oil fields in the world. The British government immediately helped organize the Anglo-Persian Oil Company, a private company supported by the British government and closely tied to it. In fact, the British supplied the security in especially direct ways, sending to Persia to protect Anglo-Persian Oil Company drilling operations a unit of Bengal Lancers from India. Under the command of Lieutenant Arnold Wilson, the Lancers protected the company from attacks by Bedouins as oil flowed from the Persian field.

Meanwhile, the great creature of empire, Winston Churchill, became First Lord of the Admiralty in 1911, and accelerated an incipient program to convert the Royal Navy from coal power to petroleum power. Anglo-Persian Oil Company officials argued that if their company was not backed by official sources, Royal-Dutch Shell or Standard Oil might well move in to compete and remove a reliable resource. Churchill was able, by just before the First World War, to gain parliamentary approval for the British government to buy a controlling share (51%) of Anglo-Persian, at the same time that the Navy finished its conversion to oil power. The British government thus

became the company's controlling shareholder and biggest customer.³

More generally, the world was shifting to oil as the basis of power production, though one might contemplate some alternate paths of energy history if petroleum production had not from its infancy relied on aggressive rent-seeking behavior. In any case, the American navy also converted to oil power before World War I. Both American and European industry was beginning to shift over. Automobiles were soon being made in such numbers as to impact overall consumption of oil. The outbreak of the First World War itself impacted the shift from coal power to oil overall and enriched those oil companies which were best able to gain assistance from the state to subsidize their exploration and production operations, to make sure that the needed oil-producing land was within their control, and to crush any possible competition.

Hence, the great modern oil companies that emerged from the World War I, in particular Royal Dutch Shell under the leadership of Henri Deterding (who brought took over the company, brought it into the British fold, and was knighted by the British during World War

³ Sara Reguer, "Persian Oil and the First Lord: A Chapter in the Career of Winston Churchill," *Military Affairs* 46 (Oct. 1982), 134-138. See also Joe Stork, *Middle East Oil and the Energy Crisis* (New York and London: Monthly Review Press, 1975), 9-11.

I) and Standard Oil Company and the various other branches of the Rockefeller empire. Here indeed is the beginning of that shift in financial power discussed by Murray Rothbard in the context of the 1930s, a shift in which the Rockefeller interests moved ahead of the J. P. Morgan empire. Indeed, the somewhat engineered dramatic rise in the need for oil allowed a whole range of tycoons, frustrated academics, slick operators, retired admirals, arms merchants, and others to create policy, and in the case of our subject, to shape strategies for Western policies in the Middle East, since that is where the greatest known oil reserves now appeared to be.⁴

To clarify, if I am critical of these free-wheeling companies and individuals who shaped Western foreign policies, it is not because I am critical of the influence of free market business impacting government decisions. Rather the opposite, I am critical because these forces were instrumental in forging the statist regimes of the twentieth century and beyond. As historian Gareth Jones, somewhat approvingly commented on the British case, the "assault on laissez-faire was partly led by private industry itself....

One of the most noticeable assaults... came from the British oil companies."⁵

The famous British wartime promises that shaped the modern Middle East were very much a part of this world of slick operators, bureaucrats, and imperialists. These promises were, briefly, as follows. The Husayn-McMahon Correspondence from 1915/1916 amounted to a British promise of support for independent Arab governments in the Middle East after the war if the Shariff of Mecca (head of an important Arabian family) would lead a revolt against the Turkish Empire. The pivotal Sykes-Picot Agreement of May 1916 was an official diplomatic agreement between Britain and France dividing up the Ottoman Empire after the war, assigning Syria to France and Iraq and Palestine to Britain. The Balfour Declaration of 2 November 1917 was a declaration of the British government, in the form of a letter from the foreign secretary, Lord Balfour to the Lord Rothschild, head of the British Zionists' Federation, that Britain would support the establishment of a national homeland for Jews in Palestine. Please note that Britain had made commitments here which were mutually exclusive in a variety of ways, and certainly impossible to keep.

⁴ Murray Rothbard, *Wall Street, Banks, and American Foreign Policy* (Center for Libertarian Studies, 1995).

