

### Chapter III

#### **“We are the Government Here:” Strikes and Shifting Labor Practices in the Arabic-speaking Gulf**

The previous two chapters have considered Indians in the oilfields of the Gulf. In most cases, Indians worked alongside *khalījī*, or Gulf Arab, workers. This chapter will consider the role of *khalījī* laborers on the oilfields and offer another perspective on the relationship between the British protectorate, oil companies, and labor. The British protectorate in the Arabic-speaking Persian Gulf began with the signing of treaties between the British government and the rulers of the Gulf in the latter half of the nineteenth century. The treaties gave the British control of the Arabic-speaking Gulf's external relations, while ensuring British assistance to help Gulf rulers, or sheikhs, maintain internal control. The countries now known as Bahrain, Kuwait, Qatar, and the United Arab Emirates (UAE) were under British sovereignty or protection. While Oman and Muscat did not fall under their direct control, the British still exercised a great amount of influence over the Sultanate. In 1913, the Ruler of Kuwait signed a treaty that he would only grant oil concessions to those companies approved by the British government. In 1914 the Ruler of Bahrain signed the same contract, in 1916 the Ruler of Qatar, in 1922 the Rulers of the Trucial Coast (today known as the UAE), and in 1923 the Rulers of Muscat and Oman.

In the first half of the twentieth century, another type of contract gained political and economic importance in the Gulf States: oil concessions. Contracts for oil concessions were first negotiated between an oil company and a ruler. The British government then approved these

contracts. In many cases, there was a blurring between British oil companies and the British government, with the latter holding controlling shares in such oil companies as the Anglo-Iranian Oil Company. Concession agreements signed on the Arabian side of the Gulf in the 1930s specifically stated that the workers brought in to work for the companies would be from the neighboring Arab Gulf countries. This was important to Gulf leaders given the depressed state of the economy after the collapse of the pearl market.<sup>239</sup>

Yet, despite the rulers' requests that local subjects be hired for the oil company operations, locals did not have the appropriate technical training to meet oil company requirements. As a result, the oil companies reserved the right to hire foreign workers. For the British government, this was worrisome. In the case of the Bahrain Petroleum Company and Kuwait Oil, Americans owned these companies one hundred percent and fifty percent, respectively, and the British worried that such a strong presence of Americans would undermine British authority in the Arabic-speaking Gulf. In addition, the British worried that the oil companies would bring in Persian workers, whose influx would reopen Persian claims of sovereignty over Bahrain, in particular.<sup>240</sup> In the case of Qatar, British officials cited the "backward" nature of the people to argue that foreigners should not be employed there. More specifically, the British worried that unrest among local workers could lead to the deaths of foreign workers and subsequent demands that the British Empire be responsible for bringing justice to these incidents.<sup>241</sup> Ironically, we will see that the claim of "backwardness" was used just twenty-five years later to argue for the exclusion of nationals from the worksite and against

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<sup>239</sup> I J Seecombe and R I Lawless, "Foreign Worker Dependence in the Gulf, and the International Oil Companies: 1910-50," *International Migration Review* 20 (August 1986), p. 551.

<sup>240</sup> Hassan Mohammad Abdulla Saleh, "Labor, Nationalism and Imperialism in Eastern Arabia: Britain, the Shaikhs and the Gulf Oil Workers in Bahrain, Kuwait and Qatar, 1932-1956" (PhD diss., University of Michigan, 1991), p. 64.

<sup>241</sup> *ibid.*, p. 64.

trade unions.

Due to disruptions caused by World War II, oil company policies regarding the Arabic-speaking Gulf, and the time it took to locate large oil reserves, it was not until the 1950s that the Gulf States began exporting oil in large quantities.<sup>242</sup> Once oil production began, it quickly became the dominant economic activity of the Gulf States. For example, in Qatar in 1966, the economy was entirely dependent upon oil revenues, which were thirty million pounds a year.<sup>243</sup> By 1969, there were three oil companies with concessions in Qatar. Two of these companies produced approximately seventeen million long tons of crude and oil revenues increased to fifty million pounds per year.<sup>244</sup> With increased oil production, labor relations within the Arabic-speaking Persian Gulf States changed. Residents that were formally nomadic and pastoralist, fishermen, or at work in the pearl industry found new jobs in the oil industry. In addition to these new, higher paying jobs, the governments of these nations now had larger amounts of money to hire workers for government positions and developed plans to share the newfound oil wealth.

A major source of concern for the oil companies was the stability of the workforce – both on the oilfields themselves and in the industries building infrastructure for oil production. Workforce stability also impacted political stability and was, therefore, a main concern of both the British administration and the rulers of the Gulf countries. In the wake of a series of strikes held by *khalijī*, or Gulf Arab, workers in the Gulf in the 1960s, the governments and the oil companies worked together to reduce the impact of these strikes. The result was an evacuation of politics from the oilfields through the replacement of *khalijī* workers with foreign workers.

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<sup>242</sup> Timothy Mitchell, *Carbon Democracy: Political Power in the Age of Oil*, (New York: Verso, 2011); Seccombe and Lawless, “Foreign Worker Dependence in the Gulf, and the International Oil Companies: 1910-50.”

<sup>243</sup> “Qatar,” 7054, [illegible] 4/05 530/66. *RQ* (2), 709-713.

<sup>244</sup> R.H.M. Boyle Letter to British Political Agency, Doha, 7 April 1969. *RQ* (3), 7-11.

