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Aramco workers lay a pipeline in Saudi Arabia. (Credit: DeGolyer Library, Southern Methodist University, Robert Yarnall Richie Photograph Collection.)

U.S., Britain Developed Plans to Disable or Destroy Middle Eastern Oil Facilities from Late 1940s to Early 1960s in Event of a Soviet Invasion

British Plans Envisioned Using Nuclear Weapons as an Option in Iran and Iraq, According to Declassified Documents

Regional Allies Were Apparently Never Informed Out of Concern for “Unfavorable” Consequences, Though Some U.S. Officials Thought Host Countries Would Approve the Plugging of Oil Wells

Secret Oil Denial Policy Lasted at Least until the Kennedy Administration

Posted June 21, 2016

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By Steve Everly and Charles R.T. Crumpley

Kansas City Star

February 25, 1996

PETROLEUM RESERVES OF THE WORLD
70,400,000,000 BARRELS
 AS OF DEC. 31, 1981

MAJOR OIL PRODUCING AND RESERVE AREAS
 OTHER OIL PRODUCING AREAS

PERCENT OF WORLD RESERVES

| Region | Percentage of World Reserves |
|---------------|------------------------------|
| UNITED STATES | ~12% |
| SOUTH AMERICA | ~22% |
| EUROPE | ~8% |
| U.S.S.R. | ~28% |
| MIDDLE EAST | ~28% |
| FAR EAST | ~2% |

Documents stashed at Britain's National Archives show for the first time the CIA's dominant role in turning the oil companies into a paramilitary force ready to execute the denial policy.

(This posting's author has written a separate article on these materials published today by *Politico*.) The intelligence agency's oversight included inserting undercover operatives into oil-company jobs to spy on some of the companies. The CIA created – with an American oil company's assistance – an ambitious denial plan for Saudi Arabia and exported similar plans to Kuwait, Bahrain and Qatar where Britain was the governing authority. The CIA also assisted British denial plans in Iran and Iraq.



Modern and traditional modes of transportation posed together in front of an oil derrick in the Persian Gulf. (Credit: DeGolyer Library, Southern Methodist University, Robert Yarnall Richie Photograph Collection.)

British documents also reveal discussions about using nuclear weapons in Iran and Iraq. State-controlled refineries emerged in both countries and were not covered by existing denial plans which depended on cooperating oil companies. British military officials believed nuclear bombs were an option to destroy these facilities until a plan using ground demolitions with conventional explosives was possible.

The denial policy has grudgingly given up its secrets. NSC 26/2 was mistakenly declassified in 1985 by an archivist at the Truman Presidential Library which is part of the National Archives and Records Administration. A library official in a legal deposition deemed it the worst security breach in the National Archives' history. A furious CIA demanded the archivist be fired, but he remained a library employee after losing his top-secret clearance. NSC 26/2 was reclassified top secret, but by this time Research Publications, a Connecticut company, had sent it along with other microfiche documents to libraries across the country. The microfiche weren't recalled after a government decision – it's not clear by whom – that it would arouse attention. NSC 26/2 became public in 1996 in a story by this writer and Charles Crumpley in *The Kansas City Star*.

The denial policy even today is partially cloaked by classification restrictions. But American and British documents now available allow the most complete account yet of the murky mix of the CIA, Big Oil and national security injected into the most oil-rich piece of real estate on

earth. This account goes beyond revelations about the CIA and nuclear weapons to show a determined effort – replete with successes and setbacks – to organize the denial policy while keeping it secret from targeted countries such as Saudi Arabia, Iran and Iraq.

NSC 26/2 was replaced in 1953 by the Eisenhower administration with NSC 176, later renamed NSC 5401, which put more emphasis on plugging oil wells to “conserve” Middle East oil for later use by the West. But the policy still called for oil companies to disable or destroy facilities and equipment to stall the Soviets. Concerns about security leaks to host governments and the denial policy’s effectiveness forced a restructuring in 1957. The new policy, NSC 5714, dealt mainly with protection and conservation including well plugging and passive defenses for oil facilities against airstrikes and sabotage. This would be done by the oil companies in cooperation with Middle East

governments. Plans for the companies to disable or destroy facilities and equipment were shelved. Instead, the military as a last resort would destroy them with “direct action” if they were about to be seized by the Soviets. The Kennedy administration in 1963 asked the State Department if NSC 5714 was still U.S. policy. A response is not in the file.

