CHAPTER - 1

A HISTORICAL PROFILE OF THE GULF REGION

Ever since the end of World War II, no region of the world has received more attention and experienced on perpetual conflict situation than the Gulf, and no other global zone is as geo-strategically significant to the major powers than the Gulf.

The Gulf – ‘Arabian Gulf’[^1] or ‘Persian Gulf’[^2] is interested in the West and the East. The Western intersection is a inseparable part of the Arabian Peninsula. History gives evidence that this area has always been inhabited by Arabs. Initially the Coast from Basra to Oman was called al-Khat. This coastal area included Kuwait, Qatar, cities of the coastal Ahsa (Qatif, Jubael, Dammam, Khaber and two pots of Ra’as Tannura and al-Uqair) the city of Dhahran, and the present United Arab Emirates (UAE). It was customary to include in this “the inner cities of Hajjar and the islands of the Arabian Gulf called Al-Bahrain by them, which was considered an independent entity.

[^1]: Piny, Roman historian of the 1st century AD (62-113 AD) referred to the Gulf as “Arabian Gulf” and he mentioned the city of Charax which researchers believe is – the city of al-Muhammara Pliny wrote: Charax is a city situated at the farthest extremity of the Arabian Gulf at which begins the more prominent portion of Arabia Flix (Eadaeman).

Roderick Owen, A Britisher wrote in the 1950s that maps have wrongly marked the area as “Persian Gulf when it should be called “Arabian Gulf”.

“No English map shows the Arabian Gulf; a matter of some concern for those who live there. A traveler has to proceed as though bound for the Persian Gulf-will probably think that that’s where he is when he reaches Kuwait or Bahrain, only to be told that that’s where he isn’t Persian Gulf? Gthese dry expanses of brown sand, those blue expanses of shallow water are, have been, will Owen, The Golden Bable: Arabian Gulf Documentary, London, 1950, p.13.

The term “Persian Gulf” was first used by Alexander the Great, King of Macedonia. Alexander’s Cretan admiral Nearchos, on the journey back from India, reached Iraq and continued till the mouth of Euphrates and led the aramada down the course of the Qarun river and encamped at the town of Shueza (Shueja) where Alexander was waiting, thus they remained at the Eastern coast. This is the reason why the Greeks called it Persian Gulf and it continued to be known as such.

Richard Coke, The Heart of the Middle East, London, 1925, p.17, A Danish travelers Carstein Neibuhr, who traveled the region for ten years, from 1962 to 1972, wrote: “It is ridiculous in our geographers, to represent a part of Arabia as subject to the Kings of Persia; when to far from this, the Persian monarchs have never been master of the seacoast of their won dominions but have patiently suffered it so remain in the possession of the Arabians”.

Carstein Neibuhr, Travels Through Arabia and Other Countries in the East, Edinburgh, 1792, p.8.
At the dawn of the century, the Gulf areas was a huge feudal association that included the lands of the Arabian coast from Qatar Peninsula and the islands of the Bahrain archipelago to the Cape of Ras at Hadd, and in the north – most the coast of Luristan and a number of islands, among which the most important were Qishm and Hormuz. The administrative and economic center of that association was Hormuz. Under the authority of its ruler were the sheiks, who governed separate regions of the Persian and Arabian coasts in the gulf. But the ruler of Hormuz himself was considered a vassal of the Persian Shah and paid tribute to him.

Portugal was the first European power to start colonial expansion in the East. Portuguese merchants plundered the African coast, taking with them gold, ivory and later on (from 1442), slaves too. At the end of the 15th century Spain also embarked upon colonial conquests.

Vying with each other, the Portuguese and the Spaniards conquered new lands in all parts of the world. In 1486, Bartholomeu Dias, a Portuguese, reached the Cape of Good Hope, and in 1497-1498 his compatriot Admiral Vasco de Gama became the first European to sail Africa, which enabled Portugal at the beginning of the 16th century to capture the main trade routes in the Arabian Sea.

In 1487, on his way home from India, Pedro de Covilhao arrived in Hormuz. In 1503 Hormuz was visited by Lodovico di Varthema, who left a description of it. At the same time Affonso de Albuquerque came there; his appearance in Hormuz visited marked the beginning of a dark age of Portuguese rule in the Persian Gulf and the Gulf of Oman. After that visit and drew up a plan to set up there a colonial empire that promised incalculable incomes. The plan was approved by the Portuguese rulers and, to implement it, in 1506 Albuquerque set off with several ships from Lisbon to the Indian Ocean.

Albuquerque made the ruler of Kalat (then the principal city on the coast of Oman) stop paying tribute to Hormuz and recognize dependence on Portugal. Then the
city of Quryat was attacked; its inhabitants put up a fierce resistance. Taking advantage of their superiority in artillery, the Portuguese burned down the city and the ships moored at the harbour; they showed excessive cruelty, indiscriminately killing unarmed civilians and cutting off the ears\(^3\) and noses of prisoners. The same fate befell the city of Muscat, and their ruler pledged to pay to Portugal the tribute which he had formerly been paying to Hormuz.\(^4\)

In October 1507 a Portuguese fleet approached Hormuz, conducting military operations on the western frontiers of his State, Shah Ismail of Persia lacked forces to fight on two fronts. To help the ruler of Hormuz he managed to send him only 500 soldiers – too few to save Hormuz from being captured.\(^5\) The invaders prohibited local merchant vessels to trade in the Persian Gulf and the Gulf of Oman, without the permission of the Portuguese authorities. The Portuguese began to build a fortress for their garrison on the island, and founded a trading station in the city.

