Britain’s Decision to Withdraw from the Persian Gulf, 1964–68: A Pattern and a Puzzle

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Can we comprehend the end of the British Empire as a planned and logical process, or was it an accumulation of improvised decisions? Britain exercised significant influence over the southern coast of the Persian Gulf from the nineteenth century until January 1968, when it announced that it would withdraw its troops from the region. This withdrawal marked an end to Britain’s overt influence in the Gulf, and led to the eventual emergence of Bahrain, Qatar and the United Arab Emirates as full members of international society. This paper examines Britain’s decision-making process that led to the withdrawal announcement. It argues that the withdrawal option was put under the spotlight in the context of the long-term economic retrenchment and rise of anti-imperialist voices, but that the final decision was inspired largely by contingent domestic political considerations. In contrast to the prevailing view that the withdrawal decision was taken by July 1967 as a result of Britain’s effort to bring the ends of its foreign policy into line with the means, this paper highlights the more spontaneous aspect of the whole process. An examination of the sources suggests that the decision was reached only a few days before the announcement in January 1968, more as a justification for reducing domestic social expenditure than as a foreign policy initiative.

Since the nineteenth century, Britain had exercised significant influence over the southern coast of the Persian Gulf. The region included the territories of ‘Ajman, Fujairah, Ra’s al-Khaimah, Sharjah, Umm al-Qaiwain, Abu Dhabi, Dubai, Qatar and Bahrain. In strict legal terms, these areas were treated as independent sovereign states, but in practice their internal, and especially external, affairs were highly dependent on the influence and advice of Britain until the second half of the twentieth century. After the Second World War, the British Empire went into irreversible decline. Yet even the ‘winds of change’ following the independence of India in 1947 and the Suez Crisis in 1956 did not alter Britain’s exclusive influence over the Persian Gulf.

During this period, British policy towards the Gulf was motivated by economic incentives and underpinned by Britain’s military presence. The Persian Gulf and its
surrounding lands provided half of the oil supply used in the western world outside North America. Although the protected states accounted for less than 10 per cent of the oil produced in the Gulf, maintaining the stability of the region was vital in order to secure the oil supply. Hence, by 1967, Britain had an army garrison of one battalion with supporting arms and services, as well as an RAF station, in Sharjah. In Bahrain, it maintained an army garrison of one battalion, an RAF station and a small naval station. Britain also financed and effectively controlled a police and military force called the Trucial Oman Scouts, and controlled the locally financed Abu Dhabi defence force. These military bases not only connected British forces in Europe to the Indian Ocean, they also enabled Britain to secure its economic interests in the Gulf. The shift in policy came on 16 January 1968, when the Labour prime minister, Harold Wilson, announced to the House of Commons that Britain would withdraw all its troops from the Persian Gulf by the end of 1971. Accordingly, in 1971, the hitherto protected nine states emerged into international society under the names of Bahrain, Qatar and the United Arab Emirates. After the withdrawal was completed, Britain maintained a low profile in the region, although it continued to wield a significant degree of influence, and ‘Britain’s moment in the Middle East’ came to an end.

Accounting for Britain’s withdrawal from the Persian Gulf is important for two reasons. First, the event itself was a significant turning-point for the Persian Gulf. It unleashed the momentum towards the emergence of three states, and hence was a critical moment in the history of the international relations of the Gulf region. Second, it provides an interesting case for the study of the British Empire. One of the central questions in the study of the end of the British Empire has been what John Darwin has encapsulated as the ‘pattern or puzzle’ problem. Can we comprehend the transformation from empire to a post-imperial international system as a planned and logical process, or was it an accumulation of a baffling series of withdrawals resulting in unintended consequences? Few historians would be likely to provide a definite answer at either end of this spectrum, but the dialectic between the two explanations provides a path to advance the study of empire.

Whereas much of the literature on the end of British Empire focuses on historical moments when Britain was, to a certain extent, pushed out by local oppositional groups, in the case of the Gulf the local rulers actually asked Britain to stay. Hence, examining the British decision to leave the Gulf makes a unique contribution to the study of the end of the British Empire, not least to the enduring ‘pattern or puzzle’ debate. This paper will focus on the decision-making process that led to the eventual British withdrawal.

In a nutshell, debate on this issue can be summarised as follows. On the one hand, the prevailing view is that the long-term relative decline of the British economy compelled the Labour government to withdraw its troops from overseas. This argument posits a strong link between economic retrenchment and military retreat, thus finding some comprehensible pattern in the whole process. On the other hand, a smaller group of scholars contends that the government needed to satisfy domestic opinion, which inclined against overseas commitment. This group tends to emphasise an intervening political motive that connected retrenchment and retreat, looking at the more puzzling
aspects of the decision. The two arguments are not necessarily mutually exclusive, but they differ significantly on the factors they choose to emphasise.

Recently, this debate has been advanced by a declassification of British government documents. The declassified sources have enabled scholars to investigate why the decision was reached, by scrutinising when it was made. For example, Wm. Roger Louis notes that it was a ‘decision of Harold Wilson’s Labour Government to rescue the British economy by taking severe measures, including evacuating all troops from South-East Asia and the Gulf’. Saki Dockrill and Simon C. Smith do not posit a direct causal link between economic retrenchment and military retreat; instead they argue that the withdrawal decision was effectively taken in July 1967 as a result of a series of defence reviews, which were necessitated by Britain’s long-term decline. Extending this line of argument, Tore T. Petersen contends that the Labour government was intending to retreat from the east of Suez region, including the Gulf, as a result of its anti-imperialistic ideology. He concludes that ‘the withdrawal from the Persian Gulf was the end of a planned and conscientious process’. By contrast, Jeffrey Pickering defends the political argument, by emphasising the shifting of the balance of power within the Labour Party after devaluation in November 1967. He contends that the decision was taken between December 1967 and January 1968, due to the rise of anti-imperialist opinions within the government.

