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The Oil Resources of Iraq: Their Role in the Policies of the Great Powers

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With the entry of the Ottoman Empire into the First World War on the side of Germany, the long-standing British policy of attempting to maintain the territorial integrity of the “Sick Man of Europe” was transformed into a struggle with its allies over the division of the spoils of war. A major part of this struggle centered on the region known in ancient times as Mesopotamia and today is called Iraq.

Iraq is located in a strategically important part of the Middle East and the Persian/Arabian Gulf. For the British an added factor was Iraq’s proximity to the trade routes to India. There has been much debate over the extent to which the policies of Britain and the other Great Powers were influenced by visions of vast untapped oil resources in the territory that has become modern Iraq. Iraq’s proven oil reserves are now estimated at 112 billion barrels, making Iraq the second most petroleum rich country in the world, exceeded only by Saudi Arabia.

Oil seepages visible on the ground and spontaneous fires in Mesopotamia were already known in Biblical times. Some have speculated that this naturally occurring combustion was the “burning fiery furnace” into which Nimrod cast Abraham. But significant commercial exploitation of petroleum did not take place in the United States until 1865 and the era of industrialization that quickened with the end of the Civil

War. Although there were a variety of products refined from crude oil, the most important was kerosene for lighting oil lamps. Indeed, in the early years of the twentieth century, the Standard Oil Company was exporting American kerosene to the Middle East.¹

Early Contenders for Ottoman Rail and Oil Concessions

By the start of the twentieth century, however, the use of petroleum products — mainly gasoline and diesel fuel — for transportation was beginning to command worldwide attention. As for the Ottoman Empire, there were already rival foreign corporations seeking extensive railroad and mineral concessions. Notable among these was the German concession to build a railroad from Berlin to Baghdad. This was part of the recently unified Germany's "*Drang nach Osten*," a policy of expansion into the Middle East. British, Belgian, and Dutch interests were also vying for concessions from the Sublime Porte. American companies were also eager to obtain concessions from the Ottoman authorities. Bruce Glasgow represented the Anglo-American firm of J. G. White and Company, which first applied for a railway concession in July 1909. However, the Glasgow scheme was soon out of the running because better terms were offered to the Ottomans by Admiral Colby M. Chester, who first applied to Sultan Abdul Hamid in March 1908 for a concession to build a railway from Aleppo to Alexandretta. In August 1909 he renewed his application to the new Turkish Government, but this time for a far more extensive railway concession. It was to run eastward from Sivas, via Harput, Arghana, Diyarbakr, Mosul, and Kirkuk, to Sulaymaniya, with branch lines to the Black Sea port of Samsun, to Yumurtalik on the Mediterranean (via Aleppo), and to Lake Van (via Bitlis). What was most significant in the context of the subsequent vast oil discoveries around Kirkuk and Mosul was that besides permitting the construction of railway lines, "the concessions were to provide for the concessionary company to exploit all minerals, including oil, within a twenty-kilometer strip on each side of the line."²

The British Seek a Preeminent Position in Mesopotamia

Until the summer of 1911, Winston Churchill, then British Home Secretary, had favored a policy of giving budgetary priority to domestic social programs rather than purchasing extra battleships to keep ahead in the emerging Anglo-German naval race. However, after Kaiser Wilhelm had sent a German naval vessel to Agadir, on the Atlantic coast of Morocco, to check French influence in Africa and carve out a position for Germany, Churchill became convinced of Germany's belligerent intentions. Although the immediate crisis was resolved by the end of July, when the German warship withdrew, Churchill now concluded that war with Germany was virtually inevitable.³

When Churchill was appointed First Lord of the Admiralty immediately after the Agadir crisis, he vowed to meet the German challenge on the high seas. He decided to convert the British Navy from coal to oil, citing the obvious strategic benefits of greater speed and more efficient use of manpower. The decision was controversial at the time, with some opponents calling it pure folly to give up reliance on "safe, secure Welsh coal," and instead make the British navy dependent on distant and insecure supplies from Persia, as Iran was then known. However, Churchill was firmly convinced that Britain would have to base its "naval supremacy on oil," and committed all his driving energy and enthusiasm to achieve that objective. History has certainly proven him right.⁴ The decision to base the navy on oil meant that the search for an adequate and reliable supply was no longer simply an interest of commercial entrepreneurs, but became a vital objective of the British government.

