# THE ANGLO-AMERICAN OIL CONTROVERSY IN IRAN 1919-1924

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In the first years of the twentieth century, oil, in addition to its value as a lubricant, *mun* became a serious challenger of coal as a fuel \* for means of transportation. World War I brought this new power factor into sharp focus. Its impressive military and industrial roles sharpened competition among the Great HI Powers and encouraged them to scour the globe *mun* for promising future reserves. Oil became a *Wm* very important factor in the geopolitics of all the major powers after the First World War. When the war ended, the entire world desired oil concessions in the Middle

East. The Standard Oil Company, the Anglo-Persian Oil Company and Sinclair made efforts to acquire rights or to establish their old claims to the oil treasures of Iran. The policies of the Great Britain and the United States in an effort to acquire oil concessions in Iran will be discussed in coming pages.

#### Iran: struggle for independence

Despite a glorious history, Iran was weak and underdeveloped by the nineteenth and early twentieth century. Russia's relentless search for an outlet to the open sea led to a number of wars between Russia and Iran in which Russia destroyed Iran's military power and paved the way for increasing Russian influence. This Russian expansion, however, alarmed the British, especially concerning their position in India. That fear placed Iran in a prominent position in British strategic

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planning. The British demanded equal privileges and concessions in the south to balance every Russian gain in the north. This Anglo-Russian rivalry stripped Iran of its sovereignty and culminated in the Anglo-Russian Treaty<sup>1</sup>. The Treaty of St. Petersburg, which was signed in 1907 between Britain and Russia, without even the knowledge of the Iranian government, inter alia, had divided Iran into three zones - British zone in the south, Russian zone - in the north, and a narrow neutral zone serving as buffer in between. Both countries, according to this Treaty, agreed to respect Iran's sovereignty and independence. However, neither party in fact did so.

Those moves by the British government were not dictated purely out of strategic considerations. By the beginning of the twentieth century, oil in commercial quantities was discovered in the Middle East, substantial amounts of which were within the boundaries of Iran. Taking all these aspects into consideration, the British vigorously sought every possible opportunity for oil concessions from the Iranian Government.

The first major concession to British subjects to exploit the mineral resources of Iran was granted by Shah Nasr ed-Din on July 25, 1872. This British national who received this concession was Baron Julius de Reuter. This seventy-year concession gave Britain the right to exploit all the mineral resources of Iran except gold, silver and precious stones.<sup>2</sup> Under pressure from the British government the corrupt Iranian government granted on May 28, 1901 another big concession to a British subject, exactly twenty-nine

D'Arcy concession.<sup>3</sup>

Under the influence of WWI, for the first time the strategic considerations of British government gave way to commercial interests. Within this reality, in March of 1915 the second Anglo-Russian agreement, the so-called "Constantinople Agreement," was

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signed. According to it the British would get the oil-rich neutral zone of Iran in return for, previously sensitive to its strategically interests, Constantinople and Eastern Turkey<sup>4</sup>. Thus, the second partition of Iran was accomplished.

With the outbreak of the WWI, the Iranian government immediately proclaimed its neutrality. Nevertheless, apart from this formal declaration, the Iranian people sympathized heavily with Germany and Turkey. These sympathies stemmed from the fact that the Central Powers were fighting Russia, their oldest and most detested enemy. As Russia's ally, Britain, already widely distrusted because of its 1907 deal with Russia, was also considered an enemy. Moreover, the fact that Turkey, a Moslem power, was on Germany's side increased Iranian sympathy for the Central Powers. These factors, plus the inability of the Iranian government to protect its territorial integrity against the belligerents, brought Russian and British military intervention. As the war progressed, British, Russian and Turkish military forces became increasingly involved in Iran.

However, the Bolshevik revolution of 1917 stopped the Russian advance, and its soldiers were gradually withdrawn from Iran's territory. The withdrawal of Russian troops enabled the British government to dominate Iran completely. On the other hand, the collapse of the Russian army greatly increased British difficulties. Though the Iranian people saw the new Soviet government as a friend, its government still mistrusted Russian policy. By now, though, Iranians concentrated their hatred on "the British occupiers of their country."<sup>5</sup> The presence of large numbers of British forces on Iranian soil at this period aroused strong nationalist feelings. In the Memorandum of 9August, 1919 on the Persian Agreement, the British Foreign Secretary Earl Curzon acknowledged the existing hostilities towards the British elements: "Our own hands were tied by the unfortunate Anglo-Russian Agreement of 1907, which, although it was entered by the then Government with the object of bringing to an end friction between Russia and ourselves in Persia and ensuring the stability of Persian institutions, had throughout been regarded with intense hostility by the Persian Government, and had in practice been

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used as an instrument for tightening the Russian grip upon the northern part of the country." <sup>6</sup> The consequence, Curzon admitted, was that the ill feeling generated in Iran by Russian conduct was passed on to Britain. "We were thought to be identified with Russian policy and to be hostile to all Persian aspirations, and the sympathies of the country in the early stages of the war were unmistakably on the side of the Central Powers," continued Curzon.<sup>7</sup>

In the context of Iranian hostility and mistrust toward British and Russian policies, the Iranian government sought an impartial power that would control imperialist British aspirations in that region. In his letter of October 5, 1918 to the Secretary of State, the Iranian charge d'affaires in Washington, Mirza Ali-Kuli-Khan, expressed his disappointments over British and Russian hostilities in Iran, and sought a way to ensure against a recurrence of such hopeless conditions after the war. Greatly elated by President Woodrow Wilson's "fourteen points," the Iranian charge continued: "We have full confidence that the great principles of humanity and justice enunciated by your government will in the day of peace extend their blessings towards Persia, as one of the countries which has endured long years of manifold trials with patience and long suffering."

World War I constituted the greatest national disaster Iran had undergone since her first contact with Western states. By 1919, the country was in greater chaos than ever before; the Mejlis was in a long recess; the shah was forced to dismiss the existing cabinet by unconstitutional means; and a new Prime Minister Vusuq formed a government by repressing his opponents. The impact on the Iranian economy was also negligible. Iran's oil revenues were small compared **I** to its budget and developmental expenditures. The oil industry was a foreign oriented entity superimposed upon an agrarian structure. All these factors contributed to the economic chaos of post-war Iran. In his report of June 8, 1920 to Earl Curzon, the British Ambassador to Iran Herman Cameron Norman was describing the general situation in Iran as following:

"There is no budget in Persia; for year Government has been living from hand to mouth, meeting constant deficit from British

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subsidy and loans from bank... A cumulative deficit is 250,000 tomans a month. Central Government cannot control its provincial agents effectively or coerce power of individuals who refuse to pay their taxes. At present moment three of richest provinces have passed from control of Central Government. Reform of finance and administrative, but especially the latter, is long overdue; continuance of present chaos would assuredly lead to anarchy, and no Government of whatever political complexion could possibly carry on without external help during interval which must elapse before reforms can yield practical results."

After the war, the British government tried to secure its oil and other commercial privileges in Iran by signing the Anglo-Persian Agreement in August of 1919. The Iranian Mejlis refused its ratification. The Secretary of State for Foreign Affairs Earl Curzon, in his letter of November 5, 1920 to the Minister in Iran Herman Norman, was critical about the position of the Iranian Government towards the approval of Anglo-Persian Agreement: "In spite of your repeated assurance that elections were being expedited, it is impossible to avoid conclusion that, for whatever reason, the engagement of Persian Government in this respect have been deliberately ignored. We are thus confronted with fact that, though it is now fifteen months since the agreement was signed, no serious attempt has been made by two successive Persian Governments to submit it to approval of Persian Parliament." In response, Norman reported that "Our enemies both within and without Mejlis are loudly demanding postponement and denunciation of agreement, and our friends are unanimous in begging us to save them from a position of increasing embarrassment by giving it up."

