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AMERICAN IMPERIALISM IN THE MIDDLE EAST: 1920 – 1950

Thesis was under the direction of Anthony Parent, Ph.D., Professor of History.

During the Roosevelt and Truman administrations, the United States challenged Britain’s position and became a dominant power in the Middle East. During the 1920s, the rise to power began with American oil companies pursuing economic opportunities in the region’s oil fields. Britain maintained the predominant position in the Middle East until the end of the World War II, but the hardships of war limited Britain’s military and financial resources. During the period of 1920 through 1950, the United States seized the opportunity and embarked on an imperialist mission into the Middle East.

The United States began its imperialist journey into the Middle East because the huge oil reserves in Saudi Arabia provided American companies with vast financial opportunities. The Cold War between the United States and the Soviet Union was fueled by vastly different political ideologies and economic objectives brought to the forefront by Soviet actions in Iran and Turkey. Finally, Truman supported Israel’s statehood to appease the Jewish constituency and to garner campaign contributions.
AMERICAN IMPERILISM IN THE MIDDLE EAST: 1920 – 1950

Introduction

During the Roosevelt and Truman administrations, the United States challenged Britain’s position and became a dominant power in the Middle East. The rise to power started with American oil companies pursuing economic opportunities in the region’s oil fields. Britain maintained the predominant position in the Middle East until the end of the World War II, but the hardships of war limited Britain’s military and financial resources. As a result, the British sphere of influence declined. During the period of 1920 through 1950, the United States seized the opportunity and embarked on an imperialist mission into the Middle East by utilizing the surrogate states of Saudi Arabia, Iran, Turkey and Israel (Berberoglu 16-17).

The United States began its expansion into the Middle East for three reasons. Huge oil reserves in Saudi Arabia provided American companies with vast financial opportunities. The oil provided substantial influence over the world’s economies and a resource to sustain powerful military operations. Second, the Cold War between the United States and the Soviet Union was fueled by vastly different political ideologies and economic objectives brought to the forefront by Soviet actions in Iran and Turkey. These small countries were strategic locations caught in the cross hairs of both powers. Third, during Harry Truman’s 1948 election campaign, Truman supported Israel’s statehood to appease the Jewish constituency and to garner campaign contributions.
World War II encouraged the United States to engage in potential trade opportunities with the allies. Prior to the war ending, American business and government appeared unconcerned with the Soviet’s political ideology, but they were concerned with favorable trade opportunities between the two countries. The American business community anticipated a large windfall of business with the Soviet Union (Irons 161). The relationship quickly changed from ally to enemy when the Soviets rebuffed the United States’ trade initiatives and refused interest in the World Bank and the International Monetary Fund (Sibley 132). The Soviets declined the United States’ offers because of the conditional requirement to support free trade in Eastern and Central Europe. The Soviets intended to stay independent of the United States’ economic hegemony and new world order. Failed trade discussions highlighted the political and economic differences between the former allies. Soviet resentment escalated to new levels in the United States. The Soviets’ separate economic path, combined with the support of similar regimes in Europe, competed with the United States and its post-war expansion. The United States moved quickly to disassociate with its former ally (Lens 337-342).

The Soviet’s post-war expansion targeted smaller and weaker countries that bordered Russia. During the final days of the war, Stalin was upfront with his plans to increase the Soviet Union’s sphere of influence. In 1945, the allied powers met at Yalta and Potsdam where they discussed how to divide the spoils of war. During the meetings, the Soviets indicated their intentions for Eastern Europe with little objection from the United States (Irons 167). The Soviet demands seemed practical under the circumstances. The victors of war usually anticipated an increase in territory or sphere of influence as
accommodations for their losses from war, but the Soviets seemed more anxious than the United States to exploit victory. The Soviet Union suffered major casualties and tremendous property damage from the war; and Stalin hoped to gain territory and monetary reparations to help cover the losses (Laloy 97-98). During the meetings, the United States and the allies discussed post-war plans that specifically included the Soviets’ expansion. Stalin specified interest in the Dardanelle Straits for warm-water access. The United States expressed interest for the oil rich countries of the Middle East (Perret 46-47). Despite the prior discussions, the West, particularly the United States, seemed stunned by the Soviet expansion that immediately followed the end of World War II. Fear was heightened as the Soviets emerged as the strongest among the European allies. Western European countries feared that the Soviets ultimately planned to expand their way. The Western allies leaned on the United States for protection. Winston Churchill’s “Iron Curtain Speech” and George Kennan’s “Long Telegram” generated fear and concern about Soviet actions and motives (Sibley 132-135).

During World War II and the post-war period, the United States surprised the world with its economic prowess that became the driving force of American expansionism. American elites belonged to Wall Street and industry; and they encouraged Roosevelt to maximize economic opportunities created by World War II, especially with the Soviet Union (Irons, 161). Prior to the war, the United States was a self contained economy that exported very little. During World War II, the United States utilized the Lend Lease program and became a major exporter of equipment and supplies to European allies. By the late 1940s, the United States was the world’s largest producer of manufactured goods. Unlike Europe, World War II left the United States with its vast
manufacturing and industrial operations in tact. The advantageous position allowed the United States to prosper on a global scale. Britain’s weakness proved to be a bonus for the United States’ expansion abroad (Hobsbawm 70-88). Britain requested help with her obligations. The United States exploited the war’s destruction, assuming some of Britain’s responsibilities in order to maintain stability in the British Empire. The war almost bankrupted Britain and hampered her ability to control vast holdings in the Middle East. The United States offered no resistance and capitalized on opportunities in the Middle East. American multinationals pushed for control of the region’s oil, concentrating efforts where business and strategic opportunities were the most beneficial. The post-World War II period provided the perfect situation for the United States to advance its economic and political agenda throughout targeted regions of the world. Favorable political and economic systems were not the determinants for aid, but pro-“American” governments and trade agreements commanded more attention from the United States (Badeau 84-85).

The United States created an empire of inter-related economic influence and military power. President Eisenhower later termed the conglomerate of military and business relationships “the military industrial complex.” American diplomacy and military support of foreign governments were tied closely to its interests in open trade relations and the containment of communism. Diplomatic decisions and actions were not based on moral dilemmas, but on how problems or opportunities related to American economic and political concerns. Containment of communism was a shell used to cover imperialist actions by the United States. The American military strength helped police the different political and economic policies that were needed to maintain a balance of power
with the Soviets. Truman used the atom bomb on Japan to quickly end the war; and he also showed the magnitude of power held within the United States’ military arsenal. The bomb prevented Soviet participation in the Pacific theatre and suppressed post-war military clashes between the two superpowers over the Middle East. The United States controlled economic aid during and after the war through programs such as Lend Lease, the Marshall Plan, Allegiance for Progress, the World Bank and the International Monetary Fund. Most countries were desperate for aid and accepted it willingly, but strings were attached to the aid. Truman resented the Soviet agenda and its refusal to cooperate with the United States. His distain and distrust of the Soviets convinced him that the two powers were in direct competition with each other (Lens 336-351). The Cold War developed from two different political ideologies that polarized the world into a competition between the two super powers. The United States aggressively pursued control and influence in parts of the world that proved costly to Britain, especially in the Middle East (Farhang 121-125).

The aftermath of the war left the United States with vast military operations and related economic opportunities throughout the world. Military stations and outposts provided American businesses with built-in advantages such as communication and transportation networks. The military industrial complex connected American businesses to the military demands of its domestic and foreign bases. Major military and reconstruction operations were concentrated in Europe and Japan. The Americans penetrated foreign markets through exports that supplied the reconstruction programs and peace keeping missions. In the Middle East, the United States controlled its expansion by using other countries’ armies to help police and protect American assets abroad.