While oil production began on a large-scale following World War II, there was oil production and refinement in the area before this time. Both in the pre- and post-war periods, worker strikes at oil projects were common. Often, these strikes were made-up of coalitions of workers and brought together workers of differing religions and ethnicities. In Bahrain, the first organized strikes occurred in November 1938. These were inspired by ideas of Arab nationalism that were “spreading across the increasingly well-educated Bahraini population, and reform movements [that] were emerging in Kuwait and Dubai.”<sup>245</sup> These strikes were not only by Sunni and Shi’a Bahrainis but also involved Indians; together, the strikers sought equal pay for Bahrainis and Indians. Some of their demands were met, but not equal pay. There was another strike in 1943 that did more to further worker demands. Organizers of oil workers focused on common conditions as a way to bring workers together.<sup>246</sup> From 1933 to 1945, the British showed little interest in such activities, as the treaties detailed that the Gulf rulers ran the internal workings of their sheikdoms and the British had a general policy of non-interference with the Gulf. This changed once worker unrest began to shift into political unrest, but even then, given the relative lack of interest in developing oil resources during this period, the British focused more on the strategic value of the Gulf than its potential as a source of oil.<sup>247</sup>

By 1948, according to Timothy Mitchell, “the era of the mass strike was over.”<sup>248</sup> It was effectively ended by industry-level changes in the way oil was extracted, processed and shipped.<sup>249</sup> But while the system allowed for a more flexible energy network than coal, it did not

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<sup>245</sup> Jane Kinninmont, “Bahrain,” in *Power and Politics in the Persian Gulf Monarchies*, ed. Christopher Davidson, (New York: Columbia University Press, 2011), p. 35.

<sup>246</sup> *ibid.*, pp. 36-37.

<sup>247</sup> *ibid.*, p. 62.

<sup>248</sup> Mitchell, *Carbon Democracy: Political Power in the Age of Oil*, pp. 152-153.

<sup>249</sup> Importantly, Daniel Yergin shows that pipelines were developed in the 1860s in the United States as a way of moving oil that was not be easily interrupted by striking workers. Daniel Yergin, *The Prize: The Epic Quest for Oil, Money, and Power*, (New York: Free Press, 2008 [1991]), pp. 16-18.

halt worker actions altogether. Instead, workers staged “brief interruptions aimed at vulnerable points or critical moments,” particularly in the production of petroleum.<sup>250</sup> Such interruptions would sometimes pause oil production for months, but, more often, only for a matter of days. The changing nature of energy production and oil’s material qualities thus shifted the efficacy of strikes, just as social relations in the Gulf States were shifting in conjunction with changes in political and economic conditions.

This chapter examines strikes by Arab workers in the Gulf during the 1960s – when the oil industry was beginning to standardize the mass production of oil on the Trucial Coast. I compare the reasons workers gave for their strikes and the competing reasons for the strikes outlined by Gulf governments, the British administration, and oil companies. Central factors for all parties were the power of rumors; the assumption that outside parties were influencing the strikes; and the enduring power of the idea of “tribes” as easily explaining all dynamics of Gulf society. I then consider the development of labor policies on the Trucial Coast and the rise of contractors in the oil industry. I conclude by arguing that the role of Indians as laborers in the Gulf was informed by these genealogies of labor policies and strikes. This argument pushes against a simplistic understanding of Indian labor in the Gulf as a response to the new wealth of the nations. Instead, I suggest that forms of governance and management practices were better suited to working with foreigners whose recourse to government support was tenuous. This merging of managerial practice and governmental style provided the foundation for the current labor laws in place in the Gulf.

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<sup>250</sup> Mitchell, *Carbon Democracy: Political Power in the Age of Oil*, pp. 152-153.

## 1963 Abu Dhabi Strikes

In late May and early June 1963, the *khalijī* workers, or workers from the countries of the Arabic-speaking Persian Gulf, at the oil projects in Abu Dhabi held a series of strikes. These strikes began at the onshore projects of Abu Dhabi Petroleum Company (ADPC)<sup>251</sup> and ADPC's sub-contractors.<sup>252</sup> Located over 100 kilometers west of Abu Dhabi City, the strikes were centered at Jebel Dhanna, Tarif, and Murban [Map 4: Abu Dhabi Strike Sites, 1963]. On May 21, at Jebel Dhanna, the workers guarded the gates to the camps and did not allow company officials to enter. The strike was well-organized, non-violent, and the order to strike was "passed around quickly and obeyed absolutely."<sup>253</sup> At other oil projects in Abu Dhabi, the strikes were more volatile. In Tarif, the office was "besieged" by around one hundred workers with sticks and, when a British agent visited the Tarif offices, he and his companions faced a crowd of thirty workers "armed with stones and iron bars." The unrest radiated out to smaller camps, and at a nearby camp, called Santa Fe, the expatriate staff, mostly Americans, were "besieged in the offices and mess-hall" and property was destroyed or stolen.<sup>254</sup> The lack of violence at Jebel Dhanna may have been due to the residential pattern of the project. At Jebel Dhanna there were eight hundred Arabs, who worked mainly as laborers and drivers; about six hundred Indians and Pakistanis; and about four hundred Europeans. The workers were housed separately according to region of origin; the Indians and Pakistanis did not share a camp with the local workers and the Europeans had their own camp. Beginning May 31, the strikes spread offshore and the workers

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<sup>251</sup> ADPC was a subsidiary of Iraq Petroleum Company (IPC) established in 1939 to hold Abu Dhabi oil concessions. The major shareholders of IPC in the 1960s were British Petroleum (previously named the Anglo-Iranian Oil Company), Deutsche Bank, Shell, and the British Government.