On the other hand, hoping to weaken the regime of the British, the Iranian government did what it could after World War I to build contacts with the United States. Iranians hoped to put an end to the Anglo-Russian

economic domination of their country. The government realized that this could be achieved with pure American capital, free from British intrigues. During the controversy over the ] concessions in the northern provinces of Iran, the Iranian government

implicitly and explicitly encouraged American capital to get intervened in those concessions. In August of 1920, the United States Secretary of State dispatched a letter to the ambassador of the United States in Iran John Caldwell:

"The Persian Minister at Washington has stated orally that British companies are working to acquire oil concessions in the northern provinces, but that his government would prefer to grant these concessions to American rather than to other foreign interests." <sup>13</sup>

One of the reasons for Iran's turn against British advisors was the rivalry of Russia on the north. After withdrawal of Russian forces from the northern Iran, Russia was very jealous of Great Britain in Iran and would consider the presence of British experts in the northern provinces as a threat to itself. Wishing to see no other power assuming preponderance in Iran, the only alternative which suggested itself was to have the cooperation of the friendly government of the United States, "which Power is disinterested and possesses the entire confidence of the Persian people and Parliament." <sup>14</sup>

#### British imperial policy in Iran

The geographic position of Iran, the magnitude of the British interests in the country, and the future safety of the British Eastern Empire rendered it impossible for the British government to disinterest itself from what was happening in Iran. Before WWI the main British interest in Iran was that of strategic security. Ever since the development of their empire in India, the British regarded the Middle East part of their imperial lifeline. They attempted to control all possible approaches to the area and prevent its penetration by other Great Powers. In that context, Great Britain clashed frequently with Russia over Iran. In 1907 a modus vivendi was worked out which divided Iran between the two powers. This division gave Britain control over southern Iran. By maintaining the integrity of the Ottoman Empire, Great Britain kept both Russia and France from further encroaching into the Middle East.

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Iran became even of more strategic significance for Britain after the WWI when the British assumed the mandate for Mesopotamia. As British Foreign Secretary Earl Curzon put it in his memorandum on the Anglo-Persian Agreement: "We cannot permit the existence, between the frontiers of our Indian Empire in Baluchistan and those of our new Protectorates of a hotbed misrule, enemy intrigue, financial chaos, and political disorder." Furthermore, the British government believed that if Iran were to be left alone, there would be every reason to fear that it would be destabilized by the Bolshevik influence coming from revolutionary Russia in the North.

WWI also heightened Britain's dependence on the oil reserves of the area, thus playing a major role in redefining its Middle Eastern policy. Germany's submarine campaign to starve the British into submission established beyond question the fundamental danger to Britain's survival if

she failed to cope with the oil problem. After the war, Britain was heavily preoccupied with its national defense. It was axiomatic that a country so dependent upon its sea power must guarantee its future supplies of oil. To run its oil-burning ships and civilian economy, Britain imported some three billion gallons of oil every year during the 1919-1924.16 During the war, the United States furnished almost 80 per cent of Allied oil requirements. Now Britain realized the necessity of ensuring its own permanent reserves. Through the oil quest in the Middle East and particularly in Iran, Great Britain had displayed great activity in securing control over oil fields. The British were determined to free themselves of dependence on the United States for all supplies required by the British Navy and by military and commercial enterprises. Even before the War, in 1914, in defense of his resolution on the Government's participation in the Anglo-Persian Oil Company, the First lord of Admiralty, Winston Churchill stated that for many years it had been the policy of the foreign office and the admiralty to preserve independent British oil interests in the Iranian oilfields. 17 It was in that context that Britain looked to Iran as a promising source of naval fuel.

A member of the Central European and Persian Department of the Foreign Office, G. P. Churchill, clearly summarized British policy

in Iran in a foreign office.memorandum dated 20 December 1920. He stated that British interests in Iran consisted of three parts: political, commercial and financial. Apart from Britain's past predominant position in Iran, the political interests of His Majesty's Government were the defense of India, and the Protectorate of Mesopotamia. The disruption of Iran, the British government feared, would probably be followed by a similar process in Afghanistan. The reaction in Mesopotamia would be felt far sooner and more acutely than in India. The "Persian Soviets" would no doubt combine with the Kemalist forces as well as the Kurdish tribes of Western Iran to make the British position in Mesopotamia as insecure as possible. British commercial interests were embodied in the Anglo-Persian Oil Company, and in the Imperial Bank of Iran which served as a financial instrument of British government. The financial interests in continuing relations with Iran revolved around Iranian debts to Great Britain. By 1924, Iranian debts amounted to 4, 549,200 pounds sterling.<sup>19</sup> Had Britain withdrawn its influence from Iran, all those debts would have been written off, and all the expenditures incurred in Iran would have been wasted.

In pursuing its interests in Iran, the British government used a variety of means. Britain had a great leverage over the Iranian government in "inducing" them to accept a pro-British government policy. During WWI, a large amount of British and Russian troops operated on Iranian soil. Although, after the end of the war, the military forces of both countries were withdrawn from Iran, the British government kept a small British contingent in the south to safeguard the oil fields. The presence of British troops in Iran was an important factor in Anglo-Iranian cooperation. The British government established the South Persian Rifles, numbering between five to ten thousand men, composed of Iranian troops with British officers as commanders. The South Persian Rifles was aimed at the protection of British interests in the South by means of local forces." The South Persian Rifles was financed by the British Treasury and thus was entirely under British influence. Only after the coup d'etat of Reza Khan would the SPR be subordinated to the Iranian government. In

the autumn of 1922 they were disbanded under heavy pressure of the then Minister of War Reza Khan.  $^{22}$ 

Apart from purely military coercion, Britain used its vast intangible assets to "strengthen" Iranian willingness to pursue the policy most favorable to British interests. Iran was in such a condition where its government had neither the financial nor political means of pursuing an independent policy. The Shah of Iran was on His Majesty's Government's payroll, receiving monthly subsidies from the British Treasury.<sup>23</sup> In fact the whole economy of Iran was heavily dependent upon British subsidies and bank loans. This advantage the British used to the fullest. When in 1919 the Iranian government was reluctant to submit the Anglo-Persian Agreement to the Mejlis for ratification, Curzon instructed Norman, the Minister of British Legation in Tehran, to inform the new Iranian Prime Minister, Mustaufi-ul-Mamalek, that: "If the Prime Minister declines to recognize his predecessor's commitments he must not be surprised if consequences are withdrawal of British advisers, financial and military, and stoppage of monthly subsidy."<sup>24</sup> Great Britain's financial leverage over the Iranian government became even more apparent during a dispute over the so-called Khoshtaria concession. Sir Charles Greenway, the chairman of Anglo-Persian Oil Company, in an effort to intimidate the government of Iran, informed the Iranian oil commissioner that as long as the question of this northern oil concession was not settled, the Anglo-Persian Oil Company would not be able to pay the Iranian government its royalties.<sup>25</sup>

The Shah, in charge of appointing Iran's Prime Minister, always consulted the British ambassador in Iran about an appropriate course of action. Consequently, the ambassador had more power in Iranian policy making than the Iranian ministers themselves. The British made sure the shah appointed a prime minister and other ministers who were favorable to British interests. When the Prime Minister of Iran let Sir Percy Cox, Norman's predecessor as the British ambassador, know that their ambassador to Washington, Mushaever, was seeking for the American financial advisers, Cox wrote to Curzon that: "We can make any condition that may be convenient to us, such as elimination of

