Summary and Keywords
Oil played a central role in shaping US policy toward Iraq over the course of the 20th century. The United States first became involved in Iraq in the 1920s as part of an effort secure a role for American companies in Iraq’s emerging oil industry. As a result of State Department efforts, American companies gained a 23.75 percent ownership share of the Iraq Petroleum Company in 1928. In the 1940s, US interest in the country increased as a result of the Cold War with the Soviet Union. To defend against a perceived Soviet threat to Middle East oil, the US supported British efforts to “secure” the region. After nationalist officers overthrew Iraq’s British-supported Hashemite monarchy in 1958 and established friendly relations with the Soviet Union, the United States cultivated an alliance with the Iraqi Baath Party as an alternative to the Soviet-backed regime. The effort to cultivate an alliance with the Baath foundered as a result the Baath’s perceived support for Arab claims against Israel. The breakdown of US-Baath relations led the Baath to forge an alliance with the Soviet Union. With Soviet support, the Baath nationalized the Iraq Petroleum Company in 1972. Rather than resulting in a “supply cutoff,” Soviet economic and technical assistance allowed for a rapid expansion of the Iraqi oil industry and an increase in Iraqi oil flowing to world markets. As Iraq experienced a dramatic oil boom in the 1970s, the United States looked to the country as a lucrative market for US exports goods and adopted a policy of accommodation with regard to Baath. This policy of accommodation gave rise to close strategic and military cooperation throughout the 1980s as Iraq waged war against Iran. When Iraq invaded Kuwait and seized control of its oil fields in 1990, the United States shifted to a policy of Iraqi containment. The United States organized an international coalition that quickly ejected Iraqi forces from Kuwait, but chose not to pursue regime change for fear of destabilizing the country and wider region. Throughout the 1990s, the United States adhered to a policy of Iraqi containment but came under increasing pressure to overthrow the Baath and dismantle its control over the Iraqi oil industry. In 2003, the United States seized upon the 9/11 terrorist attacks as an opportunity to implement this policy of regime change and oil reprivatization.

Keywords: Iraq Petroleum Company, Hashemite monarchy, Baghdad Pact, Abdel Karim Qasim, Iraqi Baath Party, Saddam Hussein, Iran-Iraq War of 1980–1988

Oil and British Imperialism in Iraq to 1945

US-Iraq relations were limited to sporadic missionary and archeological activities prior to the advent of a modern oil industry in Iraq. US-Iraq relations were also limited by the fact that until the 1950s, American policymakers considered Iraq to exist within a British imperial sphere of influence. As a consequence, the United States largely played a supporting role to that of the British. The one notable exception to this pattern was the State Department effort to a gain share of Iraqi oil production for American oil companies after the First World War. This effort was part of a much larger process of forming the
Iraq Petroleum Company (IPC)—a multinational consortium comprising some of the world’s largest and most powerful corporations.

The formation of the IPC was closely bound up with the formation of the Iraqi nation-state. Before the end of First World War, “Iraq” was composed of three Ottoman vilayets (provinces) centered on the cities of Mosul, Baghdad, and Basra. After the Ottoman state allied with Germany, British forces invaded and occupied the country. British interests in Iraq were largely based on the large supplies of oil that were suspected to exist there. In 1901, German geologists had surveyed northern Iraq and described the region as sitting atop “a veritable ‘lake of petroleum’ of almost inexhaustible supply.” In 1904, the German investment firm Deutsche Bank purchased exclusive rail and oil concessions that promised to develop the country’s oil resources and ultimately link “Berlin to Baghdad.”

The German interest in Mosul compelled the British to begin exploring for oil in the region. In 1901, William Knox D’Arcy, a British subject, secured an exclusive concession to explore for oil in neighboring Persia. Six years later, British engineers discovered commercial quantities of oil in southwestern Persia near the border with Iraq. The British government then helped organize the Anglo-Persian Oil Company (APOC), in 1909. The formation of the APOC was part of an effort to break Britain’s dependence on Standard Oil of New Jersey and Royal Dutch-Shell, the world’s two largest oil companies at the time. Having secured exclusive rights to Persian oil, the British Navy began to replace its older coal-powered ships with a new fleet of destroyers powered by oil. In support of this effort, the British government purchased a 51 percent interest in the APOC in 1914. APOC would, in time, act as the dominant player in the emergence of an oil industry in Iraq.

As the threat of war with Germany loomed, the British government supported APOC efforts to displace Germany’s control over oil supplies suspected in Mosul. Toward this end, the British, working with an Armenian businessman named Calouste Gulbenkian, organized the Turkish Petroleum Company in June 1914. The company was a consortium that comprised APOC (50%), Royal Dutch-Shell (22.5%), Deutsche Bank (22.5%), and Gulbenkian (5%). When the war broke out, the British Custodian of Enemy Property seized the German shares and held them for the remainder of the war.