In the 1930s, Britain created a protectionist trade program that favored the members of the Commonwealth. The United States resented the program because the British used it to exclude American businesses from trade. Britain was vulnerable after the war, and the United States bargained with economic aid in exchange for open markets. Britain accepted American demands as the only available option. Politically connected businessmen expanded into new markets, especially when American multinationals such as oil companies were the main beneficiaries. The United States was a ruthless negotiator with its former allies and mandated terms favorable to the United States (Lens 336-342). By the late 1940s, the United States was an unstoppable, economic powerhouse that produced and supplied over half of world’s needs (Neal 77). The United States accumulated an overwhelming majority of the world’s wealth during World War II and the post-war period. Britain relied heavily on the United States for financial funding. The United States provided the aid on a quid pro quo basis and took advantage of the situation by specifically targeting Middle Eastern holdings of the British Empire (Lens 335-355).

The war depleted a large portion of the United States’ domestic oil reserves. The reconstruction of Western Europe depended on an abundant supply of Middle Eastern oil (Kaufman 1-2). The Soviet Union wanted the convenience of Middle Eastern oil for her recovery, too (Lens 340-341). Britain exercised significant influence over most of the Middle East, but the United States wanted to control the region with limited
responsibility. Britain was left with the costly chore of policing the region (Farhang 123-124). The Middle East was no longer valued just for the oil reserves. The region strategically bordered the Soviet Union and connected Europe, Asia and Africa. Shortly after World War II ended, the two superpowers began their competition for the Middle East over Iran (Lens 341). Prior the war, the United States maintained only a small consulate in Egypt that handled diplomatic affairs for the Middle East, but relied primarily on American oil companies to establish relationships in the surrounding Arab states and monarchies, mainly Saudi Arabia. Outside of oil exploration, the only other American presence in the Middle East was missionaries, but Western religion showed little promise in area dominated by Muslims (Abboushi 225-227).

Britain achieved a massive empire through political control, military force, and intimidation. The United States apparently respected Britain’s imperialist strategy and used certain aspects for its own expansion. The United States knew that military dominance alone was no longer sufficient to control the world (Abboushi 230). After the post-war debacle with the Soviets over Iran, the United States realized that a combination of economic incentives along with strong military support were the keys to a new world order.

During 1920 to 1950, the United States exercised substantial economic, political and military influence throughout the Middle East at Britain’s expense. Petroleum and major commodities were soon traded in United States dollars. The pursuit of Pax Americana spared nothing and degraded the last bastion of British pride. The dollar replaced British Sterling as the acceptable means of payment for international trade. The United States mandated the use of United States dollars or gold for loan repayments and
purchases of American goods (Lens 338-342). The United States dollar became the standard for international trade by default. Gold was scarcely used for payments because the United States controlled over seventy-five percent of the world’s gold bullion (Neal 77).
Chapter 1

Saudi Arabia: Oil and Commerce

In 1909, the State Department created the Division of Near Eastern Affairs to explore diplomatic and business opportunities in the Middle East. The division’s staff was minimal with only a handful of specialists (Miller 21). American oil companies attempted to enter the Middle East, but met British resistance. During the 1920s, the United States acted on behalf of American commerce and became interested in the Middle East for its oil reserves. American oil companies, formerly parts of Standard Oil Company, wanted access to the newfound oil fields in the Middle East. Britain controlled Iran and Iraq’s oil through the Anglo-Persian Oil Company (APOC) and the Turkish Petroleum Company (TPC), respectively (Little 46-47). The British controlled the oil rights of Iraq (Mesopotamia) through the Anglo-Persian Oil Company’s 47.5% ownership of the Turkish Petroleum Company. The remaining interest belonged to the Dutch, France and an Armenian individual with 22.5%, 25% and 5% ownership, respectively. In 1914, the Turkish Petroleum Company received informal concessions from the Turkish government for the area of Mosul-Baghdad (Anderson 12-13). The concessions were not formally ratified because the members’ turned their attention to World War I. After the war, the consortium reallocated Germany’s initial share of the Turkish Petroleum Company (TPC) to France in exchange for pipeline rights through Syria. Britain and France divided the Ottoman Empire so their spheres of influence covered most of the Middle East (Miller 8-13).
Based on an anticipated worldwide shortage of crude oil after World War I, the major powers sought additional oil reserves. American concerns eased after discoveries of oil in California, Texas and Oklahoma (Anderson 13-14). In 1919, American oil companies attempted to stake claims in an area of the Middle East known as Mesopotamia-Palestine. Standard Oil Company of New York (Socony) and Standard Oil of New Jersey (Jersey Standard) wanted to explore the region for oil, but Britain resisted the American intrusion and formed the San Remo agreement that excluded American companies (Little 46-47). In 1920, the State Department intervened on behalf of the Open Door Policy. Officials challenged Britain’s informal concessions that the Turkish government granted in 1914 for the Mosul-Baghdad oil rights. In 1899, the major powers created the Open Door Policy that allowed them to forge trade with emerging countries. The United States was not allowed to force its will upon peaceful countries, but the Open Door Policy enabled American businesses to enter certain markets for economic opportunities. Seven American oil companies petitioned the State Department to open the closed doors of the Middle East. The companies were Standard Oil of New Jersey, Standard Oil of New York, Texas Company, Gulf Oil, Sinclair, Atlantic Refining and Pan American Oil. Sinclair and Texas Company withdrew their petition and left the other five to form the Near East Development Corporation (Long 11-12). Eventually, Standard Oil of New Jersey and Standard Oil of New York bought the other American companies’ interests in Near East Development (Elwell-Sutton 124).

Britain reluctantly opened the door to prevent an onslaught of American competition. In 1928, Britain arranged for the Near East Development Corporation to receive a sizable share of the Turkish Petroleum Company. The share represented almost
a quarter of the Turkish Petroleum Company, later renamed the Iraq Petroleum Company. The 23.75 % was a fair allocation in relation to the other partners in the Iraqi Petroleum Company (Little 46-47). The consortium formed the Red Line Agreement with a non-compete clause. The agreement’s name originated from the red line that members drew around oil rich states on a map. Members were not allowed to compete against each other inside the red lined area (Long 11). The red lined area included Turkey, Iraq, Lebanon, Syria, Jordan, Palestine and Saudi Arabia (Anderson 18-19).

Gulf Oil obtained concessions from Bahrain and Kuwait, but Britain objected to both concessions. Gulf went to the State Department for help, but Bahrain presented a problem because of Gulf Oil’s membership in the Red Line Agreement. In 1928, Gulf released its Bahrain interest to Standard Oil of California (Socal), an entity that was not a member of the Red Line Agreement. Socal sidestepped a British protectorate law by using a Canadian subsidiary, the Bahrain Petroleum Company (Bapco), to purchase the Bahrain oil concessions. By 1932, the Bahrain Petroleum Company began pumping oil (Long 12-13). Kuwait was under the British sphere of influence, but the State Department coerced Britain’s Anglo-Persian to share the Kuwaiti concessions with Gulf Oil (Little 47-48). In 1934, the two entities formed the Kuwait Oil Company with each having fifty-percent ownership (Edens 102).

Success in Bahrain inspired Socal to explore nearby Saudi Arabia. Socal was not a member of the Red Line Agreement; and its non-member status provided the opportunity for expansion into Saudi Arabia. King Ibn Saud previously granted concessions to Britain’s Eastern and General Syndicate, but the concessions expired in 1927 (Ali 8). Socal dodged the Red Line Agreement and entered into negotiations for
Saudi Arabia’s oil concession. With a worldwide economic downturn, King Ibn Saud badly needed funds to support his extravagant lifestyle and to maintain stability among the different tribes in his country (Miller 18-19). The King entertained bidding from Socal and the Iraq Petroleum Company. In 1933, Socal bid the highest and received the Saudi oil concessions (Anderson 24-25). The American oil companies convinced Saudi Arabia that its economic interest and political survival rested with the United States (Miller 21).