But the 1507 campaign of conquest along the coasts of the Persian Gulf and the Gulf of Oman was only the first attempt of the Portuguese to consolidate their grip on that region. The fierce resistance of the local population and differences among the invaders themselves forced the latter to abandon Hormuz in 1508. On their way to India they had to capture Kalat a second time because during their absence the local rulers had restored their authority. With the departure of the Portuguese the inhabitants of Hormuz also rebelled under the leadership of Rais Hamed who jailed the Portuguese henchman Saif-ud-Din and began to rule on behalf of Shah Ismail.\(^6\)

At that time Persian was waging a long war against Turkey. In those days the Turkish army was one of the strongest – it had more than once defeated the troops of European states. In the late 1520s the Turks took Budapest (1526) and besieged Vienna (1529), Shah Ismail was searching for allies to fight the Turks; for their part the


\(^4\) Ibid.

\(^5\) Ibid.

\(^6\) Ibid.
European monarchs, in the face of the Turkish threat, were also interested in an alliance with the Shah.

Turkish cannon inflicted particularly heavy losses on the Persian troops; so the Shah was eager to improve his artillery. On learning about this Albuquerque tried to establish relations with the rulers of Persia. In 1509 he, then already they Viceroy of India, sent Ambassador Ruy Gomes to Persian, and in 1513 he sent Miguel Ferreira. Albuquerque offered Persian Portuguese artillery, army and navy to fight Turkey. The Shah sent a special envoy to negotiate with him.\(^7\)

But the Viceroy had no intention of giving any real help to Persia. He was conducting a farsighted policy, hoping that because of Persia’s difficulties in the war with Turkey the Shah would make territorial concessions in exchange for promises of help alone. So Albuquerque dragged out the talks with Shah Ismail, awaiting the right time to implement his plans of conquest. Albuquerque found an opportunity in, when Ismail, in view of a dismal prospects of further struggle with the Sultan of Turkey, was compelled to conclude with the Portuguese a treaty on assistance, in exchange for which the Shah agreed to temporarily cede Hormuz to them.\(^8\)

After capturing Hormuz a second time, the Portuguese gained a foothold in other strategic areas in the Persian Gulf and the Gulf of Oman, on the northern and southern coasts and on the islands. The major defences were in Sohar, Muscat, Kalat and Bahrain, where the invaders built fortresses and stationed garrisons. Relying on them and on the warships that periodically appeared in the Persian Gulf, the colonialists were able to wield power over all the areas. They imposed an exorbitant contribution on the captured cities and took control of all trade. They formalized their domination in these parts through special unequal treaties, in so doing they interfered in the relationships between the local rulers who had to swear loyalty to the king of Portugal and were not even

\(^7\) *Ibid*, pp. 88-89.
allowed to move from place to place without the permission of the Portuguese governor.\(^9\)

In addition to direct military actions, the Portuguese strengthened their rule by more flexible measures, including frequent use of all manner of bribery and intrigue. For instance, they managed to gain influence among the sheiks, who were eager to get rid of subordination to Hormuz, but as a result found themselves in bondage to the Portuguese governor.\(^10\)

However, by the beginning of the 16th century the status of the Portuguese colonies had changed owing to the fact that in 1580 Portugal itself was annexed to Spain. From the 1580s the English made for Persian Gulf from the south. While previously they had tried to evade the monopoly of their rivals by smuggling and piracy, in that period English pirates, encouraged and equipped by the British government, were in effect waging England’s unofficial war against Portugal; this become an integral part of the aggressive policy of the London trading companies. Also taking part in operations against the Portuguese and Spanish warship of the British Royal Navy, which not only robbed merchant vessels but systematically destroyed the enemy’s warships.

The intensifying struggle of the English and the Dutch against the Spanish and the Portuguese culminated in 1588, when for the first time they managed to rout the Spanish fleet—the Great Armada. As a result, Spanish domination at sea and on land was impaired. The opportunity opened up before the English companies to oust their rivals from their colonies not by penetrating in a round about way, but by striking at them in the main commercial-strategic routes. “this method of war,” noted the English historian A.S. Morton, “followed in the seventeenth and eighteenth centuries, laid the foundation of the British Empire.\(^11\)

The British East India Company in its pursuit on negated all expansionism notions of “just” or “criminal”, indeed; “if all nations in one way or another begin with


plunder, it means the pirates are the best builder of empires. Fortunately we haven’t run out the spirit of piracy.”

There was no limit to the means to which the East India Company was prepared to resort in order to attain its aims; it was ready to commit any crime to get its annual 300-percent net profit. The Union Jack fluttered in different parts of the Indian Ocean; piracy and privateering flourished; the slave trade was widely practiced. The India-based flotillas of the East India Company organized regular raids not only on merchant vessels and trading stations of the competing European Powers, but also on merchant ships and on the coastal populated areas of all Asian and African countries adjoining the Indian ocean as well as the Gulf countries.12

This piracy, perpetrated for the sake of territorial acquisitions and of the establishment of British domination in the main sea trade routes, is the best confirmation of the eloquent description of the deeds of the British East India Company given back in the 18th century by Adam Smith. He wrote: “The government of an exclusive company of merchants is perhaps the worst of all governments for any country whatever.”13

The strongest resistance to the East India Company’s attempts to penetrate into the Gulf area was put up by Oman, which was large and powerful state in the 18th century. The Arab tribes inhabiting Eastern Arabia, who wanted to retain control over local navigation and develop their own sea trade, were allied with Oman. Consequently, it was a great risk for any of its ships to appear there; its trading station in Bandar Busheher (Persian) encountered numerous difficulties and dragged out a miserable existence; its second trading station in Basra (which then belonged to the Ottoman Empire) was altogether idle, and nothing came of the attempt to transfer it to Kuwait; the projected commercial colonial expansion in the eastern areas of the Ottoman Empire and the southwestern parts of Persian was nipped in the bud. However, the East India Company’s undamaged trading station in Bandar Bushehr gradually turned into an open

12 Ibid.
British trade mission in that region; it existed for over a hundred years and became the forerunner if the British political administration in the Gulf.