Published online, with an Afterword by Justin Raimondo, at LewRockwell.com at: <http://www.lewrockwell.com/rothbard/rothbard66.html#jr>

⁵ G. Gareth Jones, "The British Government and the Oil Companies 1912-1924: The Search for an Oil Policy," *The Historical Journal* 20 (Sep. 1977): 647.

All these agreements had taken place against a background of an extremely violent war. Once the Turkish government decided to declare jihad against the Allies and join the Central Powers in November 1914, the Turkish army faced a multi-front, and shifting war, both Western Front-style trench warfare and large-scale maneuver over vast spaces, with multiple theaters of operations.⁶

From the standpoint of the British, 100,000 troops were committed to guarding the Canal. After attempting to force the Strait of Canakkele, the British decided to mount an attack at Gallipoli which killed or wounded 400,000 on both sides only to fail ultimately, at the cost not only of thousands of British and French lives, but those of Australian and New Zealand troops too. The British drew on another colonial connection, India, to send an Anglo-Indian Expeditionary force to the Persian Gulf to secure the oil refineries at Basra and the whole of lower Mesopotamia. Soon, under General Townshend, a force of Indian and British troops went on the offensive against the Turks in a series of large pitched battles. This campaign ended at Kut-el-Amara on 28 April 1916, when the Expeditionary Force was destroyed, and 10,000 Indian

troops were captured by the Ottoman army. The famous "revolt in the desert," burned in our minds by David Lean's brilliant film, was really a campaign of thousands of regular Arab troops as well as the guerilla forces usually pictured, formed and led by the son of the Sharif of Mecca, Husayn. This attack paralleled a drive by the British northward Egypt along the Mediterranean seaboard against tough Turkish defense. Meanwhile, the Anglo-Indian army, having recovered from the Kut disaster, was driving up Mesopotamia toward the headwaters of the Tigris and Euphrates. The Turkish forces eventually withdrew from Syria, and well before total collapse, the Turks arranged an armistice with the Allies at Mudros.

In essence, the postwar Middle East designed, somewhat chaotically, by Allied forces and their agents looked as follows. Once the Ottoman Empire collapsed at the end of the war, the British and French started the process of dividing up Mesopotamia, Syria, and Palestine as arranged in the Sykes-Picot agreement and occupied those regions. Meanwhile, the forces of an aggressively nationalist Greece invaded Turkey from the West. The British and French forces, having long since made plans for the division of the Ottoman Empire, attacked or occupied parts of Turkey in the East. At the same time, although an Arab army had proclaimed a new state in Syria, the

⁶ On the Ottoman Empire at war, see Edward J. Erickson, *Ordered to Die: A History of the Ottoman Army in the First World War* (Westport, CT: Greenwood Press, 2000).

French took over by force of arms. The French separated Lebanon and ruled there separately. Both Syria and Lebanon became French Mandates, so-called because of the Presbyterian terminology of Wilson's League of Nations. Britain took as Mandates territories that became, eventually, Iraq, Palestine, and Transjordan. The United States, of course, had no role to play in the Mandates, since the Senate had refused to ratify the Paris peace treaties. Britain, however, was more strategically located than ever. With these colonial possessions, the British could also count the Egypt and to some extent Persia in the East. The "trucial" states of the emirates along the East Coast of the Persian Gulf were likewise securely in the British fold,⁷ and Britain was sponsoring rising Arabian leaders in both Northwest and Central Arabia. As for Turkey, as will be seen below, though beleaguered, the country rose, phoenix-like, under the leadership of Ataturk.

Hence, the war ended in a substantial transfer of political power from the Ottoman Empire to European powers, in particular to Britain. It also confirmed continued British control of the Suez Canal, the Persian oil fields and refining facilities, and areas in Iraq where oil was known to exist.

⁷ See the excerpt of a 1908 memorandum from Lord Curzon, in Kent, "Great Britain," 171.

So European power was dominant, above all British power. But it was not omnipotent.