Socal immediately transferred the concessions to an affiliated company, California-Arabian Standard Oil Company (Casoc), later known as Aramco. California-Arabian was incorporated in Delaware. Therefore, the financial books were recorded in dollars and not British currency. The dollar later became the standard for oil transactions as a result of America’s power in Middle East. The Saudi oil concessions included a sixty year lease for 360,000 square miles with an option to purchase an additional 80,000 square miles in 1939 (Ali 8-9). Socal affiliates needed a partner with international marketing capabilities. In 1933, the Texas Company (Texaco) filled the bill and purchased 50% of California-Arabian (Chester 233). The Texas Company also purchased a 50% interest in the Bahrain Petroleum Company. California Texas Oil Company (Caltex) formed to market the Saudi Peninsula’s oil (Anderson 27-28). In an ironic turn of events, the Open Door Policy paved the way for American companies to control the world’s petroleum market. By 1934, American companies exercised major influence over the Middle East’s oil reserves. The Near East Development Corporation owned 23.75% of the Turkish Petroleum Company. Gulf Oil controlled 50% of Kuwait’s
oil concessions; and the Bahrain and Saudi Arabia oil concessions were completely under control of Standard Oil Company of California and the Texas Company.

Coupled with a worldwide depression and poor management, King Ibn Saud quickly developed a habit of requesting royalty advances from Californian-Arabian. His financial demands were more like extortion and financially burdened the oil company. In 1937, oil executives went to Washington and lobbied for direct financial and diplomatic support for Saudi Arabia. They suggested that the United States establish diplomatic representation in Jidda to protect the American oil interest from other suitors. Californian-Arabian represented a small colony of workers that clearly represented an American presence in the country. The State Department reviewed its options, but declined because the camp was the only material interest associated with the United States. The State Department noted that a legation in Jidda was inconceivable because the al-Hasa work camp was located so far away from the desired location (Miller 25-26).

In 1939, company officials and King Ibn Saud celebrated the completion of a forty-mile pipeline from the work camp to the Persian Gulf. California-Arabian was embarrassed because the fanfare included no government officials from the United States, but King Ibn Saud never minded as long as he received the royalty payments. He preferred dealing with businessmen rather than government officials. The King proclaimed his weariness of government officials because of past experiences with the colonial powers. He touted his partnership with the United States because of his distain for the French and British, but his distain of government officials never interfered with Saudi oil concessions going to the highest bidder. California-Arabian received the concessions only because its bid was the highest (Chester 232-233).
Californian-Arabian feared that lack of diplomatic representation in Saudi Arabia left the company’s oil concessions vulnerable. The oil company operated with an obvious financial disadvantage to Britain. Roosevelt initially showed interest in providing diplomatic and financial support, but regrettably declined. The President felt his support might appear as favoritism and preferred to wait until the political climate was more favorable. Realizing the importance of Saudi Arabia long before the State Department, California-Arabian did not wait on a change in the political climate back home. Californian-Arabian began its own diplomatic relations with Saudi Arabia. Germany and Japan needed oil to power their growth, and both were also aware of Saudi Arabia’s financial vulnerability. California-Arabian’s predictions and fears came true when both Germany and Japan made diplomatic gestures to Saudi Arabia. Britain was no longer the only threat to the American oil monopoly in Saudi Arabia. Company officials notified the State Department of the threatening situation. In 1939, the State Department entered the competition and assigned a diplomatic representative to Saudi Arabia. The representative was based out of Cairo, Egypt (Miller 25-29).

California-Arabian did not rely totally on the State Department to keep abreast of Saudi affairs. In 1941, the company formed a new department called the Government Relations Organization (GRO). The oil company and its new organization resembled the East India Company that was utilized by Britain during the seventeenth century. On behalf of Britain, the East India Company operated as a private company to establish trade relationships with the ruling parties of India and the Far East. California-Arabian served the same function for the United States that the East India Company served for Britain. The Government Relations Organization served as a diplomatic arm of
California-Arabian and an extended arm of the State Department. Historically, commerce follows a country into new frontiers. In Saudi Arabia, the United States followed commerce (Vitalis 68-69). The Government Relations Organization functioned unofficially like the State Department. The organization assisted Saudi Arabia in various projects ranging from agriculture to railroads. Other times, the Government Relations Organization acted as a liaison between Saudi Arabia and the State Department (Vitalis 73-76).

Britain kept close diplomatic ties with Saudi Arabia and provided financial subsidies in return for the King’s support in the Persian Gulf. California-Arabian pressured the United States to compete against Britain. In 1941, King Ibn Saud requested $6,000,000 from California-Arabian to make up for a shortfall in his country’s revenues. The amount was large and accounted for 60% of Saudi Arabia’s budget. California-Arabian realized that it needed additional funding to supply the request (Chester 234). California-Arabian arranged a meeting back in the states with James Moffitt, an executive with the Bahrain Petroleum Company and political friend of President Roosevelt (Vitalis 64). Moffitt presented Roosevelt with two proposals. The first proposal asked the Navy to purchase $6,000,000 of oil from California-Arabian; and the second was direct loans through the Lend Lease program. Roosevelt declined both proposals, but he countered with a plan to divert funds from a Reconstruction Finance Loan to Britain (Chester 234). Political problems prevented the direct transfer of funds to California-Arabian’s newly found friend. During 1941 and 1942, the State Department diverted $10,000,000 to Saudi Arabia out of a $425,000,000 loan to Britain. The United States became uneasy that Britain took full credit for the funds (Vitalis 64-65).
On December 7, 1941, the United States declared war against the Axis powers. The Middle East was important to both sides because of its oil and strategic location. The region bridged Europe with the Far East, India and Africa. The State and Defense Department both hoped for additional oil concessions and air rights over Saudi Arabia. President Roosevelt realized that diplomatic neglect jeopardized relations with Saudi Arabia. In 1942, he responded with a permanent legation in Jidda to represent the United States and monitor activity in Saudi Arabia (Miller 51-52).

The legation in Jidda fulfilled the overdue request of California-Arabian. A presence in Saudi Arabia was also convenient for national security reasons. The legation’s duties included monitoring enemy activity and developing plans to protect American interests in the Arabian Peninsula area. The legation planned evacuation procedures that left oil wells inoperable by the Axis powers. Pipes and tanks were above ground and susceptible to major damage by enemy attacks. President Roosevelt convinced King Ibn Saud to allow American military equipment and troops into Saudi Arabia to protect the oil, if circumstances proved necessary. King Ibn Saud confided in the Roosevelt administration that he needed protection after the war because Britain expected quid pro quo for its financial assistance to Saudi Arabia. During 1942 and 1943, Britain sent approximately ten times more aid than the American government and oil companies provided. California-Arabian suspected Britain wanted to edge Americans out of Saudi Arabia. The huge disparity encouraged the President to act decisively and protect American interests in Saudi Arabia (Chester 234-236). The approval of Lend-Lease confirmed Saudi Arabia as a national security interest and allowed the State and Defense Departments to begin a more active role in Saudi Arabia. During 1943 and 1944,
the United States shipped almost $20,000,000 worth of supplies into Saudi Arabia. American planes delivered the goods to assure the United States received full credit for the aid (Vitalis 65).