Source note: The Ministry of Defence and British Foreign Office documents provided interesting details about the denial policy. But the Ministry of Fuel and Power, an ally of British oil companies, was an unexpectedly valuable source, especially about the CIA’s involvement. This government agency participated in meetings about the policy and routinely received relevant memoranda and other documents. Ministry of Fuel and Power files about the Middle East denial policy included POWE 33/1841 which is closed to the public, but POWE 33/1899 is open at Britain’s National Archives.



James Terry Duce, an Aramco executive integrally involved in the oil denial planning. (Credit: DeGolyer Library, Southern Methodist University, Robert Yarnall Richie Photograph Collection.)

U.S. documents have some references to the CIA, but not with the detail found at the British archives. But National Security Council files do offer an increasingly insightful account of the overall denial policy. These documents are at the Harry S. Truman Presidential Library, Dwight D. Eisenhower Presidential Library and the National Archives and Records Administration in College Park, Maryland.

* **Steve Everly** is a journalist formerly with the *Kansas City Star*. He first broke the story of Western oil denial plans in the *Star* in 1996, basing his reporting on documents discovered in U.S. and British archives. This posting also features archival discoveries uncovered and donated by the author.

READ THE DOCUMENTS

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Document 1 (<http://nsarchive.gwu.edu/dc.html?doc=2869656-Documents-01-National-Security-Council-NSC-26>)

National Security Council, NSC 26 report, “Removal and Demolition of Oil Facilities, Equipment and Supplies in the Middle East,” August 19, 1948, Top Secret

Source: Truman Presidential Library, President’s Secretary’s Files, Box 117

This report set the stage for the denial policy during what the CIA called an “atmosphere of emergency.” The Berlin Blockade crisis was two months old and a Soviet thrust into the Middle East seemed possible. The Joint Chiefs of Staff believed it unlikely the United States and its allies could stop the invasion, but a stop-gap measure could stall the Soviet military by denying it Middle East petroleum.

NSC 26 was a collaboration of the CIA, NSC, State Department and SANACC, also known as the State-Army-Navy-Air force Coordinating Committee. Most of the report’s recommendations found their way into the denial policy that landed on President Truman’s desk for approval in early 1949. American and British oil companies would provide the manpower and expertise to plan and execute the denial policy. Training company employees and stockpiling supplies

including explosives in advance would ensure denial plans were ready to execute.

NSC 26 also singled out the issue that bedeviled the denial policy. Destroying a friendly country's main industry could produce "unfavorable political and economic consequences" against the United States. This report grapples with what to tell Saudi Arabia, which at this stage was the only country the United States expected to be responsible for in the denial policy. It was of the "greatest importance" to tell King Ibn Saud of Saudi Arabia or his government about the abandonment and demolition program to minimize these negative consequences. The U.S. secretary of state would disclose the denial policy's existence at his discretion. But Saudi Arabia wasn't told because of an expected negative reaction, and the State Department again in 1952 refused to disclose the denial policy because it could interfere with planned negotiations to form a military pact in the Middle East. In 1956, the State Department claimed conditions were still not right to tell Saudi Arabia.

Britain, which had responsibility for the policy elsewhere in the Middle East, also didn't want to disclose the denial policy to host governments. But fears of a security leak haunted the denial policy. Anglo-Iranian Oil, later renamed British Petroleum, believed it would be subject to economic blackmail or worse if Iran's government learned of the policy. Aramco, the Arabian American Oil Company, jointly owned by a number of American oil concerns, eventually believed that not consulting Saudi Arabia about the denial policy risked the company's economic survival.

Document 2 (<http://nsarchive.gwu.edu/dc.html?doc=2869657-Document-02-National-Security-Council-NSC-26-2>)

National Security Council, (NSC 26/2) report, "Removal and Demolition of Oil Facilities, Equipment and Supplies in the Middle East," December 30, 1948, Top Secret, with cover note for the President,



Saud bin Abdulaziz Al Saud ruled Saudi Arabia from 1953-1964. It is not known whether he was aware of the oil denial plans drawn up for the Kingdom. (Credit: DeGolyer Library, Southern Methodist University, Robert Yarnall Richie Photograph Collection.)