Within the Mandates, the British and French soon set up styles of government akin to their other colonial possessions. The British had seemed promise the Hashemite Prince Faysal a throne in Damascus, in exchange for leading a very brilliant military campaign, the "Revolt in the Desert," usually attributed completely to T. E. Lawrence.

In any case, on taking delivery of the Syrian Mandate, the French kicked out Faysal unceremoniously and toppling an Arab nationalist government. To assist, the French sent a force from Beirut commanded by General Gouraud. Faysal opposed a head-on encounter, but the legitimate Syrian Minister of Defense, General Yusuf al-Azmeh, led the Syrian army against Gouraud at the Maysalun Pass. In a one-sided battle, Syrians were defeated soundly, General Gouraud led his triumphant troops into Damascus. There he carried out a bit of theater by visiting Saladin's tomb, kicking it, and crying, "Awake Saladin! We have returned. My presence here consecrates the victory of the Cross over the Crescent."

Still, the British found places for both Faysal and his brother, Abdullah, in their own mandates, where Faysal became kind of Iraq and Abdullah king of a new entity called Transjordan.

As for Egypt, an Egyptian king ruled in name there, but the British power in Egypt was tightened as a result of the war. When the leading proponent of Egyptian constitutionalism tried to lead a delegation to Paris to speak for Egypt at the Paris Peace Conference, the British threw him and his whole delegation in jail.

The Middle East settled down after years of violence, although most of the region settled down to foreign rule. Increasing, however, this foreign rule became unpalatable to local elites, and by the 1930s both France and England complained of the time and expense of policing their Mandates from the political standpoint, especially the British in Palestine. The continued development of the oil industry in Iran and Iraq and the discovery of oil in the Arabian Peninsula combined with other strategic factors to make this bit of empire seem worthwhile.

II. The Mosul Boundary

This broad summary is broad indeed. It might be illustrated in the study of a hundred cases, but in this short presentation, a single issue will have to do. We will look for a moment at the issue of the Mosul Boundary from the time of the war's close to its final disposition in the period before the Second World War.

The district named after the city of Mosul was a vilayet, or province, of the

Ottoman Empire. This partly mountainous region was home to a wide ethnic variety. Including Arabs, Assyrians (Christians spoke Aramaic), Armenians, and others. The predominant ethnic stock was Kurdish. These peoples had lived in more or less independent isolation until the mid-nineteenth century, when the Ottomans crushed the last resistance to centralized rule. Still, the vilayet of Mosul, especially the northern section of it, was a remote mountain region, including some of the least known terrain in the world from the standpoint of European geographers.

But there was also the promise of oil. Famous tar and gas seepages in the region had attracted serious attention from Westerners thinking of petroleum since the 1870s. From a few years before World War I, various parties carried out intense study and exploration, with positive indications of a vast oil field close to Kirkuk.⁸ An American rear-admiral, Colby Chester, having visited the region as American representative to protest the Turkish massacres of Armenians in 1899, smelled oil and returned as a private entrepreneur a few years later to lobby with the sultan for just such an oil concession as British adventurers were

⁸ Edward Peter Fitzgerald, "France's Middle Eastern Ambitions, the Sykes-Picot Negotiations, and the Oil Fields of Mosul, 1915-1918," *Journal of Modern History* 66 (Dec. 1994): 700-702.

negotiating with Persia. After much negotiation between the Sublime Porte and Chester, Anglo-Persian Oil Company and Deutsche Bank suitors appeared in Istanbul. Sultan Abdul Hamid, surmising the value of the area, quickly transferred the Mosul province from state ownership into his own private property. The sultan was about to sell both to the Germans and British, but the Young Turk revolution of 1908 intervened. Actually, Chester secured from the new CUP leaders of the empire a promise for future acquisition of the concession, but in 1912, the Germans and British interests got together and formed the Turkish Petroleum Company, a concern which went out of business when the First World War started. More of Chester later.