It was during that period that the interest of the British rulers in the Gulf area was for the first time officially based on the need to ensure India's defence. But in fact it was still most closely connected with the long-standing plans of commercial colonial expansion in the eastern areas of the Ottoman Empire and the southwestern parts of Persia. Despite the complicated international situation in the late 18th century, the British plans for the region were successful because of the wakening of the Turkish influence in the Gulf area, which was a direct result of the crisis of the Ottoman Empire and the decline of its international prestige after a number of military defeats and territorial losses; second, the weakening of Persian influence, brought about by a fierce struggle in Persia for the Shah's throne between the Zands and the Kajars; third, the formation in the Gulf area of, "a power vacuum" brought about not only by the weakening of the positions of Ottoman Empire and Persia, but also by the driving out by the Arabs in 1776 of the Dutch, the most dangerous aspirants to economic and political domination in that region.\(^{14}\)

In view of the experience gained during the East India Company's clashes with the population of South and East Arabia the Governor General of India, Charles Cornwallis, was instructed to orient the East India Company not towards preparing for a resumption of hostilities against the Arabs, but towards conducting with regards to them complicated diplomatic maneuvers in line with the new British Colonial policy. The immediate objective of these maneuvers was declared to be "normalization" of relations with the rulers of South and East Arabia.

Lord Cornwallis thought it best to start carrying out these instructions by attempting to establish "friendly relations" with Oman.

\(^{14}\) See A.T. Wilson, The Persian Gulf.
In the early 19th century Sir John Malcolm, the then Governor of Bombay, worked out a plan for the British colonization of the Persian Gulf. Its main points were:

a) The states and feudal principalities of Persia, Eastern Turkey and Arabia were to be considered as countries which “any nation whose interests it promoted” might use for its purposes. Such a nation, according to Malcolm, was England which was to establish its authority in these countries, bring them into sphere of influence of its policy, and then colonies them.

b) “With an established footing in the Gulf of Persian which must soon become the emporium of our commerce, the seat of our political negotiations, and a depot for our military stores, we should be able to establish a local influence and strength that would not only exclude other European nations from that quarter, but enable us to carry on negotiations and military operations ... to any extent we desired ... we must make ourselves strong in the Persian Gulf ... and inspire those sentiments of hope and fear which must be felt by all the states in that quarter, before we can expect to establish any relations with them that will be really beneficial to our interests ... if ... we could but establish ourselves ... in the Persian Gulf, all else that we desired would follow in due course ... and threaten all enemies of Great Britain in Persia, Arabia and Eastern Turkey”.15

c) Malcolm proposed embarking on colonial conquests at once in order to outstrip rivals, with a blow struck at Kharq Island first. He wrote, “The more I contemplate this island, the more I am satisfied it might be made one of the most prosperous settlements in Asia, situated within a few hours’ sail of Bushire, Bunder Begh, Bussorah ... Baherin ... it would, if under a just and powerful government, be though too small (only twelve squire miles) when it became an emporium of commerce ... I could not contemplate this stand without thinking it far from improbable that the English government might be obliged, by the progress of its enemies in this quarter, to take possession of it, and my mind passed rapidly from

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that idea to the contemplation of my-self as the chief instrument in the execution of this plan.”

d) His study of the two century experience of British colonial policy suggested to Malcolm one more point: he proposed paying special attention to the fact that the appearance of the colonialists military forces in the Middle East countries would inevitably entail a “momentary irritation” (i.e.; counteraction) on the part of local authorities and population. To prevent anti-British resistance, Malcolm recommended encouraging internecine wars and the accompanying disruption: “… and this system when that (English) government had once established a firm footing and a position situated on the confines of Persia and Turkey, it could easily pursue, with a very moderate force, and without any great or expenditure,” Malcolm wrote in conclusion of his argument.

Thus, in his plan Malcolm clearly specified the objectives pursued by the English in trying to secure control over the Gulf area: to make it a market for selling their goods, England’s political center in the Middle East and military base using which they could counter any rivals and mount military operations against Persia, Arabia and Turkey on such a scale as would enable them to hold away there as in India.

The ways and means of attaining these goals are equally explicit: the first step – to capture Kharq Island and turn it into stronghold; second – to interfere in the internal affairs of adjacent countries and kindle internecine wars with a view to preventing any likely anti-English coalition and facilitating the subjugation of these countries; third – open diktat in Persia, Turkey and Arabia; the turning of the Gulf area as a whole into a colonial possessing and bridgehead for further expansion.

In English historical literature Malcolm’s plan is assessed as the work of a lone eccentric person who disregard England’s purely peaceful, commercial interests in the Persian Gulf it first decade of the 19th century, and therefore the plan is said to have

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17 Ibid, p. 434.
failed to get the approval of the government. This assessment does not correspond to reality. In reality the paragraph of the plan were endorsed at the military-political council under the Governor General of India on August 30, 1808, specially dealing with a British incursion into the Gulf. The English government adopt the plan and invested Malcolm with special powers to implement it.

The facts show that British policy in the Gulf region was subsequently conducted in accordance with that plan, although its full implementation took some 60 years. However, it should be specially mentioned that the Arab population of the eastern areas of Arabia strongly resisted the colonialists. The leading role was played by the tribal association of the Qawasimes, who lived on Masandam Peninsula and controlled the entrance to the Gulf. Towards the early 19th century the Qawasim fleet comprised 63 large and 800 small vessels with crew totaling some 19,000. The appearance of the British East India Company’s merchant ships in the Gulf caused considerable damage to the interests of the local seafarers and could not but evoke counteraction. That is why British expansion in that region began with attempts to destroy the Arab fleet. The English were compelled to send large naval forces to the Gulf. On direct instructions from London they launched systematic attacks on Arab merchant vessels.

British colonial policy in the Persian Gulf area was also directed against Great Britain’s rivals. In 1911-1912, on the eve of the First World War, Britain managed to conclude several more agreements advantageous to itself. On July 29, 1913, an Anglo-Turkish convention was signed, under which Turkey renounced its claims to the crucial Oman Principalities, Qatar and Bahrain, and agreed to the status of Kuwait as an “autonomous” region of the Ottoman Empire. But after Turkey joined the war, the Sheik of Kuwait, under British pressure, already in 1914 renounced his “autonomy” and officially recognized the British protectorate.