January 6, 1949

Source: Truman Presidential Library, President's Secretary's Files, Box 118

President Harry Truman approved the Middle East denial policy on January 10, 1949. NSC 26/2 called for high-level conversations with Britain, a crucial step since Britain was the governing authority in Kuwait, Qatar and Bahrain, and British companies controlled Iran and Iraq's oil industries. The military would help with U.S. denial plans when possible. In fact, a Marine task force was initially assigned, but it was pulled in 1950. Britain believed some troops were necessary to at least assist British oil companies in executing denial plans. But NSC 26/2 was basically conceived as a covert civilian operation. The State Department provided overall supervision and had already brought in the CIA to work with Aramco on the denial plan for Saudi Arabia. Aramco, owned by predecessor companies of Exxon, Chevron, Mobil and Texaco, controlled Saudi Arabia's oil industry.

Much of this planning was about destroying or disabling oil facilities and equipment, but policymakers and oil companies struggled with how to best keep the Soviets from tapping Middle East oil wells. They initially thought plugging oil wells with cement would take one to two months, far longer than a Soviet attack would likely allow. NSC 26/2 ordered a study of radiological weapons, which would spread radioactivity without destroying the wells, to keep the Soviets out of the oil fields. The CIA later rejected their use since the Soviets would probably send Arabs deemed "expendable" to keep the wells flowing. Tweaking the ways to plug wells with cement eventually slashed the time to one to two weeks.

Document 3A (<http://nsarchive.gwu.edu/dc.html?doc=2869658-Document-03-British-Embassy-Memorandum>)

British Embassy, Memorandum summarizing discussions with U.S. officials on April 30 and May 1, 1951, in Washington, D.C., with attachment about oil-denial priority target list, Top Secret

Document 3B (<http://nsarchive.gwu.edu/dc.html?doc=2869659-Document-04-British-Foreign-Office-Memorandum>)

British Foreign Office, Memorandum, "Oil Denial: Record of Meeting Held in the State Department on 1st May 1951

Source: British National Archives (Kew), POWE 33/1899

The approval of NSC 26/2 ignited efforts in 1949 to build denial plans, with the United States

responsible for Saudi Arabia, and Britain for Iran and Iraq. These plans were refined in 1950, but by early 1951 the denial policy was in trouble. British officials had cancelled a meeting with the United States about the policy, a move ostensibly made to allow time for a study about defending the Middle East against a Soviet attack. But it was Anglo-Iranian Oil, worried about a security leak to Iran's government, that wanted Britain out of the denial policy. An angry George McGhee, a U.S. assistant secretary of state, told a British Ministry of Fuel and Power official it was time for his government to make up its mind regardless of what Anglo-Iranian Oil thought. Britain relented and a few weeks later rejoined the denial policy.

These British documents include a summary of meetings and briefings with the United States on April 30 and May 1 in Washington, D.C. They show the British reaffirming their responsibility for denial plans in Iran and Iraq while the United States remained responsible for Saudi Arabia. In a concession, Britain tentatively agreed to the CIA developing denial plans for Kuwait, Qatar and Bahrain where a mix of American and British oil companies operated. But Britain, the governing authority in the three countries, would be responsible for ordering the plans executed in Kuwait and Qatar. Things were more complicated in Bahrain where two American oil companies controlled its oil industry. A decision was deferred about which country would trigger the denial plan for Bahrain although the summary shows Britain willing to give it to the United States.

American and British officials generally agreed on denial targets with refineries and petroleum stockpiles given top priority. The attached British priority target list is from "Project Neckpiece," an early British denial plan hatched soon after NSC 26/2 was approved. But the British remained skeptical about plugging oil wells in Iran and Iraq. Both countries would be on the front line of a Soviet invasion which meant even less time to seal the wells. A suggestion by U.S. officials to ask Iran and Iraq to help with the well plugging was quickly rejected by the British. This suggestion reflected the view of some involved in the denial policy that Middle East governments might support well plugging since it would preserve their oil by preventing the Soviets from setting the wells on fire if forced to retreat. But reluctance to reveal any part of the denial policy remained a stumbling block.