A variety of groups were seeking oil concessions not only in Persia but in the neighboring Ottoman Empire as well, which included the area of Arabia that was to become modern Iraq. The German group was led by Deutsche Bank. The British championed a rival group sponsored by William Knox D'Arcy, which eventually merged into the Anglo-Persian Oil Company (APOC). In 1912 a new major player, the Turkish Petroleum Company (TPC), entered the fray. Its shareholders were the Deutsche Bank (25 percent), Royal Dutch/Shell (25 percent) with a controlling 50 percent held by the Turkish National Bank. Despite its

name, this was in fact not a Ottoman state-owned bank but a British-backed and controlled venture. The deal had been put together by Calouste Gulbenkian, who was to become famous as the very enterprising and persistent architect of Iraqi oil industry consolidation. He was the silent owner of 30 percent of the Turkish National Bank, and therefore 15 percent of TPC.⁵

Short-lived Anglo-German Cooperation in Oil Exploration

In March 1914 the British and German Governments agreed on a concession unification strategy under which the British predominated: Anglo-Persian Oil Company held 50 percent, Deutsche Bank and Shell 25 percent each. APOC and Shell each gave a 2.5 percent beneficial interest to Gulbenkian. From this arrangement he was henceforth to be known as “Mr. 5 percent.” The parties in the TPC agreed on a “self-denying clause” pledging not to engage in oil production in the Ottoman Empire except through the TPC. (Excluded from the terms of the agreement were to be the territories of Egypt, Kuwait, and the “transferred territories” on the Turco-Persian frontier.)

On June 19, 1914, the ambassadors of Britain and Germany sent identical notes to the Turkish Grand Vizier, Said Halim, requesting the grant of a concession to the Turkish Petroleum Company for the exploitation of the oil fields in the provinces of Mosul and Baghdad. On June 28, 1914 the Turkish Grand Vizier replied: “The Ministry of Finance being substituted for the Civil List with respect to petroleum resources discovered, and to be discovered in the provinces of Mosul and Baghdad, consents to lease these to the Turkish Petroleum Company, and reserves to itself the right to determine hereafter its participation as well as the general conditions of the contract.”⁶ Unfortunately, on that same day, the Austrian Archduke Franz Ferdinand was assassinated in Sarajevo by a Serbian nationalist. This led to a series of escalating diplomatic crises that culminated in the outbreak of World War I. This also brought to a halt the prospects for German-British cooperation in exploring for oil in Iraq.

When the struggle among various applicants for a postwar oil concession was renewed, a key issue was whether or not the Grand Vizier's note had constituted a valid concession by the Turkish Government to the TPC or whether it was merely an expression of interest subject to further negotiation.

As Marian Kent has revealed in great detail, control of the prospective oil wealth of Mesopotamia was not only one of the key subjects of the Anglo-French secret negotiations (known as the Sykes-Picot Agreement) during the war, but it was also a prime objective of the Germans. Already in the spring of 1916 British diplomats had alerted the Foreign Office to German "articles on the importance of Persian and Turkish oil. These indicated the significance that Germany attached to securing possession of the Mesopotamian and Persian oilfields, which was an important objective of Turco-German military operations in the Middle East."⁷