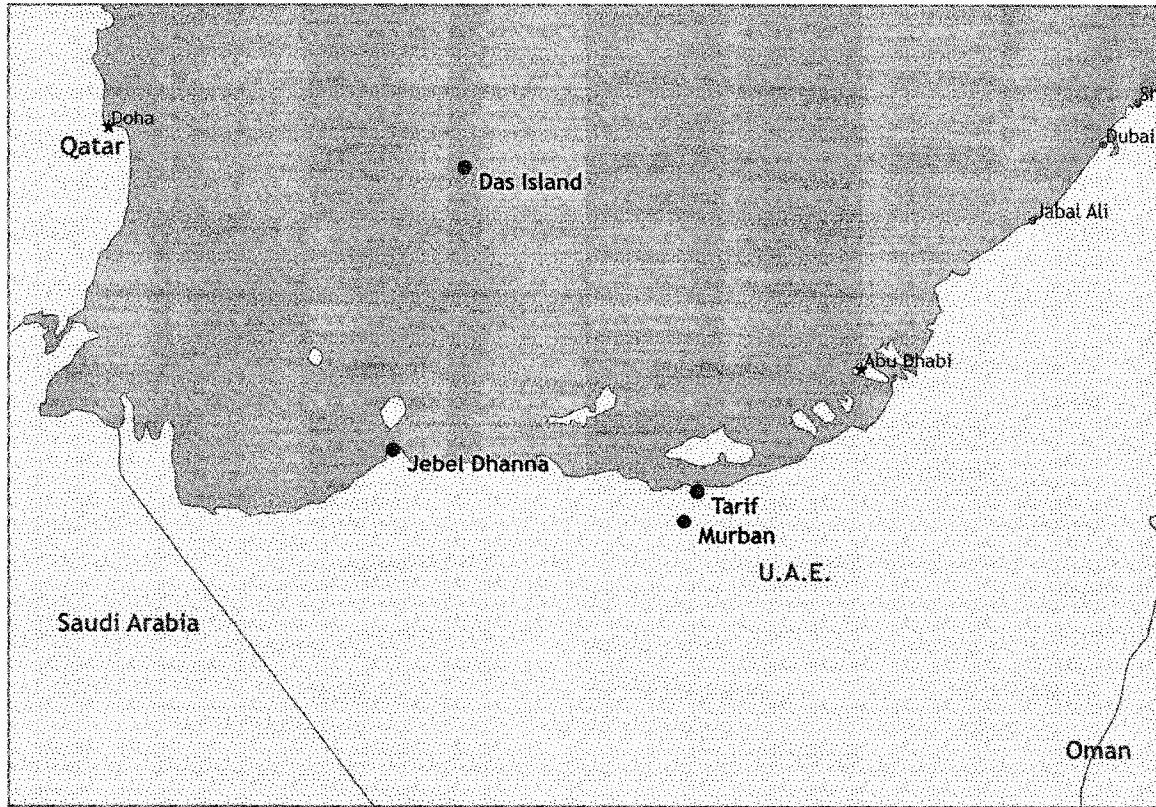
(<http://www.adnoc.ae/content.aspx?newid=27&mid=27>)

<sup>252</sup> J.E.H. Boustead, Memo to H.M. Political Residency, Bahrain, 28 May 1963. *RE* (1963), 568.

<sup>253</sup> The main players at Jebel Dhanna were ADPC and the consultants at the Jebel Dhanna project, Eastern Bechtel Corporation. J.E.H. Boustead, Record of a visit to Jebel Dhanna, 29 May 1963. *RE* (1963), 573-576.

<sup>254</sup> J.E.H. Boustead, Report of Visit to Tarif, 28 May 1963. *RE* (1963), 569-570.

at Abu Dhabi Marine Areas Ltd (ADMA)<sup>255</sup> at Das Island also began to participate in the strikes. Here, too, violence erupted: two British managers were beaten and two Indian clerical staff were injured.<sup>256</sup>



**Map 4: Abu Dhabi Strike Sites, 1963**

Unlike the strikes in Bahrain in the late 1930s, these strikes were marked by the participation of less-skilled *khalījī* workers and the lack of participation by management. The labor laws in Abu Dhabi at the time may have been a factor shaping the participation of different groups. In 1961, the Ruler of Abu Dhabi made a temporary Labour and Worker's Law that did

<sup>255</sup> Today this company is ADMA-OPCO (Abu Dhabi Marine Operating Company). It is a subsidiary of Abu Dhabi National Oil Company (ADNOC).

<sup>256</sup> Report of Strike on Das Island, 3 June 1963, *RE* 1963, 578-580. Telegram No. 324 From Bahrain to Foreign Office, 1 June 1963. *RE* (1963), 564.

not apply to those under the jurisdiction of the British administration.<sup>257</sup> The Labour and Worker's Law classified two types of workers: daily and monthly. For daily workers, the workday was eight hours; wages were to be deducted on days workers were absent; transportation was made available to workers to and from work; companies provided free water and rest facilities; after the first month, the daily wage was paid for a day of rest each week; and after two weeks of employment, workers were paid for religious and official holidays. For monthly workers, such as drivers, watchmen, foremen, and skilled workers, the workday was also eight hours; but overtime was two times workers' normal pay; nationals had to be hired first and foreigners were required to get permission from the municipality; the companies were required to supply water; and for absences, workers were to be warned three times and the municipality told before action was taken by the company. The municipality would then investigate the absence and advise the worker. Finally, companies were required to submit a list of all workers showing names, nationality, and occupation.<sup>258</sup> The differences in working conditions for daily and monthly pay workers, the emphasis the Abu Dhabi government placed on oil companies hiring nationals, and the government's attempts to track foreigners in the country influenced the contours of worker actions. The tendency of workers to strike along linguistic and ethnic lines hints at the tensions within the country between the government, oil companies, British government, and workers in the oilfields.

At both Jebel Dhanna and Das Island, the British management and administration believed that the workers were striking out of sympathy for their compatriots at other sites. They offered the lack of violence at Jebel Dhanna as the basis for this claim.<sup>259</sup> Another reason the

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<sup>257</sup> P.C.D. Archer to British Embassy, Beirut. 26 September 1961, *RE* (1961), 669.

<sup>258</sup> Labour Law, Abu Dhabi State, 28 August 1961. *RE* (1961), 670-1.

<sup>259</sup> Report of Strike on Das Island, 3 June 1963; J.E.H. Boustead, Record of a visit to Jebel Dhanna, 29 May 1963.