Document 4 (<http://nsarchive.gwu.edu/dc.html?doc=2869660-Document-05-Minutes-of-briefing-by-CIA-to>)

Minutes of briefing by CIA to British Embassy and military officials at U.S. State Department, May 1, 1951, Top Secret

Source: National Archives (Kew) POWE 33/1899

This CIA briefing played a key role in persuading the British to allow the intelligence agency to develop denial plans for Kuwait, Bahrain and Qatar. The briefing at the State Department, which occurred during two days of talks in Washington, featured CIA operative George Prussing, according to British minutes of the briefing. A British embassy official and military officer represented Britain. Prussing had been a safety director for Union Oil in California before World War II and worked with the federal Petroleum Administration during the war to protect West Coast refineries from sabotage. He went on to become a consultant to the Office of Policy Coordination, an agency later folded into the CIA, which was involved in sabotage missions in foreign countries. He became a full-time CIA employee in 1950.



Walter Bedell Smith, director of CIA under President Harry Truman, 1950 to 1953. (Credit: Harry S. Truman Library & Museum.)

This dog-eared document is missing some words, but it reveals for the first time the scale and several details of the denial plan for Saudi Arabia. It relied on 45 senior Aramco managers and another 600 company employees. (The 200 employees figure in the document was later clarified to mean for each of Aramco's three administrative districts in Saudi Arabia.) The number of employees involved was deemed sufficient to allow for successful execution of the denial plan even if some employees were absent. And to avoid a security leak of the denial plan, most Aramco employees were told only the part they would execute. The CIA also inserted five undercover operatives into Aramco jobs ranging from a storekeeper to assistant to the general manager. They would brief the intelligence agency about any developments affecting the denial plan.

The plan would unfold in three phases and deny Saudi Arabia's petroleum to the Soviets for six months to a year. Prussing also provided an example of selective demolitions, a key feature of the Aramco plan to allow quick resumption of production after the Soviets were ousted. Alternators would be disabled by destroying their couplings and governors which controlled the flow of electricity. It was assumed the Soviets couldn't replace these parts.

The CIA had imported military-grade explosives for the demolitions, but flame throwers would also be used to destroy supplies and small machinery. Thermite grenades, which produced high temperatures, would destroy oil stockpiles, vehicles, spare parts and tires. Prussing also discussed using “Oatis” plugs. He was probably referring to the Otis plug which was invented in the 1930s by Herbert Otis. After being inserted in an oil well, it could be opened or closed with a special tool. That promised a quicker method to seal the wells, but it was later dropped from consideration without explanation.

Prussing and a U.S. military official at the briefing also expressed their disappointment with British denial plans for Iran and Iraq because British oil companies weren’t involved. But they would soon conclude British officials had misled them.

Document 5A (<http://nsarchive.gwu.edu/dc.html?doc=2869661-Document-06-Telegram-from-British-Joint-Staff>)

**Telegram from British Joint Staff Mission to Ministry of Defence, London, May 2, 1951,
Top Secret Cypher Telegram**

Document 5B (<http://nsarchive.gwu.edu/dc.html?doc=2869662-Document-07-Telegram-from-British-Joint-Staff>)

**Telegram from British Joint Staff Mission to Ministry of Defence, London, May 2, 1951,
Top Secret Cypher Telegram**

Source: National Archives (Kew) POWE 33/1899

The CIA briefing’s impact quickly rippled to Britain’s Ministry of Defence in London in these two telegrams sent by the British Joint Staff Mission in Washington, a military group created during World War II to forge cooperation with the United States. The ministry was convinced troops were necessary to some degree for denial plans to succeed. At minimum, the British Army’s Royal Engineers were needed to help execute plans in Iran and Iraq. But now they were told that Aramco and the CIA had developed a “satisfactory modus operandi” that relied entirely on civilians and that the United States was anxious to use this approach in other Middle East oil fields. The plan was advanced with Aramco employees already being trained in Saudi Arabia’s oil fields. That made it difficult for Britain to argue it should develop denial plans for Kuwait, Qatar and Bahrain.