Even after conclusion of the Sykes-Picot Agreement, Kent notes, Mesopotamian oil continued to be an important consideration for the British government, and remained so for the rest of the war. For example, in a meeting of the War Committee on July 6, 1916, Sykes himself "had stressed the great strategic importance of the Middle East for Britain" and also mentioned "the great value of the 'immense oil areas' to whoever should possess them."⁸ Rear Admiral Sir Edmond J. W. Slade, who had headed an Admiralty committee of experts that had surveyed Persian oil prospects in 1913, expressed such views even more strongly. In a Cabinet memorandum in October 1916 he urged Britain to secure control of all the oil rights in Mesopotamia, Kuwait, Bahrain, and Arabia. He elaborated his views in a lengthy paper that he wrote for the Admiralty in July 1918, entitled "The Petroleum Situation in the British Empire." He concluded "it is evident that the Power that controls the oil lands of Persia and Mesopotamia will control the source of supply of the majority of the liquid fuel of the future." Britain must therefore "at all costs retain [her] hold on the Persian and Mesopotamian oilfields."⁹

The severe wartime petroleum shortages in 1917 and 1918 made the British Government focus once again on the petroleum resources of Iraq and Iran in formulating Britain's war aims. Sir Maurice Hankey,

the influential secretary of the Imperial War Cabinet, strongly endorsed Slade's views and circulated his paper to the Cabinet. Hankey wrote Foreign Secretary Arthur Balfour that "oil in the next war will occupy the place of coal in the present war, . . . The only big potential supply that we can get under British control is the Persian and Mesopotamian supply." Therefore, Hankey concluded, "control over these oil supplies becomes a first-class British war aim."¹⁰

Balfour's critical response was that Slade's recommendations represented an entirely imperialistic war aim. The British faced a delicate diplomatic and public relations problem admitting this openly in the new more democratic — and some would say utopian — postwar vision that the Allies were projecting to the world. Explicitly proclaiming the conquest of Mesopotamia for its oil reserves as a war aim would seem too old-fashionably imperialist, especially after U.S. President Woodrow Wilson had issued his idealistic Fourteen Points that seemed to call for self-determination of nations and peoples after the end of the war. On August 11, 1918, the day before he was to make his statement on War Aims to the Imperial War Cabinet, Balfour received a further letter from Hankey. He conceded that as formulated by Slade, the War Aim was imperialistic and would doubtless shock President Wilson and others of Britain's allies. Hankey now proposed a different formulation of the War Aim. London should argue that the reason British forces were pressing forward in Mesopotamia was "in order to secure a proper water supply." He pointed out that this, incidentally, would also give Britain most of the oil-bearing regions.¹¹

President Wilson's intent actually was not an unqualified endorsement of self-determination but a maneuver to counter the appeal of the new Bolshevik government in Russia that had renounced the secret wartime agreements among the Allied powers. In fact, as William Stivers points out, Wilson had carefully hedged his promises and "the Wilson administration would not assist [Arab] nationalist politicians, however moderate and amenable to American influence, when such assistance threatened regional order."¹²

In August 1918, three years before the League of Nations formally awarded the mandate over Iraq to Britain, Foreign Secretary Balfour had told the Prime Ministers of the Dominions that Britain must be the

“guiding spirit” in Mesopotamia, as it would provide the one natural resource the British Empire lacked. “I do not care under what system we keep this oil,” he said, “but I am quite clear it is all-important for us that this oil should be available.” To make sure that this would happen, British forces already elsewhere in Mesopotamia captured Mosul after the armistice with Turkey was signed at Mudros on October 30, 1918.¹³

Clemenceau Revises his Views of Oil's Importance

In contrast to Churchill's emphasis on petroleum, French Premier Georges Clemenceau had reportedly said before World War I, “When I want some oil, I'll find it at my grocer's.” But the war quickly showed the French the vital importance of oil, not only for ships, but also for tanks, trucks, planes, and even taxis. Indeed, it was in the very early days of the war, on September 6, 1914, that General Joseph Gallieni, the military governor of Paris, improvised an imaginative plan to bring desperately needed French reinforcements to fight the invading German forces. The Germans had already effectively disrupted the railway system; if the troops were to march on foot, they would never arrive on time to help their beleaguered comrades. Gallieni decided to commandeer and mobilize all the 3,000 taxis in Paris to move thousands of troops to the front. As Yergin notes, in setting up the “Taxi Armada” General Gallieni “was the first to grasp the possibilities of yoking motor transport and the internal combustion engine to the exigencies of warfare.”¹⁴