Roosevelt formed the Petroleum Reserves Corporation to strengthen American control of Saudi Arabia’s oil. He appointed Harold Ickes, Secretary of the Interior, to head the operation. Ickes’ duties included solving and supplying the World War II and post-war petroleum needs. In 1943, Ickes tried to solidify the United States’ position in Saudi Arabia by exchanging direct investments for a major equity stake in California-Arabian. The oil company showed no interest in relinquishing any interest to the government (Miller 77-81). In 1944, the Petroleum Reserves Corporation proposed the construction of a pipeline from the Persian Gulf to the Mediterranean. Officially, the pipeline was intended for military and national security concerns, but the pipeline proposal was actually to shore up American control of Saudi oil and solidify the United States’ presence in the Middle East. The project drew unfavorable attention. The United States was accused of using dollars instead of diplomacy to control Saudi Arabia’s oil. Oil companies objected to unfair trade practices by the government. The Petroleum Reserves Corporation resembled Britain’s Anglo-Persian operation; and the British knew how to recognize old-fashioned imperialism. In February 1944, Britain’s Prime Minister, Winston Churchill, confronted President Roosevelt about American ambitions in the Middle East. Churchill offered to concede Saudi Arabia if the United States backed away from Iran and Iraq. He expressed Britain’s dependency on Middle Eastern oil and advised the United States to refrain from aggression beyond Saudi Arabia (Chester 236-238).
California-Arabian changed its name to Arabian American Oil Company (Aramco). The Aramco camp, formerly Casoc Town, was referred to as an American colony. The camp and its design reminded critics of old style, colonial imperialism. The United States brought in International Telephone and Telegraph (ITT) and Trans World Airlines (TWA). Britain noticed the obvious Americanization of Saudi Arabia (Vitalis 78-81). Laurence Grafftey-Smith, a British Ambassador, complained to his superiors that Britain gave Saudi Arabia away without a fight. The United States denied British allegations of imperialism, but activity in Saudi Arabia drew attention from the American media, too. A New York Times editorial criticized the United States and its imperialist behavior in the Middle East. During the forties, the United States poured millions of dollars into Saudi Arabia at the urging of Aramco. The United States and Aramco were joined at the hip. Embassy and military personnel revealed that they routinely helped Aramco in its efforts to appease Saudi Arabia. By 1945, the United States built a military base in Dhahran. The military presence satisfied the intent and need to keep others out of Saudi Arabia. The base provided the United States with a military presence; and Aramco received access to a landing strip for commercial operations. The base was under scrutiny because its approval came as the war ended. Accusations arose that the airbase was mainly for Aramco (Vitalis 78-86). According key military personnel, the military bases were part of a strategic plan to defend the Middle East and the Mediterranean, just in case of another war (Millis 357). The base also served as a vital link for the military and strategic operations between Western Europe and the Far East (Little 138).

In 1945, President Roosevelt met King Ibn Saud at Great Bitter Lake. The King wanted to secure the President’s commitment and support. The President promised
financial aid for the King and agreed to support Arab Palestinians. Both leaders anticipated Britain’s want for oil concessions in return for providing financial aid during the war. President Roosevelt died shortly after his meeting with King Ibn Saud, but President Truman followed through with the promised funds for Saudi Arabia. Congress faltered at the amount of financial assistance requested, but agreed to help the country secure loans through the Export-Import Bank. The Export-Import Bank granted the loan, but stipulated that the majority of the funds were for pre-approved purchases of American goods and services. The provisions of the loan brought Saudi Arabia under the economic orbit of the United States. The United States wanted to replace Britain’s role in Saudi Arabia just as much as the King desired riddance of the British connection (Miller 126-147).

Aramco wanted to expand its oil production to meet the post-war demand. Expansion required partners with additional capital and worldwide marketing abilities. Socony and Jersey Standard seemed ideal candidates, but both were members of the Red Line Agreement. The companies wanted out of the consortium because of an inability to compete with Aramco. In 1947, Socony and Jersey Standard joined Aramco after determining the war nullified the Red Line Agreement. They sought and received the support of the State Department to defend legal problems that might arise out of the Red Line Agreement. The second huddle needed was a waiver of anti-trust laws related to Socony and Jersey Standard’s direct and indirect control of the oil market. The Justice Department aided Socony and Jersey Standard by ignoring obvious violations of anti-trust laws and approving the deal with Aramco. In 1948, Socony and Jersey Standard
became partners with Standard Oil of California and the Texas Company in the ownership of Aramco (Long 16-20).

In 1950, Saudi Arabia wanted to renegotiate their royalty agreement for a bigger share of revenues. The Treasury Department offered a financial plan that allowed Aramco to deduct taxes paid to Saudi Arabia from income tax due in the United States. The tax credits allowed Aramco to pay Saudi Arabia more without causing substantial harm to Aramco’s profitability. Aramco kept its concessions and the United States indirectly kept its power. During the same period, the Untied States interceded on Aramco’s behalf to protest an unfavorable shipping contract between Saudi Arabia and Aristotle Onassis, owner of a large tanker fleet. The United States supported an international boycott of the Greek magnate’s shipping company. The incidents demonstrated that control of Middle Eastern oil was jointly shared between the Armaco and the United States (Long 16-20).

The United States declared a policy of supporting free trade under the Wilson principles, but the government became entangled with American oil companies in a mutual desire for power. During the war and post-war period, aid provided to Saudi Arabia was poorly justified as a national security issue. Government involvement showed biased decisions to satisfy the United States’ hunger for power. In a series of steps between 1920 and 1950, the United States directly supported American oil companies in their quest to control Middle Eastern oil.
Chapter 2

Iran and Turkey: The Cold War

Shortly after Truman became President in 1945, Dean Acheson, the Under Secretary of State met with the president to illuminate the strategic importance of the Middle East. Acheson explained that the American relationship with Saudi Arabia was tied to the region’s massive oil reserves. The United States and Western Europe relied on Saudi oil reserves for military and economic purposes. He explained that King Ibn Saud’s vulnerability to other major powers existed because of his country’s debts and economic needs. He also stressed that the American-Saudi relationship was dependent upon satisfying King Ibn Saud (Vitalis 265). The British were a major influence throughout the Middle East since the turn of the century; and they possessed a powerful presence in the region. He explained that Iran and Turkey were the main barriers between Russia and Saudi Arabia. The United States had much to lose with the Saudi Arabian oil interests, and its relationship was predicated on providing King Ibn Saud with financial support and protection from imposing powers such as Britain and the Soviet Union.

The Americans and Soviets competed for Britain’s oil interest in the Middle East; and the two emerging superpowers targeted Britain’s influence in the region. The United States originally offered to support the weakened Britain, but competed against the Soviets for Britain’s assets. The task was easier among smaller countries because they trusted the United States, whereas they were skeptical of Britain and Russia. Truman realized Britain and the Soviet Union had separate objectives and plans at the end of World War II. Winston Churchill requested a conference with President Truman prior to a scheduled meeting between Truman and Stalin. Truman dodged the meeting with
Churchill because he felt no need to gang up on Stalin for Britain’s sake. The United
States was the strongest of the powers; and Truman decided the United States needed to
set its own course and agenda for a new world order (Ferrell 35).

Near the end of World War II, the Soviets sought opportunities to expand along
the Russian borders. The Soviets moved quickly and easily to encompass the Eastern
Bloc countries into its sphere of influence. Britain and the United States did little to
protest the aggression; and Stalin took advantage of weak responses by the two allies.
The Soviet Union aimed for the Middle East. During meetings in 1945, the allies
discussed the spoils of war at Yalta, Russia and Potsdam, Germany. Stalin took the upper
hand at Yalta. He sidestepped the issue of Soviet troops that remained in Iran and
expressed interest in the Turkish Straits (Laloy 129). Roosevelt offered little resistance to
Soviet aggression in Eastern Europe and Stalin’s intention for the Middle East. At
Potsdam, Stalin hinted for joint control of the Dardanelles by the Soviet Union and
Turkey, but Truman’s Secretary of State, James Byrnes, concluded the meeting without
addressing the seriousness of Stalin’s motion (Laloy 97). Roosevelt and Truman failed to
realize Stalin’s hunger for power. They were naïve about the future difficulties that
existed with their former ally.