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In December 1915 Emir Nejd ibn-Saud, too, established “special relations” with Britain. And in November 1916 Qatar became a British protectorate. Moreover, in imposing these enslaving agreements the British intentionally left open the issue of establishing clear-cut boundaries between the principalities, in order in future to retain the role of obiter in resolving territorial disputes and conflicts.  

In spite of all the isolation measures taken by the British colonialists, the national liberation movement could not but affect the Persian Gulf countries. The principalities and sultanates, including Trucial Oman, put up strong resistance to Britain policy. British diktat was resisted by the chieftains of many Arab tribes. In 1920s it was with great difficulty that London managed to retain its positions in that region.

Under the 1920 Treaty of Sib, not only Muscat, but Great Britain as well were compelled to recognize the independence of Oman, thereby legally ending more than a century of British diktat in Oman. After bringing the Gulf Arab emirates under its control and imposing on them its protector ship, Britain in an attempt to create a firm foothold for itself, preserved the social system of the Arabs. Britain colonial policy had an extremely adverse effect on economic and cultural development of the Arab people, making the socio-economic structure of Arab society absolute and stagnant. The political administration in the Gulf was an effective instrument with which the British imperialists successfully conducted their colonial policy there. Beginning from the mid 1820s, when two political agent’s posts were instituted to observe the situation in the emirates, the staff and functions of the political administration were continuously increased and improved, although its structure remained unchanged.

The political administration was headed by the political resident whose headquarters was from 1946 situated in Manama (Bahrain). He was simultaneously a diplomat, political adviser and military leader, and on the whole was more like a colonial governor than an ordinary ambassador. The resident exercised supervision over the

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21 Op cit, p. 421.
political agents in Kuwait, Qatar, Bahrain, Dubai and Abu Dhabi, and over the Consul General in Muscat.

Being representatives of the political administration in the emirates, the agents maintained close personal contact with the sheiks and other members of the ruling dynasties – a fact of major importance. Frequently, meeting unofficially, the agents – controlled the activities of the rulers and noted every change in their policy; this enabled the British resident to react to any change in good time and take appropriate measures.²²

The British political administration’s relations with the sheiks were legally based on treaties and agreements imposed on them by force of arms in the 19th and early 20th centuries. Despite the fact that in accordance with them Britain was granted the right to control only the foreign policy and defence of the emirate, the British political administration also regulated matters of some policy and the economy. The sheiks were always being given “advice” on how to improve the forms and development of their administration and cope with economic problem.²³

Apart from that, the Sheiks were “persuaded” to approve a number of laws whose basic principles had been worked out in various ministries and departments of Britain. In addition to implementing the code of law, the British authorities on many occasions introduced martial law is the emirates, which constituted a gross violation of the obligations undertaken by the British government under the treaties and agreements concluded with the sheiks.²⁴

The British political administration constantly interfered in the internal affairs of the emirates, controlling their administrative bodies. The political administration also paid great attention to economic issues. Since the Gulf formed part of the sterling zone, the administration had to protect the interests of the pound sterling. The resident

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²³ Ibid, p. 98.
²⁴ A State of martial law was introduced in all the emirates during the Second World War. Martial Law was also introduced during anti-British actions in Bahrain in 1956 and 1965. See Ibid, pp. 108-120.
personally controlled all currency operations in the emirates, and persuaded the sheiks to deposit their oil incomes in British banks only.\textsuperscript{25} It was also the duty of the resident to cope with questions pertaining to the development of trade between the emirates and Britain; in this business he had the assistance of the bureau for trade at his headquarters.

The British administration kept a watchful eye on matter of oil policy. The resident carefully followed all talks between oil companies and the sheiks on new agreements or on the amendment of earlier ones, so that no new settlement might be detrimental to the interests of the British government. That is why he insisted that the sheiks should grant oil concessions either to British companies or to those which were helping Britain to conduct its colonial policy in the emirates. Matters of oil policy were also the business of political agents, who became more active in this field after the Second World War.

The political resident controlled the activities of the British military units stationed in the Gulf area and headed the Defence Committee, which included top officers of the Air Force, navy and infantry units. After 1967, when the headquarters of the British forces in the Middle East was shifted to Bahrain, all military matters were decided directly by the resident and commander of the British armed forces in the Gulf area.\textsuperscript{26} One of the methods to which Britain often resorted in conducting its colonial policy in the emirates was the repeated change not only of rulers who did not suit it, but also of those who failed to adequately meet the demands of promoting the interests of British policy.

In Bahrain, British diplomacy interfered for the first time in dynastic affairs in 1843, when the British resident demanded that the ruler of Bahrain, sheik Abdullah al-Khalifa, sign the agreement of 1835 between Britain and the Trucial Oman emirates. When the Sheik refused to do so, he was accused of maintaining secret relations with Persia and his fate was decided. Manama was subjected to bombardment by British

\textsuperscript{25} Before independence, Abu Dhabi, Duabi and Qatar kept 80 percent of their overseas assets in British banks or their branched, Bahrain – 60 percent. \textit{Ibid.}

\textsuperscript{26} \textit{Ibid.}
warships, and Abdullah al-Khalifa was deposed. Sheikh Muhammed ben Khalifa al-Khalifa became the new ruler of Bahrain; he signed the agreement between Britain and the Trucial Oman emirates.

The signing of these agreements strengthened Britain's position in the island to such an extent that soon after their ratification the British political resident asked Muhammad al-Khalifa to recognize British protectorship over Bahrain. The Sheik's attempts to evade this request led to Manama being bombarded for a second time in 1867, and to his replacement. The new ruler was Sheik Isa ben Ali al-Khalifa, who not only confirmed all former treaties between Bahrain and Britain, but signed new ones which made the emirate a British protectorate.  