Thus, while Dockrill and others are inclined to find a logical pattern leading to the withdrawal decision being reached months or even years before the announcement of January 1968, Pickering contends that the decision was taken in January 1968 for more spontaneous reasons. He positions himself more on the ‘puzzle’ side of the spectrum. This paper aims to further advance the debate by investigating the key governmental documents more closely.

One problem that has been overlooked by the literature is that its analysis is based on a questionable geographical conception. In most cases the British decision to withdraw from the Persian Gulf has been regarded as part of a greater decision, commonly called the ‘East of Suez’ decision. Indeed, on 16 January 1968, the Labour government’s declaration that it would withdraw its troops from the Gulf by the end of 1971 was accompanied by the announcement that a parallel action would be taken in Malaysia and Singapore within exactly the same time horizon. Also, only a couple of months earlier, Britain had withdrawn from Aden, a port on the Arabian Peninsula outside the Persian Gulf. Yet, as the following sections will demonstrate, British withdrawal from Malaysia and Singapore had already been decided upon in the first half of 1967, and had been declared in July of that year. As regards these two states, the January 1968 announcement only accelerated an already publicised decision, whereas the withdrawal from the Persian Gulf was announced in January 1968 for the very first time. Nonetheless, the Labour government presented the two decisions – together with its decision to withdraw from Aden, which had already been implemented – as part of the larger package of withdrawal from ‘East of Suez’. The terminology has been largely successful in shaping the literature, and indeed there is a merit to analysing the decision in the context of a larger strategic transition. Yet, at the same time, the sentimentally vague phrase has obscured the actual process by which the government decided upon
withdrawal from the Gulf. Uncritical recycling of the policy-makers’ ontology opens the
door to an over-rationalisation of past events, particularly when it is coloured by an
*ex post facto* justification of their decisions.

Historical analysis should not be dictated by the public presentation of the
policy-makers. The task of discerning the actual intention of the policy-makers
from their public statements is not easy, but this paper has the advantage of being
able to access declassified official records of the negotiations that took place within
the government. Thus, the paper seeks to contribute to the new generation of literature
by distinguishing the decision on withdrawal from the Gulf from the ostensibly larger
decision on withdrawal from ‘East of Suez’. It will focus on the period between the
inauguration of the Labour government in October 1964 and its announcement of
withdrawal from the Persian Gulf in January 1968. The whole decision-making
process will be traced chronologically. In particular, the two turning-points that
have been the focal points of the literature, July 1967 and December 1967–January
1968, will be examined closely.

I

On 10 October 1964, the Labour Party returned to power in Britain. It was a moment
of exuberance for Labour, after thirteen years in opposition. Yet it was not the easiest
time to take over government. Economic pressure was mounting, and the deficit in
the balance-of-payments was equivalent to 1.1 per cent of the national income. The
economic departments were suggesting that expenditure in 1969–70, which was
expected to expand to £2400 million, should in fact be reduced to £2000 million. The
new prime minister, Harold Wilson, was confident, however. He quickly ruled
out the option of devaluing the pound, and also stipulated that expenditure cuts
would not be accompanied by any major military retreat. On 16 December 1964,
Wilson announced to the House of Commons:

> I want to make it clear that whatever we may do in the field of cost effectiveness,
value for money, and a stringent review of expenditure, we cannot afford to relin-
quish our world rôle, our rôle which, for shorthand purposes, is sometimes called
our ‘East of Suez’ rôle.

Three years later, on 16 January 1968, he would completely reverse this statement.
Nonetheless, on this first occasion, he was wholeheartedly committed to Britain’s
role in the Persian Gulf, as well as in Aden, Malaysia and Singapore.

Wilson was one of the brightest politicians of his generation. After completing
his bachelor’s degree at the University of Oxford with exceptionally high grades, he
soon became one of the youngest economics dons at that university. In addition to
his academic background, he had a strong belief in Britain’s ‘world role’. Although
he was from the Labour left, he considered that Britain should uphold its traditional
role in the world. A number of cabinet ministers, moreover, shared his view. With his
expertise in economics and strong personal beliefs, Wilson considered that economic
retrenchment should not result in a military retreat from ‘East of Suez’.
In addition, some domestic and international constraints were imposed upon the Labour government. The first Wilson government of 1964–66 had only a wafer-thin parliamentary majority until its decisive triumph in the October 1966 general election. It could not risk losing support by taking a controversial foreign-policy decision. At the international level, the US was having enough trouble in Vietnam, and was refusing to take over Britain’s role in the Persian Gulf. Nor did Britain’s progression towards EEC membership look promising. Given all these considerations, the Labour government’s initial position was to maintain its involvement in the Persian Gulf as well as in other areas ‘East of Suez’ – including Aden, Malaysia and Singapore.

Petersen puts forward a case that the Labour government was making official and explicit comments on its ‘East of Suez’ role in order to secure economic assistance from America. Though his argument has many merits, it calls for further discussion, especially his claim that the government was in fact ideologically committed from the outset to withdrawal, which was eventually announced in 1968. At the most, currently available sources may support this claim as far as the retreat from Aden or Southeast Asia was concerned, but not for the withdrawal from the Persian Gulf. In June 1965, Healey was even discussing the possibility of increasing the forces in the Gulf in a secret document which was circulated internally within the Ministry of Defence.