At Yalta and Potsdam, the Soviets interpreted reparations of war differently than
the Western leaders. In the beginning, Roosevelt and Truman lacked firmness with the
Soviets. By 1946, the Soviets exercised considerable influence over most of the Eastern
Bloc. The Western powers realized that promises and agreements meant nothing to
Stalin. Britain urged the United States to intervene and change the current foreign policy
towards the Soviet Union. Britain sensed that Stalin aimed his next move at Western
Europe. Truman concluded that the Soviets made promises with false intentions. He refused to have any relationship with the Soviets until they stopped their aggressive campaign. American-Soviet relations reached a heated point with the Soviet occupation of Iran. Dean Acheson was a major voice in Truman’s decision to oppose Stalin. Acheson was an under-secretary in the State Department, but he later became Truman’s Secretary of State because of his outstanding comprehension of Middle Eastern issues. Acheson concluded that the Soviet Union created instability in the Middle East and threatened the economic interests of the United States (McLellan 86-90).

In February 1946, George Kennan, an American diplomat in Moscow, sent an alarming telegram to the State Department. The telegram revealed the Soviet Union’s political oppression and cruel treatment of its people. Kennan implied that Stalin was an overbearing, persistent bully with plans to take over the world. Kennan urged the containment of Soviet aggression to Eastern Europe before it progressed throughout Western Europe and the rest of the world. President Truman commissioned a report to research the Soviet threat. Clark Clifford and George Elsey prepared a report that confirmed the Soviets were building up military forces, oppressing human rights, supporting leftist activities and planning aggressive action throughout the world. The report substantiated Kennan’s accusations. In order to prevent panic, Truman suppressed the report’s release, but he took the findings to heart and a cold relationship began to develop with the Soviet Union (Hogan 10-11).

Stalin lacked diplomatic manners and overpowered weaker, smaller neighbors such as Iran and Turkey with territorial demands (Freedman 15-16). Iran’s desirable assets included oil, access to warm-water and a position for advancing deeper into the
Middle East. Iran was Stalin’s first act of aggression into the Middle East. During World War II, Iran allied with Britain and the Soviet Union under the Tripartite Treaty of 1942. The treaty allowed allied troops to occupy Iran to protect Russia’s borders and supply routes (Lenczowski 9). Under the Persian Gulf Command, the United States entered Iran with thirty-thousand Americans to support the war needs. After the war ended in 1945, Britain and the United States exited Iran in accordance with the agreement, but the Soviets refused to remove troops and became a nuisance to the Iranian government. The Soviets aligned with the republics of Azerbaijan and Mahabad in their bids for independence from Iran (Spencer 47-53). Soviet troops routinely interrupted Iran’s daily operations and aggravated the Iranian leaders by spreading false propaganda throughout the country (Pollack 44-46).

The Soviets demanded territory and oil concessions in northern Iran (Perret 56). The West also expected the Soviets to target Britain’s oil interests in the southern part of the country. The United States knew its interests in the Persian Gulf were endangered by the Soviet position. The United States felt threatened and entered the dispute between Iran and the Soviet Union (Lenczowski 9-11). The United States maintained diplomatic relations with Iran, but American ties to the Iran were mainly concerned with supplying military and civilian personnel during World War II. The Soviet aggression set the stage for a perfect rescue of Iran by the United States (Freedman 16). Britain once maintained a substantial influence in Iran, but the war left the former power weakened and unable to materially assist Iran. In 1946, Truman interceded and sent a firm message to Stalin that demanded the removal of Soviet troops. Later, Truman bragged that Stalin knew the U.S.
military forces were on standby and feared the consequences of not leaving Iran (Lenczowski 13).

Truman’s actions alone were not the determining factor for the Soviet exit, but U.S. involvement provided Iran with the confidence to stand up against the Soviet demands. Earlier, Iran had filed a complaint against the Soviets with the Security Council of the United Nations. Iran received little support from the United Nations; and the two countries were instructed to reach a settlement through direct negotiations (Truman 94). The United Nations left the Iranians with an obvious disadvantage to the more powerful Soviet Union, but Iranian leaders worked diplomatically to resolve the situation. Iran insinuated to the Soviets that oil concessions were possible, but only after Soviet troops left Iran. In return for leaving the country, Iran agreed to dismiss its complaint with the United Nations. Stalin removed the troops, but Iran refused to discuss oil concessions with the Soviets. Truman’s threat to Stalin was subject to debate, but Stalin realized that Truman was not one to compromise. The two atomic bombings of Japan were evidence that Truman lacked patience and showed no hesitation to use military force. The combined efforts of Truman and Iranian leaders worked to rid the Soviets from Iran (Pollack 44-47).

Stalin threatened Turkey for territorial concessions that included the Bosphorus and the Dardanelles. The straits were important to the Soviets for a connection to the Black Sea and the Mediterranean. Again, the Soviets sought access to warm-water and a position to move deeper into the Middle East. Britain and the United States suspected that the Soviets planned to advance through Turkey into Egypt with intentions of reaching the Indian Ocean (Little 120). The Montreux Convention of 1936 limited military access
through the Straits. Stalin justified unlimited access as a necessity to safeguard the Soviet Union’s borders. The Soviets resented Turkey’s control over the straits. The Soviets felt the small country possessed too much power over the larger Soviet Union. Stalin claimed that Turkey was a sympathizer and conspirator with the Italians and Germans during war. He accused Turkey of disloyalty and using control of the straits to gain an advantage over the Soviet Union. Stalin dramatized the incident and renounced a non-aggression treaty previously formed by the two countries in 1925. Britain and the United States also suspected the Soviets wanted to set up satellite operations in the Middle East similar to ones in the Eastern Bloc (Lenczowski 14-15).

The Soviet demands for Turkish territory reinforced Dean Acheson’s suspicions that Stalin’s main objective was the Middle Eastern oil. Acheson conveyed to the President that the outcome in Turkey determined the destiny of the whole Middle East. Truman agreed with Acheson and offered to support Turkey with any means necessary, including military action. Acheson advised Turkey to exercise its rights and boldly refuse any territorial demands by the Soviets. The United States pledged full support of Turkey if the Soviets retaliated (McLellan 100-101). The United States and Britain seemed surprised by the Soviet advances towards Turkey, but Stalin previously discussed desires for the Straits at the Yalta and Potsdam conferences. In order to protect American interests in the Persian Peninsula, the United States assumed Britain’s role as protector of the Middle East. The USS Missouri transported the body of a deceased diplomat from Turkey to Washington to show American allegiance with Turkey. The United States conceded to changes of the Montreux Convention. The changes appeased the Soviet demands for additional access through the straits; and they subsequently retreated from
their territorial demands (Rubin, Great Powers 212-219). The President also sent the **Franklin D. Roosevelt** to reinforce his support of Turkey (Neal 76). Warships moved about the Mediterranean to show an American presence in the region (Xydis 497).

In another crisis, Acheson drew more attention and respect for his foreign policy decisions. Yugoslavia downed two America planes over air space rights. The United States quickly linked Yugoslavia’s actions with the Soviet Union, but the Soviet connection was later ruled out. The downing increased awareness of the anti-American sentiment that prevailed among Soviet allegiances. Yugoslavia received hundreds of millions of dollars indirectly from the United States through the United Nation’s programs. The incidents led to revisions of the foreign aid program. According to Dean Acheson, Congress needed to fund projects that were more in line with the interests of the United States (McLellan 102-104).

