



UNIVERSITY OF LEEDS

This is a repository copy of *Jack Taylor, Oil, Nationalism and British Policy in Iran: The End of Informal Empire, 1941–53*, London: Bloomsbury Academic, 2024, pp. 226, h/b, £85.00, ISBN 978 13503 20581.

White Rose Research Online URL for this paper:

<https://eprints.whiterose.ac.uk/214676/>

Version: Accepted Version

Article:

Outram, Q. orcid.org/0000-0002-3433-9761 (2024) *Jack Taylor, Oil, Nationalism and British Policy in Iran: The End of Informal Empire, 1941–53*, London: Bloomsbury Academic, 2024, pp. 226, h/b, £85.00, ISBN 978 13503 20581. *Labour History Review*, 89 (2). pp. 185-188. ISSN 0961-5652

<https://doi.org/10.3828/lhr.2024.8>

Reuse

Items deposited in White Rose Research Online are protected by copyright, with all rights reserved unless indicated otherwise. They may be downloaded and/or printed for private study, or other acts as permitted by national copyright laws. The publisher or other rights holders may allow further reproduction and re-use of the full text version. This is indicated by the licence information on the White Rose Research Online record for the item.

Takedown

If you consider content in White Rose Research Online to be in breach of UK law, please notify us by emailing eprints@whiterose.ac.uk including the URL of the record and the reason for the withdrawal request.



eprints@whiterose.ac.uk
<https://eprints.whiterose.ac.uk/>

Jack Taylor, *Oil, Nationalism and British Policy in Iran: The End of Informal Empire, 1941-53*, London: Bloomsbury Academic, 2024, pp. 226, h/b, £85.00, ISBN 978 13503 20581

‘What argument can I advance against anyone claiming the right to nationalise the resources of their country?’ (70) asked Ernest Bevin in a paper sent to Emanuel Shinwell, the Minister of Fuel and Power, and copied to Hugh Dalton, the Chancellor of the Exchequer, in 1946. ‘We are doing the same thing here with our power in the shape of coal, electricity, railways, transport and steel’ he continued (Bevin to Shinwell, 22 July 1946, TNA, FO 800/489). The country and the resources that immediately concerned Bevin were Iran and its oil. Iran was not a formal colony but it was host to the main operating assets of the Anglo-Iranian Oil Company and the AIOC was majority-owned by the British government. Winston Churchill when First Lord of the Admiralty had bought a controlling interest in the company in May 1914 soon after the Admiralty had decided to convert the Navy’s ships from coal to oil. By 1946 the AIOC’s refinery at Abadan at the head of the Persian Gulf was one of the largest in the world. At that time the global oil economy was dominated by the USA, as it always had been, with an output of 234.3 million metric tons (Mt) but Iran was a major producer in the second rank with an output of 19.5 Mt compared with Venezuela (86.0 Mt), and the USSR (21.8 Mt). Neither Iraq, nor Saudi Arabia, nor the other Gulf states were then major producers. (Data sourced from the Energy Institute - *Statistical Review of World Energy* (2023) and *The Shift Data Portal* (2019) – with major processing by *Our World in Data*, as given by their website <https://ourworldindata.org/> accessed 31 March 2023. I have converted the terawatt hours used by *Our World in Data* into the more familiar metric tons.) Bevin’s question was a rhetorical one advanced well before the threat to nationalize the AIOC became a live one in 1951. It neatly

encapsulated the difficulties faced by Attlee's administration in governing an empire it had inherited from previous governments, few of which had any inhibitions about imperialism, naked or neo.

Bevin pondered the possibility of re-constituting the AIOC along the lines of the then recently proposed joint Iranian-Soviet oil operation in the north of the country near the Azerbaijani oilfields in which, Bevin understood, the workers would be Iranian state employees. This would at least 'give the Persian government a complete answer to the accusation that the workpeople are really working for private capitalists' and greater security to UK oil supplies since 'the Persian government [would] be protecting its own property instead of that of a private company' (Bevin to Shinwell, 22 July 1946, The National Archives, FO 800/489).

This proposal, which could also have dispensed with the unattractive and sometimes bungling AIOC Board of Directors, over whom Bevin confessed he had neither power nor influence, came to nothing after the *Majlis* refused to ratify the agreement with the USSR. Instead Bevin attempted to pursue a policy of 'Welfare Imperialism', despite his only instrument for implementing this policy being the unenthusiastic and unco-operative AIOC Board. 'Welfare Imperialism' in this context was understood to be what might be termed 'colonial paternalism'. It involved the provision of relatively high wages, relatively good quality accommodation, education and health facilities and, possibly, the freedom to join a trade union. It was a response to Bevin's outburst before a Parliamentary Select Committee that the crime of which British imperialism was guilty was not exploitation but neglect (49, quoting Francis Williams, *Ernest Bevin*, London, 1952, 208-9). The AIOC was plainly rich. Taylor presents no figures on its 'earnings', its dividends, or its royalties, or the incomes of its senior officers but its segregated workforce presented a plain picture of extreme exploitation. The white expatriate workforce enjoyed

a pampered and leisurely life in neat company houses set among irrigated and manicured lawns (6-7). In contrast, a 1946 British Parliamentary delegation found some local workers living in 'cave-like' dwellings and child labour being used by AIOC sub-contractors. They also found deep and widespread anti-British and anti-Company feelings (70). If Welfare Imperialism was going to work it needed to be implemented with urgency, resolution, and sincerity.