In any case, at least in public, the government continued to express its commitment to the ‘East of Suez’ role. The Defence White Paper published in February 1965 reaffirmed that it would have been ‘politically irresponsible and economically wasteful’ to consider withdrawal. Even though it admitted that British forces were ‘seriously overstretched’, it also stipulated that Britain’s ‘worldwide role’ should be maintained as long as the local governments and peoples agreed.

A symptom of change came in 1966. The Defence White Paper of that year announced that Britain would withdraw its troops from Aden. Aden was one of the largest ports of the British Empire, facing not the Persian Gulf but the whole Indian Ocean. It had been a crown colony until 1963, when it became the State of Aden within the Federation of South Arabia. Britain attempted to unite Aden with its hinterland, but this met with a widespread revolt organised by the National Liberation Front. With the worsening of the conflict, the White Paper declared that Britain would leave Aden by 1968 and would not maintain its forces there afterwards. Furthermore, the paper announced the cancellation of orders for new aircraft carriers, which some viewed as ‘at once the hub and the symbol of British power east of Suez’. Despite the withdrawal from Aden and the reduction of military capabilities, however, there was no decrease in the level of engagement in the Persian Gulf. In fact, the prevailing view was that the forces in the Gulf should be increased so that Britain could continue providing protection to Kuwait after the withdrawal from Aden.

After the general election on 31 March 1966, the Wilson government had a substantially increased majority and was to remain in office until 1970. In July 1966, there was a serious financial crisis. Despite these changes in domestic politics and economic circumstances, the government clung to Britain’s role in the Persian Gulf. In fact, in February 1967, the new Defence White Paper did not bring in any major changes in
overseas military involvement but declared that a reduction in the overstretch of forces ‘is now being achieved’.25

The stalling nature of the White Paper of 1967 provoked attacks by Labour backbenchers on the government.26 The Parliamentary Labour Party, in conjunction with its criticism of the government’s support for the US in Vietnam, called ‘for an earlier and more extensive reduction of Britain’s commitments East of Suez than envisaged in the Defence White Paper’.27 The revolt within the Labour Party was so intense that the leader of the House of Commons was ‘extremely alarmed by their mood’.28 Shortly afterwards, the Cabinet decided to leave Malaysia and Singapore.29 However, at this point, the forces in the Persian Gulf were not subject to change.30

In short, by the first half of 1967 the Labour government had decided to withdraw from Aden, Malaysia and Singapore, but not from the Persian Gulf. For almost two and a half years after its inauguration, the government had been consistently committed to Britain’s military engagement in the Gulf.

II

On 7 June 1967, a note issued by the Defence and Oversea Policy (OPD) Official Committee marked a subtle change in British policy towards the Gulf. It unleashed the momentum that led to the implicit understanding within the Labour government that Britain would have to leave the Persian Gulf. However, this was by no means an explicit decision and the time frame of withdrawal was kept vague.

Until that point, the assumption made by successive British governments was ‘we shall stay until satisfactory conditions [are] obtained for our departure’ in the Gulf, which implied ‘a willingness on our part to stay indefinitely if need be’. Yet, as the note stated, the Labour government had increasingly been moving towards the assumption that ‘[w]e could assume that we shall need in all circumstances to have withdrawn within a roughly definable period – by, say, the mid-1970s’. This new assumption implied ‘a willingness on our part to leave under less than satisfactory conditions if need be’. Effectively, this meant that the OPD had decided to withdraw from the Persian Gulf – at least at the level of officials.31 The conclusions drawn at the ministerial level, however, were slightly more nuanced. On 3 July, an OPD meeting was held in the presence of Wilson, together with the chancellor of the exchequer and the secretaries of the Foreign Office, the Ministry of Defence and several other departments. The main focus of this meeting was policy towards south-east Asia, and no explicit decision was taken over issues regarding the Persian Gulf. The participants accepted the assumption that Britain was not going to stay in the Gulf, but they were unclear about the pace and modality of withdrawal. One could reasonably assert that at this point the Labour government had, at least subconsciously, reached an implicit understanding that it would need to pull its troops out of the Gulf by some point in the mid-1970s; but this was by no means an explicit decision.32

The subtle change in British policy coincided with major turmoil in the Middle East, namely, the Six-Day War of June 1967. However, the connection between the two events was ambiguous, as the Labour government construed the implications of the
crisis in opposing ways. One argument was that it ‘had demonstrated the inability of our forces overseas to play any worthwhile role in a critical situation: indeed, by involving us in certain political commitments, it could be claimed that their presence in this area had been positively disadvantageous to our interests’. However, another thesis put forward contended that withdrawal from the Gulf would turn out to involve ‘risks to our interests in Iran and the Persian Gulf and therefore to the sterling balances and our oil supplies’. In fact, from this point of view, ‘the presence of our forces in the Persian Gulf and the maintenance of our commitments to the Central Treaty Organisation (CENTO) had proved of great importance to our interests in the supply of oil during the crisis in the Middle East, since they served to maintain our relationship with Iran’. Thus there was not a direct causality between the June war and the Labour government’s implicit understanding regarding withdrawal from the Persian Gulf. Instead, as Dockrill points out, the understanding reached in July 1967 could be more appropriately conceived as the outcome of a series of defence reviews over the past several years, which were largely a consequence of the long-term retrenchment of the British economy.