After the war, both France and the United States challenged the Turkish Petroleum Company’s claims to Iraqi oil. In April 1920, French and British negotiators met in San Remo, Italy, and agreed on a plan to partition the Arab lands of the former Ottoman Empire. According to the terms of the San Remo Agreement, the French recognized British claims to a League of Nations “mandate” to govern Iraq, including the oil-rich Mosul, in exchange for the transfer of the German shares in the Turkish Petroleum Company to a French consortium known as the Compagnie française des pétroles (CFP). The agreement satisfied the French concerns but aggravated the US State Department. In response to the San Remo Oil Agreement, Allen Dulles, the assistant secretary of state for the Near East, interceded with the British to demand adherence to the “open door” principle with regard to Iraqi oil. According to this principle, there would be no
discrimination against American oil companies seeking business opportunities within the bounds of the former Ottoman Empire. The British, eager to secure American support for British policy throughout the region, agreed to cede an interest to the Middle East Development Company, a consortium equally comprising Esso and Mobil. The agreement was formalized in 1928 with the following ownership shares: APOC (23.75%); Royal Dutch-Shell (23.75%); CFP (23.75%); Middle East Development Company (23.75%); Gulbenkian (5%). The 1928 agreement also included a “self-denial clause” that accorded the Turkish Petroleum Company monopoly rights within the bounds of the former Ottoman Empire. Two months later, the partners concluded an “as-is agreement,” whereby each party agreed to a global division of markets and to a mechanism for coordinating global pricing and production decisions. The following year, the Turkish Petroleum Company changed its name to the Iraq Petroleum Company.

With the conclusion of the 1928–1929 IPC agreements, the world’s largest oil companies were prepared to begin jointly producing oil in Iraq. However, the conclusion of the agreements was followed shortly thereafter by the onset of the Great Depression and a crash in the global demand for oil. During the Great Depression, Iraqi oil production remained minimal. As a US Senate report later found, the IPC, in the late 1930s, “employed a variety of methods to retard developments in Iraq and prolong the period before the entry of Iraq oil into world markets.”

![Image](Figure 1. IPC oil wells near Kirkuk, c. 1936.

Courtesy Library of Congress, G. Eric and Edith Matson Photo Collection, LC-DIG-matpc-16253.)
The IPC’s disinterest in producing Iraqi oil was a source of tension in its relationship to the Iraqi government, which was coming under increasing nationalist pressures over the course of the 1930s.

A nationalist movement had been growing in Iraq since the inception of the British mandate. As part of an effort to contain popular opposition to British rule, in 1921 the British had installed Faisal ibn Hussein al-Hashemi, the leader of the Arab Revolt against the Ottoman Empire during the First World War, on the throne of a newly created Kingdom of Iraq. The League of Nations admitted Iraq as sovereign member in 1932, but the British-installed Hashemite monarchy remained dependent on the British troops and advisers for security and support. The weakness of the Hashemite monarchy became increasingly clear after the death of King Faisal in 1933. Between 1933 and 1941, Iraq underwent a series of eight military coups. In the last of them, General Rashid Ali Kaylani seized control of the government, dissolved the monarchy, and refused to allow the British access to Iraqi military bases or airspace during World War II. British forces then reoccupied the country and held it as an important supply corridor for US Lend-Lease Aid to the Soviet forces fighting in Eastern Europe. This assistance was organized under the auspices of the Middle East Supply Centre, an important Anglo-American wartime agency created to regulate the flow of imports and exports and conserve shipping space for military purposes, but it became involved in broader economic planning for the region.

Figure 2. IPC pipeline construction, Esdraelon Plain, Palestine, c. 1932.

As the Centre became involved in this broader economic planning, it brought together rival British and American ideas regarding the proper role for the state in the economy, and foreshadowed the sometimes awkward transition from British to American hegemony in the region. After the war, the British reinstated the Hashemite regime and undertook measures to stabilize the political situation in the country. The failure of these efforts set the stage for greater US involvement in the Iraq over the course of the second half of the 20th century.

Iraq and the Arab Cold War, 1945-1963

Throughout the Second World War and the early postwar years, the United States continued to view Iraq and the Persian Gulf as part of a British sphere of influence. However, with the onset of the Cold War, US leaders expressed increasing concern about Britain’s ability to manage its imperial responsibilities. Britain’s announcement in February 1947 that it would no longer be able to support anticommunist forces in the Greek Civil War (1944–1947) or defend Turkey against Soviet pressure led the United States to introduce the Truman Doctrine, which promised military and economic aid to

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**Figure 3.** Emir Faisal with Lt. Col. T. E. Lawrence during World War I, Damascus, 1918.

Courtesy online gallery of Syrian history. Creative Commons License, CC0.

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**Figure 4.** King Faisal celebrating Iraq’s entry to the League of Nations, Baghdad, October 6, 1932.

Greece and Turkey. Britain’s withdrawal from Greece and Turkey was followed later that year by announcements that Britain would soon withdraw from both Palestine and India. Britain’s imperial decline represented a special problem for the United States. US oil companies had recently discovered massive quantities of oil in Bahrain, Saudi Arabia, and Kuwait and were in the process of negotiating for the right to construct a pipeline connecting oil fields in the Persian Gulf with refineries and terminals in the eastern Mediterranean. These oil supplies and installations were central to Washington’s emerging strategy of Soviet containment. Not only were Persian Gulf oil supplies to provide the fuel source for European reconstruction, but that reconstruction was considered essential to preventing the communists from coming to power through parliamentary means in France, Italy, and other European states. American policymakers in the Truman and Eisenhower administrations feared that a weakening of the British Empire could invite Soviet intervention and undermine the containment strategy.