British administration feared that the offshore and onshore strikes were connected was because the workers at ADMA and at ADPC made a similar series of demands.<sup>260</sup> Onshore, these demands included a wage increase, paying locals the same as other Arab employees (“equal pay for equal work”), and hiring local men for work currently done by expatriates – in particular hiring locals for the semi-skilled positions held by the Lebanese and other “northern” Arabs. Workers also demanded the dismissal of unpopular managers, one of who was an Abu Dhabi national, and all of whom, a British government bureaucrat pointed out, were responsible for discipline in the camps.<sup>261</sup> At Das Island, worker demands were almost exactly the same as the demands at Jebel Dhana, with a few key differences. First, at Das Island there were more Indians and Pakistanis working in technical and managerial positions and, thus, the foreigners identified by the striking *khalijī* workers included not only Arabs from outside of the Gulf, but also Indians and Pakistanis.<sup>262</sup> The workers at Das Island, like Jebel Dhanna, also requested that all jobs be given to nationals, and, going a step further, asked for educational programs in order to make this possible. Furthermore, they requested that three men be taken from the Island, including an Indian doctor. Both onshore and offshore, workers not only requested better jobs, but also complained about problems that arose in moments of cultural interaction. The tensions between foreigners and nationals must have been palpable, as a final request on Das Island was that “if a foreigner made a mistake (offends) he is to be prosecuted by the Ruler’s Representative or his deputy on the Island.”<sup>263</sup>

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<sup>260</sup> Report of Strike on Das Island, 3 June 1963.

<sup>261</sup> Eventually, the Abu Dhabi national in question was shot in the leg during the conversations by the Ruler’s son, Sheikh Sultan, when the Sheikh was drunk and thought he was being attacked during the negotiations. *ibid.*; Confidential Memo from Bahrain to Foreign Office, 30 May 1963, *RE* (1963), 561.

<sup>262</sup> Report of Strike on Das Island, 3 June 1963.

<sup>263</sup> Worker Demands to H.E. Sheikh Hamdan B. Mohammad. 8 Muharram 1363 (1 June 1963), *RE* (1963), 582.

### National Identity and Pan-Arab Solidarity

The similarity of the workers' demands, both at onshore and offshore projects, fueled British speculation regarding the strikes. British administrators argued that either the workers were copying each other or, more probably from the British perspective, the strike was being coordinated from the outside. While both British government officials and oil project managers preferred the latter theory, they had trouble finding evidence to corroborate it.<sup>264</sup> Rumors and speculation fueled the British administration's and the oil companies' perspectives on the strikes and their potential consequences.<sup>265</sup> Believing the strike in Tarif was completely unexpected and "without any real cause," one official wrote that "everyone in the management of the oil company seems convinced that trouble is being deliberately stirred up by agitators from outside but no one seems to know what the motives for this are."<sup>266</sup> While there was no direct evidence that the strike was instigated by external forces, some of the Abu Dhabi workers had been employed elsewhere in the Gulf and this lent weight to the fear that these workers "may well have come under hostile influence."<sup>267</sup> In the months after the strikes, rumors of potential strikes abounded. For the British, these rumors were spurred by fears that the radio broadcast "*Sawt al-Arab*," or "Voice of the Arabs," which discussed worker salaries and conditions, was instigating

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<sup>264</sup> J.E.H. Boustead, Confidential Memo to H.M. Political Residency, Bahrain, 3 June 1963, *RE* (1963), 577.

<sup>265</sup> Rumors were also circulating among workers. For example, the precipitating event at Das Island may also have been the arrest of an Awamir employee who was stealing cars and joyriding them around the camp at night. A British manager apprehended the man, but as the manager spoke no Arabic, the Awamir was taken to the Arab Affairs Officer. Upon his release, the Awamir told his colleagues he was beaten by the Arab Affairs Officer, who was Lebanese, in the U.K. camp. Report of Strike on Das Island, 3 June 1963.

<sup>266</sup> J.E.H. Boustead, Memo to H.M. Political Residency, Bahrain, 28 May 1963.

<sup>267</sup> Confidential Memo from Bahrain to Foreign Office, 30 May 1963.

workers to strike. The main problem, according to this radio broadcasts, was that foreigners were being given better jobs and higher pay than nationals.<sup>268</sup>

In Jebel Dhanna, the management of both ADPC and Bechtel,<sup>269</sup> for their part, also believed that the strike had no cause and was instigated by outside troublemakers.<sup>270</sup> Echoing these sentiments, a British government administrator wrote:

Although the workers may have had some genuine grievances, the strikes were worked up by a group of agitators and a degree of co-ordination and organization was displayed which is *totally foreign to Abu Dhabi nature*. Most of the companies had a small group of trouble-makers usually men from outside Abu Dhabi, amongst their employees, but hitherto they had not been allowed by Abu Dhabi authorities to sack them. It is not yet clear whether these trouble-makers were acting on their own initiative or whether they were receiving instructions from outside.<sup>271</sup>

In this analysis of the strikes, the British assumed that Abu Dhabi workers imagined a locality that was bounded by the relatively new boundaries of the state. Belonging to this new state were local actors that the British believed could be defined by a type of personality. The British expected affiliations and actions to run along these new state lines. And yet, the perceived concreteness of these boundaries by the British is surprising given the difficulty the British faced when attempting to determine oil concessions in the first half of the twentieth century.<sup>272</sup>

When one looks at the strikes from the perspective of the workers themselves, another framing emerges: one could also read these demands as Abu Dhabi locals making a claim for a *khalījī* network that moved fluidly across state boundaries. The networks defined by the workers

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<sup>268</sup> D. Slater to P.W. Summerscale, Political Residency Bahrain, 29 July 1963. *RE* (1963), 586-7; D. Slater to F.D.W. Brown, Political Residency Bahrain, 12 August 1963. *RE* (1963), 588.

<sup>269</sup> Bechtel is an American civil engineering and construction company. See Chapter 5 for a longer discussion of the effects of contracting on the oil industry and labor organization.

<sup>270</sup> J.E.H. Boustead, Record of a visit to Jebel Dhanna, 29 May 1963.