Dockrill also opens a debate when she goes on to claim that ‘the withdrawal from the Persian Gulf was the “logical extension” of Britain’s decision to withdraw from the Far East [i.e. Malaysia and Singapore]’. Here, it is worthwhile noting that in July 1967 the government had reached only an implicit and internal understanding in terms of leaving the Persian Gulf. It had not decided anything as to the deadline or announcement of the withdrawal – unlike in January 1968. It had reached a vague consensus on its intention to withdraw from the Gulf at some point in the mid-1970s, but it did not stipulate exactly when nor did it take any steps towards making a public announcement on its intention. For example, in the OPD meeting on 3 July, those present assumed that, merely for costing purposes, Britain would withdraw from the Persian Gulf by 1975–76. At the same time, they noted that events in the region might affect the pace of withdrawal, and also that the government ‘cannot exclude the possibility that we shall still have some tenuous obligations to the shaikhdoms of the Persian Gulf’ after the mid-1970s. In fact, the OPD paper issued on 7 June stipulated that no definite date should yet be chosen for the withdrawal, as this would increase the risk of instability.

The terms of withdrawal from the Persian Gulf were deliberately kept vague. In the mid-1960s, Britain was having a hard time disengaging from Aden alone. The Labour government had learnt from this experience that setting a rigid time frame for withdrawal and publicising it only favoured the local opposition groups. Hence, the deadline for withdrawal was deliberately discussed in round figures, and the deadline of the mid-1970s was mentioned only in that context. Making a public announcement was out of the question – at least until the rulers of the Persian Gulf had recovered from the shock of the Aden episode.

Consequently, the Supplementary Defence White Paper issued on 18 July announced that by 1970–71 Britain would have halved its forces in Malaysia and Singapore, and have completely withdrawn them by the mid-1970s, but it mentioned nothing about withdrawal from the Persian Gulf. Thus, in July 1967 the government
had not taken any explicit decision on withdrawal from the Gulf, even though it had internally reached an implicit understanding on this.

Over the following months, the Labour government remained determined not to take any explicit decisions on withdrawal from the Gulf, and the fact that anything had even been discussed was completely concealed from the public. Two days after the Supplementary White Paper was issued, George Brown, the foreign secretary, stated in the House of Commons that the protected states in the Persian Gulf still ‘need our help and we propose to keep small forces there to meet our obligations’, despite it being ‘our long-term aim to create a situation in which these small States can stand on their own feet’. He went on further to claim that, ‘by maintaining what we are doing there, we are doing better than we would by getting out’.

Following the public statement by the foreign secretary in early November, Goronwy Roberts, minister of state at the Foreign Office, visited the states of the Persian Gulf. During the tour, he assured ‘the Rulers that the British presence would continue as long as it is necessary to maintain peace and stability in the area’.

Both domestically and internationally, the Labour government was sending out messages that Britain would stay in the Gulf for an indefinite period, yet the situation on the economic front was deteriorating. From the autumn of 1967, large-scale off-shore selling of the pound generated a currency crisis. It was becoming increasingly difficult for the Bank of England to defend the pound. In order to secure a loan from the International Monetary Fund, on 18 November 1967 the chancellor of the exchequer, James Callaghan, announced that the pound would be devalued by 14.3 per cent, from the previous $2.80 to $2.40. In fact, the devaluation option had been discussed as a solution to relieve the balance-of-payments problem that had existed since the Labour government took office. In July 1966 there was a similar financial crisis, although arguably on a larger scale, but on this occasion Wilson rejected the devaluation option. Since Wilson had consistently claimed that the government could improve the economy while defending the pound, the eventual devaluation was all the more embarrassing. Even so, the government did not change its position over the Persian Gulf – until the chancellor of the exchequer was replaced.

III

In July 1967, the Labour government reached an internal and implicit understanding on military retreat from the Persian Gulf; but it took no explicit decision thereon, and remained unclear about the deadline for withdrawal. Additionally, it kept its intention of withdrawing completely secret, even after the devaluation in late November. Things started to change only when the chancellor of the exchequer, James Callaghan, resigned due to the failure of his economic policy. The new chancellor, appointed on 30 November 1967, was Roy Jenkins.

Jenkins was born in 1920 into a Welsh trade unionist and former mining family. Four years younger than Wilson, Jenkins had also studied at the University of Oxford. When Wilson formed his government in 1964, he nominated Jenkins minister of aviation, making him the youngest, albeit non-Cabinet, member of the government.
The following year he was promoted to home secretary, now becoming the youngest member of the Cabinet. Over the next three years, he initiated a number of social reforms, attempting to transform Britain into what he called a ‘civilised society’. Given Jenkins’s successful career as a politician, it was regarded as reasonable that Wilson should appoint him chancellor of the exchequer after the devaluation turmoil.

Despite somewhat similar career paths, the two politicians had contrasting views regarding Britain’s world role. Jenkins recalls that, unlike Wilson, he had been against ‘keeping Britain over-committed in the world’ long before arriving at the Treasury.41 Jenkins’s coming to the Treasury triggered the discussions within the Labour government on withdrawal from the Persian Gulf.