Given its broader strategy of containment, the United States supported the British efforts to retain a strong position in Iraq. Toward this end, the United States encouraged Britain to increase Iraqi oil production and to give the Iraqi government a greater share of the total revenue generated from that production. In line with these objectives, the IPC, in 1950, acceded to the Iraqi government’s demands for an even 50 percent share of total oil revenues. At the same time, British advisers helped to form an Iraqi Development Board, and Iraqi agency chaired by the Iraqi prime minister but advised by British technical and economic experts, to channel the increased oil revenue into development projects that would reinforce political stability in the country. The development board made notable gains in the field of education. The increased oil revenue financed thousands of new primary and secondary schools. There were, however, no comparable gains in industry, agriculture, or commerce, and the Iraqi economy lacked the capacity to absorb the flood of new graduates. As a result of this imbalance, many newly educated Iraqis gravitated toward oppositional political parties.

The largest and most significant opposition party was the Communist Party of Iraq (CPI). The CPI secretly organized in 1930s in response to the Great Depression. By the 1940s, though the party was still illegal, it had evolved into a mass political party drawing support from an ethnically-diverse social base (as opposed to the elite, private, Arab nationalist clubs that dominated Iraqi political life in the previous era) and was the...
leading voice of opposition to Britain’s influence in the country. CPI opposition to the
British was soon reinforced by the emergence of the Baath, or Arab Renaissance, Party.
The Baath was established in 1947 as an anti-imperialist, socialist, and pan-Arabist party
in Syria. In 1952, it opened a branch in Iraq, where it competed with the Communists for
followers. Despite their ideological differences, the two parties joined a unified National
Front in 1955, in opposition to Iraq’s adherence to the Baghdad Pact, an Anglo-American-
backed regional security alliance modeled on NATO that eventually also included Britain,
Turkey, Iran, and Pakistan.

Ostensibly aimed at containing Soviet influence in the Middle East, the Baghdad Pact was
largely viewed by Iraqis as instrument of Anglo-American imperialism, especially after
Gamal Abdel Nasser’s government in Egypt refused to join. The deterioration in British-
Egyptian relations, related to the Baghdad Pact and other regional issues, ultimately
culminated in the 1956 Suez War, in which the British joined France and Israel in
invading Egypt after Nasser had nationalized the Suez Canal. The tripartite invasion had
not been coordinated with the United States, and the Eisenhower administration
ultimately compelled the aggressors to withdraw with Nasser still in place. But the
invasion, and Nasser’s ability to withstand it, had a dramatic impact on the political
situation in Iraq and in the region more generally. Many Iraqis were swept up into a wave
of popular enthusiasm for Nasser and his emerging brand of pan-Arab nationalism.

The rise of Nasserist pan-Arabism after the 1956 war brought the United States into
increasingly direct involvement in Iraq and in the region. The Eisenhower administration,
and secretary of state John Foster Dulles in particular, feared that the Suez War and the
crisis that had preceded it signaled the final collapse of British influence in the region
and the emergence of a power vacuum in the Eastern Mediterranean. Dulles worried that
Egypt, supported by the Soviet Union, would fill that vacuum. To prevent this outcome,
Dulles crafted a regional strategy known as the Eisenhower Doctrine. The plan, unveiled
in January 1957, offered US military protection and $200 million in military and economic
aid to any Arab state resisting “overt armed aggression from any nation controlled by
International Communism.” Hashemite Iraq, under the leadership of prime minister
Nuri al-Said was the prime beneficiary of the new policy. In the wake of the Suez War, the
United States looked to Iraq as a linchpin of its regional Cold War strategy. This was
especially the case after Egypt and Syria merged their two countries to form the United
Arab Republic in February 1958, and after a Nasserist uprising in Lebanon in May 1958.

Iraq’s adherence to the Eisenhower Doctrine further aggravated nationalist sentiment in
the country. Adherence was particularly unpopular among Iraqi military officers who
looked to Nasser as a leader and symbol of anti-imperialism and pan-Arab unity. After the
Suez War, several of these figures formed a secret society known as the Iraqi Free
Officers—an organization modeled on the Egyptian Free Officers that carried out the
1952 overthrow of Egypt’s British-backed monarchy. The Iraqi Free Officers began
meeting in secret to plan the overthrow the Hashemite monarchy. The opportunity arose
on July 14, 1959, when the 20th Infantry Brigade passed through Baghdad en route to the
Jordanian border. Instead of proceeding east as they had been ordered, a column of
troops commanded by Free Officers Abdul Karim Qasim, a general, and Abdel Salam Aref, a colonel, a seized control of the capital city, arrested and executed the leading members Hashemite regime, and took to the radio waves to announce the abolition of the monarchy and establishment of new republic, with General Qasim as its president (see video showing the military parade in Baghdad, July 14, 1959).