In 1920-1923 Bahrain saw popular actions against British protectorship and British interference in the internal affairs of the emirate. Sheik Isa al-Khalifa received a delegation of insurgents and agreed to some of their demands, in particular to the setting up of a consultative assembly and to the organization of a local police force. After his decision the British political resident considered it necessary to interfere in the emirate's internal affairs. At the entrance to the port of Manama there appeared two warships – Triad and Crocus – and as they got ready to shell the city Isa bin Ali al-Khalifa was "persuaded" to abdicate in favour of his son, Sheik Ahmad be Isa al-Khalifa.  

In the late 1920s and early 1930s, when a world crisis broke out, there developed in Bahrain a situation what was extremely unfavourable to the British colonialists. Popular unrest was caused by the grim economic situation and foreign domination. In such conditions, in 1932 a more experienced leader became the ruler. He was Hamad be Isa al-Khalifa, brother of the former ruler Ahmad ben Isa al-Khalifa. By carrying out some minor economic reforms the new ruler managed to stabilize the internal situation in the country and ensure the pursuance of a propagandist policy. This time the change of

28 Yusef al-Falki, Bahrain's Problem Between the Past and the Present. Al-Manama, 1960, p.87.
rulers was successful; at the entrance to the port of Manama stood the six ships constantly patrolling the Gulf.

After the death of Hamad al-Khalifa in 1942, the British resident installed as ruler of Bahrain not his eldest son, Ahmad, who by tradition should have taken over power, but his sixth son by age — Sulman ben Hamad al-Khalifa, known for his close ties with the British administration. Although a gross violation of dynastic traditions had taken place and the new ruler had been appointed without the approval of the rest of the members of the ruling family, the sheiks had no objection. Their complaisance had been ensured by the large contingents of British troops stationed on the island and by the warships at the ports. To be on the safe side, the British introduced “martial law” in Bahrain, which banned any opposition from both the ruling family and the population.

In Qatar the British resident actively interfered in dynastic affairs in 1913: at his insistence, not the eldest son of the late Jasim ben Thani, but his third son by age, Abdullah, was made ruler of the emirate. The members of the ruling family had to give in because there were Royal Navy ships at the port of Doha. The same thing happened in 1960, when the British resident made Sheik Ahmad al-Thani ruler of Qatar, he was the second son of the late Ali ben Abdullah al-Thani. But this time British diplomacy met with opposition from both the ruling circles and the population. For the first time in its entire history the emirate saw the emergence of political groupings which came out against the new sheik, demanding closer ties with Arab countries and support for the peoples fighting for freedom and independence.

Under these circumstances, Britain worked out and implemented a whole series of measures. First, the oil companies’ concessionary deductions, amounting to 54 million dollars a year were suspended. Second, in Qatar the official posts of British political agent and his assistants were abolished, and their functions transferred to the “Arabised” government; but the sheik still had British advisers. Third, as usual in such cases

additional contingents of British troops were sent to the emirate. As a result of these measures the resistance of the population was broken and "law and order" restored in Qatar.

After the death of Sheik Buti ben Maktum of Dubai in 1912, Man ben Rashid was elected ruler of the emirate; he tried to pursue an independent policy. Britain refused to recognize him officially and appointed a new ruler, Said ben Maktum, to whom it gave effective support and forced the tribal chieftains of Dubai to change their original decision.30

After that there began a series of assassinations of rulers in 1912 Tahnum be Zayed was killed, in 1912 – Hamdan be Zayed, in 1926 – Sultan be Zayed, and in 1928 – Saqr ben Zayed. Power was to have been given to Khalifa be Zayed, known for his anti-British sentiments. But as a result of British interference, Shakhbut ben Sultan al-Nahayan became the ruler of Abu Dhabi, and stayed in power for 38 years. But in 1966 the British administration removed him from power, too, because he had tried to resist some recommendation from London. In particular, the sheik has told the League of Arab States of his desire to cooperate with it and its member countries and he had denounced the British plan to set up a federation of Arab states in the Gulf- Area. A coup d’etate was inspired, as a result of which Shakhbut ben Sultan al-Nahayan, as an “egoist who had failed to put the emirate’s funds to good use”, handed over power to his younger brother Sheik Zayed ben Sultan al-Nahayan.31

In the mid 1960s the conflict between the British political administration and the ruler of Sharjah, Saqr ben Sultan al-Qasimi, came to a head in Trucial Oman; he was admonished after his attempt in 1962 to secure more advantageous terms in contracts with the oil companies. After he tried in 1965 to insist on his sovereign rights (among other things, he called for cooperation with members of the League of Arab States and refused to renew the treaty with Britain on the lease of the base on the territory of the

31 By tradition power should have passed into the hands of his eldest son.
emirate), a “family plot” was staged and his place was taken by the more compliant sheik Khalid ben Amer al-Qasimi. Immediately after the coup, in June 1966, the new ruler of Sharjah signed an agreement with Britain on the expansion of the British base on the territory of the emirate.

Several attempts were made on the life of the ruler of Ras al-Khaimah, who had tried to follow the example of Saqr al-Qasimi and establish contacts with the League of Arab States.

The results of the Second World War (1939-10945) brought about a change in the alignment of forces in the world and promoted the growth of the national liberation movement in the Middle East. The revolutions in 1952 in Egypt and in 1958 in Iraq, the winning of political independence in Kuwait in 1961, and the proclamation in 1962 of the Yemen Arab Republic, and in 1967 of the People’s Republic of Southern Yemen (subsequently the People’s Democratic Republic of Yemen) had repercussion in many emirates.

The first strike of oil workers in the history of Bahrain took place in March 1951. In the summer of the same year mass disturbances broke out, in which people demanded a revision of the enslaving agreements imposed on the country by British Colonialists. The latter had to use force to suppress the unrest.

But already in 1954 a new wave of clearly anti-imperialists strikes and disturbances swept Bahrain. In the same year in Manama the Committee on national Unity was set up – a democratic organisation which demanded that Sheik Sulman bin Hamad al-Khalifa carry out a number of radical political and economic changes aimed at satisfying the rights of the working people and democratizing the socio-political system of Bahrain.