The telegrams also discuss some British duplicity that was becoming increasingly awkward, especially after American criticism of British denial plans for not having oil-company cooperation. Britain, when it returned to the denial policy after the McGhee ultimatum (see

introductory essay above), told U.S. officials their denial plans in Iran and Iraq would not involve British oil companies. In fact, they were cooperating. But Sir Thomas Fraser, chairman of Anglo-Iranian Oil, would cooperate only if it was kept secret from the Americans. He thought an American oil company would try to gain a foothold in Iran by leaking his company's participation. But keeping it a secret from the U.S. government was an unworkable arrangement, and the CIA and State Department were soon told the truth.

Document 6 (<http://nsarchive.gwu.edu/dc.html?doc=2869663-Document-08-CIA-memorandum-to-Richard-Funkhouser>)

CIA memorandum to Richard Funkhouser, Near Eastern Affairs, U.S Department of State, "Next Meeting with the British Group on Middle East Oil," May 28, 1951, Top Secret

Source: National Archives (Kew) POWE 33/1899

This memorandum by Prussing to a State Department official – and apparently forwarded to the British Embassy in Washington – is a list of more than a dozen items to be discussed with the British at an upcoming meeting. The items for denial plans in Kuwait, Qatar and Bahrain included the British providing names of officials who would work with the CIA. Prussing also wanted names of oil-company employees who had passed background checks and were authorized to help with denial plans. A meeting – possibly in Rome – was needed to indoctrinate company executives about the denial policy. Prussing also expected a list of supplies – including explosives – for the denial plans and how they would be financed. (The United States covered most of the cost in Saudi Arabia but not without disputes. U.S. officials thought Aramco should help pay for the cement trucks needed for plugging oil wells since they could also be used in other company operations unrelated to the denial plan.)

A management structure was pushed which was modeled after the Aramco plan. An executive committee that included company executives was needed for each of the denial plans for Kuwait, Bahrain and Qatar. A manager would be in charge of denial planning in the field.



President Truman conferring the Order of the Legion of Merit Degree of Commander on eldest son of King Ibn Saud, Prince Amir Saud, of Saudi Arabia (1947). (Credit: Harry S. Truman Library & Museum.)

Supervisors would be trained in using explosives who in turn would train the company employees who would execute the demolitions.

Document 7 (<http://nsarchive.gwu.edu/dc.html?doc=2869664-Document-09-British-Foreign-Office-letter-to>)

British Foreign Office letter to Ministry of Fuel and Power, June 7, 1951, Top Secret

Source: National Archives (Kew) POWE 33/1899

This memorandum from the British Foreign Office to the Ministry of Fuel and Power is one of the few times MI6, the British equivalent of the CIA, is mentioned in declassified documents about the denial policy. MI6's attendance was expected at an upcoming meeting about oil denial and the document briefly mulls a role for the British intelligence agency in the denial policy. The memo states further consideration of MI6 participation would happen if a specific operation was offered. A subsequent British document mentions the MI6 might create a covert operation to plug oil wells in Iran and Iraq. But it's unclear if anything came of this or any other denial operation for the British intelligence agency.

Document 8 (<http://nsarchive.gwu.edu/dc.html?doc=2869665-Document-10-Internal-memorandum-Ministry-Fuel>)

Internal memorandum, Ministry Fuel and Power, June 11, 1951, Top Secret

Source: National Archives (Kew) POWE 33/1899

The CIA's push to export Aramco-style denial plans at times rankled British oil executives. This document recounts a visit by Leslie Murphy of the Ministry of Fuel and Power to Philip Southwell, British managing director of Kuwait Oil Co. The company was managed by the British, but it was a partnership of British-owned Anglo-Iranian Oil and American-owned Gulf Oil. U.S. officials initially claimed that Americans accounted for a majority of Kuwait Oil's employees. But Southwell tells Murphy that only 40 Americans were among Kuwait Oil's 600 employees. Southwell sought – and received – assurances that British officials were involved in denial planning for Kuwait Oil. Southwell soon after this visit provided names of Kuwait Oil employees who would work on the denial plan.

Document 9 (<http://nsarchive.gwu.edu/dc.html?doc=2869666-Document-Minutes-of-meeting-with-George-Prussing>)

Minutes of meeting with George Prussing, CIA, at British Ministry of Fuel and Power, June 26, 1951, Top Secret.