However, it is questionable whether Jenkins consciously and proactively took the initiative in this matter. According to Pickering, the nomination of Jenkins as chancellor marked a shift in the balance of power within the Labour government between those who were in favour of and those who were against Britain’s overseas military engagement. Pickering emphasises the role of Jenkins in unleashing the Labour government’s decision-making process regarding the withdrawal between December 1967 and January 1968.42 Yet Jenkins’s memoir indicates that he never fully understood the particular implications of withdrawing from the Persian Gulf. He refers to the region only as ‘East of Suez’ and aggregates the Gulf with Southeast Asia.43 Also, the declassified British government sources suggest that there was one week of silence after Jenkins took over the Treasury on 30 November. Only on 7 December did Jenkins state that some ‘very big cuts’ had to be made in defence, and even at this point he made no specific reference to the troops in the Gulf.44 It is unclear what was discussed off the record between Jenkins and the Treasury’s senior officials during this one-week hiatus.45 On the basis of the existing evidence, it is difficult to assert whether it was Jenkins who initially raised the issue of making an explicit decision on the withdrawal or whether it was the Treasury officials who proposed the idea to the new chancellor.

In any case, on 7 December, Jenkins and the officials agreed on the general point of cutting defence expenditure. Yet, at this point, they did not specify how this could be achieved.46 Thus, officials started to consider a practical plan, beginning with a calculation of the cost of keeping forces in the Gulf.47 Within a few days, on 11 December, they had concluded that withdrawal from the Gulf was the most desirable option. After comparing various potential options for reducing overseas commitment, including the theatres of Europe, Southeast Asia, Cyprus and Hong Kong, they concluded that the ‘Persian Gulf is the most obvious candidate of all for withdrawal’. The fact that at this stage the Treasury officials were comparing the withdrawal from the Gulf to the hypothetical option of leaving Europe or Hong Kong verifies the point that they had not taken a decision in July.48

On 12 December, officials became confident enough to note that ‘the presentational advantages of being able to declare that, with a few scattered exceptions, we aim to complete our withdrawal world-wide into Europe by say 1 April 1971 could be very great.’49 By 14 December, Jenkins had agreed to the proposal of Treasury officials that withdrawal from the Persian Gulf had to be completed by 1 April 1971 and also
that the decision should be publicly announced. Although this was just an internal consensus within the Treasury, it created a momentum within the government towards taking an explicit decision and configuring the terms of withdrawal. From mid-December, the Treasury started to negotiate with the prime minister, the Foreign Office and the Ministry of Defence on the withdrawal and its deadline. On 4 January 1968, the Cabinet took an explicit, although internal, decision that Britain would not stay in the Gulf for an indefinite period. Hereafter, the debate in the Cabinet shifted from withdrawal per se to the particular terms of withdrawal. Now the focus was on when to withdraw, and whether to make a public announcement.

One may assume that the Treasury’s proposal for withdrawal from the Gulf derived from economic necessity after devaluation. Yet the linkage between the two was remote. To begin with, Treasury officials reported on 7 December that, ‘as regards the year 1968/69, cuts in defence expenditure were not likely to show results too quickly’. In fact, even the full cost of maintaining the troops was only £12 million in foreign exchange costs, and £25 million in budgetary costs. This was an insignificant figure compared to the cuts in social expenditure that were being discussed simultaneously and which in the end amounted to £606 million. Moreover, some of the states in the Persian Gulf were offering to pay for the maintenance of the British troops.

According to the correspondence within the Foreign Office, the ruler of Abu Dhabi, Zayid bin Sultan Al Nahyan, told Britain on 10 January that in ‘order to secure indefinite continuation of British military presence he was prepared to contribute financially to its cost whether publicly or secretly and in any way required by Her Majesty’s Government’. Having witnessed the turmoil in Aden, the heads of the protected states were seriously concerned about potential internal opposition movements within the region if Britain were to withdraw its military protection. The ruler of Qatar, Ahmad bin Ali Al Thani, also stated that if ‘it was true that Britain’s financial position was such that she could no longer support her military forces in [the] Gulf, he and other Gulf Rulers, especially Sheikh Zaid [ruler of Abu Dhabi], would be pleased to pay, each one according to his own ability, to maintain them’. There was even a Conservative MP reporting to Wilson that Kuwait was implicitly offering to contribute financially to the keeping of British troops in the Gulf. Such financial offers would have significantly affected the government’s decision-making, had it been driven purely by economic concerns. Yet, in reality, the financial offers from the Persian Gulf were not taken into consideration by the Treasury or in the Cabinet.

The actual reasons why the Treasury initiated the discussion on the withdrawal from the Gulf were more political than economic. During a conversation with Treasury officials, Jenkins claimed: ‘Some very big cuts would need to be made in defence expenditure and these were a necessary condition for making civil cuts on a substantial scale.’ Also, at a meeting with the Foreign Office, the Ministry of Defence and the Commonwealth Office, he stated:

It was already clear that there was practically no prospect of obtaining any further reduction in defence expenditure in 1968/69 and only a relatively small reduction
in 1969/70 . . . . The immediate objective of the announcement would be to solve the problem of securing support for the required cuts in public expenditure as part of the economic measures which our situation necessitated.59

In the aftermath of the devaluation, the Labour government was about to put through a set of highly contentious social policies. It was planning to restore prescription charges for the NHS, which had been abolished by the first Wilson government. It was considering postponing for four years the raising of the school-leaving age to 16. It was also putting restrictions on road expenditure, and abandoning the promise made in the 1966 election campaign to construct 500,000 new houses.60 The 
*raison d'être* of the Labour government was at stake. In the interest of persuading the relevant departments, parliament and the public that these cuts were necessary, the Treasury believed that defence cuts would show that the government was trying its best on all fronts. Even though withdrawal from the Gulf would yield only a minor saving, what mattered was what it looked like rather than what it actually was.