These demands were not met and mass actions went on, reaching their peak after the tripartite imperialist aggression against Egypt in 1956, when a general uprising
against British domination flared up in Bahrain which managed to suppress the uprising this time as well.

The 1958 revolution in Iraq gave fresh impetus to the development of the national liberation movement in the emirates. Under its direct impact popular unrest erupted in Qatar in 1960 against the domination of British administration’s “advisers”. As a result, reforms were carried out to “Arabise” the administration of the emirate: the posts of British advisor and his assistants were abolished; the administration of finances and the water economy and all administrative functions were transferred to the sheik’s ruling family. Yet effective control over the country’s life remained in the hands of the British, let alone foreign – policy functions, which continued to be prerogative of the British administration in the Gulf.

The population of Qatar was of course not satisfied with these half-measures and in 1960-1964 it demanded the democratization of the country, the adoption of the new labour legislation and the establishment of political and economic ties with other Arab countries. In 1963 there was a general strike in the emirate for Arab unity.

The attempt of the British in 1964 to prevent the arrival of a League of Arab States delegation in Qatar evoked an even more reaction on the part of the population. Nationwide demonstrations for Arab unity forced Sheik Ahmad of Qatar to give his official consent to cooperation with the League of Arab States in matters of social and economic development.

The Kuwait crisis of 1961-1963, which was due to Iraq’s refusal to recognize the independence of Kuwait and which led to an armed intervention by Great Britain, had a tremendous impact on other Gulf emirates in which mass demonstrations were held against British interference in the internal affairs of Kuwait. This was reflected with particular force in Bahrain, which entered in the early 1960s the stage of vigorous struggle for independence, led by the national Liberation Front of Bahrain. The presence in the country of units of the British navy and expeditionary forces, which were preparing
to participate in the Kuwait operation in June-September 1961, evoked indignation among the majority of Bahrainis. The emirate saw frequent demonstrations of protest against the stay in Bahrain of Marshal of the Royal Air Force Samuel Charles Elworthy (who supervised the operation in Kuwait), and against his meetings Luce, political Resident in the Gulf, and with the ruler of Bahrain, Sulman al-Khalifa.

The discovery of new deposits of oil in the emirates led British diplomacy to explore means how to keep the Gulf area within its sphere of influence. Oil extraction in the emirates led to a sharp increase of their population due to a large inflow of immigrants, as well as to the appearance of funds that were substantial for these counties part of these funds went into the building of the infrastructure. In the new economic conditions of the region the sheiks were no longer able to govern the emirates by the old, outdated methods. Help came quickly from the British political administration, it worked out an implemented a plan to set up bodies of local government, consisting wholly either of members of the ruling families or of Arab states citizens loyal to Britain. A large group of British official worked in the local administration as advisers or experts on employment.

The Anglo-Persian Oil Company formed in 1908 subsequently renamed British Petroleum became a part of the British Capital. “We must become the owners, or at the any rate, the controllers at the source of at least a proportion of the supply of natural oil which we require” Winston Churchill, told the House of Commons on July 17, 1913.

The beginning of the exploitation of the oil deposits in the Middle East stirred up the oil industrialists of the United States, who had already appreciated the ever increasing value of that black liquid. The capitalists of France and Germany pricked up their ears.

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32 In 1959 out of Bahrain’s 739 policemen only 202 were Bahrainis, 127 were from North Yemen, 69 from Iraq, 61 from Oman and as many from South Yemen.

33 In the late 1950s, out of the 60 key posts in the Bahraini administration 23 were held by British official and 17 of the 29 police officers were British.

Nor did the presumed presence of oil deposits in Mesopotamia (Iraq). Persia’s neighbour, leave them indifferent.

Before the First World War the majority of Arab countries including Mesopotamia, were nominally incorporated in the Ottoman Empire; that is why the destiny of Iraq’s natural resources was being decided in Istanbul. After long backstage strife and derision of shares, the right to prospect for and extract oil throughout Iraqi territory was secured in June 1914 by the newly founded Turkish Petroleum Company. The British managed to get hold of the majority of its shares.

While controlling the rich oil deposits in Persia and Iraq, Britain at the beginning was not serious about oil prospecting on the territories of the Gulf Arab principalities, although there is every reason to believe that even before the First World War British knew about the existence of oil deposits there. In 1910 the British geological service discovered oil on the Bahrain Islands. Apparently this fact served as a pretext for imposing on the rulers of the principalities agreements to the effect that the right to prospect for and extract oil would not be granted to any body, except the rulers of Great Britain. Such agreements were signed with the ruler of Kuwait in 1913, with the rulers of Bahrain, Trucial Oman and Muscat in 1914.

After 1920, when a small company called the Eastern and General Syndicate was formed in London, its representative, major Frank Holmes, a New Zealander, took resolute steps to gain control of geological prospecting in some principalities. In 1923 he managed to get a concession to prospect for and extract oil in Kuwait and in the Saudi part of the neutral zone, in 1924 – in the Kuwaiti part of the neutral zone, and in 1925 he obtained the exclusive concessionary right to the entire territory of the Bahrain Islands.35

Yet the Eastern and General Syndicate lacked funds to conduct prospecting work and failed to find supper among British industrialists, who had put their main stake on the already powerful Anglo-Persian (later Anglo-Iranian) Oil company (AIOC). So Holmes,

35 *ibid.*
unexpectedly for Britain, on November 30, 1927, relinquished his concessionary rights on the Bahrain Islands to the US-owned Gulf Oil Corporation. That was the beginning of US – expansion in the Persian Gulf region.

Having in those years full control over the rich oil deposits in Iraq and Iran, Britain still regarded the Arabian Peninsula only from the point of view of its strategic importance. It was not particularly active there in studying natural resources, apparently wishing to keep them in reserve until necessity arose. Probably the British oil industrialists had been misled by their unsuccessful attempts to discover oil in a number of Gulf Arab principalities. Nor did the British government back the efforts of its oil industrialists to obtain concessions in Saudi Arabia and Bahrain. As such Britain did not avail itself of its political dominance in the Gulf area to secure effective monopoly on its oil resources. The British could not imagine the Gulf area would be the scene of fierce battle among the oil magnates, in which the British monopolies would suffers serious defeats.