<sup>271</sup> Confidential Annex to Abu Dhabi Monthly, Diary No. 5 of 1963, May 1 – May 31. *PG* (24), 148-150. Emphasis is mine.

<sup>272</sup> Foreign Office 1016/56. Report by J.B. Howes, Assistant Political Agent Bahrain, on special duty in connection with the exploration party of Petroleum Concessions Limited in the Dhahira, 21 December 1938. *RE* (8), 641-51.

were not confined to the geographic boundaries established to ease oil concessions.<sup>273</sup> At Jebel Dhanna, the strikes were attributed to the company's proposal to fire seven workers. Only two of these workers were Abu Dhabians. The most influential of the men the company wanted to fire were three Awamir from Hadhramaut, part of the Aden Protectorate. This claim for a *khalījī* locality defined by kin and exchange relations was also reflected in workers' demands for autonomy from both the British administration in the state and the oil companies' control over oil projects. At times, workers conflated the government and the oil companies. During the strike at Jebel Dhanna, one striker told an Austrian manager, "You are not the boss now, we are the Government here."<sup>274</sup> Even after work at Jebel Dhanna resumed, workers remained resistant to British or oil company authority. Workers threatened management with violence and they said they would tell on the management to the Sheikh and he would then throw the managers out of the country.

### **Sheikhly Authority and Colonial Policing**

The workers' claim for their role in governance also emerged in their negotiations during the strikes. Initially, the workers did not want to give their demands to the companies' officials. At Tarif, workers refused to discuss their demands with the company there, and insisted that they would only speak with Sheikh Sultan, the son of Sheikh Shakhbut, the Ruler of Abu Dhabi.<sup>275</sup> This demand by the workers to speak directly with the Ruler or one of his sons was repeated at the other sites. The workers at Das Island wanted to negotiate directly with another of the Ruler's

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<sup>273</sup> The commonalities between the Gulf States has been explored by researchers. See, for example, Paul Dresch, "Introduction: Societies, Identities and Global Issues," in *Monarchies and Nations: Globalisation and Identity in the Arab States of the Gulf*, ed. Paul Dresch and James Piscatori, (London: I.B.Tauris, 2005).

<sup>274</sup> J.E.H. Boustead, Record of a visit to Jebel Dhanna, 29 May 1963.

<sup>275</sup> *ibid.*

sons, Sheikh Said. Such appeals revealed the workers' understanding of the Ruler as an advocate for their rights, as well as the authoritative figure with regard to work negotiations. The prestige workers assigned to the Ruler and members of the royal family was such that even representatives of the Sheikh, if not actually related to the Sheikh, were not always accepted as authorities; a representative for Sheikh Sultan, for example, was unable to prevent the workers from striking at the Santa Fe camp.<sup>276</sup>

While the workers may have understood the Sheikh to be the legitimate authority figure, the British characterized the Ruler's response to these strikes as largely ineffective.<sup>277</sup> They saw him as overly sympathetic with the workers and pointed to his reluctance to punish those who used violence.<sup>278</sup> When the Ruler encouraged the companies to raise wages, the British interpreted this as a simplistic and ineffective response, designed primarily to maintain his own popularity.<sup>279</sup> Nonetheless, the British were not insensitive to this popularity and the significance of the Ruler's image. Early in the days of the strikes at ADPC, Sir William Luce, the British Political Resident in Bahrain, met with the Ruler to impress upon him that "his primary responsibility [was] to enforce law and order." Sir Luce attempted to clarify to the Ruler the British government's position on the strikes. He told the Ruler, the "British were not concerned with industrial disputes between workers and their employers or with breaking strikes, but we were concerned with the security of lives and property of people under our jurisdiction who were working in his State." He continued that if the Ruler was unable to maintain order and the British "saw that the lives and property of those to whom we have an obligation were thereby imperiled, I should not hesitate to take such steps necessary to protect them." Sir Luce was confident that

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<sup>276</sup> J.E.H. Boustead, Report of Visit to Tarif, 28 May 1963.

<sup>277</sup> Confidential Memo from Bahrain to Foreign Office, 30 May 1963.

<sup>278</sup> J.E.H. Boustead, Report of Visit to Tarif, 28 May 1963. J.E.H. Boustead, Record of a visit to Jebel Dhanna, 29 May 1963.

<sup>279</sup> J.E.H. Boustead, Memo to H.M. Political Residency, Bahrain, 28 May 1963.

Sheikh Shakhbut would take the appropriate action and he believed having the British interfere in the matter would hurt the Ruler's reputation and standing among the populace.<sup>280</sup>

Despite these warnings, after a few days of strikes, the British were still dissatisfied with the Ruler's response. The Ruler had been using his sons, Sheikh Sultan and Sheikh Said, to act as intermediaries with the workers, but the British believed these sons had little influence.<sup>281</sup> At Jebel Dhanna, Sheikh Sultan drank heavily during the strikes. The result was that workers, the company, and the British government had to postpone meetings to discuss the workers' terms. For his part, the Ruler's son was also displeased with the companies and accused them of blatantly ignoring laws established by the Ruler.<sup>282</sup>

At the strikes on Das Island, Sheikh Said acted as the Ruler's representative and may have been more effective than his brother was at Jebel Dhanna. Sheikh Said arrived at Das Island after the Ruler's representative there admitted he could not control the situation because the workers "regarded him as a company stooge."<sup>283</sup> Immediately upon arrival, Sheikh Said agreed to throw out the troublemakers. He also "mixed extensively with the workers during his stay on Das."<sup>284</sup> In order to resolve the strike on Das Island, Sheikh Said tried to send forty troublemakers back to Abu Dhabi City by ship. However, a number of other workers also wished to go and when the ship eventually sailed, about four hundred strikers, or two-thirds of the Arab workforce, left the island.<sup>285</sup> The result was a "wholesale withdrawal of local labor."<sup>286</sup> The Ruler ordered the arrest of five principal troublemakers upon disembarkation. After the ship

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<sup>280</sup> W.H. Luce to Foreign Office, 5 June 1963. *RE* (1963), 567.