In geographic terms, the Persian Gulf was on the same side of the Suez Canal as Singapore and Malaysia. The withdrawal from Singapore and Malaysia had already been declared in July 1967. Thus a further announcement of withdrawal, this time from the Gulf, would increase the impression that the government was making its best efforts to save money, even by withdrawing from 'East of Suez'. In order to maximise the utility of this presentational device, the Treasury wanted to decide on a firm and early *deadline* for the withdrawal and make a public *announcement* of it. In short, the need to *justify* civil cuts precipitated the withdrawal decision. J. B. Kelly and F. Gregory Gause have briefly put forward this point, and the declassified official documents confirm his argument.61

Despite its far-reaching implications in international relations, the discussion leading to the explicit *decision* for withdrawal was primarily driven by domestic political motivations. The Labour government thus virtually ignored the opposition coming from the relevant Arab governments. According to a report in the Foreign Office, some of the states in the Persian Gulf not only offered to pay for the maintenance of the British troops, but even desperately ‘begged’ for British support after the withdrawal.62 They were deeply concerned by the potential opposition that could follow the British departure and threaten their supremacy which had been heavily dependent upon British protection. According to what they had learned from observing the British departure from Aden, setting a rigid and tight deadline for withdrawal, still less declaring it officially, would only increase the risk of instability. The US also strenuously opposed Britain’s withdrawal. Having enough trouble of its own trying to extract itself from Vietnam, the last thing that the US wanted to hear was that its principal ally was retreating from its imperial commitment. The US could not afford to fill the void left by British withdrawal and did not want to see any power vacuum in the ongoing context of the Cold War. When the British foreign secretary, George Brown, saw Dean Rusk, the US secretary of state, on 11 January, Rusk said to him, ‘For God’s sake be Britain *[sic]*’.63 However, this outright US opposition did not have any significant effect on British decision-making. In fact, Rusk was right
when he sensed an ‘acrid aroma of the fait accompli’. Britain was not actually consulting the US on whether to withdraw; it was merely informing the US of a decision already taken. The paradox was that Britain was making an important foreign-policy decision not for reasons of international relations but in order to justify domestic social expenditure cuts.

The factors laid out above help us to understand why the Labour government decided to withdraw from the Persian Gulf. However, they do not sufficiently account for the precise deadline for withdrawal, which was, ultimately, set for the end of 1971. F. Gause claims that bureaucratic politics played only a negligible role in the decision-making process concerning British withdrawal from the Persian Gulf. The following section will explore the boundaries of this inspiring argument by looking into the processes through which the withdrawal time-frame was determined.

Between December 1967 and January 1968, there was a split within the Labour government over the deadline for withdrawal. On the one hand, the Treasury demanded that withdrawal be completed by 31 March 1971. In addition to the reasons illustrated above, Jenkins called for an even earlier withdrawal, for electoral reasons. He thought that the ‘end of 1971’ was ‘over the dam’, because it would be after the next general election. At least in theory, if the Conservatives won the election they could reverse the decision. On the other hand, the Foreign Office and the Ministry of Defence sought to buy time, and clamoured for the withdrawal to be delayed until 1972. The Treasury was concerned only with the presentational effect of the decision, but the Foreign Office and the Ministry of Defence were to be responsible for its execution. Completing the military withdrawal, and making the necessary diplomatic arrangements for the protected states to achieve full independence in four years, seemed like a ‘miracle’ if this were to be achieved peacefully. On top of the internal division, the Singaporean premier, Lee Kuan Yew, came to London to see Wilson and pressed for a delayed departure from Southeast Asia. Like the rulers of the Gulf, he was utilising British protection to maintain stability at home.

The debate between the two camps continued until 15 January, the day before the withdrawal announcement. In the end, Wilson proposed a compromise. Although a decision in favour of delaying the final withdrawal until March 1972 would lack the presentational and catalytic advantages of adopting the date of a year earlier, this would not be so if Britain were to decide that the withdrawal should be completed by the end of the calendar year 1971. A decision along these lines would, moreover, have the advantage of demonstrating that there had been substance in the British undertaking to take account of the views of the foreign governments. At last, it was decided that withdrawal from the Persian Gulf should be completed by the end of 1971 and, furthermore, that the withdrawal from Southeast Asia should be accelerated to coincide with this date. This was a political compromise between the Treasury, on the one hand, and the Ministry of Defence, the Foreign Office and the foreign governments, on the other. To this extent, one could argue that bureaucratic politics played some role in the decision-making process.

The next day, on 16 January 1968, Wilson announced to the House of Commons that Britain would withdraw all its troops from the Persian Gulf, as well as from
Malaysia and Singapore, by the end of 1971. The implementation of the withdrawal is outside the scope of this article, but it would entail the emergence of the nine protected states into international society in the form of the United Arab Emirates, Bahrain and Qatar. A week after the announcement, Denis Healey, the secretary of defence, made the following comment on BBC:

> Well I don’t very much like the idea of being a sort of white slaver for the Arab sheikhs. I think we must decide as far as the Gulf’s concerned, what it’s in our own British interests in the long run to do consistent with our commitments. And I think it would be a very great mistake if we allowed ourselves to become mercenaries for people who would like to have a few British troops around.

The statement summarised the nature of Britain’s withdrawal decision, perhaps too honestly. Healey had to apologise shortly thereafter.

IV

Several years later, a cabinet minister wrote a piece on ‘the most momentous shift in our foreign policy for a century and a half – namely the decision to withdraw from East of Suez’. His phrase rightly highlighted the importance of the decision, but it also employed a problematic geographical ontology. Within what he called ‘the decision to withdraw from East of Suez’, this article has distinguished the Labour government’s decision to withdraw from the Persian Gulf, and separated it conceptually from the decisions on the withdrawal from Aden, Malaysia and Singapore.