Mushaever and change of any of his diplomatic representatives whom we may disapprove."<sup>26</sup> Only one-year later, Norman, the new British ambassador to Iran, informed Curzon that he had no choice but to install a cabinet chiefly consisting of moderate nationalists who would only consent to take office. <sup>7</sup>

In its determination to develop Iranian oil reserves without third power participation, Great Britain vigorously opposed American and French investments, choosing to operate in tandem with private British capital in exploring Iranian oil or through its direct investments. Thus, when Great Britain realized that D'Arcy, the first concessionaire in Iran, after unsuccessful efforts to interest British private capital, was on the point of selling to Dutch or American oil interests, it decided to save the day and go into the oil business itself. Forthwith, to everyone's surprise, D'Arcy disappeared from the scene and the Anglo-Persian Oil Company was established in 1909. This company continued its operations with success in the southern provinces of Iran giving the British government a strong reason to believe that other parts of Iran also contained oil in commercial quantities. However, the Anglo-Persian Oil Company required more capital in order to expand its operations. The extra funds eventually came from the participation of the British government in this venture. It was mainly through the efforts of Winston Churchill, who was appointed the First Lord of the Admiralty in 1911, that the British government decided to buy a controlling interest in the Anglo-Persian Oil Company. His arguments were that since a good part of the Navy was oil burning, the Admiralty must have direct access to at least part of its oil. Private companies were ready to supply oil, but "at a price." Churchill claimed that the private companies were squeezing the government. Hence if the government could obtain oil at a good price from the Iranian fields, it would also reduce the price of oil charged by private companies in other fields.

The agreement of 1914 between the British government and the Anglo-Persian Oil Company made the British government the major and controlling partner in the company with fifty-three per cent of shares belonging to the government.<sup>28</sup> Discussing the benefits of the

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British government in involving in the Anglo-Persian Oil Company operations, First Lord of Admiralty Churchill stated that: "Fortune rewarded the continuous and steadfast facing of these difficulties by the Board of Admiralty and brought us a prize from fairyland far beyond our brightest dreams."<sup>29</sup>

In Iran, where the central government was very weak, the Anglo-Persian Oil Company dealt directly with the local chiefs of the tribes without the prior consent of the central government. In order to safeguard its oil fields, the British government concluded in July of 1922 agreements with the Khashgai and Kashkuli tribes in the Dashti-gil and Bikarz provinces of Iran, paying them three per cent of shares of the company. Both the company and the British legation further diminished the power of the central government by paying subsidies to the tribes and by supporting them against the government, hindering the Tehran officials from performing their duties.

The vast array of methods the British government used in Iran was aimed at keeping the Iranian government extremely dependent upon British assistance, in turn enabling Great Britain to block all other parties interested in that part of the Middle East. During the time when Iran was trying at Versailles to secure through Great Britain the joint guaranties of the Allies against future invaders, Curzon expressed strong disapproval: "I consider it most undesirable that His Majesty's Government should have to be

associated with other Powers in the guarantee."" Furthermore, when there was a threat of a Bolshevik move in the direction of Tehran in 1920, the British ambassador to Tehran Percy Cox reiterated his disapproval of the Iranian Prime Minister's addressing the Allied Powers in seeking assistance against the Bolshevik threat/1"

The Anglo-Persian Agreement of 1919 initiated by Lord Curzon would also serve the interests of the British crown by giving full financial and military control to the British Government over Iran. This measure would further enhance the ability of the British government to resist American participation in oil development in the region. In Iran, Great Britain had followed a policy which she had adopted in many of her colonies many years ago, that is of excluding

Americans from, or placing heavy burdens upon such Americans or other foreigners in any British oil field.

#### The United States: quest for Iranian oil

From the first year of commercial oil production in 1859 until 1883, the United States accounted for more than 80 per cent of world production, a lead it maintained until the end of World War I. **The** War put additional demands on the country's petroleum resources, already strained by the advent of the gasoline-powered automobiles, creating fears that domestic petroleum reserves would soon be exhausted. American businessmen and government leaders doubted whether America's bountiful petroleum resources would last more than a few years, and began to look elsewhere for supplies. The needs of the Navy required prime consideration. Secretary of Interior, Bernard Fall, in the letter to Senator from Massachusetts Henry Cabot Lodge, reiterated the importance of oil for the country's national interest: "The nation which controls the oil industry controls commerce by sea, in view of the fact that no coal burner can compete with an oil-burning ship."<sup>33</sup> In addition, the primary goal of American companies participating in foreign oil concessions in general, and in Iranian oil development in particular, was the procurement of crude oil for domestic needs. In a memorandum concerning American participation in the Turkish Petroleum Company, which was exploiting Iraq's oil fields, Walter C. Teagle of the Standard Oil Company, Thompson of the Sicnlair Oil Company, and Wadsworth of the Division of Near Eastern Affairs of the State Department stated that the "American Group steadily maintained that their object is to obtain their proper share of the actual oil produced, and that a mere stock participation in the Turkish Petroleum Company doesn't interest them."<sup>34</sup> Chairman Edvard Hurley of the United States Shipping Board pointed out that his agency used at least 40 billion barrels of foreign crude oil annually/"

President Warren Harding, believing that future military and domestic needs made it desirable for the United States to exploit

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oversea petroleum resources, opposed a tariff on oil. The advantage of having petroleum production not concentrated in only one country, but scattered all over the world, so that it might be distributed under favorable geographical conditions, has been clearly proven. American leaders cautioned that: "The sources of supply of the domestic industry are concentrated within its own borders and in Mexico, while those of its principal competitor are widely distributed throughout the whole world. It

appears obvious that a nation having widely distributed supply and storage facilities and owning the means of distribution will have certain advantages in world against one having concentrated supply."<sup>36</sup> American petroleum companies also realized that it was not sufficient to have a large production in their own country alone.

In addition, they feared that British companies had so effectively tied up valuable concessions in Iran and Mesopotamia. A British financier, Sir Edward Mackay Edgar had actually proclaimed that: "just when the point has been reached that 'oil is King' the United States finds her chief source of domestic supply beginning to dry up and a time approaching when instead of ruling the oil market of the world she will have to compete with other countries for her share of the crude product... only to find, almost wherever they turn, that British enterprise has been before them and that the control of all the most promising properties is in British hands." Amounting almost to heightened fear, these two parallel ideas of exhaustion at home and a boycott abroad led American leaders into a worldwide search for petroleum overseas.

Three major factors contributed to the concentration upon oil in postwar Irano-American relations: the withdrawal of Russia from a controlling position in the five northern provinces of Iran, which opened those provinces for possible exploitation by American companies; the rise of giant American oil companies with the capital and inclination to expand into the Middle East; and the production achieved by the Anglo-Persian Oil Company in southern Iran, indicating on untapped oil reserves in the remainder of Iran.