General Qasim was quick to reassure the British and the Americans that the change of government would not affect the operations of the IPC, and that Iraq wished to remain on good terms with the West. However, a power struggle soon emerged between Qasim and Aref. The younger Aref was an enthusiastic supporter of pan-Arab nationalism and favored joining the United Arab Republic. Qasim, though he sought to emulate Nasser’s style of rule had no interest in ceding Iraqi sovereignty to Egypt, and he soon became engaged in a bitter rivalry with Nasser for regional influence. Qasim’s unwillingness to adhere to pan-Arab unity under Nasser’s leadership led Aref, with Nasser’s support, to try an overthrow him in December 1958. Aref’s alliance with Nasser, in turn, led Qasim to increasingly rely on the support of the Communists, who opposed joining the republic for a variety of reasons. Chief among these was the fact that the party derived a great deal of
its support from Iraqi Shiites and Kurds—communities who feared submersion within a larger pan-Arab Iraqi state that would ultimately be dominated by socially conservative Sunni Arabs.16

As Qasim drew closer to the Communists, Aref drew closer to Nasser and the Baath. American policymakers grew increasingly concerned about the emerging alliance between Qasim and the Communists. To check the perceived threat, the United States offered increased support to the efforts of Aref, Nasser, and the Baath to overthrow Qasim. A key turning point in the growing antipathy toward Qasim occurred in March 1959, when Qasim withdrew from the Baghdad Pact and accepted military and economic assistance from the Soviet Union. Responding to the increasingly close Iraqi-Soviet relations, the National Security Council formed a special working group on Iraq to monitor the situation and consider the options for bringing about a change in government.17

US interest in seeing Qasim overthrown increased after Qasim nationalized 99.5 percent of the IPC concessionary area in December 1961. The nationalization decree, known as Law 80, did not affect existing IPC operations, but did it transfer control of all oil fields known to exist but not yet in production to the government. Although its existing operations were unaffected, the company regarded the law as a violation of its concessionary rights and demanded an international arbitration. Iraq insisted on its sovereign right to nationalize and refused arbitration requests. The US State Department acknowledged Iraq’s legal right to nationalize, but it also regarded the oil law as a threat to the “sanctity of contracts” and feared that it could set a dangerous precedent for the region. These considerations caused some in the Kennedy administration to become convinced that Qasim was a threat to American interests and that the United States should begin supporting the Iraqi opposition groups working to bring about his overthrow. The United States took particular interest in the Baath Party, which had carried out an unsuccessful effort to assassinate Qasim in October 1959 and had been involved in several other Egyptian-backed plots. US intelligence agencies tracked the

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Baath’s long, slow efforts to organize a coup over the course of 1962 and may have played a direct role in helping the party carry out a successful coup on February 8, 1963. Many scholars believe that the CIA provided Baathist militia units with “mimeographed lists of Red leaders” who were then “methodically hunted down.” In the days and weeks that followed the coup, as many as five thousand Iraqi Communists (or “fellow travelers”) were arrested and executed in a systematic campaign. While the ostensible target of the campaign was the Iraqi Communist Party, it decimated secular and democratic forces in Iraq as well. It also took on aspects of ethnic, sectarian, and class conflict because the CPI had a strong following among lower-class Kurds and Shiites, whereas the Baath had its strongest base among upper-middle-class Sunni Arabs.

Arab Nationalism and the Baath, 1963–1968

The primary source material pertaining to any potential US involvement in the 1963 coup remains largely classified, and historians remain divided over the question. Whereas some scholars see evidence of active US involvement, others see only US support for the Baath after it carried out a successful coup on its own. The Kennedy administration based its support for the Baath after the February coup on the belief that the new regime would balance its relationship with the Soviet Union with closer relations with the United States and the United Kingdom, be reasonable in dealing with the oil companies, and pursue a moderate course with regard to Israel and inter-Arab issues. Perhaps most importantly, the Kennedy administration believed that the Baath would be effective modernizers and that a successful modernization program would help contain the Communist influence in the country.

Given its assessment of Iraq’s Baathist government, the Kennedy administration undertook a large-scale program of military and economic assistance. This assistance went so far as to include the provision of paramilitary training and napalm weapons for use in suppressing a Kurdish insurgency that began in 1961. Despite this assistance, however, the Baath failed to quell the rebellion and establish a stable government. Instead of rapidly modernizing the country, the new regime became embroiled in nonproductive negotiations with the IPC, which was demanding a complete retraction of Qasim’s oil law, and a military quagmire in Iraqi Kurdistan. In addition, the party suffered from a weak base of popular support and factional divisions within its governing coalition. The most significant divide within the governing coalition was between Baath Party members on one side and non-Baathist pan-Arabist military officers on the other. The leading non-Baathist figure was Col. Abdel Salam Aref, who had been exiled from Iraq since 1961. After the Baathist coup, he was invited back to serve as president, though he was largely a non-Baathist figurehead for an otherwise Baathist-led government. Aref quickly grew impatient with his ceremonial role. In November 1963, he took advantage of Baath Party infighting between a radical civilian-led faction of the party and a more
After the November 1963 coup, Aref emerged as the dominant figure in Iraqi politics. Under his leadership, Iraq pursued closer relations with Egypt and embarked on a program of socialist modernization intended to prepare the country for eventual unification with the United Arab Republic. Iraq nationalized large portions of the economy and began setting up a national oil company to eventually assume control of IPC operations. These socialist measures elicited concern from the US State Department, but embassy officers in Baghdad remained confident that the memory of Mohammad Mossadegh’s overthrow after his 1951 nationalization of Iranian oil would dissuade Iraq from actually seizing Western assets. More concerning to the State Department than Aref’s brand of Arab socialism was the threat that American oil companies would pursue business opportunities in Iraq. In its struggle with the IPC, Aref’s government sought to attract bids from the company’s international competitors to develop the oil fields nationalized by Qasim’s 1961 law. The State Department interceded to ensure that the IPC’s American competitors did not sign any agreements to develop the disputed oil fields, but it could not prevent European companies from entering Iraq for that purpose.