Now Frenchmen like Clemenceau also became vitally interested in petroleum. The crucial question was, where could France get a dependable long-term supply? At the time the “experts” in geology and mining predicted that the major known sources in the United States would soon run out. Their pessimistic predictions were based on projections that military as well as civilian and industrial uses for oil were rapidly increasing. One key factor was that in the period after the war ended in 1918, automobile ownership in the United States was skyrocketing. George Otis Smith, director of the U.S. Geological Survey, warned of a “gasoline famine” and predicted in November 1920 that the United States would run out of oil in 9 years and 3 months.¹⁵

The proposed solution was to look for new oil sources abroad. The most promising areas were believed to be in the Middle East, most notably Persia (Iran) and Mesopotamia. A key question that emerged in the postwar negotiations was where to draw the border between Turkey and the new Arab country of Iraq. At issue was control of the northernmost province of Mosul.

The Valuable Resources of Mosul

Other than its strategic location, the significance of Mosul Province for modern Iraq was twofold. It possessed fertile farmland that could once again be irrigated with the abundant waters flowing from the Euphrates and Tigris Rivers, natural advantages that had made the region part of the Fertile Crescent until the Mongol invasions in the thirteenth century had destroyed the country's extensive irrigation network. Ancient Iraq's fertile fields and ample water resources had provided the economic and ecological advantages that permitted the first establishment of large cities, giving the region the popular designation as the "Cradle of Civilization." In addition, the Mosul region possessed vast potential oil reserves in the north near the cities of Kirkuk and Mosul. Subsequently extensive oil resources were discovered in the southern districts of the country, primarily near Basra.

The diplomatic question was who would control the region and its important natural resources following the First World War, since the Ottoman Empire, allied to Germany during the war, had been on the losing side. According to the Turkish National Pact of January 28, 1920, the Turkish nationalists led by Mustafa Kemal agreed to give up all claims to provinces of the former empire where Arabs constituted the majority of the population. However, they insisted on keeping all territories such as Mosul, which were "inhabited by an Ottoman Moslem majority."¹⁶ The majority of the population of this northern province were in fact Kurds and there was also a significant Turkoman (*Türkmen* in Turkish) minority. Clearly, neither of these groups were Arabs ethnically or linguistically. The Turkish nationalists insisted, however, that the Kurds did not represent a distinct non-Turkish national or ethnic

group. The Turkish nationalists at the time referred to the Kurds who lived in the mountainous areas along the southern regions of the Ottoman Empire and northern Iraq as "Mountain Turks." The British insisted that Mosul be part of Iraq to enable modern Iraq to possess the means to pay for the cost of the British Mandate expenses and also to provide oil for transport and industry.

I shall mention only one provision of the secret wartime agreements that bears directly on oil and the great powers. Under the Sykes-Picot Agreement, British initially offered the northeastern part of the Province of Mosul, including the city of Mosul, to France. Britain received Kirkuk and the area to the southwest. Since France had for centuries been Britain's primary imperial rival the question naturally arises as to why.

The answer is that Lord Kitchener, then the Secretary of War, always mindful of the paramount importance of safeguarding British interests in India, "the Jewel in the British Imperial Crown," insisted on creating a buffer zone between the Russian and British Empires in southwest Asia. As a War Office memorandum at the time put it: "From a military point of view, the principle of inserting a wedge of French territory between any British zone and the Russian Caucasus would seem in every way desirable."¹⁷ Others in the British Government at the time, especially those concerned with securing adequate oil resources not only during the war but also for the post-war period, were outraged by the "surrender" of Mosul.¹⁸

The strategic need for a French buffer zone vanished after the Russian Revolution in November 1917. The new Communist government revealed and denounced the secret wartime agreements that had been made among the Allied powers. It also formally renounced Tsarist imperial ambitions.