Source: National Archives (Kew Gardens)

POWE 33/1899

Prussing, identified in this document by his cover as an Aramco consulting engineer, met with British officials in London. This was in preparation for another scheduled meeting in Saudi Arabia, to be attended by executives for Aramco, Kuwait Oil, Bahrain Petroleum and Qatar Petroleum. James McPherson of the American Oil Independent Co. was also expected to attend. This company, which had the rights to oil in the Kuwait neutral zone, would later join the denial policy.

Prussing in the London meeting pushed for the names of British government employee to serve as undercover operatives in Bahrain, Qatar and Kuwait. He also discussed Aramco's plans to "militarize" its employees by inducting them into the military before they executed the denial plan. This would give them some protection as prisoners of war if captured by the Soviets. During this meeting, senior executives of Kuwait Oil, Bahrain Petroleum and Iraq Petroleum Co. were introduced to Prussing. They agreed to cooperate. Britain was still responsible for the denial plan in Iraq, but didn't object to Iraq Petroleum working with the CIA.



Prime Minister Mohammed Mosaddeq of Iran (left) visiting with George McGhee at the Egyptian Embassy in Washington D.C. (1951). McGhee, a senior State Department official, pushed British officials to deploy denial plans in Iran and Iraq. (Credit: Harry S. Truman Library & Museum.)

Document 10 (<http://nsarchive.gwu.edu/dc.html?doc=2869667-Document-National-Security-Council-NSC-176>)

National Security Council, NSC 176 statement of policy, "Denial and Conservation of Middle East Oil Resources and Facilities in the Event of War," December 22, 1953, Top Secret, Special Handling

Source: Eisenhower Presidential Library, NSC Series, Policy Papers Subseries, Box 8

The Eisenhower administration, just days after his inauguration in 1953, kicked off a review of NSC 26/2, which was in trouble. Aramco had curbed its support in 1952 and wanted the denial plan and explosives removed from its property. This happened after the United States refused to tell Saudi Arabia's government about the denial policy. After the review, NSC 26/2

was shelved and replaced by NSC 176, later renamed NSC 5401.

The new policy boosted efforts to plug wells and sought to patch the gap left by Aramco. The military as a last resort would destroy oil facilities if ground demolitions weren't possible. But the Defense Department refused to execute ground demolitions, which were a preferred tactic since they would disable instead of destroy facilities. The best hope was for the CIA and Aramco to execute them, said Robert Cutler, Eisenhower's national security assistant, during the National Security Council meeting that approved NSC 5401.

Aramco did decide to be more helpful, according to William Chandler, a vice president at Tapline, which was an oil pipeline across Saudi Arabia and an Aramco subsidiary. In an interview with this writer before his death, Chandler said an Aramco executive told him to expect a visitor who would discuss a "special program" for Tapline. The pipeline's pumps would be disabled by Tapline supervisors at the start of a Soviet invasion. They were trained to use explosives, which they stored under their beds.

NSC 5401 appeared to revive the denial policy, which extended its reach with plans to disable an American-owned refinery in Lebanon and a British refinery in Egypt. A planned refinery in Syria would also be covered after it was built. The British selected targets in Israel and Turkey in case these countries were brought into the denial policy.

Document 11A (<http://nsarchive.gwu.edu/dc.html?doc=2869668-Document-Chiefs-of-Staff-Committee-Joint>)

Chiefs of Staff Committee, Joint Planning Staff report, "Oil Denial in the Middle East," December 13, 1955 , Top Secret, U.K. Eyes Only

Document 11B (<http://nsarchive.gwu.edu/dc.html?doc=2869669-Document-Chiefs-of-Staff-Committee-Joint>)

Chiefs of Staff Committee, Joint Planning Staff report, "Oil Denial in the Middle East," May 16, 1956, Top Secret, U.K. Eyes Only



King Faisal II Al-Hashimi of Iraq, beginning a state visit to the United States, is welcomed at National Airport, Washington D.C., by Secretary of State Dean Acheson 1952. (Credit: Harry S. Truman Library & Museum.)