Though the United States did not possess military forces in Iran, as did Britain, it had other strengths, mainly through leverage of its financial might. At the end of World War I, the United States had become the major creditor nation in the world, with a substantial amount of capital available for investment abroad. The possibility of obtaining loans from the United States lured Iran into a close relationship with American government and private institutions. A century-long hatred of British and Russian "occupants" of Iranian territory gave hope to its people that close cooperation with such an "altruistic power" would guarantee independent sources of capital and enable Iran to exercise full sovereignty over its territory. Iranian Minister in Washington, Hussein Ali, expressed his gratitude to the American government in his letter addressed to the Secretary of State Charles Evans Hughes: "The Persian Government and people have always recognized the altruism and impartiality which distinguish the American Government and people. They particularly appreciate the concern of the United States for fair play, for the respect of the independence of the smaller nations, for the maintenance of the economic open door."" Thus, the Iranian government intimated readiness to grant liberal concessions for oil, railroads, and mines, in return for loans.<sup>39</sup> In a memorandum of 1920 on negotiations with the Iranian minister in Washington, Hussein Ali, American financial adviser to Iran during 1922-1925, Arthur C. Millspaugh reiterated the Iranian need for American loans in exchange for concessions: "The Persian Minister said that if he could tell the Persian Government that they could obtain a loan from the United States he thought that there would be no doubt of the oil concession being granted as well as other valuable concessions."40

To the American advantage, the Iranian public saw the United States as a liberator from British and Russian dominance, as well as the country which would make Iran prosperous and rich. The British charge d'affaires in Tehran, Reginald Bridgeman, conveyed to Curzon that: "Persian public is elated at the present of prosperity which is expected to result from American exploitation of northern oilfield." Furthermore, the efforts of Arthur Millspaugh, Administrator-General

of Finances of Iran, brought positive results in balancing the Iranian budget, further strengthening the American case in Iranian government circles. Iranian government officials were grateful to Millspaught by who "a very appreciable reduction has been effected in the monthly deficit of Government account." <sup>42</sup>

However, the main obstacle in America's pursuit of investments in Iran was the reluctance on the part American private capital to participate in Iranian oil development. Though the American government concentrated its efforts to interest American private capital to enter the Iranian oil market, those private investors were very reluctant to engage in such operations in politically and economically unstable environment. British policy-makers understood the legitimate doubts on the part of American companies. American capital had practically no experience in business undertakings in Iran and had little if any knowledge of the country itself, its institutions, or its possibilities for stability. Therefore there was an evident hesitancy on the part of America to invest money in Iran.<sup>43</sup> "Persian government are apparently counting on American help and gambling on the change of Government in this country. While Americans may possibly invest some money in Iran, it is doubtful whether they will afford real material assistance" - Ramsay MacDonald ensured the British ambassador in Iran Percy Loraine.<sup>44</sup>

The Harding administration preferred cooperation among private petroleum interests as a more acceptable means of regulating the development of oil resources than either open competition or government intervention, which, according to the Harding administration, would undermine individual initiative and efficiency. In Iran, neither the petroleum industry nor the administration favored any duplication of the British system of state management. The administration would minimize the dangers of political entanglement, creating the opportunity for private expansion, and allowing private business to take responsibility for the active and intelligent management of its affairs.

The years between 1919 and 1924 saw a resurgence of the Open Door policy, which as before aimed at the expansion of American

interests abroad with a minimum amount of political and military commitment. Similar to the Open Door policy of previous administrations toward China at the end of the nineteenth century and the beginning of the twentieth century, the Open Door policy in Iran was an instrument by which the Harding administration hoped to "squeeze" the American companies into Iranian oil fields. In 1920, the American ambassador to Great Britain, John Davis, expressed American free trade principles urging British Foreign Secretary, Earl Curzon, to act in the same spirit in accordance with the Versailles Treaty. 45 At the same time, the State Department instructed the American diplomatic and consular officers in Iran "to lend all legitimate aid to reliable and responsible US citizens or interests in which are seeking mineral oil concessions or rights."46 The State Department also attempted to discourage American capital from entering joint ventures under British leadership by cautioning the American diplomatic and consular officers in Iran "to distinguish between US citizens representing US capital and US citizens representing foreign capital: also between companies incorporated in the US and actually controlled by US capital and companies which are merely incorporated under US laws but dominated by foreign capital."<sup>47</sup>

One of the methods that the American government used in Iran was through persuasion of the Iranian government in pursuing "the Open Door policy. In 1920, when the disputes over ratification of Anglo-Persian Agreement were vigorously debated in Mejlis, the State Department instructed the American minister in Tehran John Caldwell to tell the Iranian foreign office that the American companies would seek a concession in the northern provinces of Iran and that the department hoped that American companies might obtain such concessions. Acting Secretary of State Van S. Merle-Smith also expressed satisfaction that the Iranian government appeared to have appreciated the "undesirability of having and important economic resource monopolized by a single foreign company." He reiterated that "the monopolization of the production of an essential raw material, such as petroleum, by means of exclusive concessions or

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other arrangements, is in effect contrary to the principle of equal treatment of the nationals of all foreign countries." The State Department thereupon advised the Iranian government that its best interest was to postpone any further grants of its oil resources until an opportunity could be given to American companies to enter into negotiations regarding such grants, even though the American government had no authority to regulate investments by the American oil companies or to halt the activities of competing companies representing other nations.

Afraid of being accused of favoritism, the American government took special care to act impartially when two rivals were competing for one concession. When both Sinclair and Standard Oil began fighting for the northern concession in Iran, the Secretary of State Charles E. Hughes instructed the American Counsel in Tehran to avoid being drawn into any negotiations at Tehran and observe strict impartiality as regards the two companies. And in his letter to the representative of Standard Oil Company Walter Teagle, he reiterated his conviction that "the Department's effort's are directed to giving effect to the principles of the Open Door for American interests and not to the support of one American interest as against another or to the conclusion of any particular business arrangement." Hughes informed both companies that the government was always willing and desirous of giving proper diplomatic support to American interests, but stated that the government could not associate itself with one set of American claims as against another if there were questions

underlying the title and competing American claims. In a letter to President Calvin Coolidge, November 8, 1923, Hughes stated that though the government was always ready to give appropriate support to US nationals in seeking opportunities for business enterprises abroad, it did not undertake to make the government a party to the business negotiations or use political pressure for the benefit of private interests.

"We are persistent in our efforts to maintain the open door policy, or equality of commercial opportunity, but we do not attempt

to assume obligations for the government, expressed or implied, which under our system we could not undertake to discharge."<sup>31</sup>

The expression of preference by the American government would, according to Hughes, contradict American traditions and foreign policy, and involve the United States in the political intrigues of other governments, difficulties which the US had happily avoided. This stance by the U.S. government had a disturbing effect on American business interests in Iran since businessmen were loath to take large risks without official support.

#### The Anglo-American oil rivalry in Iran

The Bolshevik revolution in 1917 caused fundamental changes in power politics involving Iran. By reversing the rigid tactics of Imperial Russia, the Soviet Union facilitated a more aggressive role for American diplomacy in Iran and prompted the United States to act more assertively in order to control the oil reserves of Northern Iran.