The new importance of oil in the war was writ large for the British, as has been seen, but also for France as the famous taxis of Paris transported soldiers to the field in the crucial First Battle of the Marne at the beginning of the war. Yet for all its colonial empire, France possessed few known oil-bearing lands. Of course the British were very much interested in Mosul too. So why did they hand Mosul over to France in the famous Sykes-Picot agreement in 1916? The possibility of oil was one reason that the French had been so enthusiastic, in the spring of 1916, about the Sykes-Picot agreement. From the political side, France would gain historic Syria. From the

economic side, France would gain agreement that the postwar Turkish-Syrian-Mesopotamian border would be drawn in such a way as to attach the Mosul vilayet to French-controlled Syria.

Yet a few days after the end of the war, the French prime minister, Georges Clemenceau, while speaking with the British prime minister David Lloyd George, renounced France's claim to the Mosul district.

The reasons for this French move has puzzled historians since it became known in 1920s. Some have suggested that France hoped to keep the whole Sykes-Picot agreement intact by giving away a part of it—giving away Mosul to retain Syria. Some historians suggest that Clemenceau gave Mosul to the British so that Lloyd George would support the French in cutting Germany down to size at the approaching Paris Peace Conference.⁹

In all likelihood, the French government was following a complex plan, featuring Sir Basil Zaharoff, international man of mystery, arms merchant extraordinaire, supplier of both sides in World War I itself, and by the end of the war, an agent also of British petroleum interests. Zaharoff, it seems induced Clemenceau and other French

⁹ Fitzgerald, "France's Middle Eastern Ambitions, the Sykes-Picot Negotiations, and the Oil Fields of Mosul, 1915-1918," 700-702.

government figures to renounce Mosul so that it would be available to the new nearly fully British Royal Dutch Shell. Zaharoff had a good bit of experience in this area as an agent of the Rothschild oil interests in Tsarist Russia.¹⁰

Meanwhile, however, Standard Oil had taken active measures to associate itself with the French oil market, and French oil policy generally. Since the issue of where the Mosul oil fields fit into the picture, Standard became intensely concerned with oil concessions there—though there was little likelihood of concessions should the British control the region completely through their Mandate in Iraq.¹¹ Naturally, Standard now put pressure on the British. Meanwhile, the French kicked out Faysal and defeated with a good bit of bloodshed other challenges. Britain put Faisal on the throne of Iraq. By the time of the San Remo Conference, where the shape of the Middle Eastern mandates was worked out in 1920, the British produced an "oil peace" which would appease the French, but which left out the Americans in any form: the concessions in Mosul would be split 75/25 between British and French concessions.

It should be mentioned here that the Mosul vilayet had been promised in

essence to Husayn, and that since late 1918 been occupied by British troops. It is now left under the nominal control of Husayn-led Iraq, but in reality, under the control of the British, to be exploited mostly by Sir Henri Deterding and Royal Dutch Shell.

At this point, the story of the Mosul border gets filtered through one of the more spectacular developments of the twentieth century, the war of the Allies against defeated Ottoman Turkey discussed only briefly above. At the end of World War I, Turkey was ready to accept a fairly harsh treaty, and the Allies prepared to dole one out in Paris. With Turkish arms laid down, the British and French occupied Istanbul and the Straits. French forces occupied Cilicia, in southeastern Anatolia, and the Italians, desperate to get something out of the whole war, laid claim to Antalya. Also hit by the Spanish Influenza, Turkey seemed to be at a low point, but things got worse. The final disposition of Turkey had to wait for the treaties with the other Central Powers, agreements on the mandates, and other matters, but the Allies moved toward a Turkish treaty to be called the Treaty of Sèvres, in the spring of 1920. At this moment, the ultra-nationalist leader of Greece, Eleutherios Venizelos, decided not to wait for the treaty get a piece of Turkey for Greece, in part because international financier and arms merchant Sir Basil Zaharoff stepped forward,

¹⁰ Robert Neumann, *Zaharoff the Armaments King* (London: George Allen & Unwin, 193), trans. R. T. Clark, 198-208.

¹¹ Neumann, 224.

through some newly created banks, to funnel money into Greek coffers. The money appears to have been British.¹² Greek forces 25,000 strong attacked at Izmir, just a short drive north of Bodrum, and built up their forces. The Allies meanwhile signed the punitive Treaty of Sèvres in August 1920.