The most crushing blow was dealt to the British monopolies in Saudi Arabia, where the overseas oil magnates paved their way with money. In 1933 the US-owned California-Arabian Standard Oil Company, which had full control over the Standard Oil Company of California, asked King Ibn Saud to grant it a concession in exchange for a subsidy of 100,000 pounds sterling, which, incidentally, was far more than the British promised. The money decided the matter. King Ibn Saud gave the overseas monopolists the right to extract oil in his country. They were granted, until the year 2005, a territory of 1.1 million sq. km which is equal to the area of Texas and California taken together. This was a great shock to the British politicians. Eyewitnesses said that when Britain’s envoy learned about the deal he nearly had a stroke. But London became fully aware of its miscalculation much later, when Arabia ranked among the world’s biggest oil producers.36

36 Ibid.
In 1935 the Texas Oil company (Texaco) joined in the exploitation of Saudi Arabia's oil deposits. In 1944 the California-Arabian Standard Oil company was renamed the Arabian-American Oil Company (Aramco). In 1946 another two major oil companies of the United States – the Standard Oil Company of New Jersey and the Socony Mobil Oil Company – began to exploit Saudi Arabia's oil resources. These two companies, according to the World Petroleum journal, increased Aramco's capital by 125 million dollars. Aramco's shares were divided as follows: 30 percent each for the Standard Oil Company of California, Texaco and the Standard Oil Company of New Jersey; and ten percent for the Socony Mobil Oil Company.37

Encouraged by their success in Saudi Arabia, the oil industrialists launched a broad offensive on Britain's positions in the Gulf area. London was greatly alarmed when the US-owned Gulf Oil Corporation was granted concession to extract oil in Kuwait, which was of strategic importance to Britain owing to its location.

Pressure was put on the Sheik of Kuwait, and in 1934 he urgently granted an oil concession to a new company, the Kuwait Oil Company, which included both US and British firms exploiting oil deposits on a formally equal basis. The Kuwait Oil Company's shares were equally divided between the Gulf Oil Corporation and British Petroleum. The concessionary agreement was concluded for a period of 75 years and applied to the entire territory of the country.

The US monopolists also began to steal up on Britain's rear on the Arabian Peninsula. In particular, the Standard Oil Company of California tried to get concessions in Qatar and Trucial Oman. But there it failed owing to Britain's resistance. The defeats that Britain had suffered in the struggle for Arabian oil forced it into more active resistance against its rivals. To insure themselves against further trouble, the British oil industrialists hastened to obtain oil concessions in Qatar, Muscat and Trucial Oman,

37 Ibid.
where they thought there should be oil deposits, although they were compelled to share part of these riches with their partners in the Iraq Petroleum Company.\textsuperscript{38}

In Qatar all oil deposits, including those in territorial waters were given in May 1935 to Qatar Petroleum, a branch of Iraq Petroleum. In Oman and Muscat (with the exception of the Dofar province) the entire territory or the principalities was given in 1937 to another branch of Iraq Petroleum, namely, petroleum Development (Oman). Trucial Oman’s oil deposits in its territorial waters was given to yet another branch company of Iraq Petroleum- Petroleum Development (Trucial Coasts).\textsuperscript{39}

The partition of oil riches in the Gulf among the world’s top oil company is was mainly completed by the beginning of the Second World War; no sultanate on the saline and sun-scorched coast of the Gulf escaped their voracious gaze. Britain’s overwhelming political predominance did not prevent other overseas businessmen from scoring highly tangible success in the competition.

Thus, late 1930s was the US monopolies had taken full possession of the oil deposits in Saudi Arabia and Bahrain, half of the oil output in Kuwait, and about a quarter of the output in countries where Iraq Petroleum was active. Similarly British firms, in addition to extracting oil in Iraq, Iran and Kuwait, exercised control over the deposits in Qatar, Muscat, Trucial Oman and some other principalities.

In pursuing its policy of economic expansion in the region the United States applied more flexible methods than its rivals. In the first place at capitalized on the prevalent dislike for the British colonialists. Posing as friends of the Arab peoples, the Americans always inserted in concessionary agreement and contract a clause on non-interference in internal affairs. In difficult situations the dollar helped out or the State


\textsuperscript{39} Ibid.
Department joined in to put pressure not only on the rulers of the Arab countries, but on the British government as well.  

The post World War II did not put an end to Anglo-American rivalry, which in those years flared up mainly over Saudi Arabia. The almost complete termination of oil incomes placed in an extremely difficult economic situation. Britain decided to take advantage of this in order to establish political control over Saudi Arabia, which, right till the beginning of 1943, had almost wholly been dependent financially on London. In those years there were plans to set up a British bank in Saudi Arabia and push the country into the sterling areas.

This seriously alarmed the US oil companies. Fearing for their positions in Saudi Arabia, they openly demanded that the US Government should take energetic measures to prevent the kingdom from becoming a British protectorate. As result of strenuous efforts by officials representing oil interests, Washington declared that the protection of Saudi Arabia was vital to the security of the United States. Consequently Saudi Arabia became subject to the Lend-Lease Act, which enabled the US oil magnate to frustrate Britain's attempt to take revenge for its past defeat in Saudi Arabia. This country was an extremely important bridgehead for the United State from there it could attempt to bolster its economic and political positions in the entire Gulf areas.

Thus at an early stage of development, Middle East Oil wealth was controlled by, as an American economist Helmut J. Frank put it, "a handful of giant firms each highly integrated from well to gasoline pump, each with far-flung it not worldwide interests linked through joint ventures, supply and marketing arrangements, and at one time through formal agreements including features agreements including features highly restrictive of competition" These firms were mainly European companies at first. As for the Americans, they came to the Middle East area only in the late 1920's when Exxon

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42 Ibid.
and Mobil bought an interest in the Iraq Petroleum Company. Later they got more concession in the Gulf through Kuwait. So Cal and Texaco through Saudi Arabia and Bahrain got their piece of the “oil pie”. But their entry into the Middle East was not smooth, it was accompanied by acute competition from the British old-timers.