In January 1918, less than three months after the Great October Revolution, Bolshevik government began an evacuation of Russian troops from the northern provinces of Iran. It was followed by announcing the repudiation of the Anglo-Russian Convention of 1907. Eventually, it would denounce all Russo-Persian treaties which had been secured by coercion and force. The Iranian government, by the Decree from July 27, 1918, then announced the abrogation of all treaties, agreements and concessions it had with Russia.<sup>3</sup>"

The British now found themselves the only major power in Iran. They were determined to establish the long dreamed of British hegemony in Iran, including the five northern provinces previously under the Russian sphere of influence, and in 1919 signed the Anglo-Persian Agreement to guarantee their access to Iranian oil. The agreement initiated by Lord Curzon gave the British an exclusive right to meddle in Iranian affairs. They were to lend such expert advisers as were required, supply munitions and equipment for a national British trained army, provide a 2 million sterling loan for necessary reforms, revise the Customs tariff, and help survey and build railways.<sup>3"1</sup>

The Agreement soon came under fire not only in Iran but also in the United States, which was pushing the interests of the American oil companies to develop the northern oil fields. John Davis, the American ambassador to London, in a letter of 12 September 1919, told Curzon that "neither the President nor the Secretary of State were favorably impressed by what they conceived to be the secrecy with which the agreement was negotiated and felt that there had been some lack of frankness in the matter, more especially as the presence of the Persian Delegation in Paris seemed to offer numerous occasions for a full statement of the intentions and purposes of the British Government in the premises."54 The Americans also objected to the exclusion of American subjects from Iranian employment.<sup>55</sup> On November 17, 1920, the Assistant Secretary of State Bainbridge Colby wrote to the American Minister in Tehran, John Caldwell: "Department is concerned by the possibility that confirmation Anglo-Persian Agreement by Mejlis may make difficult the obtaining of petroleum concessions by American companies."56

The State Department's apprehensions about the British purposes were further enhanced by an aggressive policy of the British government in bringing about the exclusion of aliens from the control of the petroleum

supplies of the Empire and in endeavoring to secure some measure of control over oil properties in foreign countries. Even earlier, in May 14, 1920, the Acting Secretary of State Frank Polk reiterated in his report to President Wilson the British policy of direct or indirect restrictions on citizens of the United States, developed by debarring foreigners and foreign nationals from owning or operating oil-producing properties in the British Isles, colonies, and protectorates; by direct participation in ownership and control of petroleum companies; by arrangements to prevent British oil companies from selling their properties to foreign-owned or controlled companies; by orders in council that prohibited the transfer of shares in British oil companies to other than British subjects or nationals.<sup>57</sup>

The occasion for expressing official United States displeasure with the agreement occurred shortly after the enunciation of the treaty in August of 1919. Secretary Lansing's reply of 20 August 1919 to

John Davis, concerning Curzon's request of American minister to Iran to help in defending British interests, was extremely sharp, displaying great irritation toward the agreement as a violation of President Wilson's famous "open covenants" statement. Lansing realized that the reasons behind the British Foreign Minister's refusal to permit a hearing of Iran at Versailles were the "secret negotiations to gain at least economic control of Persia." Davis, in that respect, was to advise Lord Curzon that the United States did not support the agreement and would not "assist in allying the suspicion and dissatisfaction" it had caused. <sup>58</sup>

Given the well-advertised objections of the United States and resistance in Iran to the treaty, it was obvious that the Anglo-Persian Agreement would have a hard time in the Mejlis debates. It was inevitable that the Iranians would expect America to provide the assistance offered by Britain, should the agreement be refused by the parliament. However, there was an enormous difference between objecting to the agreement, and taking the positive role of assuming the burdens involved. In his meeting with the Iranian minister in Washington, Abdul Ali Khan, Bainbridge Colby, the Assistant Secretary of State reiterated America's disapproval of the treaty. However, the Iranian minister was seeking more than a statement, but an affirmation of American government's commitment toward Iran. At the same time the minister in Iran was reiterating to the State Department that if the United States were willing to assume the obligations the British sought via the Anglo-Persian Agreement, the Mejlis would vote down the treaty with confidence. Unwilling to offer a positive assurances to Iran, the State Department, nevertheless, informed the Iranian government that private American oil interests might exploit Iranian resources. Having secured the assurance of the State Department concerning American oil companies' willingness to participate in Iranian oil development, the Iranian Prime Minister Seyyid Zia-ud-din in Declaration of February 26, 1921 denounced the Anglo-Persian Agreement.<sup>59</sup> When the Mejlis finally convened on June 22, 1921, for the first time in six years, it immediately denounced

the treaty, thus offering the American companies the oil concessions in North Provinces of Iran.

The peak of Anglo-American rivalry in Iran came during the period between 1921-1924, when both American and British oil companies were fighting for the oil concessions in the five northern provinces of Iran. Currently, the British held the so-called Khoshtaria concession, granting them seventy five year rights to drill oil in the provinces of Gilan, Mazandaran and Astrabad<sup>60</sup>.<sup>61</sup>

The Iranian government argued that this concession was granted under duress and it was never ratified by the Mejlis. 62 The United States government also protested against the purchase of the Khoshtaria concession, contending that the deal paved the way for a monopoly by the Anglo-Persian Oil Company in Iran. The Iranian government now turned to the Standard Oil of New Jersey and agreed to grant it a concession in the five northern provinces. The Iranian government thus made it clear that under no condition would it allow the Anglo-Persian Oil Company to establish itself in northern Iran. This action outraged the British who protested this transfer of oil concessions to an American company.<sup>63</sup> The British ambassador to Washington, Sir William Geddes informed the Secretary of State Hughes that "these rights were taken over in proper form some time ago by a British firm and that His Majesty's Government have left the Persian Government in no doubt that the British right to the concession is valid and, if questioned, will receive official support."64 Hughes replied that in the case of these contracts there existed "a basis for a reasonable doubt with regard to the validity." He further stated that "recognition of the claims now advanced by that company [APOC] in the northern provinces would apparently result in the complete exclusion of American companies from Iran, so far as petroleum development is concerned."65

Defying British economic and political pressure, Iran promised to grant a northern oil concession to Standard Oil for a loan of \$5,000,000 dollars. On November 22, 1921 the Iranian Mejlis passed a unanimous bill granting Standard Oil Company a 50-year concession for petroleum exploitation in the five provinces of northern Iran. <sup>66</sup> One

of the terms of this bill was the no-transfer clause, under which the Standard Oil Company had no right whatsoever to transfer this concession to any government or company or person.<sup>67</sup> This clause was definitely aimed at the Anglo-Persian Oil Company, to make sure of its exclusion from the concession.<sup>68</sup> Royalties from the Anglo-Persian Oil Company's southern oil fields would secure the \$5,000,000 dollar loan from the Standard Oil Company.

The British government tightened the screws. Curzon informed Norman to "enter an immediate official protest to the Persian Government against the granting of any fresh concession for oil in Northern Iran, basing yourself on the prior rights already acquired by the APOC."69 All payments to the Iranian government including the royalties of the Anglo-Persian Oil Company were ordered to stop. The British government next informed the Iranian and American governments that it could not allow its oil royalties to secure American loans at the time when Iran refused to negotiate its long overdue debts with Britain. These tactics bore fruits. In January of 1922, the president of Standard Oil, Alfred Cotton Bedford, reiterated to John Cadman, the representative of the Anglo-Persian Oil, his determination to withdraw from negotiation rather than have Standard Oil Company involved in any international political difficulties relating to Iran. He stated that "SOC [Standard Oil Company] had only interested themselves in concession in Northern Iran under direct pressure from state Department, but without any knowledge that pledge of Anglo-Persian royalties might raise difficulties with His

Majesty's Government."