Soviet advances were self defeating because Iran and Turkey shifted to the West for protection (Freedman 15-16). The United States saw the Soviet aggression in the Middle East as a repeat of Russia’s imperialist past. Russian Tsars previously desired an interest in the Middle East prior to the Bolshevik Revolution. Imperial Russia signed treaties with other imperialist powers to control parts of Turkey and Persia. After the revolution, the communists denounced the Tsar’s agreements and treaties as imperialist actions. Lenin hoped that revolutionary idealism and communism easily spread throughout the Middle East. He envisioned communism as a form of retaliation against colonial rule. In 1920, the communist organized a meeting in Baku and attempted to recruit Middle Eastern neighbors. The diverse group included attendees from Turkey,
Persia and Arab states. The meeting failed because of diversity and infighting within the group (Reich and Schoenberger 3-4).

The Middle East held reservations about establishing closer relations with Russia, Britain and France because of past displeasure with colonial powers. The region’s uneasiness with the European powers allowed the United States to enter the Middle East as a protector without much resistance. The hope of a peaceful, new world order led by the United States never materialized. The Soviet confrontations in the Middle East escalated the Cold War and quickly polarized the world into two camps. The rivalry over Iran and Turkey ended unfavorably for the Soviets, but the United States knew the conflict was not over. The incidents forced the world to recognize the United States not just a partner to Britain, but as a major power. The East and West confrontation provided the United States with a new role and broader presence in the Middle East (Badeau 4).

In March 1947, Britain ended her financial and military support to Greece and Turkey. The United States needed hundreds of millions of dollars to revive the two economies and rescue the two countries from a communist takeover. The possible fall of Greece and Turkey created another direct threat to the Middle East and Western Europe. Congress needed to appropriate the funds, but foreign aid commitments were already over budget. Dean Acheson decided to present the request for funds as a global fight against communism instead of the rescue of a few, small countries from the Soviets. Congress already felt that the United States was contributing more than its share to the reconstruction of Europe. If funds were presented as financial aid to small countries, Acheson expected Congress to shelve the proposal to prevent Europe from flooding the United States with additional requests for aid. The President knew the Soviet threat was
real and required drastic action. In March 1947, Truman addressed Congress and requested funds to fight a worldwide communist threat. The plan was later referred to as the Truman Doctrine (Freeland 82-83).

After the war ended in Europe, the United States quickly demobilized its military presence abroad. Truman viewed the demobilization as a major mistake because it weakened his ability to negotiate with the Soviets. Truman blamed himself for leaving the United States in such a bad position (Neal 77). The United States left behind troops to police reconstruction programs, but not enough troops to stop a Soviet advancement into the Middle East. The Truman Doctrine permitted multilateralism, a theory that “economic conditions determined political conditions” (Freeland 19-20). Countries seemed comfortable with accepting financial and military aid in exchange for supporting Truman’s fight against Soviet totalitarianism and communism (Bell 100-106). In his request to Congress, the President never disclosed the complete, strategic purpose of the funds. He discussed the spread of communism from Greece to Turkey, but only briefly referenced the rest of the Middle East. The underlying strategy was to protect American oil assets through foreign policy. In addition to $400,000,000 for Greece and Turkey, Truman requested permission to use military personnel and civilians to help his new allies (Clogg 200). The anti-communist movement became synonymous with the American way. The Truman Doctrine provided the United States with a new way to acquire economic and military power without direct involvement. Iran and Turkey provided the United States with two allies in the Islamic Middle East. Both were strategically positioned along Soviet borders (Hamby 212).
Questions arose about the true intent of the Truman Doctrine. Congress and the news media were suspicious of the aid to Greece and Turkey. The two countries were easily linked to Saudi Arabia. The Trans-Arabian Pipeline was approved two days prior to Truman’s speech to Congress. The State Department explained that the funding for the Truman Doctrine was not directly connected to Middle Eastern oil, but was indirectly connected with an obligation to protect American assets in the region. The United States Navy expressed the strategic importance of the Mediterranean ports. The Defense and State Departments explained that Middle Eastern oil was necessary for national security matters and the recovery in Western Europe (Xydis 496-497).

Iran and Turkey provided the United States’ with the opportunity for a post-war expansion into the Middle East. In 1947, Iran received military armaments and funding for military bases. The United States used Iran as a satellite operation to keep the Soviets within their borders and out of the Middle East (Lens 341). President Truman believed the Soviets intended to take control of Iran and Turkey unless the Soviet Union was “faced with an iron fist and strong language” (Ferrell 80).

The United States focused on decreasing British dominance in the region (Farhang 125). In 1950, the Iran received additional assistance through a $25 million loan from Import-Export Bank and a $10,000,000 loan from the World Bank. Iran received an additional $23,000,000 in military aid on annual basis for the next five years. The financial aid was small in comparison to the large sums doled out to Europe and Japan (Pollack 55). During the same period, Iran became dissatisfied with the Anglo-Iranian Oil Company’s distribution of oil revenues and threatened to nationalize the oil. The United States hoped to benefit from the British oil company’s disagreement with Iran. The
United States carefully monitored the dispute to prevent Iran from turning to the Soviets for help. Washington opted to support the Iranian nationalists. In the years to follow, American oil companies reaped the benefits of Britain’s disposition and received substantial interest in the Iranian oil concessions (Chester 260-265).
Chapter 3
Israel: A Western Satellite

President Truman’s support of Israel resulted from his close relationship with Jewish Americans and political pressure from the pro-Zionists forces inside and outside the United States. Truman understood that support of his Jewish constituency and Zionists supporters transformed into loyalty at the voting booth. His personal connection with Jewish people went back to a business partnership with Eddie Jacobson, a Jewish friend. Truman and Jacobson met in the military and became partners in a Missouri haberdashery. The business failed and Jacobson went bankrupt. Truman avoided bankruptcy by getting a civil service job to pay off his debts. The court relieved Mr. Jacobson of his debt, but he continued to give small payments to help Truman pay off the remaining debts. Eddie Jacobson remained one of Truman’s closest friends and a major contributor to Truman’s political career (Cohen, Truman 13-18). Mr. Jacobson later arranged a meeting with a Zionist leader, Chaim Weizmann. The brief meeting and his relationship with Jacobson encouraged Truman to support Israel’s statehood (Benson 127-129).

The White Paper of 1939 declared Britain’s intent for Palestine’s independence within the next ten years. During a five-year period, Britain limited Jewish immigration permits to seventy-five thousand (Kaufman 4). The Jewish population was limited to one-third of Palestine’s total population and restricted Jewish ownership of land. Jewish immigration ended at the end of the fifth year unless Palestinian Arabs agreed to extend Jewish immigration (Smith 157). Zionist leaders around the world viewed Britain’s decision as a betrayal of the Balfour Declaration of 1917 that promised a Jewish
homeland in Palestine (Cohen, Palestine 3-8). European Jews sought the involvement of American Jews in their quests for a homeland. In 1942, Chaim Weizmann and other Zionists organized an international conference that convened at the Biltmore Hotel in New York. The conference successfully recruited American Jews into the pro-Zionist movement (Smith 167). Zionists promoted a Jewish commonwealth in Palestine with entitlements to land, control of immigration and a Jewish army (Vatikiotis 61).

The pro-Zionist movement became a major political force with the ability to determine the outcome of the next presidential election. Truman was not always an ardent supporter of the Zionist movement for a Jewish homeland. During his years prior to the Presidency, Senator Truman made few remarks in favor of Jewish immigration; and he followed the party line with his responses to Zionists. The Democratic Party pacified the Zionists with vague promises and political rhetoric, but never committed to take a stand with their movement. Truman’s party and other politicians used World War II as an excuse to dodge the Zionists’ request. Palestine was under the British sphere of influence, and the United States felt the allied relationship and war objectives took precedence over the Zionist movement. After the White Paper was issued, Truman limited his objection to a few lines printed in the Washington Post that same year, and not on the Senate floor as erroneously reported (Cohen, Truman 44-46).