Document 11C (<http://nsarchive.gwu.edu/dc.html?doc=2869670-Document-Chiefs-of-Staff-Committee-minutes-of>)

Chiefs of Staff Committee, minutes of meeting, May 24, 1956, Top Secret, U.K. Eyes Only

Source: National Archives (Kew) DEFE 6/32/145, DEFE 6/35/69, DEFE 4/87/53

These documents sketch British deliberations about using nuclear weapons to ensure the denial policy's success. The catalyst was the emergence of state-controlled refineries in Iraq and Iran. These facilities would have to be sidelined to deny fuel to the Soviet military. But ground demolitions required a cooperating oil company, and asking Iran and Iraq's governments to develop denial plans for their refineries was "politically unacceptable" since that meant telling them a denial policy existed. Among the options was airstrikes using conventional bombs but there weren't enough aircraft. A British Joint Chiefs of Staff committee concluded nuclear weapons may be the only option until a plan using ground demolitions was possible.

The British controlled Iraq Petroleum Co. was still able to execute ground demolitions against the massive Kirkuk petroleum complex which was not state controlled. Iraq's government did own or control refineries near Baghdad, Alwand and Basra. The situation in Iran was more complex. Britain had abandoned ground demolitions after Anglo-Iranian Oil was nationalized in 1951. The British Joint Chiefs of Staff replaced them with a plan to use airstrikes and conventional bombs although they had doubts about the plan's effectiveness based on their experience in World War II when German refineries proved resilient against bombing. But this plan remained even after a coup in 1953 ushered in a friendlier government. In 1954, the new government allowed an oil consortium, which was majority owned by Anglo-Iranian Oil and five American companies including Aramco's owners, to manage the bulk of Iran's oil industry. But Iranians had some control including management of the Kermanshah refinery, an oil field and a distribution system for petroleum deliveries within the country.

These documents don't discuss what option was eventually chosen to deal with Iraq's state-controlled refineries. Nor do they disclose the potential targets for nuclear weapons in Iran. But the British Joint Chiefs of Staff received ministerial approval to ask the United States to accept responsibility for Iran since it had a nuclear arsenal that could be used. The matter was discussed in formal talks between the two countries in February 1956 in London, but a decision was deferred about transferring responsibility for Iran's denial plan to the United States. British military officials concluded that in the meantime the only way to execute the

denial plan in Iran was American nuclear action.

Did the United States eventually agree to use its nuclear weapons on Iran? Documents now available suggest it did not. Prussing was dispatched to Iran to inspect its oil fields and facilities and advised that the original denial plan for Iran using ground demolitions was technically sound. British officials thought the growing number of American citizens working in Iran made ground demolitions more likely than destruction by nuclear bombs. William Otto, Aramco's expert on ground demolitions, was dispatched by the CIA to assist British denial plans in Iran, according to an interview with Otto.

Document 12 (<http://nsarchive.gwu.edu/dc.html?doc=2869671-Document-12>)

National Security Council, NSC 5714, statement of policy, "Protection and Conservation of Middle East Oil Resources and Facilities," May 29, 1957; with several associated NSC and State Department memoranda, 1957-1963, Top Secret, Special Handling

Source: Eisenhower Presidential Library, NSC Series, Policy Papers Subseries, Box 8

The CIA, State Department and Defense Department in 1956 recommended that NSC 5401 should continue. But George Weber, a young NSC staffer, thought it should be killed. The denial policy didn't cover Arab nationalism which had become a threat to the West's hold on Middle East oil fields. In addition, he argued selective demolitions would be ineffective in allowing a quick resumption of production since the Soviets would probably destroy the oil facilities when they retreated. Meanwhile, increased training for selective demolitions to disable facilities made a security leak to host governments more likely.

The denial policy wasn't killed but it was transformed when President Eisenhower in 1957



William Rountree, assistant secretary of state, helped shepherd in 1957 a shift in the denial policy that called for cooperation with Middle East countries. (Credit: Harry S. Truman Library & Museum.)

approved NSC 5714. It dealt almost entirely with conservation and protection including plugging oil wells and passive defenses to protect refineries from airstrikes. The oil companies and Middle East governments would execute these measures. The CIA partnership with the oil companies to destroy or disable facilities was abandoned. The U.S. military would still as a last resort destroy oil facilities with “direct action” if they were about to be seized by the Soviets.

The handful of declassified documents about NSC 5714 provides few details about its fate including how many, if any, Middle East governments cooperated. The Kennedy White House in 1963 asked the State Department if NSC 5714 should be rescinded or replaced by something else, or if it still represented U.S. policy. A response is not in the file.

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