Standard Oil now began searching for a cooperative arrangement with the Anglo-Persian Oil Company to develop the northern oil fields. Standard Oil's hands were tied in so far as the only way to export the oil from northern fields was through south Iran, which was under British dominance. Furthermore, the question of northern Iranian oil was closely intertwined with the British Willingness to allot Standard Oil some participation in the Turkish Petroleum Company, Standard being promised permission to continue its Palestine exploration, which had been blocked by the British.<sup>71</sup> At this point,

both the American and British governments expressed their desire to joint exploitation of the northern oil fields of Iran. Anglo-American cooperation had been a forgone conclusion even before the British got tough. In October of 1920, the British minister to Tehran had already conveyed to Curzon his view that the admission of American participation in the oil enterprise in northern Iran would be to some extent advantageous to Great Britain supposing that Russian commercial penetration in those regions was dangerous. Instead of being alone in resisting it, Britain should have the help of a Power capable of exercising considerable pressure on Russia.<sup>72</sup> On the other hand, American officials sounded similar to that of their counterparts. In summer of 1921, the American charge d'affaires in Iran William Engert told the Secretary of State that "for purely geographic reasons the British will always have a certain legitimate influence here which generally speaking is wholesome and serves as an antidote to Bolshevism."<sup>73</sup> He thus thought it advisable to sound London and possibly invite cooperation. On December 22, 1921, Henry Fletcher, the Undersecretary of State approved of cooperation between the Standard Oil Company and the Anglo-Persian Oil Company, putting an emphasis on the maintenance of principle of equal opportunity.<sup>74</sup> An important factor in this conciliatory attitude must have been Hughes' desire to secure British cooperation at the forthcoming Washington conference on disarmament. The British government in turn was anxious to retain the good will of the United States.<sup>75</sup> Furthermore, the British feared that unchecked American capital might undermine the current British position and promote Iranian independence. The British believed that "these concerns could no doubt be averted by timely agreement between Americans and ourselves."<sup>76</sup> And lastly, both for the British and Americans, cooperation with their counterparts was preferable to a destabilizing and unprofitable competition. Consequently, on December 20, 1921, the British embassy in Washington informed the Secretary of State that the Anglo-Persian Oil Company and the Standard Oil Company had come to an informal agreement to operate jointly in the Iran's northern oil fields on a fifty-fifty basis.<sup>77</sup>

The new understanding between the Anglo-Persian Oil Company and the Standard Oil of New Jersey brought a sharp protest from the Iranian government. This deal produced a government crisis in Iran. Though there was a strong opposition by the Iranians against the British domination of Iran, the anti-British actions of the Iranian government were mainly due to fear of Russia. The American Consul at Tehran Bernard Gotlieb wrote to Hughes:

"The final decision as to what interest may exploit the Caspian oil fields lies with the Russians, who are firmly opposed to British capital entering the Russian sphere of influence either directly or indirectly. The successful concessionaire will have to come to terms with the Bolsheviks before he can sink a well or export a barrel of oil."

The Iranian government tried to explain to the American government that the Anglo-Persian Oil-Standard Oil agreement would cause political difficulties. Hussein Alai, the Iranian minister at Washington, stated that the Iranian law, which had been passed by the Mejlis granting a concession to the Standard Oil company, precluded the concessionaire from transferring, sharing or even accepting investments from other companies without the consent of the Iranian government. Thus, his government would consider any arrangement between these companies as null and void.<sup>79</sup> To the surprise of

the British government, the Mejlis, disregarding the country's economic strains and foreign pressure, refused Standard's loan offer, thus indicating that Iranians would never accept the Anglo-Persian Oil Company's domination over their country's oil resources.

At the same time, on August of 1922 the representative of the Sinclair Oil Company arrived in Iran to negotiate the northern oil concession with the Iranian government. He made very generous offer on behalf of the Sinclair Oil, including \$10,000,000 in an American loan. On June 14, 1923, the Iranian Mejlis passed another bill authorizing the government to offer the northern oil concession to Sinclair Oil, or any American company, conditional upon the latter's arranging for a \$10,000,000 loan to the Iranian government.<sup>81</sup> As in the case of Standard Oil, the concession was predicated on the

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exclusion of British capital. The bill held out little hope for the Anglo-Persian Oil Company to participate in the northern oil concession. In view of this, the Anglo-Persian Oil gave up the idea of obtaining the concession for itself, and was planning now to throw the Americans out and win a "negative victory." British Foreign Secretary instructed Percy Loraine, its minister in Tehran, that "if Sinclair Co. outbids Standard Co. and obtains concession, you should then reassert Anglo-Persian Company's right to Khoshtaria concession."82 As in the case of Standard Oil Company, when Sinclair attempted to secure its loan to the Iranian government in the Anglo-Persian Oil Company's royalties, the new British Foreign Secretary, Ramsay MacDonald, instructed Loraine's successor, Esmond Ovey, to "inform American adviser that, pending settlement of Persia's floating debts to His Majesty's Government, they cannot acquiesce in alienation of Persia's available securities, such as customs and oil royalties." This action on the part of the British government created a great difficulty in placing the loan. Faced with the desperate position of the British dictate and eager to retain Sinclair's willingness to stay in Iran, the Iranian government gave assurance that if Sinclair would indicate readiness to take over the concession, the stipulation for a loan could and would be dropped. Just at the time when Sinclair got this offer from the Iranian government, another event made Sinclair consider its withdrawal from Iran. On July 18, 1924, Major Robert Whitney Imbrie, American consul to Tehran was attacked and murdered in downtown Tehran.<sup>84</sup> The representative of the Sinclair Company left immediately for Moscow informing the Iranian government that the resumption of negotiations would be determined by action of the American government with regard to Imbrie's killing. The American note to the government of Iran, protesting the incident, was very severe and forceful. The deplorable incident of the murder of the American consul produced an indelible impression on the American mind, and served as a final blow to Sinclair's willingness to remain in Iran. This incident implied that American economic quest would practically be fruitless without readiness of the American administration to commit itself politically and militarily to this

On the other hand, US government showed no sign of its readiness to support the private capital in Iran through means other than encouragement and diplomatic support. By the end of October, it was clear that the killing of Imbrie and the English pressure on Sinclair had forced it to drop the concession and leave Iran once more at the mercy of the English imperialism.

There were different versions of Imbrie's murder. Most of them pointed in the direction of the Anglo-Persia Oil Company's intrigues. Whether Imbrie was killed by the British or another group, the result of the assassination served the cause of the Anglo-Persian Oil Company. This incident won a negative victory for the British, just as they

wished. After all, as Percy Loraine wrote, "should American interests enter the field in opposition to British interests, we shall certainly have to defend our own interests and let America understand clearly that we intend to do so."<sup>85</sup> In his report of September 19, 1924, the charge d'affaires in Iran, Wallace Murrey, brought to the attention of the State Department an important point which had been the keynote of the British policy in Iran - the "negative victory" to keep the Americans out. The advantage to Britain of such a "negative victory" was, however, by no means minor. "Great Britain's interest in Iran dates from the seventeenth century, and her policy may be said to be geared to centuries, whereas ours is scarcely geared to years. She

can wait.

The American government's relentless pursuit of Open Door policy in Iran yielded no positive result for private American interests. On the other hand, the vigorous efforts of the British government to secure the Persian oil resources for Britain through government participation in the Anglo-Persian Oil Company insured Britain an upper hand in dealing with its American counterparts. The American government's ambivalence and "policy on cheap" made the efforts on the part of the American companies fruitless. Following its traditional foreign policy, the United States government disengaged itself from any commitment that would assist to the cause of the private American oil companies in Iran. Having been left tete-a-tete with the

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government supported Anglo-Persian Oil Company, American oil corporations were unable to achieve any victory in obtaining oil concessions in Iran, and were thus forced to withdraw.