Switching between different geographical conceptions helps us to understand both the ‘puzzles’ and the ‘patterns’ of the end of empire. Dockrill argues, ‘In terms of the nature and scope of Britain’s withdrawal East of Suez, the January [1968] decision made little difference to that which had been taken in July [1967].’ This was indeed the case for the reduction of military capabilities and the retreat from Southeast Asia. Building upon her work, this paper has shown that, as far as the departure from the Persian Gulf was concerned, the decision-making process was more contingent, contested and fraught. In July the government had only vaguely agreed upon the necessity to eventually withdraw from the Gulf, and it took another half a year for the government to operationalise the broad consensus into a practical and explicit decision.

After the devaluation of the pound in November 1967, the Treasury under Roy Jenkins needed to introduce large-scale cuts in social expenditure. Withdrawal from the Persian Gulf was chosen as one of the means to justify the Labour government’s reversal of its social policies. The precise deadline for the withdrawal was set for the end of 1971, only the day before the announcement, as a compromise between the Treasury, which called for an earlier withdrawal, on the one hand, and the Foreign Office and the Ministry of Defence, which insisted on a later date, on the other. Despite the decision’s far-reaching consequences in international relations, the outright opposition from the US and the Persian Gulf states was almost ignored. Yet the government obscured the contingent and domestic nature of the policy by
presenting it as an ‘East of Suez’ decision, emphasising that it was an economic policy intended to yield cuts in expenditure. The actual financial savings from the military withdrawal were, however, negligible compared to the social cuts that were announced simultaneously. In any case, the protected states in the Gulf were offering to pay for the maintenance of the British troops if they were to stay. The ulterior motive behind the decision to withdraw from the Persian Gulf was to justify the social cuts that were putting the raison d’être of the Labour government at risk. Indeed, the social cuts were certainly derived from the long-term economic retrenchment of post-war Britain, but the decision on the military retreat was taken largely due to a political motive to make the social spending cuts more acceptable.

The importance of the January 1968 decision was highlighted when the Conservatives came into power in 1970. As Gause points out, initially the Conservative government attempted to reverse the withdrawal decision but, owing to the fact that it had been publicly announced with a clear deadline in January 1968, they met local opposition. The Conservatives realised that they had no option but to carry out the retreat as promised by Labour, and the local societies emerged into international society under the name of UAE, Qatar and Bahrain. Hence, the decision-making process between July 1967 and January 1968 was crucial for the implementation and outcome of the British withdrawal from the Persian Gulf. The puzzle mattered as well as the pattern, and shifting our focus between the two can help us understand the end of the empire without over-rationalising it.

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Notes

[1] The name of the Gulf is subject to a politicised dispute between those who favour ‘Persian Gulf’ and those who prefer ‘Arabian Gulf’. Hereafter, I adopt ‘Persian Gulf’ as the most commonly used term.
This article follows the system of transliteration of the Arabic names of Heard-Bay, From Trucial States to United Arab Emirates. However, for the convenience of readers, special fonts have been replaced with the closest standard English alphabet.

In the surrounding areas, Britain had RAF staging posts on the islands of Masirah and Salalah, a liaison team and a small RAF stockpile in Kuwait and certain RAF units for use in a Kuwait or CENTO emergency in Cyprus. See 'Long-term Policy in the Persian Gulf', a note by the Secretaries, Defence and Oversea Policy (Official) Committee, 7 June 1967, CAB 148/80. Unless otherwise cited, all archival references are to the National Archives, London.


Ra's al-Khaimah joined the UAE in February 1972.

Monroe, Britain's Moment in the Middle East.

Darwin, 'British Decolonization since 1945'.

If one seeks to understand the outcome of a decision fully, examining the implementation and the consequences of the decision is as important as analysing the process through which it was made. Nonetheless, the dynamics of the latter has its own significance, and hence this article is primarily concerned with the decision-making process rather than the implementation and consequences that followed. One of the best-documented works on the implementation of the decision is Mattair, The Three Occupied UAE Islands.

Gordon Walker, The Cabinet; Darby, British Defence Policy East of Suez.

Kelly, Arabia, the Gulf and the West; Gause, 'British and American policies in the Persian Gulf'. It should be noted that William Luce published a predictive article in 1967 warning the government that it should not decide on withdrawal for the sake of satisfying domestic opinion. From an international perspective, John Darwin argues that Britain's progression towards Europe, together with the changing self-image of Britain within the government, made it hesitant to continue its engagement in the Gulf. James Onley applied the theoretical debates of formal and informal empire to Britain's policy towards the protected states. See Luce, 'Britain in the Persian Gulf'; Darwin, Britain and Decolonisation; Onley, 'Britain's Informal Empire in the Gulf'. For other aspects of the debates in the literature, see Petersen, 'Crossing the Rubicon?'.

Louis, 'Withdrawal from the Gulf', 878.

Dockrill, Britain's Retreat from East of Suez; Smith, Britain's Revival and Fall in the Gulf, 51ff.

Petersen, Decline of the Anglo-American Middle East, 114.

Pickering, Britain's Withdrawal from East of Suez; Pickering, 'Politics and “Black Tuesday”'.

There had been some discussions among policy-makers on the withdrawal from the Persian Gulf before the Labour government, but at that stage they were merely brain-storming on hypothetical possibilities. For example, see Robertson to Trend, 17 May 1963, CAB 21/5902.

'The Future Size of the Defence Budget', a memorandum by the Treasury and the Department of Economic Affairs, 13 Nov. 1964, CAB 130/213.