In 1944, the Zionist movement began to receive attention from Congress. The Nazi’s anti-Semitism in Europe brought their struggle to the forefront. Senators Taft and Wagoner introduced a resolution for the establishment of a Jewish commonwealth in Palestine (Benson 56). Truman followed President Roosevelt’s lead and opposed the Taft-Wagoner Resolution. The war and national security issues were used as an excuse
for opposition. In the 1944 election, Roosevelt eventually supported the democrat party’s push for a Jewish commonwealth. Roosevelt was re-elected and Truman became the Vice-President. Truman became President the next year after Roosevelt’s death on April 12, 1945. Truman was left with finishing the war and dealing with political commitments made to the Zionists (Cohen, Truman 48-49).

By mid-1945, the Nazi atrocities unfolded. President Truman voiced his concern for the plight of the Jewish people and their suffering under the Nazis. The President truly cared for the less fortunate. He came from a humble background and was aware of struggles by non-elitists. He prided himself as a champion for disadvantaged people. Publicly, he announced that his decision was based on humanitarian concerns (Truman 136-137). His initial concern for Jewish refugees was not politically motivated, but the later desire for Jewish votes and Zionists’ pressure for a Jewish homeland were hard to overlook as motives for his subsequent actions (Smith 178). Truman disagreed with Great Britain’s decision to limit immigration. In August 1945, the President appealed to Britain’s Prime Minister, Clement Attlee, to immediately allow 100,000 Jewish immigrants into Palestine. Britain disagreed with Truman’s request and voiced dissatisfaction with the United States for meddling in British matters. Truman ignored Britain’s opposition and remained an adamant supporter of Jewish immigration into Palestine (Snetsinger 18-21).

In October of 1945, Britain and the United States jointly formed an Anglo-American committee to explore an unbiased conclusion to the Palestine problem. Britain preferred a committee to review the situation. A committee allowed Britain to avoid alienating the Arabs and deflected a heated confrontation with the United States,
especially in the midst of Britain’s loan requests that were subject to Congressional approval. Britain felt the loans were possibly threatened by the politically explosive issue (Cohen, Palestine 60-61). Britain hoped to snare the United States into sharing responsibility for Palestine’s outcome. The United States and Britain faced a similar problem with alienation of the Arab world. Britain leaned towards the formation of a Palestinian state, not a Jewish state. Britain avoided making a decision and suggested that the United Nations resolve the matter; and Truman agreed with the British proposal to minimize hostilities (Smith 179).

In the same period, Senators Taft and Wagner introduced a resolution for unrestricted, Jewish immigration into Palestine. Unlimited immigration basically guaranteed the Jews an ability to achieve a majority control of Palestine and subsequently colonize the country (Cohen, Truman 50-51). As President, Truman’s initial interest in Palestine advocated the immigration of the Jewish refugees, rather than addressing the formation of a Jewish homeland. He voiced opposition to the resolution because he wanted to see the outcome of the Anglo-American committee (Benson 67). He also rejected the resolution because he didn’t support the formation of any country that used race or religion as a justification for existence (Cohen, Truman 55). In April 1946, the committee recommended the immigration of 100,000 Jews into Palestine. The country was to remain temporarily under British mandate. The United Nations hoped to establish a trusteeship that allowed the Jews and Arabs to bilaterally govern Palestine. Britain requested that the United States assist with the financial and military burdens to implement the committee’s recommendations. Both sides stonewalled because Britain’s Attlee wanted to suppress Jewish immigration to Palestine; and Truman resisted Britain’s
demands because he wanted to avoid American military involvement in Palestine. Truman was disappointed over the stalled immigration. He formed a cabinet committee to salvage any part the Anglo-American committee’s recommendations, but the cabinet committee and its members proved fruitless and disappointed Truman (Snetsinger 23-33).

Zionists promoted Israel’s strategic value to the United States as a new state created in the heart of the Middle East with strong ties to the West. A new democratic government formed among the Arab states where dictatorships were controlled by power hungry nationalists and monarchies with the underlying purpose to stay in power, not to promote democracy and capitalism (Rubin, Tragedy 70-71). Zionists emphasized that Jews showed their loyalty to the West by joining the allied fight against Germany, but the Arab states remained non-committal until the war almost ended. The Democrats also promoted Israel as a means to fight communism with a Western presence and democracy in the middle of the Arab world (Benson 85-86).

Under pressure from the Democrat Party, Truman announced his support for a Jewish homeland. On October 4, 1946 and the eve of Yom Kipper, Truman addressed his Jewish constituents and announced his support of the Jewish Agency’s proposal (Kaufman 5-6). The proposal included 100,000 Jewish immigration certificates to Palestine and a Jewish state partitioned out of Palestine (Cohen, Truman 144). Truman faced an election in 1948 and depended heavily on the Jewish vote in several northern states. New York was the most important with its high electoral votes. In the 1944 election, Roosevelt received ninety percent of the Jewish vote (Cohen, Truman 60-61). Truman was caught between the State Department’s support of the Arabs and the Zionist support of Israel. The State Department worried about the Arabs’ response to Truman’s
support of Israel (Benson 93). American oil companies agonized over the economic ramifications if they lost Middle Eastern oil concessions; and the Defense Department knew the control of major oil reserves was vital to military strength. The Middle East represented two-thirds of the world’s oil reserves. The State Department and the Defense Department reminded Truman that King Saud defiantly opposed a Jewish state in Palestine (Kaufman 7). The United States projected a shortfall of American oil reserves by the mid 1950s; and the Middle Eastern oil was a necessity if the United States was to remain an economic superpower. Truman was on the verge of destroying Arab relationships cultivated during the Roosevelt administration (Snetsinger 18-19).

By the summer of 1946, Britain was under siege in Palestine by both sides and struggled to control the conflict between Arab and Jewish hostilities. Jewish subversives terrorized British civilians and soldiers with bombings, kidnappings and assassinations. British-American relations became strained as a result of Truman’s position. Britain felt the United States greatly contributed to the Palestinian problems, but offered no help to control the chaos (Truman 150-152). Both Arabs and Jews resented Britain’s broken promises and misguided leadership during the past thirty years of mandated control (Abboushi 132-133). Britain continued to struggle with civil obedience in Palestine. The British repeatedly settled violent uprisings and finally concluded that they wanted out of Palestine (Kaufman 6).

In April 1947, the United Nations convened to discuss Britain’s abdication of the Palestine mandate. A special committee was appointed to study the issue. In September, the committee issued a report that advocated partition of Palestine into two states: a Jewish state and an Arab state. The Zionists supported the partition, but the Arabs
disagreed on the grounds that the land was distributed unfairly in favor of the Zionists. The two groups lobbied the United Nations for several months. The Zionists supported partition and the Arabs were against it. In November 1947, the United Nations narrowly approved the partition for Israel. Truman worked hard to garner enough votes for passage of the partition for Israel. Immediately, the United States was concerned with a civil war in Palestine. Truman had second thoughts about partition and suggested Palestine fall under a trusteeship until hostilities subsided. The trusteeship was declined and Israel’s statehood was announced in 1948. The United States and the Soviet Union were the first countries to recognize Israel (Smith 186-195).

The Arabs attacked the newly established state of Israel. The Israelis fought back and claimed additional land from the Palestinians. The Arab-Israeli conflict proved to be divisive for years. The Arabs and Jews peacefully co-existed for centuries prior to the League of Nations mandating Jewish immigration into Palestine. The Arabs occupied and controlled Palestine for nearly thirteen centuries prior to Israel’s statehood. In 1948, the Palestinian population was one-third Jewish and two-thirds Arab. The partition allocated 55% of the most desirable land to Israel (Abboushi 135-145). Palestinians complained about the unfairness, but nobody listened. The United States was a main advocate for the state of Israel and the Arab world viewed the United States with animosity. The Arabs began to perceive American support of Israel as just another Western power forcing its imperialist aspirations onto the Middle East (Berberoglu 95-96). Earlier in 1945, the Arab League organized for the purposes of Arab unity and nationalism. The league included Egypt, Iraq, Saudi Arabia, Lebanon, Yemen, Jordan and Syria. The seven members were overconfident from past accomplishments and suffered a terrible defeat by Israel
(Flowers 1-20). Millions of Arabs failed to prevent 500,000 Jews from taking over Palestine. A defeat by a major power was understandable, but a defeat by Israel was divisive and difficult to explain. They felt humiliated and blamed their defeat on each other (Lewis 154). During the fight, some Palestinian Arabs were forced out of Palestine and became refugees in nearby countries. The Arab states fought each other over the remains of Palestine (Sela 39-41).