Britain and France Renegotiate Mosul Agreement.

The four years of bloody fighting ended with the Armistice of November 11, 1918. Ten days later, on December 1, British Prime Minister David Lloyd-George welcomed French Premier Georges Clemenceau

and together they rode in triumph through the cheering throngs in the streets of London. When they finally got to the French Embassy, Lloyd-George asked that France renegotiate the Sykes-Picot Agreement and agree to give the entire province of Mosul to Britain. Clemenceau reportedly agreed on condition that Britain would support the French desire to be awarded the League of Nations Mandate over Syria (and Lebanon) and that French interests would be given a significant share in any oil concession awarded for Mosul and any other part of Iraq or the former Ottoman Empire. The British Prime Minister reportedly also assured his French counterpart that London would back measures to prevent any danger of German rearmament.

The problem is that they did not put their agreement in writing. Indeed, they even neglected to tell their foreign ministers about it. As Daniel Yergin recounts: "The exchange in London between the two Premiers settled nothing. Rather, it initiated a protracted series of stormy negotiations, filled with acrimony and mutual recriminations, between their respective governments."¹⁹

Finally in April 1920 at San Remo, Britain and France reached an agreement on their respective spheres of influence in the Middle East. On April 24 they signed a specific agreement regarding their respective petroleum interests, including construction of pipelines, refineries, and other facilities, and agreed upon mutual exemptions from paying transit fees and export duties when crossing each other's mandated territories. (This last provision was to arouse the opposition of Iraqis, Syrians, Lebanese, and Palestinians, who argued that these fees and dues should have been used to benefit their local economies.²⁰) The agreement stipulated that France would get 25 percent of the reconstituted Turkish Petroleum Company. This was the share that in the prewar period had belonged to interests connected with the now defeated Germany. In exchange, France now formally gave up its territorial claim to Mosul.²¹

But there was not yet to be smooth sailing for Britain. At the Lausanne Peace Conference Turkish Representative Ismet Pasha (later İnönü) and Lord Curzon of Britain clashed over where to draw the Iraq-Turkey border. The Turkish nationalist government maintained its claim to the province of Mosul, most of which British forces occupied

after the cease-fire had been signed. After bilateral talks failed to resolve the matter, the issue was referred to the League of Nations, which appointed a Commission to investigate.²²

Turkish Parliament Awards Chester Concession

Meanwhile, in the hope of gaining U.S. political support for its claim to Mosul against the British, the Turkish Grand National Assembly on April 10, 1923 granted a far-reaching railway and mineral rights (including oil) concession to the Ottoman-American Development Corporation of Admiral Chester in the province. While the British and French were furious, U.S. Secretary of State Charles Evans Hughes hailed the agreement as a victory for the "Open Door" policy that the United States had insisted upon for U.S. business interests in the Middle East.

As noted above, Rear Admiral Colby M. Chester, a retired U.S. naval officer, had been seeking railway and mineral concessions in Turkey since he first visited Istanbul in 1908. His Ottoman-American Development Company (a New Jersey corporation) received a concession from the Turkish Minister of Public Works on March 10, 1910. It was sent to the Turkish Parliament in 1911, but because of the Turco-Italian and Balkan wars, it was never ratified by the Turkish Parliament before the World War. The German and French companies complained that the proposed Chester concession violated some of their prior rights. But he initially had some American backing, including the New York Chamber of Commerce and Board of Trade, as well as diplomatic support from President Theodore Roosevelt and Secretary of State Elihu Root. But after the war Admiral Chester admitted to the U.S. State Department that he had never actually been granted a valid concession.²³

Admiral Chester's triumph in 1923 was to be short-lived. His oil concession had a fatal flaw: it was worthless unless Turkey managed to regain the territory of Mosul now occupied by British forces. Chester was unable to get the necessary financial backing for his efforts, even

for a rail line from Samsun to Sivas. On December 13, 1923, the Turkish government annulled the Chester concession.