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- 1. Robert L. Paarlberg, Eul Y. Park, Donald L. Wyman, Diplomatic Dispute: U.S. conflict with Iran, Japan & Mexico. Harvard University, Center for International Affairs, 1978, p. 18.
- 2. Benjamin Shwadran, *The Middle Eastern Oil and the Great Powers*. New York- Toronto, Israel University Press, Jerusalem, John Wiley &Sons, 1973, p. 13.
- 3. *Ibid*, p. 16; Nasrollah Saifpour Fatemi, Oil Diplomacy: Powderkeg in Iran. New York: Whittier Books, Inc., 1954, p. 6.
- 4. Fereidun Fesharaki, Development of the Iranian Oil Industry: International and Domestic Aspects. New York-Washington-London: Praeger Publishers, 1976, p. 4.
- 5. Denis Wright, The English Amongst the Persians: During Qajar Period 1787-1921. London: Heinemann, 1977, p. 177.
- 6. Documents on British Foreign Policy 1919-1939, First Series, v-4, No. 710, p. 1119. Prior to the WWI Iran was referred to as Persia.
- 7. Ibid.
- 8. Yonah Alexander and Allan Nanes, *The United States and Iran: A Documentary History.*University Publications of America, Aletheia Books, 1980, No. 177, p. 19.
- 9. British Documents on Foreign Affairs, part II, Series B, v-16, Doc. 252 [204748], p. 181.
- 10. Using its financial subsidies and assistance as leverage, Britain exercised an enormous influence over Shah of Iran and its government. British ambassador in Tehran had more influence over Shah than the Iranian

Prime Minister. However, it lacked any control over Iranian legislative branch (Mejlis).

- 11. British Documents on Foreign Affairs, v-16, Doc. 341 [C 10290/56/34], p. 249.
- 12. Ibid, Doc. 444 [E1985/2/34], p. 320.
- 13. Foreign Relations of the United States, 1920, v-3, p.353.
- 14. Ibid, 1921, v-2, No. 436, p. 636.
- 15. Documents on British Foreign Policy 1919-1939, First Series, V-4, No. 710, p. 1119-1122.
- 16. Abraham Yeselson, United States-Persian Diplomatic Relations 1883-1921. New Brunswick, New Jersey, Rutgers University Press, 1956, p. 196.
- 17. Nasrollah Saifpour Fatemi, Oil diplomacy: powderkeg in Iran. New York: Whittier Books, Inc., 1954, p. 31.
- 18. Documents on British Foreign Policy 1919-1939, First Series, V-13, No. 616, p. 666-669.
- 19. British Documents on Foreign Affairs, part II, Series B, V-20, Doc. 30 [E 10054/61/34], p. 36.
- 20. Ibid, V-17, Doc. 215, p. 251-259.
- 21. In August of 1921 the Iranian Prime Minister, Zia ed-Din, formed a new government, with Reza Khan as Minister of War. Soon, however, Zia was forced to resign and in 1923 Reza Khan became Premier. When the republican sentiment began to develop in Iran the same year, Reza took to modeling himself after Mustafa Kemal in Turkey. However, it soon became apparent that neither Iran, not Reza himself, was ready for the secularization of the country at Kemal's pace. In October of 1925 the Shah was deposed by the Mejlis because of the corruption charges and his pro-British position. A new Mejlis elected Reza Shah in December 1925 and he assumed the name of Pahlevi. Reza Shah pursued an independent nationalistic policy serving to the best interests of his nation.
- 22. British Documents on Foreign Affairs, part **n**, Series B, Doc. 214 [E 3057/255/34], p. 250-251.
- 23. Houshang Sabahi, British Policy in Persia 1918-1925. London, Frank Cass & Company Limited, 1990, p. 11.
- 24. British Documents on Foreign Affairs, part  $\ddot{U}$ , Series B, V-16, Doc. 294 [c1492/82/34],p.211.
- 25. Nasrollah Saifpour Fatemi, Oil Diplomacy: powderkeg in Iran. New York, Whittier Books, Inc., 1954, p. 80.
- 26. British Documents on Foreign Affairs, part II, Series B, V-16, Doc. 14, p. 11.
- 27. Documents on British Foreign Policy 1919-1939, First Series, V-13, No. 556, p. 611.

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- 28..Fereidun Fesharaki, Development of the Iranian Oil Industry:
  International and Domestic Aspects. New York-Washington-London, Praeger Publishers, 1976, p. 8.
- 29. Ibid, p. 9.
- 30. British Documents on Foreign Affairs, part II, Series B, V-18, Doc. 30 [E 844/7/34], p. 40-46.
- 31. *Ibid*, V-16, Doc. 4 [32522], p.3.
- 32. *Ibid,* Doc. 244 [199405], p. 163.
- 33. Congressional Record, April 12<sup>th</sup>, Vol-61, No. 2, p. 81-90.
- 34. Foreign Relations of United States, 1924, V-II, p. 229-232.
- 35. Gerald D. Nash, *United States Oil Policy* 1890-1964. University of Pittsburgh Press, 1968, p. 54.
- 36. Federal Trade Commission, supra,  $p.\ 127.$
- 37. Davenport and Russell Cooke, *The Oil Trusts and Anglo-American Relations*. London, Macmillan and Co., Limited, 1923, p. 92.
- 38. Foreign Relations of United States, 1924, V-II, p. 542.

- 39. Yohan Alexander and Allan Nanes, *The United States and Iran: A Documentary History*. University Publications of America, Aletheia Books, 1980, p. 29.
- 40. Foreign Relations of United States, 1920 V-III p. 356.
- 41. British Documents on Foreign Affairs, part II, Series B, V-17, Doc. 97 [E 13035/76/34], p. 139.
- 42. *Ibid*, V-19, Doc. 51 [E 10599/223/34], p. 74-76.
- 43. Ibid, V-18, Doc. 171 [E 3410/77/34], p. 258-261.
- 44. *Ibid*, V-19, Doc. 114 [E 768/400/34], p. 172.
- 45. Foreign Relations of United States, 1920, V-I, p. 652.
- 46. *Ibid*, 1920, V-I, p. 350.
- 47. Ibid.
- 48. *Ibid*, 1920, V-III, p. 354.
- 49. *Ibid*, 1921, V-n, p. 652.
- 50. Ibid, 1920, V-II, p. 352.
- 51. Ibid, 1923, V-II, p. 717-718.
- 52. Ibid, 1921, V-II, p. 646-647.
- 53. Bejamin Shwadran, *The Middle East, Oil and the Great Powers.* New York-Toronto, Israel University Press, Jerusalem, John Wiley & Sons, 1973, p. 22.
- 54. Documents on British Foreign Policy 1919-1939, First Series, V-4, No. 778, p. 1167.
- 55. Ibid, p. 1214. The British ambassador to Washington, Lord Grey, complained to Curzon that he had to remain silent when Americans say that even "if Persian Government desires to employ individual Americans in their service it would not be permitted" under Anglo-Persian Agreement.
- 56. Foreign Relations of United States, 1920, V-III, p. 355.
- 57. *Ibid*, 1920, V-I, p. 354.
- 58. Ibid, 1919, V-II, p. 700.
- 59. British Documents on Foreign Affairs, part II, Series B, V-16, Doc. 509, p. 381.
- 60. Stephen Hemsley Longrigg, *Oil in the Middle East*. London-New York-Toronto, Oxford University Press, 1968, p. 38.
- 61. The history of this concession went back to 1916, when under the then Czarist Russian coercion a Russian citizen, Akaky Mededievitch Khoshtaria obtained from the Iranian government without the parliamentary ratification, the right, for a period of seventy five years, to drill oil in the provinces of Gilan, Mazandaran and Astrabad. Khoshtaria, who knew that the Bolshevik government was trying to end all the Czarist concessions in Iran, on May 8, 1920, hastily sold his claim to the Anglo-Persian Oil Company for consideration of 100,000 sterling pounds.
- 62. British Documents on Foreign Affairs, part II, Series B, V-17, Doc. 100 [E 13177/2/34], p. 140-141.
- 63. Foreign Relations of United States, 1921, V-II, p. 643.
- 64. Ibid, 1921, V-II, No. 750, p. 644.
- 65. *Ibid*, 1921, V-II, (891.6363 Stand. Oil/37), p. 645-646.
- 66. Ibid, 1921, V-II, (891.6363 Stand. Oil/44: Telegram), p. 648.
- 67./^, 1921, V-II, p. 649.
- 68. Ibid, 1923, V-II, p. 714.
- 69. British Documents on Foreign Affairs, part II, Series B, V-17, Doc. 37 [E 9826/76/34], p. 43.
- 70. *Ibid*, Doc. 162 [E 708/7/34], p. 195.
- 71. Foreign Relations of United States, 1922, V-II, p. 340-342; Nasrollah Saifpour Fatemi, Oil Diplomacy: powderkeg in Iran. New York, Whittier Books, Inc., 1954, p. 116.
- 72. British Documents on Foreign Affairs, part II, Series B, V-16, Doc. 332 [c 9883/1234/34], p. 242.
- 73. Foreign Relations of United States, 1921, V-II, p. 634.