The threat that European oil companies posed to the IPC position grew increasingly acute in the late 1960s. In April 1966, President Aref died in a helicopter accident, and power transferred to his less-able brother Abdul Rahman. Rahman was largely a figurehead in a state dominated by Arab-nationalist military officers, and these officers, led by prime minister Tahir Yahya, moved forward aggressively in the efforts to attract European assistance in developing Iraq’s disputed oil fields. The outbreak of the June 1967 Arab-Israeli War exacerbated American fears that European companies were taking advantage of the IPC dispute to gain a share of Iraqi oil production. Of particular concern was France. French president Charles De Gaulle was in the process of reorienting French foreign policy toward a position of Cold War nonalignment and was actively pursuing closer relations with Egypt, Iraq, and other Arab governments toward this end. As the tensions between Egypt and Israel mounted in spring 1967, France had warned Israel against launching a first strike and suspended arms sales to Israel. After war broke out, De Gaulle called on Israel to withdraw from Arab territories and forged a particularly close relationship with Iraq. In the aftermath of the June war, Iraq signed a new agreement with ERAP (Entreprise de recherches et d’activités pétrolières), a French state-owned oil company, to develop disputed oil fields in southern Iraq and began purchasing large quantities of French arms.

The June war had the opposite effect on Iraq’s relations with the United States. When the war broke out, Tahir Yahya’s government accused the United States of collaborating with Israel, severed diplomatic relations with the United States, and announced an oil embargo against the United States and other Western countries. Relations continued to deteriorate after the war ended as Iraq began forging closer relations with the Soviet Union. In December 1967, Iraq signed a major technical- and economic-assistance
agreement with the Soviets and signaled its intent to draw on French and Soviet support to pursue the complete nationalization of the IPC. In the spring 1968, Tahir Yahya’s government appeared poised to issue legislation to this effect. However, just as Iraq prepared to put forward a new oil law, the Baath Party reemerged to launch a new coup d’état. The coup unfolded in two phases. On July 18, Iraqi Baathists led by General Hasan al-Bakr allied with non-Baathists in the intelligence and security services to execute a coup against Yahya. On July 30, Bakr and his Baathist followers executed a second coup against their non-Baathist allies and monopolized control of the Iraqi government. The US response to the Baathist coup was divided. Some in the State Department and at the CIA welcomed the Baath back into power. President Johnson’s leading advisers, however, regarded the Baath as incapable of maintaining its power and a potential threat to Israel in the event they did manage to forge a stable regime. The Johnson administration therefore refused Iraqi overtures to restore diplomatic relations, and US-Iraq relations remained tense.


Despite the Johnson administration’s initial doubts about the stability of the emerging Baathist regime in Iraq, Hasan al-Bakr and the Baath did consolidate a stable regime in a relatively short period of time. Initially, the Bakr government sought better relations with the IPC and with the United States. The IPC was willing to consider accommodating the Baath, but the United States was not. After the State Department rebuffed repeated overtures from the Baath, the Baath reached out to the Soviet Union. The key figure in forging the new Iraqi-Soviet relationship was Iraqi vice president Saddam Hussein. In June and July 1969, Hussein negotiated a pair of technical-aid agreements with the Soviet Union that would, in time, lead directly to the nationalization of the IPC. Drawing on Soviet technical and marketing assistance, Iraq began producing oil from the disputed fields in July 1970. In February 1972, Hussein met with Soviet leaders in Moscow to lay the groundwork for a comprehensive Treaty of Friendship and Cooperation, which was signed in April. The agreement entailed assurances that the Soviets would help Iraq market nationalized IPC oil. These assurances in hand, Iraq issued Law 69, which nationalized the IPC, in June 1972.22
Iraq. At the same time, the Shah of Iran began encouraging Iraqi Kurds to rebel against Iraq’s Baathist government. In July 1972, the Nixon administration authorized covert assistance to Iraqi Kurdish insurgents through Iran. American and Iranian covert assistance to Kurds continued until the Algiers Agreement of March 1975 between Iraq and Iran, according to which Iraq agreed to cede territory in the Shatt al-Arab waterway to Iran in exchange Iran ending its support of the Kurdish insurgency. Having secured these territorial concessions from Iraq, Iran suspended all aid to the Kurdish guerrillas; the United States followed suit. Cut off from external sources of support, the Kurdish insurgency quickly collapsed, and the Baath implemented harshly punitive reprisals against the Iraqi Kurds. As with the US counterinsurgency assistance to the Baath in 1963, the CIA’s assistance to the Kurds between 1972 and 1975 undermined the efforts to build a cohesive, democratic, and multicultural society in Iraq. In both cases, the effect of US policy was to sharpen internal social conflicts based on sect and ethnicity.