Parliamentary Debates (Commons), vol. 704, cols. 423–24.

As opposed to Petersen, Dockrill argues that the Labour government did not try to extract economic assistance from America in return for maintaining its overseas role. Petersen, Decline of the Anglo-American Middle East; Dockrill, Britain's Retreat from East of Suez; Smith, Britain's Revival and Fall in the Gulf, 220–21.

Even though Petersen himself admits that it 'is hard to explain the decision to leave the Gulf by anything other than domestic exigencies', he aggregates the withdrawal from the Persian Gulf into the whole 'East of Suez' retreat. He claims that the defence secretary, Denis Healey, was committed to withdrawal from the beginning of his tenure and that he initiated the decision by 'setting a ceiling of £2000 million in annual defence expenditure at 1964 prices'. However, as this paper will demonstrate, the financial savings from leaving the Persian Gulf were close to negligible compared to the overall budget. As a major source of evidence, Petersen refers to some interviews and memoirs in which Healey commented that he had been planning
the retreat from the beginning. However, one should take into account the policy-makers’ potential incentive to make a retroactive justification and rationalisation of their actions. Even if one accepts Healey’s later revelation at face value, it does not lead to the conclusion that he represented the major voice of the Labour government. In an interview with Karl Pieragostini conducted in 1979, Wilson admitted, ‘I think when we went into office there wasn’t very much intention of a major pull out from the East’. Petersen, *Decline of the Anglo-American Middle East*, 7, 66–77, 112–13, 127–28; Healey, *Time of My Life*; Pieragostini, *Britain, Aden and South Arabia*, 114.

[26] Reading the draft, even the cabinet secretary noted that it was ‘essentially a stalling White Paper’. Trend to Wilson, Jan 1967, PREM 13/1383.
[29] In terms of the withdrawal from Malaysia and Singapore, the Whitehall officials were reaching a consensus in late 1965 that Britain would need to leave. Dockrill, *Britain’s Retreat from East of Suez*, 126–27.
[38] Supplementary Statement on Defence Policy, 1967 (Cmd 3357).
[45] Wright to Mackay, 6 Dec. 1967, T 225/3066. This is the earliest evidence of the government’s consideration of withdrawal from the Persian Gulf during Jenkins’s chancellorship notes that on 4 December the principal private secretary to the chancellor asked his junior staff to examine the possible effects of ‘pressing for somewhat earlier military withdrawal from the Gulf’. However, this was only a discussion between the Treasury officials and does not
suggest any involvement by Jenkins. It is unclear what level of coordination Jenkins and the officials had during this period. On the one hand, Dick Taverne, who later supported Jenkins as minister of state and then financial secretary, testifies that Jenkins ‘soon established a good relationship with the civil servants at the Treasury’. On the other hand, Jenkins himself recalls that the ‘Treasury at that time was less good at suggesting constructive action’ and ‘the one time in my ministerial career when I consider that I was badly advised on major questions was my first two or three months as Chancellor’. Taverne, ‘Chancellor of the Exchequer’, 88; Jenkins, *A Life at the Centre*, 220.

[55] Bahrain to Foreign Office, Telegram No. 34, 10 Jan. 1968, PREM 13/2209. In contrast to the protected states, Iran and Saudi Arabia were relatively understanding of British withdrawal. See the telegrams dated 5–11 Jan.1968, PREM 13/2209; FCO 46/43.
[56] On 10 January, Peter Tapsell, a Conservative member of parliament, met, at the Kuwait Embassy in London, the minister-plenipotentiary who was the chargé d’affaires and temporarily in charge of their mission in the absence of the ambassador. The Kuwaiti chargé d’affaires implied that Kuwait was ready to consider financial contributions for the maintenance of the British troops. The next day the Conservative MP reported the case to Wilson, and the prime minister’s office sent a copy of the letter to the Foreign Office. The Foreign Office replied to the prime minister’s office that the ‘offers had clearly important implications’. Almost undoubtedly, the officials would have reported the news to Wilson and Brown, but the offer from Kuwait was not taken into account elsewhere during the Labour government’s decision-making process. See Tapsell to Wilson, 11 Jan. 1968; Palliser to Morphet, 11 Jan. 1968; Maitland to Palliser, 11 Jan. 1968, PREM 13/2209.
[57] One may argue that the Labour government refused the offer because they did not want to create the image of British soldiers turned into paid mercenaries. However, as J. B. Kelly points out, this was unlikely to have been the case considering that Britain had accepted contributions from ‘the Western German government towards the cost of supporting the British Army of the Rhine’ and ‘the government of Hong Kong towards the maintenance of the colony’s British garrison’. Kelly, *Arabia, the Gulf and the West*, 51.
[63] Extract from a record of a meeting between Brown and Rusk, 11 Jan. 1968, FCO 46/43.
[64] Ibid.
[66] A note on a conversation between Gore-Booth and Wilson, 10 Jan. 1968, FCO 46/43.
The next day Healey apologised. He asked the British missions to deliver his apologies to Bahrain, Kuwait, Qatar, Abu Dhabi and Dubai. He wished ‘to express regret for any offence he may unintentionally have given by the way in which he phrased certain remarks’ during the programme. He also wished to express his appreciation for the ‘spirit’ in which the rulers of the protected states made the offer to contribute financially to the maintenance of the British troops. See Foreign Office to Bahrain, 23 Jan. 1968, PREM 13/2218.

Dockrill, *Britain’s Retreat from East of Suez*, 204.

References