It was not. The author gives a detailed account stretching over three of the book's six chapters of British failures to address a deepening crisis with anything but stubbornness in the AIOC, indecisiveness in government, and, in both, a persistent lack of any sense of history or, indeed, of reality. It is remarkable how often the machinations of the *Majlis*, which bore a close resemblance to those of the eighteenth-century House of Commons, were put down to the 'oriental' character of its members. The AIOC's insistence that it was a 'model employer' (67) is particularly striking.

Bevin died on 14 April 1951. On the 28 April the *Majlis* passed a resolution calling for the nationalization of the AIOC which became law on 1 May. The attendant political crisis in Tehran led to the resignation of the prime minister and his replacement by Mohammad Mossadegh. Mossadegh was a democrat and nationalist veteran of Iranian politics with widespread popular support who had led the campaign for the national control of Iranian oil. But the government he now led found itself unable to either produce or export its oil in the face of an AIOC staff boycott at Abadan and in its associated tanker fleet. Financial boycotts were organized by British and other institutions across the globe.

By this stage, in the spring of 1951, the conduct of the Attlee government is hard to distinguish from that of the Churchill government that would follow in the autumn. There were three policy options on the table: military action; negotiation; and subversion. The British concluded they had

insufficient military resources to render the first option likely of success and the US made it clear they would not assist the British in what they saw as an exercise in imperial sabre-rattling or worse. Negotiations had been taking place fitfully almost since AIOC had been nationalized and began again in 1952 but without success. The inauguration of President Eisenhower in January 1953 and a more hawkish regime at the CIA under Allen Dulles shifted the balance of concerns from the nationalization of British assets (usually the predominant British concern) to the risks of Iran becoming a Soviet satellite (usually the predominant US concern); the latter was less negotiable than the former. Gradually the consensus shifted towards subversion. On 15 August 1953 the US led and the British participated in a coup d'état to eject Mossadegh, to install a prime minister friendly to the USA, and ensure the return of the Shah who had fled to Rome. It failed. But local US operatives relaunched it on the 19 August and at this point Mossadegh lost the support of the Army and the plotters won.

The broad outline of these events has been known for a long time. What does the author add? The answer I think is some updating and an emphasis on the British role and especially the difficulties of the British Labour Party. The updating is fairly minor. The magisterial history by Ervand Abrahamian (*The Coup: 1953, the CIA, and the Roots of Modern US-Iranian Relations*, New York) was published in 2013 and since then the only major collection of source documents to be published is the second edition of *Foreign Relations of the United States: Diplomatic Papers, 1952-1954, Iran, 1951-1954* (Washington DC, 2018). The main revelation of this edition is that the CIA tried to call off the 15 August coup attempt but was thwarted by an insubordinate local operative. The focus on the British, in so far as it looks at the coup itself, is rather unconvincing consisting in the assertion that the use of the British network of spies, agents, and thugs was important to the eventual

success of the coup. On the contrary, it would seem that the disloyalty of the Iranian army, about which the author has very little to say, was crucial in the end, not a few street fighters. The discussion of Welfare Imperialism is much more interesting and a greater depth of inquiry and a more numerate presentation of Iranian standards of living and well-being would have been welcome.

On the whole one has to say that this is a book of some disappointments as well as some satisfactions. The sources are all, with one exception, in English. One feels on firmer ground with an author, like Ervand Abrahamian, who is at home in Persian. I hoped for more context, about Iranian society and politics, about its armed forces, about the international oil economy in the 1950s, about the AIOC since its inception, and about welfare imperialism elsewhere in the world. I hoped for more discussion of the influence of the Soviet Union on events in its southern neighbour about which it must surely have been concerned even after 1946 when it finally made its post-War withdrawal from the northern provinces of the country. I hoped for more discussion of the implications of the coup especially, given the advertised focus on Britain, on the Suez Crisis. (And this, surely, was the 'end of informal empire' not the coup in Iran.) And I had hoped for a better written and a better copy-edited book (though I was delighted to see, and so often, 'discontent', 'disorder', 'discord' and 'confusion' being 'sewn' (113, 139, 163, 190, 196)). The satisfactions are also numerous. Perhaps the greatest is the detailed blueprint it offers for running a coup d'état against a democratically elected leader. Not for the information itself but for its implied opposite: how to stop one.

Quentin Outram, *University of Leeds*