<sup>281</sup> Confidential Memo from Bahrain to Foreign Office, 30 May 1963

<sup>282</sup> J.E.H. Boustead, Record of a visit to Jebel Dhanna, 29 May 1963.

<sup>283</sup> Report of Strike on Das Island, 3 June 1963.

<sup>284</sup> Confidential Memo to H.M. Political Residency, Bahrain, 3 June 1963.

<sup>285</sup> Telegram No. 328, From Bahrain to Foreign Office, 3 June 1963. *RE* (1963), 565.

<sup>286</sup> Economic Annex to Abu Dhabi Monthly, Diary No. 6. June 1 – June 30, 1963. *PG* (24), 156-7.

sailed, the Island was quiet.<sup>287</sup> When the ship arrived in Abu Dhabi, the forty troublemakers were arrested and the remainder of the men returned quietly to their homes.<sup>288</sup> Over the course of the following few weeks, the majority of the workers returned to work on Das Island.<sup>289</sup>

The Ruler's response to the trouble at Das Island surprised the British because they thought Sheikh Shakhbut should deal more strongly with the troublemakers. Instead, he released the forty men he arrested, including those known to have committed violence. He also dismissed the affair as minor and said that the company could have avoided the strike had it paid its workers more. In addition, Sheikh Shakhbut used rumor as a tool to attack company management practices. He accused the company of causing the strike because it allowed the General Manager of ADMA to beat an Arab for trying to steal a car. The British accepted the validity of this story, but insisted that the assailant was the Lebanese manager, not the British General Manager. Further surprising the British, the Ruler declined to arrest the troublemakers in Tarif.<sup>290</sup>

According to the British administration and management of oil companies, the ineffectiveness of Sheikh Shakhbut was compounded by the inability and reluctance of the Abu Dhabi police to restore order.<sup>291</sup> In part, the British claimed the Abu Dhabi police were ineffective because they lacked training and leadership;<sup>292</sup> they were also seen as identifying with the workers and supporting their cause. At the Tarif strikes, the police "fraternised with the strikers, shaking hands and rubbing noses with them."<sup>293</sup> And at Das Island, the police were

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<sup>287</sup> Telegram No. 328, From Bahrain to Foreign Office, 3 June 1963.

<sup>288</sup> J.E.H. Boustead Letter to Political Residency, Bahrain, 17 June 1963. *RE* (1963), 584-5.

<sup>289</sup> Abu Dhabi Monthly Diary No. 6 of 1963, June 1 – June 30. *PG* (24), 152-3.

<sup>290</sup> J.E.H. Boustead Letter to Political Residency, Bahrain, 17 June 1963.

<sup>291</sup> Confidential Memo from Bahrain to Foreign Office, 30 May 1963.

<sup>292</sup> J.E.H. Boustead, Memo to H.M. Political Residency, Bahrain, 28 May 1963.

<sup>293</sup> J.E.H. Boustead, Report of Visit to Tarif, 28 May 1963.

completely absent during the strike on the island, something the British attributed to police solidarity with the strikers.<sup>294</sup>

Sheikh Shakhbut was “disturbed” by accounts of the unsatisfactory performance of his police force during the strikes; he had hoped the police would be more effective in controlling workers. As a result, in early July he agreed to hire a Bahraini police officer to train the Abu Dhabi police force for three months, with particular attention to be paid to security duties.<sup>295</sup> In October of 1963, in order to improve the police force, the British administration proposed that a riot squad be trained and stationed near Jebel Dhanna. They also suggested that the police force’s salaries and conditions of service be regularized.<sup>296</sup> Through these types of policies and moving of personnel, the British administration sought to develop a security apparatus that could be used to protect the lives of Europeans in the Gulf and the property of oil companies.

In order to ensure effective protection of British property and persons, the British administrators sent two units of the Trucial Oman Scouts (TOS) to the area, in case there was additional trouble.<sup>297</sup> The TOS were instructed to interfere only if the Abu Dhabi police force “failed and the Europeans and other foreign nationals’ lives are threatened.” The TOS were also instructed not to stop the strikes, but rather “to guard each installation and to form a defended centre in each area, where European and other foreign national staff can take shelter if the police are overwhelmed.”<sup>298</sup> The British also sent the HMS Striker in the vicinity of Das, but “out of sight of the Island.” The Striker was to act as a backup in case the TOS lost control of the

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<sup>294</sup> Report of Strike on Das Island, 3 June 1963

<sup>295</sup> Confidential Annex to Abu Dhabi Monthly Diary, No. 7 of 1963, July 1 – July 31. *PG* (24), 159.

<sup>296</sup> F.D.W Bron Letter to Political Residency, Bahrain, 16 October 1963. *RE* (1963), 613.

<sup>297</sup> Confidential Memo from Bahrain to Foreign Office, 30 May 1963; Telegraph No. 322, From Bahrain to Foreign Office, 31 May 1963. *RE* 1963, 563.

<sup>298</sup> J.E.H. Boustead letter to Political Residency, Bahrain, 30 May 1963. *RE* (1963), 571.



onshore situation. In anticipation of such an event, plans were drawn up for Sir Luce to order a landing party from the Striker onto the island.<sup>299</sup>

In addition to installing a larger military presence and implementing police training, in the weeks after the strike, representatives from ADPC and ADMA met with the Ruler to discuss how to avoid future strikes. The representatives suggested that the men must first give their complaints to the company and the Ruler's representatives before going on strike; the police force should be bolstered so as to be more effective during strikes; the strikers should not be paid for the duration of the strike; and the present warning system should be maintained.<sup>300</sup> The Ruler agreed to all of these suggestions, but later reconsidered his agreement regarding the written warnings and asked the companies, only a few days later, to cease giving written warnings because they upset the workers. The largest point of friction came when the companies said that they did not want to take back the men thought to be the leaders of the strikes. The Ruler disagreed with the company position and said these men should be taken back as a gesture of forgiveness. After much discussion, the Ruler conceded that the companies must do what they thought was right, but that it was against what he thought best.<sup>301</sup>

### **The Politics of *Khalijī* Workers**

A central concern shared by the British administration, the oil companies, and the Ruler was how to best manage the local population of workers. One British administrator wrote, "The companies are working under great difficulties, far greater than they had probably anticipated, both in regard to nature of labour, its extraordinary ineffectualness and its apparently inimical demands on them." The British believed that worker demands, the hot climate, and long work

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<sup>299</sup> Telegram No. 324 From Bahrain to Foreign Office, 1 June 1963.