A conglomerate consisting of four US-led companies—so Cal, Exxon, Tesao (30 percent interest each) and Mobil (10 percent)—came into beginning Saudi Arabia; they jointly owned the Arabian America Oil Company known as ARAMCO. So all seven sisters, had dominated the world oil market until the mid-50s, had their share of the rich Arab concessions. The ‘seven majors’ accounted for an estimated 90 per cent of crude production and refining. They owned a smaller portion of the tanker fleet, but total control through ownership and time charters also amounted to over 85 per cent. Concentration in marketing varied somewhat more. In some countries as few as three suppliers sold 90 per cent of all petroleum; in others the number of large sellers might be as many as seven.”

In 1949, the explored oil reserves in the West valued at 68.8 billion barrels. Of these reserves the Middle East potential accounted for 32.6 billion barrels or about half. Middle East reserves exceeded the 50 per cent mark in 1951 (51.3 billion out of 96.5 billion bbl); were close to two-third of the world reserves (97.5 billion out of 147.7 billion bbl) in 1954 and increased to 366.8 billion bbl or 50.1% 50.1 billion tons by late 1971, i.e., 57.6 per cent of the world deposited (641.8 billion bbl). John M. Blair, a leading American authority on oil economics, states, “it was of course the fabulous profits arising from extraordinary low costs that induced the major oil companies to go such lengths to control oil in the Middle East”. The cost of extracting crude oil in this region was, in fact, very low. In 1947, it was estimated to be $0.10 per barrel in Saudi Arabia and $0.1 in Bahrain while the consumer at that time paid $1.05 per barrel. Payments go the government of Saudi Arabia and Bahrain were $0.21 and $0.15 per

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43 Ibid, p. 129.
44 Ibid, p. 72.
45 Middle East International, June 1972.
barrel, respectively. It is easy to calculate how much money went into the companies’ pockets as net profit. The Organisation of Petroleum Exporting Countries (OPEC) reported that typical Middle East production costs were about $0.25 per barrel while they were $0.50 and even in Venezuela and $1.45 to $1.75 in the United States.\(^4^7\)

By the mid-1980s the Persian Gulf Oil resources constituted about 70 per cent of all known oil reserves in the non-socialist countries, or 48 billion tons, of which Saudi Arabia alone had 21.5 billion tons.\(^4^8\)

The importance of oil for the USA in the 1970s when it became the biggest importer of energy resources, mainly from the Gulf. The growing gap between the rising consumption and the amount of oil extracted in the country dictated the necessity for greater imports. America imported 23 per cent of the oil it consumed in 1970, 38 per cent. Thus oil became the factor which determined the intensification of US activities in the Gulf and added to the US military and political strength. The US armed forces stationed in Western Europe and Southeast Asia, for example mainly used fuel produced from Gulf oil.

Control over Gulf oil gave the USA besides economic advantages and important lever to pressure West European countries and Japan whose dependence on oil imports is immense (in 1979 the share of Middle East oil in the total oil imports of Western Europe and Japan was 63 and 73 per cent respectively; it went up to 66 and 70 per cent in 1980).\(^4^9\) Using this dependence as a trump card, the US became the protector of the interests of the whole capitalists world, and tied down its allies and prevented them from making foreign policy decisions running counter to US interests. Moreover for the US the Gulf became brought a highly profitable market for armaments, which brought American a munitions corporations colossal profit.\(^5^0\)

\(^{5^0}\) In 1974, the countries of the region purchased weapons worth 4.3 billion dollars, or 52 per cent of the total export of American weapons for that year. In 1977 US weapon exports to the Gulf reached 7.5 billion dollars or 68 per cent of that year’s sale of American military hardware. See *Middle East Review*, 1978, t.11, No. 1, p. 35. Armament sales to Saudi Arabia alone brought American monopolies 11 billion dollars in 1979-1980. *The Defence Monitor*, 1981, t.10, No.4, p. 816.
The fact that the oil-producing states of the Gulf have a substantial part of their foreign investments in US banks which is highly beneficial for the US monetary and financial system, is another reason for the growing economic importance of the Gulf for the United States. Similarly, the Gulf area remains a profitable market for the export of US products (other than weapons) and services. In spite of the tough competition with other imperialist states there, the USA’s positions remain solid. For example, the United States sold Saudi Arabia, 5.52 billion dollars’ worth of goods in 1980, coming first in the latter’s imports.  

The US military and strategic interests in the Persian Gulf area have always been determined by the region’s favourable geographic position between two oceans and three continents. Yet in the late 1960s the importance assigned to this region in the system of American foreign policy plans began to grow sharply.

In the first place, the US felt it necessary to oppose the upsurge of national liberation movements in the region as a result of the fall of the monarchy in Iraq, the revolution in Northern Yemen, the victory of the national front in Southern Yemen, the assumption of power by the revolutionary democrats in Aden, and the formation of independent sovereign states in place of former British protectorates; at the same time, it wanted to fill the “vaccum” left as a result of the loss of British domination there.

Secondly, the US was also interested in neutralizing the undesirable tendencies in the Gulf area brought about by Washington’s support for Israel’s expansionist course toward the Arab countries, a task which became especially urgent after the Arab oil embargo and the multiple oil price increases of 1973-1974. Washington’s plans to keep its interests in the Gulf intact by artificially separating it from the Arab-Israel conflict were unsuccessful.

Thus with the old unfair system of relations between the oil-producing states and the imperialist monopolies being destroyed, the United States faced the need to work out

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new political, military and ideological measures that would ensure its interests. The nationalization of the property of foreign oil companies in some countries along with policy changes as regards concessions rendered the exploitation of the region’s oil riches through old colonial methods impossible.

All these factors made US policy in the Gulf more active and shaped its long-term strategy, to maintain US control over the region.