Another group of claimants to the oil wealth of the provinces of Mosul and Baghdad were the heirs of Sultan Abdul Hamid, who claimed that the territory was the personal property of the Sultan. Some American business interests initially backed their claim, and they were represented before the State Department by Louis Untermeyer. Nothing came of their efforts.

The Commission of Inquiry appointed by the Council of League of Nations accepted British economic arguments that Mosul should be included in the new state of Iraq. However, in its final report, issued on February 4, 1925, it stipulated: "Regard must be paid to the desires expressed by the Kurds that officials of the Kurdish race should be appointed for the administration of their country, the disposition of justice, and teaching in the schools, and that Kurdish should be the official language of these services."²⁴

Britain, Iraq, and Turkey Reach Agreement

The League Council awarded Mosul to Iraq, and the country was placed under British Mandate till it obtained its independence in 1932. The Turkish government reluctantly agreed to cede Mosul. Under the brilliant military leadership of Mustafa Kemal Pasha, the nationalists had managed to defeat the Greek and other European forces that had invaded Anatolia. In the Treaty of Lausanne the Turkish nationalists managed to reverse the humiliating concessions imposed in the Treaty of Sèvres and fully restored Turkish sovereignty over Anatolia and Istanbul. They had also beaten back Russian demands for control of the Straits. Buttressed by these accomplishments and exhausted by the decades of war, Mustafa Kemal decided that it would be imprudent to fight the British over Mosul. Moreover, following a wise policy of seeking friendship with all his neighbors, including the Greeks, Kemal realized that British friendship and support would be an important asset in the postwar period. Although he had concluded a treaty of friendship

with Moscow, Kemal shared the abiding Turkish distrust of the expansionist ambitions of the Russians, be they Communist or Tsarist.

In the treaty of June 5, 1926, that established the frontier, Britain and Iraq agreed to give the Turks 10 percent of the oil revenues of Mosul for the next 25 years. According to Hurewitz, this amounted to a total of 3,685,536 million Iraqi dinars between May 21, 1931, when the first royalty payment was made, and July 17, 1951, when the provision expired.²⁵ The first oil in commercial quantities was found in October 1927, but it was not exported until the pipelines to the Mediterranean were completed. Today Iraq is considered no. 2 in global oil reserves after Saudi Arabia.

U.S. Oil Interests share in TPC and IPC

In 1922 American oil companies were invited to take part in the Turkish Petroleum Company (TPC). They created the Near East Development Corporation (NEDC) to represent their interests. The American participants varied over time, starting with six (Atlantic Refining, Gulf Refining, Mexican Petroleum, Sinclair Consolidated Oil, Standard Oil of New York, Standard Oil of New Jersey, and the Texas companies.) By the mid-1930s Standard Oil of New Jersey and New York (Socony Vacuum) had bought out the others. But as J.C. Hurewitz points out in his introduction to the "Red Line" Agreement of the Turkish/Iraqi Petroleum Company, the offer to the Americans "stirred up a hornet's nest" since it required reallocation of the shares of the other participants. In the end, after years of negotiation, on July 31, 1928 the "Red Line" Agreement came into effect: Royal Dutch/Shell, Anglo-Persian, and the French each received 23.75 percent, as did the American consortium. The remaining 5 percent belonged to Mr. Gulbenkian, who quickly sold his annual share of the oil to the French for cash.²⁶