Beset by the troops of four countries, the government of the compliant sultan sent one of the war's greatest generals, Mustapha Kemal, to Samsun to pacify a restive population. The general landed and made contact with groups hoping to save Turkey. Kemal put himself at the center of creating a new state, more or less from the bottom up. Only one of many jobs was the gathering and training of the remnants of the Turkish army. By 1921, the Greek army amounted to 300,000 strong, well-equipped, and Venizelos directed the opening—on 10 July 1921—of a campaign eastward with the intent of delivering a decisive defeat on the Turks. The Turkish army met the Greek forces but were thrown back. They met them again with the same result. On 5 August 1921, Mustapha Kemal took command of the Turkish army near Ankara, nine days later met the Greeks in the beginning of a twenty-two day slugging match, the Greeks falling back, scorching the earth,

the Turks stumbling after them, all the way back to the Greek jump-off trenches.

Behind these stirring events, I am afraid, there was oil in question, and the oilfields of Mosul in particular. Just as the British, through Basil Zaharoff, had financed the Greek attack, the Standard interests had assisting the Turkish side in support partly of French claims and partly of claims on the part of Standard and the Rockefeller interests. As a American financial writer from the thirties put it:

The Anatolian war between the Angora Turks and the Greeks, which was at the same time a war between French and English oil policies, was carried on with special regard to the Mesopotamian-Asia Minor oil question, and actually at the bidding of the great oil interests. Greece fought under orders from Shell, which sheltered behind the British Government and Turkey on orders from the Standard Oil group, whose part as a world power was supported not by the United States but by France.¹³

In 1922, Mustafa Kemal felt strong enough to attack, and drove the Greeks

¹² Neumann, 216-218.

¹³ Scott Nearing, *Oil and the Germs of War*, quoted in Neumann, *Zaharoff*, 229.

back to the coast in a gruesome episode of reciprocal slaughter of enemy populations. Greek villages, Turkish villages went up in flames. The utmost fury descended on civilians. Smyrna burned. The Greek army gathered as many Turkish Greeks as possible and left.¹⁴

Before the end, while the Greeks had been pinned in their trenches in the west and Turkish forces built up in the east, France signed a treaty with Turkey promising that the Mosul vilayet—now held by Turkish troops--would be incorporated into Turkey. It was at this point that the British installed Husayn as king of Iraq, no doubt somewhat angry at seeing Mosul go to Turkey. At this moment the elderly Admiral Chester arrived to reassert his claim to the promise of a concession. Unfortunately for him, so did Standard Oil. Standard, having helped finance a costly war, simply demanded from the British a share of Mosul. The demand was backed directly by U.S. State Department, under the heading of an "Open Door" policy, with echoes from China early in the century. Luckily, this issue was managed

in the State Department by young head of the Near East Desk, Allen Dulles, who happened to be a neighbor of the Rockefellers. The British understood what Open Door meant, but they also understood the power of the financial and political resources now arrayed in support of giving something to Standard in particular and later on to other American oil companies. So the British signed a document called the Cadman treaty which offered one fourth of Mosul oil production to Standard Oil. Indeed, this move brought the Americans and British together. France, with its fourth of the Mosul oil, now stood more or less isolated.

Yet more problems were in store for Mosul. Now that the Greeks were defeated, in Anatolia the Grand National Assembly abolished the Ottoman Empire and declared the Republic of Turkey in October 1923, and the new Turkey began negotiating with the Allies for new treaty to replace the punitive Sèvres Treaty. The resulting instrument, the Treaty of Lausanne, ended up being the only World War I treaty which was not dictated to the losers in the war. In the negotiations, the Turks claimed the whole Mosul vilayet as historic and ethnographic Turkish land, since in the Turkish reckoning, the Kurds of Mosul were more or less "mountain Turks." Before dispositions were finished, a Kurdish revolt broke out, and Basil Zaharoff reappeared to help settle who