The end of covert assistance to the Kurdish insurgents marked the end of a period of estrangement in US-Iraq relations. Much of the prior estrangement had been based on two important and interrelated factors: the Iraqi threat to the IPC and the fear of an Iraqi-Soviet alignment. Both of these eventualities came to pass in 1972 with the nationalization of the IPC and the Iraqi-Soviet Treaty of Friendship and Cooperation. The United States then supported the Shah of Iran’s efforts to undermine the Iraqi regime by sponsoring the Kurdish insurgency, but the outlines of a US-Iraq rapprochement were already becoming visible by the mid-1970s. American policymakers had largely come to terms to with state ownership of Middle Eastern oil resources. By the mid-1970s, Iraq and Libya had both nationalized oil, and US allies in Iran, Saudi Arabia, and Kuwait had all initiated processes of phased nationalization. Moreover, Cold War fears of oil expropriations leading to a supply cut-off and an oil crisis had failed to materialize. On the contrary, Soviet technical and marketing assistance had actually increased the volume of Iraqi oil available on world markets. The IPC had restrained Iraqi production for decades. After nationalization, that restraint was lifted. The global economy did
experience an oil shock as a result of October 1973 Arab-Israeli War, but that shock was not caused by the expropriation of Western firms. It was largely caused by Iran—a US-allied, non-Arab state that had yet to nationalize—taking advantage of a political crisis to introduce a new price structure for Arab oil to finance a program of military modernization.25

The removal of the oil nationalization issue affected US-Iraq relations in two ways. First, the United States no longer had to expend any effort to prevent nationalization. Secondly, the vast increase in oil revenue accruing to the Iraqi state as a result of the nationalization rendered Iraq a lucrative market for US export goods. As early as 1982, analysts were already noting a “spring thaw” in US-Iraq relations as US corporations clamored to gain infrastructure construction contracts, import licenses, and management and consulting agreements.26 Officially, diplomatic relations between the two countries remained severed, and when the State Department introduced its State Sponsors of Terrorism list in 1979, Iraq was included. But below the surface, US and Iraqi officials were communicating through an American-interests section of the Belgian embassy in Baghdad. These quiet contacts laid the foundation for a much closer working relationship, which developed in response to the 1979 Iranian Revolution.

After the overthrow of the Shah of Iran, the emergence of an Islamic regime led by Ayatollah Khomeini, and the outbreak of US embassy crisis in Tehran, the United States found itself looking for allies in the region. This search for countervailing powers to Iran led many in the region to suspect an American “hidden hand” behind Iraq’s September 1980 invasion of Iran. According to a theory that was prevalent in the Middle East, the United States had encouraged Saddam Hussein, who had deposed Hasan al-Bakr in July 1979, to launch the invasion. Much of the primary source material pertaining to the Iran-Iraq War remains classified, but initial studies based on limited declassifications tend to reject this green-light thesis. Initial scholarly accounts suggest that American support for Iraq in its war with Iran evolved gradually during the early 1980s.27 The key turning point in the “tilt towards Iraq” occurred in December 1983, when Donald Rumsfeld, as a special envoy for the Reagan administration, met with Saddam in Baghdad to coordinate a program of military and economic aid to Iraq.28 As a result of this meeting, the United States removed Iraq from the State Sponsors of Terrorism list, restored diplomatic relations, and began supplying Iraq with dual use (military and civilian) goods.

As the war progressed, US support for Iraq increased. That support included defending Iraq in the United Nations against Iran’s accusations that Iraq was using chemical weapons, providing Iraq with satellite intelligence of Iranian troop locations and movements, and providing naval support when the main theater of battle shifted to oil installations and tankers in the Persian Gulf.29 By the late 1980s, US naval vessels were directly engaged in combat alongside Iraqi forces.30 It was in this context that an Iraqi fighter jet mistakenly fired on the USS Stark, in May 1987, killing thirty-seven American sailors. Given the close relations between the United States and Iraq, President Reagan largely absolved Iraq of responsibility and publicly condemned Iran for provoking the crisis in which the friendly fire incident occurred. The next year, the United States was
involved in second major naval incident in the Persian Gulf. On July 3, 1988, the USS Vincennes mistook an ascending Iranian civilian passenger jetliner for a descending Iranian fighter jet. The Vincennes fired two missiles at the aircraft. Both missiles hit their target, bringing it down and killing all 290 civilians on board. The downing of the Iranian jet—Iran Air flight 655—proved the final blow against a war-weary Iran. The following week Iran’s Supreme Leader Ayatollah Khomeini sued for peace. Iran and Iraq concluded a peace agreement in August 1988.

From Alignment to Regime Change, 1988–2003

Since the 1980s, Iraq has been the site of the largest and most sustained American military engagements since Vietnam. The Iran-Iraq War of 1980–1988 led directly to Iraq’s 1990 invasion of Kuwait. Iraq had accrued more than $40 billion in debt to Kuwait over the course of the war. At the end of the war, Iraq refused to repay those debts, objected to Kuwaiti oil production levels driving down the price of oil, and revived longstanding territorial claims to Kuwait. When the diplomatic crisis culminated in Iraq’s invasion of Kuwait in August 1990, US policy shifted away from alignment with Iraq and toward a policy of “dual containment” of both Iran and Iraq. As part of dual containment, the United States organized an international coalition to eject Iraqi forces from Kuwait in 1991. After the war, the United States implemented a regime of sanctions, no-fly zones, and banned-weapons inspections that entailed frequent air strikes against Iraqi facilities. These sanctions had a crippling effect on the Iraqi society. Not only did they render the economy increasingly dependent on the central government in Baghdad for rations, but the UN estimated that by 1995, they had been responsible for the death of as many as 576,000 Iraqi children because of inadequate access to food and medicine. When asked by a reporter if the death of “half a million children” was “worth it,” US secretary of state Madeleine Albright explained, “This is a very hard choice, but . . . we think the price is worth it.”