What had finally gotten the squabbling parties to reach agreement? The answer is called "Baba Gargur Number 1." How important was oil as a factor in British policy to Iraq? As I have outlined, the struggle for control of the Mosul province's potentially vast oil resources was the

focus of intense competition among governments and entrepreneurs. Yet the extent of Iraq's petroleum reserves was still the subject of much speculation. It was only on October 15, 1927 that the first successful major well at Baba Gargur near Kirkuk gushed forth in a powerful 50-foot-high stream. The oil initially flowed at a rate of 95,000 barrels a day. It took nearly nine days to cap the well and bring the flow under control.²⁷

Endnotes

1. For the general reader, the most comprehensive and readable history of the oil industry is Daniel Yergin's *The Prize: The Epic Quest for Oil, Money & Power* (New York: Simon and Schuster, 1992).
2. Marian Kent, *Oil and Empire: British Policy and Mesopotamian Oil, 1900–1920* (London: London School of Economics/ MacMillan, 1976), 26. The Chester syndicate was essentially a family affair. Colby Chester was represented by his two sons, Commander Arthur Chester, who became its agent in Constantinople (Istanbul), Colby M. Chester Jr., and their brother-in-law, C. Arthur Moore, Jr. For additional details see *ibid.*, chapter 3: "Early Rivalries for the Mesopotamian Oil Concession, 1900–12," 15–30.
3. Yergin, 11–12.
4. Winston S. Churchill, *The World Crisis* (New York: Scribners, 1928), 1: 130–36.
5. On Gulbenkian's role, see Yergin, 185–87, 196, 197, 200, 202–6.
6. Text in Benjamin Schwadran, *The Middle East, Oil and the Great Powers*. Third Edition (New York: John Wiley, 1973), 196–97.
7. Kent, 124–25.
8. *Ibid.*, 124.
9. *Ibid.*, 125.
10. Yergin, 188, and Kent, 125.
11. Kent, 126.
12. William Stivers, *Supremacy and Oil: Iraq, Turkey, and the Anglo-American World Order, 1918–1930*, (Ithaca: Cornell University Press, 1982), 59–62 *et passim*.
13. Yergin, 189.
14. *Ibid.*, 168–69.
15. *Ibid.*, 801, n. 10.

16. J. C. Hurewitz, *The Middle East and North Africa in World Politics: A Documentary Record*, 2nd ed. (New Haven: Yale University Press, 1979), 2: 210.
17. Cited by Kent, 122.
18. Ibid., 122–24.
19. Yergin, 189.
20. See for example, Zuhayr Mikdashi, *A Financial Analysis of Middle Eastern Oil Concessions: 1901–65* (New York: Praeger, 1966). Mikdashi was in the Department of Business Administration at the American University of Beirut. Schwadran notes that the Palestinians and Israelis made similar complaints about being cheated by the Mandatory agreement out of normal pipeline transit fees and other oil revenues that was their due.
21. Hurewitz, 2: 209–11.
22. For details see, Gruen, “The Struggle for Mosul, 1918–1926: A Case Study in Middle Eastern Power Politics,” (Columbia University, Faculty of Political Science, M.A. Thesis, Public Law & Government, and Certificate of the Near and Middle East Institute, 1959). See also Stivers, *Supremacy and Oil: Iraq, Turkey, and the Anglo-American World Order, 1918–1930*, especially chapter 5, “Britain Pacifies the Turks,” 138–72.
23. Schwadran, 197–98.
24. Gruen, “The Struggle for Mosul, 1918–1926.”
25. Hurewitz, “Frontier Treaty: The United Kingdom and Iraq with Turkey” June 5, 1926, 2: 372–74. The treaty gave Turkey the option of an immediate lump sum of £500,000.
26. Hurewitz, 2: 399.
27. Yergin, 204, citing U.S. State Department documents. Other sources say that the flow was at the rate of 600,000 barrels a day. (Schwadran, 251, n. 23, citing Mohammed al Naqib, “How Iraq’s Oil Production Began and grew,” *Al Aswaq al Tijariya*, Feb. 6, 1954).