¹⁴ For an in-depth analysis of these events, see Ben Lieberman, "Ethnic Cleansing in the Greek-Turkish Conflicts from the Balkan Wars through the Treaty of Lausanne: Identifying and Defining Ethnic Cleansing," in Steven Vardy and T. Hunt Tooley (eds.), *Ethnic Cleansing in Twentieth-Century Europe* (New York: Social Sciences Monographs, 2003), 181-197.

would get what. The Turkish claim was discounted. The result was another "oil peace" signed at the end of 1925. The agreement resurrected the old Anglo-German Turkish Petroleum Company, now to be made up of four equal groups: Anglo-Persian Oil, Royal Dutch Shell, seven leading American companies including Standard Oil, and sixty-five French companies sharing the remaining quarter. So the British kept their half intact at the end. In 1926, the Republic of Turkey once again demanded part of the region, threatening war with Britain in the process, but to no avail.

In the end, this bit of Middle Eastern real estate became the object of wars being fought, people slaughtered, kings fallen and kings risen.

One of the British officials involved in surveying the precise boundary between Turkey and Iran commented: "...it is extremely unfortunate that that the valleys of Tiari and Tkhuma have been retained by Turkey. They are now deserted, save for a few Kurdish refugees, and in consequence a whole nation which had survived, speaking the very language of Christ, with a king Patriarch, and a magnificent history, is scattered homeless and hopeless in a country whose climate is so trying that a very few years must mean the

disappearance of the race."¹⁵ Commenting on a British memorandum about the Turkish-Iraqi border sent to the League of Nations in 1925, Arnold Wilson wrote: "I looked in vain amongst the signatories for the name of anyone who had visited Iraq or Turkey in recent years, or who at any time had any responsibility for policy during or since the War. The point in their memorial to the Foreign Office to which I take particular exception is their emphasis on the Mosul oil-field, whose safety appears to be their principal concern, to the complete exclusion of the people of the country and their interests.

On reading this manifesto the Iraqis might well have said with Byron, "Trust not for freedom to the Franks, they have a King who buys and sells." This appealing sentiment is perhaps the more striking, coming as it did from an individual who had been involved in capturing and keeping the oil resources of Iraq and Iran for since he guarded the Persian drilling rigs as a lieutenant early in the century, who had served as the first and harshest British taskmaster of the Iraq Mandate, and who would end up serving the Anglo-Persian Oil Company throughout his life.¹⁶

¹⁵ H. I. Lloyd, "The Geography of the Mosul Boundary," *The Geographical Journal* 68 (Aug. 1926): 104-113.

¹⁶ Arnold T. Wilson, "The Middle East," *Journal of the British Institute of International Affairs* 5 (Mar. 1926): 103. For more on Wilson, see John Marlowe, *Late Victorian*:

By way of conclusion, I don't have a set, formulaic account of Western strategies for the Middle East. But I can point out a few salient features of these strategies.

First, in the period of World War I and after, the British and the French maintained strategies in the Middle East which relied on manipulating individuals and groups for political, economic, and strategic purposes. The British far surpassed everybody else in both the need to control the region and in the extent of actual control.

Second, by the second decade of the twentieth century, the manipulation of wealth in enormous increments involved in the new imperialism led to new, long-range and often quite callous strategies for control of overseas investment and market fields. The sudden and not completely adventitious rise of oil to supreme importance in the leading industrial countries led to still more elaboration of such long-range plans.

Third, Western strategies for the Middle East in the two decades after World War I combined these goals and processes with the British requirement to control the Suez Canal and hence the whole Eastern Mediterranean some form or other. The American component to these plans involved for the most part long-term supply of oil, but even by 1923,

the groundwork was laid for possible political manipulation later on.

Finally, in a very real sense, all of these strategies depended on the division of the region along fairly precise lines, as illustrated by the Mosul Boundary. The post-Ottoman Middle East might have reformed itself in various kinds of ways. But the divisions like those imposed by the French in separating Syria and Lebanon set up tensions that explode periodically to the present day, quite literally.

It is perhaps too much to claim that the whole script for Middle Eastern affairs was written in the years just after World War I, but I think a rough draft of it was.



The Life of Sir Arnold Talbot Wilson (London: Cresset Press, 1967).