After the September 11, 2001, terrorist attacks the United States unveiled a new regional strategy that entailed a shift away from dual containment and toward regime change in Iraq and beyond. The United States began to implement this strategy with the 2003 invasion of Iraq that led to the overthrow of the Baathist regime that had been in power since July 1968. The official justification for the war emphasized (a) Iraq’s alleged production and possession of banned weapons; (b) a suggestion that Iraq was responsible for the 9/11 attacks; and (c) the notion that the Iraqi people would greet American troops as liberators from the tyranny of Saddam Hussein and the Baath Party. A less well-articulated reason for war included an interest in dismantling Baathist state controls over the Iraqi economy—including the oil industry. Under the auspices of the Coalition Provisional Authority, the United States did administer a “shock treatment” of neoliberal reform that entailed the de-Baathification of the state and army and the privatization of Iraqi oil industry. The authority also implemented a system of awarding political offices
on the basis of ethnicity and sect. The rather predictable result of these policies was an insurgency against US occupation that ultimately devolved into an ethnic and sectarian civil war in which hundreds of thousands of Iraqis perished. As with the United States’ covert assistance to the Baath, in 1963, and to the Kurds, in 1972, the 2003 invasion exacerbated existing ethnic and sectarian conflicts and generated new ones. This pattern suggests that conflicts along Iraqi’s social and cultural fault lines are less a product of “primordial hatreds” than a result of repeated Western interventions—first British and then American. Central among the motives behind these various interventions has been an interest in accessing or controlling the tremendous wealth generated from Iraqi oil resources.

Discussion of the Literature

In recent years, scholars of US-Middle East relations have taken increased interest in the cultural dimensions of US encounters with the diverse peoples of the Middle East. Following the groundbreaking work by Ussama Makdisi on 19th-century Protestant missionaries in Syria and Lebanon, *Artillery of Heaven: American Missionaries and the Failed Conversion of the Middle East* and in *Faith Misplaced: The Broken Promise of U.S.-Arab Relations, 1820–2001*, many scholars have sought to advance a more dialogic interpretation of US-Arab relations in which Arab subjects are not simply passive recipients of Western cultural domination but active participants, using missionary resources—such as printing presses, laboratories, and libraries—to fashion their own identities and shape their own histories. Although much of this work focuses Protestant missionary activities near the Mediterranean coast, Hans-Lukas Kieser’s *Nearest East: American Millennialism and Mission to the Middle East* and Adam H. Becker’s *Revival and Awakening: American Evangelical Awakenings in Iran and the Origins of Assyrian Nationalism* suggest promising new avenues for research into missionary activities in “West Persia” and the eastern frontiers of the late Ottoman Empire.

Another cultural dimension of US-Iraq relationship concerns archeological activities in Iraq. Bruce Kuklick’s *Puritans in Babylon: The Ancient Near East and American Intellectual Life, 1880–1930* analyzes the role that University of Pennsylvania archeological expeditions to the ancient city of Nipur (near the modern city of Baghdad) played in the development of modern scientific expertise in the United States. While many of the agencies competing to finance and direct these expeditions were mainly interested Iraq’s pre-Islamic past and in discovering links between the biblical past and the modern West, much of what archeologists actually discovered contradicted literal interpretations of the Bible. James F. Goode’s *Negotiating for the Past: Archaeology, Nationalism, and Diplomacy in the Middle East, 1919–1941* analyzes the Iraqi and larger Middle Eastern side of the relationship. In chapters 9 and 10, Goode shows how Iraqi nationalists viewed archeological expeditions to be expressions of Western imperialism.
and sought to assert national sovereignty over Iraq’s antiquities. Whereas Western archeologists were most interested in Iraq’s pre-Islamic past, Iraqi nationalist archeology focused on Abbasid and other Islamic-era sites.

The most significant controversies in the historiography of US-Iraq relations to 2003 pertain to the relationship between business and government in the acquisition of oil concession rights, the role of the US government in the 1963 coup that brought the Baath Party to power, and the relationship between the United States and Iraq during the Iran-Iraq War of 1980–1988.

Stephen J. Randall’s *United States Foreign Oil Policy since World War I: For Profits and Security* and Daniel Yergin’s *The Prize: The Epic Quest for Oil, Money, and Power* argue that US companies entered Iraq at the initiative of the State Department as part of its effort to secure control of foreign sources of petroleum. William Stivers in *Supremacy and Oil: Iraq, Turkey, and the Anglo-American World Order, 1918–1930* and Timothy Mitchell in *Carbon Democracy: Political Power in the Age of Oil* argue that US companies sought profit-making opportunities in Iraq and manipulated US public policy toward this end.