<sup>300</sup> In this system, employees were reprimanded, or warned, three times before talks of dismissal.

<sup>301</sup> J.E.H. Boustead Letter to Political Residency, Bahrain, 17 June 1963.

hours wore on managers and made them more irritable with workers. Despite these hostile conditions, the British government cautioned the companies to remember that strikes were costly and that it was better to avoid them. The solution, the administration offered, was that the local workers should be treated “with a tolerant and a certain liberal attitude toward a primitive people.” Furthermore, the management should try to understand that these “primitive people” see foreigners as “intruders” in their land. The British administrators suggested that companies adapt to cultural norms when possible. For example, they praised the Arab company, CAT, for giving workers a large enough food allowance to feed not only themselves, but also “quite a number of hangers on” that lived in the camp with them. Both the company and the administration felt it was cheaper to feed extra people than lose thousands of pounds a day during a strike.<sup>302</sup>

Such strategies sought to improve day-to-day operations, but broader industry-level changes were creating new problems and contributing to growing worker dissatisfaction. For example, after construction ended at these oil projects, the number of workers needed to maintain the oil projects decreased significantly and resulted in the dismissal of most workers from their jobs. It was feared that local workers, upon termination, would cause trouble and stop oil production. The termination of *khalijī* employees was especially problematic.<sup>303</sup> In an effort to maintain their own positive reputation, oil companies contracted jobs out to smaller companies, thus removing themselves from the economic and political risks associated with firing workers.

In 1960, commercial quantities of oil were found in Abu Dhabi and there was a further shift from exploration and drilling by the company to drilling by contractors. These contractors operated differently from the seismic party contractors used by the companies in the past.

Previously, ADPC had maintained all relations with labor onshore and with the local

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<sup>302</sup> The management of Bechtel, a California contractor, also seemed to be very good at this. J.E.H. Boustead, Confidential Letter to Political Residency, Bahrain, 11 October 1963. *RE* (1963), 614-17.

<sup>303</sup> D. Slater to Political Residency, Bahrain, 15 September 1963. *RE* (1963), 589-90.

government, such that contractors appeared, to many people, to be a part of the company. In contrast, the new drilling contractors hired and fired employees themselves. While ADPC said it would do its best to ensure conditions were to its standards, there was still the fear that contractors were tougher on laborers, quicker to fire employees, and only looking for a quick profit on projects. In anticipation of these changes, the company was anxious for locals to understand that contractors were separate from the company and that the latter was no longer responsible for labor relations.<sup>304</sup>

Both the ADPC and the British administration feared that new contractors lacked the experience and knowledge necessary to “handle” local labor. When the company was in charge of operations, for example, it saw it as part of its long-term interest to train rig crews to operate rigs. There was concern that contractors did not feel the same way and would not consider local crews sufficient. Similarly, the British administration saw any method of operating that did not use a maximum number of local laborers as likely to stir unrest. Thus, in 1960, there were twice the number of men in a shift than would be the case in North America because such a practice was seen as beneficial for Gulf relations. Previous contractors had learned how to interact with local workers through the company’s camp bosses, but the fear was that new company contractors would not have this experience and that workers would not be patient with a second round of cultural offenses. Earlier in the year, there had already been an incident involving one of the new contractor’s managers. The seismic team was returning and stopped the truck for one of the men. When the contractor’s manager saw that the worker had stopped to say his prayers,

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<sup>304</sup> Foreign Office doc 371/149084. E.F. Henderson, Political Agency, Abu Dhabi, Letter to D.F. Hawley, Political Agency, Dubai, 1 September 1961. *RE* (12), 319-21.

the manager said he would not wait and drove off, leaving the worker miles out in the desert. In response to this incident, ADPC removed the contractors involved in the incident.<sup>305</sup>

Both the large oil companies and the British administration attributed a portion of the strained industrial relations to contractors. However, there were two larger problems that the companies and the administration felt were at the root of the strikes. First, it was hard for the government and companies' management to control local workers, as the workers did not recognize the authority of the British administration or companies. The British also worried that the workers were overly susceptible to outside influences, such as Pan-Arab movements, and the British feared these influences would destabilize the region and lead to a loss of oil revenues. The second problem, closely connected to the first, was the inefficient control of the Ruler, Sheikh Shakhbut, over the population. This, the British argued, was due to the Ruler's unpopularity with the local workers in Abu Dhabi.

The interconnected nature of these problems was illustrated, in the eyes of the British, by the strikes on Das Island. When the laborers were leaving the island after the strike, the British reported that some of the men were going through the crowd disparaging the Ruler and praising Nasser. One of the European managers rode on the boat back with the four hundred men and said that "many of the men felt a genuine sense of grievance about their pay, but almost all were highly critical of Shakhbut, who, they said, was receiving a vast income from the oil and was doing nothing for them." These workers argued that a "new republic" should be established in Abu Dhabi.<sup>306</sup> This quote was often taken as sufficient evidence for Sheikh Shakhbut's inability to rule Abu Dhabi. However, not all workers were thought to be unhappy with Sheikh Shakhbut, and many went along on the strike in order to voice grievances about labor conditions, treatment

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<sup>305</sup> Ibid.