Prior to Arab-Israeli conflict, the Arab League presented a potential problem for the United States and its relationship with Saudi Arabia. By the mid-1940s, the United States controlled approximately 42% of the Middle Eastern oil reserves, mainly due to the Saudi Arabian oil concessions (Cohen, Truman 93). King Ibn Saud was a respected leader in the Arab world and opposed Israel’s statehood. King Ibn Saud felt compelled to support his Arab neighbors against Israel. Shortly before Roosevelt’s death, the President assured the King that the United States planned nothing to jeopardize their relationship. The Arab unity fell apart after the Arab-Israeli conflict; and the fallout eliminated an explosive situation between Saudi Arabia and the United States. Bernard Baruch, a prominent Jewish leader, bragged that King Ibn Saud was nothing compared to New York’s Jewish vote. He went on to say that the Jewish vote was worth more than all the Arab states put together (Cohen, Truman 61).

The United States jilted the Arab world with its one sided support of Israel and its lack of support for a Palestinian state. The Truman administration offered no support for a separate Palestinian state other than brief references to future appeasement, and left the Arab world to assume that responsibility for Palestine’s future. The Arabs clearly saw a lack of commitment from the United States. King Ibn Saud declared that “support of the
Jewish state was an unfriendly act to Arabs and a deathblow to [American] interests in Arab countries” (Pogue 350).

The United States used Israel to drive a wedge into the Arab world and British positions in the Middle East. The United States continued to advance its own position that negatively impacted Britain. The Cold War strategy was also a consideration with Israel. The Soviet support of Israel was designed to weaken Britain’s position in the Middle East and prevent additional British military bases in the region (Freedman 16). The Soviet Union viewed Israel as a new door into the Middle East and an opportunity to create instability in the region heavily influenced by the West. Members of the State Department and Britain’s Foreign Office were against Israel’s statehood for multiple reasons. The two agencies concluded that the Palestinian Jews were preconditioned for communist leanings since they emigrated from Eastern Europe. Chaim Weizmann, a Zionist leader, expressed that the Jews leaned towards the West, but did not rule out help from the communist if ignored by the West. Truman felt compelled to support the Jewish state to minimize Soviet influence (Benson 82-85). On the other side, the State and Defense Departments worried that the Arabs were apt to turn away from the West and switch to the East. The United States needed to counteroffer the Soviet Union’s support of Israel, but the support for Israel jeopardized American oil concessions in the Middle East. Truman ignored the State Department’s advice and made his own decision to support Israel’s statehood (Donovan 35). He based his decision on Clark Clifford’s assessment that the oil rich states were economically dependent on the United States. Clifford, the President’s Chief Counsel, also emphasized that the Arab monarchies were at the mercy of the United States because communism was not an option for them.
(Benson 112-113). The new pro-Western state allowed the United States to protect its interests and monitor revolutionary changes in the Middle East (Farhang 136-137).
Conclusion

The American brand of imperialism was not as overpowering as the old colonial version, but the United States used many of the same controls to promote its interest beyond American borders. During the post-war years, the United States was superior to most of the world with its strong economy and military. The Untied States “exerted control by political, economic, strategic and ideological means or a combination of some or all of these” (Thornton 3-4).

During World War II, the United States government began to look at Saudi Arabia as a national security interest. The control of oil dictated world power, the United States showed an aggressive interest in the Middle East. The State Department indirectly supported Saudi Arabia through American oil companies, but wanted more direct involvement. The United States realized the importance of the Middle East for strategic positions, too. The President authorized financial aid and a permanent legation in Jidda. In an unprecedented move, the United States formed an independent entity, the Petroleum Reserve Corporation, to purchase oil assets, build pipelines and provide financial assistance to the oil companies as a means to solidify the American presence in Saudi Arabia. Britain and the United States became suspicious of each other’s desire to control the Middle East (Kaufman 2). The global power structure changed when the United States ascended to superpower status. George C. Marshall, the Secretary of State, announced during a speech that the United States needed to assume its responsibilities as a world power. He conveyed “the special position that the United States [occupied] in the world geographically, financially, militarily, scientifically, and the implications involved” (Pogue 162).
In Iran and Turkey, the Soviet aggression brought the United States to the rescue. Britain’s post-war weakness allowed an easy transition of power to the United States. The Soviet Union and the United States confronted each other in a forceful showdown of diplomacy. The United States emerged as the victor and assumed Britain’s role as a benevolent protector of the former Ottoman Empire. The United States envisioned a more strategic plan with the two states thatbordered the Soviet Union. The states served dual purposes, both as a buffer to Saudi Arabia and a position to monitor Soviet activity. The two different political ideologies polarized the world. The United States and the Soviet Union accused each other of being imperialists while both denied the accusations. Each power established satellites to promote and protect political agendas.

In sharp contrast with the State Department’s position, Truman made the decision to pursue Israel’s statehood for his own political gain. The State Department advised against partition of Palestine because his support threatened the Middle Eastern oil concessions. Truman justified his support for Israel as humanitarian, political and a necessity of the Cold War, but his upcoming election was the main reason.

The United States did not openly support the overt imperialism of France and Britain, but pursued a new brand of imperialism disguised as humanitarian aid. Fear of Soviet aggression eased the access for the United States’ movement into the Middle East. The United States used military strength and financial aid to contain communism to Eastern Europe, thereby holding the Middle East for solitary gain. Foreign aid began to complement and closely mirror the United States’ foreign policy. The United States gained political, military or economic influence in Saudi Arabia, Bahrain, Kuwait,
Turkey, Iraq and Iran. American dominance in the Middle East was more a take-over of British interests than a rise to power (Lens 336-337).

The Middle East quickly became intertwined in international relations due to the world’s demand for oil. The British control diminished and French control no longer existed. The United States needed the Middle East for oil, communications, intelligence activities and transportation routes. The Arab states developed their own sovereignty and were no longer subject to providing special treaties, concessions and privileges to the old imperialists. Many were nationalists resented the oppressive actions of the colonial powers. The United States filled the void and convinced the nationalists that the United States had no imperialist intentions. During the same time, the Soviets continued efforts to establish a presence in the Middle East (Badeau 21-39).

World War II and the Cold War provided a prefect combination for the Untied States to spread its softer line of imperialism. President Roosevelt knew from the onset of the war that Britain had the most to lose, and the Untied States had the most to gain. Churchill personally accused Roosevelt of intending to break up the British Empire. Roosevelt responded to Churchill, “we [didn’t] intend to be just a good time Charlie who [was] used to help the British Empire out of a tight spot, then [forgot] forever” (Lens 327). The United States was more concerned with advancing its economic and political influence than territorial possessions. Truman used the Cold War as an excuse for American imperialism. He brought smaller nations under control with promises of military support, financial aid and protection against communist aggression (Lens 341-342).
The United States achieved global power by placing post-war economies and emerging countries under “capital bondage” (Harvey 101-107). The United States used its power to coerce smaller countries to act as militia and enforce American interests. The United States avoided conflict by merely suggesting approval or disapproval. Finally, the politicians at home sold the imperialist plan as humanitarian aid and a method to stem the growth of global communism.
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