With regard to the 1963 coup, Peter L. Hahn, in *Missions Accomplished? The United States and Iraq since World War I*, and Bryan R. Gibson, in *Sold Out? US Foreign Policy, Iraq, the Kurds, and the Cold War*, reject claims that the United States was involved. However, Malik Mufti’s “The United States and Nasserist Pan-Arabism”; Douglas Little’s *American Orientalism: The United States and the Middle East since 1945 and “Mission Impossible”; Weldon Mathews’s “The Kennedy Administration, Counterinsurgency, and Iraq’s First Ba’thist Regime”; Eric Jacobsen’s “A Coincidence of Interests: Kennedy, U.S. Assistance, and the 1963 Iraqi Ba’th Regime”; and Brandon Wolfe-Hunnicutt’s “Embracing Regime Change: U.S. Foreign Policy and the 1963 Coup in Iraq” all find compelling evidence of an American role in the coup.

With regard to the Iran-Iraq War of 1980–1988, journalists Said K. Aburish, in *Saddam Hussein: The Politics of Revenge*, and Dilip Hiro, in *The Longest War: The Iran-Iraq Military Conflict and Iraq: In the Eye of the Storm*, argue that the Carter administration encouraged Iraq to invade Iran in September 1980. Historians Hal Brands and David Palkki, in “Conspiring Bastards: Saddam Hussein’s Strategic View of the United States”; Hal Brands, in “Saddam Hussein, the United States, and the Invasion of Iran: Was There a Green Light?” and “Before the Tilt: The Carter Administration Engages Saddam Hussein”; and Chris Emery in “Reappraising the Carter’s Administration’s Response to the Iran-Iraq War” all reject this claim and argue that the Iraqi invasion of Iran came as an unwelcome surprise to the Carter administration.

In addition to these controversies, new and emerging scholarship focuses on modernization theory as a transnational discourse drawing on Ottoman and Arab political and economic traditions and American social science. Early works in this field include Douglas Little’s “Modernizing the Middle East: From Reform to Revolution in Iraq, Libya, and Iran” and Nathan J. Citino’s “The Crush of Ideologies” and Envisioning the Arab Future: Modernization in U.S.-Arab Relations, 1945–1967.49

**Primary Sources**

The most important primary source collections for studying US-Iraq relations are located at the National Archives II in College Park, Maryland, and the various presidential libraries. In the National Archives II, the Central Files of the Department of State (Record Group 59) provide detailed records of US diplomatic correspondence, records of secretaries of state and principal officers of the Department of State, and records of specialized offices and organizational units. In addition to the Central Files, Record Group 59 includes “Lot Files” that are less well-organized than the Central Files but often pertain to the deliberative and policy-formulation processes in the State Department. Presidential library collections are organized by country, but they also contain the papers of regional policy advisers.

There are several important sources for Iraqi documents pertaining to Iraq’s relations with the United States. The Iraq National Library and Archive is located in Baghdad. In the 1960s and 1970s, the government of Iraq undertook a project to collect, preserve, and organize official records. Many documents have been destroyed by successive wars and in April 2003, the archive was looted and burned, and many documents were destroyed. After the 2003 invasion, the Iraq Memory Foundation, an outgrowth of the Iraq Research and Documentation project at the Center for Middle East Studies at Harvard University, began collecting and digitizing the surviving records. More than ten million digitized page images and fifteen hundred video files are housed at the Hoover Institution Archive located on the campus of Stanford University. These records are available to researchers with special permission from the Hoover Institution. Another important collection of Iraqi records is the Saddam Hussein Regime Collection housed in the Conflict Records Research Center on the campus of the National Defense University, Fort Lesley J. McNair, Washington, DC. These are records captured by the US military after the 2003 invasion. Digital copies of sample records from this collection are available on the Conflict Records Research Center website.

**Links to Digital Materials**

There are several important collections of digital materials pertaining to US-Iraqi relations. The Foreign Relations of the United States (FRUS) series presents the official documentary historical record of major U.S. foreign policy decisions and significant diplomatic activity. The records are organized by presidential administration. Documents
pertaining to the Truman to Reagan years are available on the website of the Department of State. Documents from the pre-Truman years are available at the website of the University of Wisconsin, Madison.


Digital copies of sample records from the Saddam Hussein Regime Collection are available on the Conflict Records Research Center website.

Historian Charles Tripp has compiled “The Middle East Online: Iraq, 1914–1974.” This is an extensive collection of British archival documents accompanied by a series of essays by leading historians situating the documents, a timeline, a list of key persons and organizations, and links to other online sources.

British Pathé is a newsreel archive that contains an extensive collection of British Broadcast film clips from Iraq. The newsreel clips cover the period between World War I and 1963.


The website for Perry-Castañeda Library Map Collection of the University of Texas at Austin contains and extensive collection of detailed maps of Iraq.

The website for the PBS Frontline broadcast of “The Survival of Saddam” (January 2000) includes interviews with former U.S. and Iraqi officials, photographs, and other historical materials.

Further Reading


U.S.-Iraq Relations, 1920–2003


Notes:


(4.) The consortium had initially included seven American companies, but Esso and Mobil quickly bought out the other five.


(14.) Dwight Eisenhower, Special Message to the Congress on the Situation in the Middle East, January 5, 1957.


(40.) Kuklick, *Puritans in Babylon*.

(41.) Goode, *Negotiating for the Past*.


(44.) Peter L. Hahn, *Missions Accomplished? The United States and Iraq since World War I* (New York: Oxford University Press, 2012); and Gibson, *Sold Out?*

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Brandon Wolfe-Hunnicutt
Department of History, California State University