- 76. British Documents on Foreign Affairs, part II, Series B, V-17, Doc. 128 [E 14104/76/34], p. 163-164.
- 77. Foreign Relations of United States, 1921, V-II, p. 652-653.

IS. Ibid, 1923, V-II, p. 714-715.

- 79. Ibid, 1924, V-II, p. 541-545.
- 80. British Documents on Foreign Affairs, part II, Series B, V-17, Doc. 292 [E 6452/7/34], p. 358.
- 81. Foreign Relations of United States, 1923, V-II, p. 713.
- 82. Ibid, Doc. 291 [E 6317/7/34], p. 356.
- 83. Ibid, V-19, Doc. 167 [E 3809/617/34], p. 239.
- 84. Ibid, Doc. 216, p. 219, 308.
- 85. Ibid, V-20, Doc. 67 [E 1597/81/34], p. 92-95.
- 86. Foreign Relations of United States, 1924, V-II, p. 548-551.

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#### X ü lasə

### İRANDA İNGİLİS-AMERİKA NEFT QARŞIDURMASI: 1919-1924 Məmməd ABBASO V

(Azərbaycan)

XX əsrin əwəllərində neftin nəqliyyat vasitələrinin yanacağı kimi əhəmiyyətinin artmasıyla və dünyanm ən güclü donanmalannın bu yana-caqlä işləyən gəmiləri istifadə etməyə başlamasıyla, dünyanın müxtəlif böl-gələrində tapılan neft ehtiyatlannın istisman uğrunda mübarizə də güc-ləndi. Bu mübarizədə o zamanlann, demək olar ki, bütün böyük dövlətləri iştirak edirdilər. Ancaq əsas rəqabət iki ən böyük dəniz qüwəsi - ABŞ və Britaniya arasında gedirdi. Bu iki dövlət gələcəkdə dünya dəniz ticarətini öz əlində saxlaya bilmək üçün maye yanacaqla işləyən gəmilərdən ibarət olan donanmaya malik olmağın əhəmiyyətini dərk etmişdilər və buna görə də, bütün dünyadakı neft ehtiyatlanna sahib olmaq üçün ciddi rəqabətə girişmişdilər. Onlar bununla həm öz donanmalannın yanacaq təminatını öz nəzarətində saxlamağa, həm də başqa dövlətlərin belə bir donanma qurma-sına mane olmağa can atırdılar. Heç şübhəsiz ki, Orta Şərqin ilk "neft döv-ləti" olan İranın neft yataqlan uğrunda rəqabət də məhz bu kontekstdə apa-nlırdı.

ABŞ-dan fərqli olaraq, Britaniya İranm neft yataqlannın istisman üçün daha öncə fəaliyyətə başlamış və "D'Arsi konsessiyası"nı əldə etmişdi. Bundan başqa, 1907-ci ildə ingilislər mslarla Sankt-Peterburq müqaviləsini imzalamışdılar ki, bu müqaviləyə əsasən, İran şimalda "Rus dominasiyası", cənubda "İngilis dominasiyası" və mərkəzdə "Neytral bufer" zonalan ol-maqla üç hissəyə bölünmüşdü. Ancaq 1917-ci il Bolşevik inqilabından son-ra, Rusiya həm bütövlükdə Birinci Dünya müharibəsindən, həm də İran cəbhəsindən geri çəkildi. Beləliklə, İranın şimalındakı neft əraziləri "sahib-siz" qaldı ki, ABŞ və Britaniya münaqişəsinin əsas hədəfi də məhz bu yataqlar idi.

ABŞ-a gəlincə, o, I Dünya müharibəsindən sonra "Açıq Qapı" liberal siyasətini özünün əsas iqtisadi-siyasət kursu kimi mənimsəmişdi. Bununla

yanaşı, ABŞ Britaniyanın Orta Şərqin neft yataqlan üzərində monopoliya qurmasını istəmir və buna mane olmağa çalışırdı. Məhz bu səbəbə görə, Amerika hökuməti ABŞ neft şirkəti olan "Standart Oyl"u İraq neft konsor-siumuna daxil olmağa təşviq etmişdi və İranın neft yataqlarınm istismannda da "Standart Oyl" və "Sinkleyr" şirkətlərindən, heç olmasa, birinin iştirak etməsini istəyirdi. Və bunu təkcə ABŞ deyil, İran xalqı və hökuməti də arzulayırdılar, çünki onlar ABŞ-ın İranı ingilis və rus imperializmindən xilas edəcəyinə inanırdılar.

İranın 'cənubundakı neft yataqlannın istisman hüququnun sahibi "İngi-lis-Fars Neft Şirkəti"ndə səhmlərin yandan çoxuna sahib olan Britaniya hö-kuməti, təbii olaraq, bu şirkətin maraqlannı dövlət səviyyəsində qoruyur və siyasi-hərbi dəstəyini əsirgəmirdi. Eyni zamanda, Britaniya davamlı olaraq İrana maliyyə yardımlan və kreditlər verməklə İran iqtisadiyyatmı bu yardım və kreditlərdən asılı vəziyyətə salmışdı və bundan bir vasitə kimi istifadə edərək, İran hökumətinə təsir göstərə bilirdi. ABŞ hökuməti isə məsələyə sırf ticarət nöqteyi-nəzərindən yaxmlaşır və öz şirkətlərinin İranda fəaliyyəti üçün dövlət səviyyəsində siyasi-hərbi dəstək verməkdən çəkinirdi. Təbii ki, belə bir şəraitdə gedən rəqabətdə Britaniya şirkəti ABŞ şirkətlərindən daha üstün mövqeyə sahib olacaqdı. ABŞ-ın hərbi-siyasi dəs-tək verməkdən imtina etməsi, təkcə ABŞ neft şirkətlərini pis vəziyyətdə qoymur, həm də onun İranın gözündəki "xilaskar" imicini zədələyirdi. Be-ləliklə, 1919-1924-cü illərdə İranda ABŞ və Britaniya arasında gedən neft mübarizəsi Britaniyanın qələbəsi ilə nəticələnir və "İngilis-Fars Neft Şirkəti" uzun müddət İran neftinin yeganə "sahibi" kimi fəaliyyətini davam etdirir.