<sup>306</sup> Report of Strike on Das Island, 3 June 1963.

by oil management, or out of fear of being “beaten up” if they did not participate. In reading the issues this way, both oil companies and the British administration insisted on seeing the strikes as a symptom of the ineffectiveness of local rule rather than as a broader reflection on the managerial practices of the oil companies and their contractors.

The British focus on the Sheikh’s role in political change and labor disputes is reflected in Christopher Davidson’s history of Abu Dhabi. In his discussion of the bloodless coup that overthrew Sheikh Shakhbut and installed the Sheikh’s younger brother, Sheikh Zayed, as the Ruler of Abu Dhabi in 1966, Davidson relies on a model that sees the Gulf as “hybrid governments . . . that fused centuries-old sheikhly and monarchical powers with new, rational-legal ministries and appointed bureaucrats.”<sup>307</sup> In other places Davidson collapses the economic and political systems and calls this “tribal capitalism.” This form of capitalism entails the monarchy “placing key representatives of other powerful families and loyal clans in directorial roles in the surfeit of new parastatals and private companies charged with overseeing the new economic sector.”<sup>308</sup> These descriptions of the governmental practices in the Gulf attempt to explain the persistence of monarchical leaders in the present, with limited pushback from the general population.

In the case of Abu Dhabi, Davidson argues that regime change was the result of Sheikh Shakhbut’s imperfect participation with “tribal capitalism.” After approximately thirty-five years as Ruler, Sheikh Shakhbut was brought down by what Davidson characterizes as “miserliness.” This miserliness took the form of a lack of interest in developing the infrastructure of Abu Dhabi or investing in such things as public education and health care. He also resisted

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<sup>307</sup> Christopher Davidson, “Introduction,” in *Power and Politics in the Persian Gulf Monarchies*, ed. Christopher Davidson, (New York: Columbia University Press, 2011), p. 2.

<sup>308</sup> Christopher Davidson, *Abu Dhabi: Oil and Beyond*, (New York: Columbia University Press, 2009), p. 2.

infrastructural changes and refused building permits. Abu Dhabi merchants found this difficult to reconcile and believed they were losing money because of this lack of development.<sup>309</sup> In addition, in order to save money in the early 1960s, Sheikh Shakhbut cut back on personal allowances to key al-Nahyan leaders.<sup>310</sup> The discontent of leading merchants and family leaders created an opportunity for Sheikh Zayed to undermine Sheikh Shakhbut's authority and initiate a coup in 1966. When Sheikh Zayed took over from Sheikh Shakhbut, "almost overnight, Sheikh Zayed's oil boom government effectively ended his family's historic tax-raising role and provided fresh opportunities for his people's economic participation and self-enrichment."<sup>311</sup> Sheikh Zayed's "legitimacy" was "derived from little more than his lineage and personality." Thus, he oversaw an "efficient distribution of wealth to families and individuals."<sup>312</sup> Davidson argues that Sheikh Zayed's more successful participation in "tribal capitalism" was informed, in part, by the citizens' preference for his ruling style and allocation of revenue. Whereas Sheikh Shakhbut did not adequately invest the profits from oil rents into the development of Abu Dhabi, Sheikh Zayed built infrastructure that improved the quality of life for citizens of the emirate.

My analysis of shifting power relations in the Gulf differs from that of Davidson in that I do not think the category of tribe should be used to gloss the diversity of actors in Gulf politics. Instead, I argue that labor dynamics were directly related to the managerial practices of oil companies and worker response to these practices. This reading of the strikes involves not only the ruling families of the Gulf and their subjects, but also includes the British administration and oil companies. The inclusion of these actors highlights the work done by the British administration and oil companies to depoliticize labor in the oilfields.

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<sup>309</sup> *ibid.*, pp. 34-35.

<sup>310</sup> *ibid.*, p. 41. The al-Nahyan family is the ruling family of Abu Dhabi and both Sheikh Shakhbut and Sheikh Zayed are members of this family.

<sup>311</sup> *ibid.*, p. 52.

<sup>312</sup> *ibid.*, p. 51.

### Unrest throughout the Gulf

Abu Dhabi was not the only state to experience strikes and political disturbances in the 1960s. In 1965 there were disturbances in Bahrain that lasted a fortnight in March and April. Like many of the strikes at the time, the issue of redundancy was a pressing issue for the workers and employers in this instance. In addition, the British understood the strikes to be representative of dissatisfaction of the population under the Ruler and feared the emergence of a pan-Arab nationalism.<sup>313</sup> One British administrator wrote:

[The] pretext was redundancy of some BaPCo workers but the affairs rapidly developed into a trial of strength between the regime and those elements – mainly the youth – who chafe at the anachronism inherent in Shaikhly regime under British protection and long for national assemblies, trade unions, election, political newspapers and all other paraphernalia of independence and progress . . . strikers and demonstrators stressed slim resources of the Bahrain State Police to their limit and it was touch and go if British troops would have to intervene. The life of the country was seriously disrupted.

As was the case in Abu Dhabi, generational differences were important and the youth of the country were thought to be a pressing problem. In Bahrain, there was an annual population increase of just over three percent, seventy-five percent of the population was under thirty years of age, and nearly fifty percent of all jobs were occupied by foreigners.<sup>314</sup> Then, in 1967, there was further unrest among workers in the southern Gulf. This unrest, according to British intelligence reports, coincided with the Khartoum Conference and the increased pan-Arab labor

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<sup>313</sup> Confidential Dispatch No. 1 (1011/66), A.D. Parsons to British Political Agency, Bahrain, 2 January 1966. *PG* (24), 470-77; Iraq's Request for helping them in their Oil Industry – Note from Ministry of Mines and Fuel (India), NAI, WANA, 1960. File No. 6-C(34)/60,

<sup>314</sup> Confidential Dispatch No. 1 (1011/66), A.D. Parsons to British Political Agency, Bahrain, 2 January 1966.