

Saudi Arabia's Relationship With Germany Under King 'Abd Al-'Aziz

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Introduction

Saudi Arabia's relationship with Germany under the reign of King 'Abd al-'Aziz ibn 'Abd ar-Rahman al-Faisal Al Sa'ud has hardly ever been recorded and analysed on its own merits. Accounts of it usually form sub-chapters in books that tilt to such overriding themes as The Third Reich and the Arab East; Hitler and the Palestine Issue or else Germany's New Baghdad Railway Imperialism.⁽¹⁾ Accordingly the historical context for determining and interpreting the scope and performance of Saudi-Germany relations usually has been somewhat out of focus as far as the Saudi angle is concerned. The consultation of archival sources and documentary records likewise has rather aimed at evidence on events and policies outside the Saudi realm of action.

Partly, these shortcomings might be explained by the well-known fact, that in the Middle East political issues and foreign policy performance usually do have a larger regional configuration with varying focal points. In the present case, however, it surely must also be considered that altogether a Saudi-German relationship existed only for a very short period of king 'Abd al-'Aziz's reign: A treaty of friendship enclosing also some provisions for trade was concluded as early as April 26, 1929. Both the negotiations as well as the exchange of ratifications on November 6, 1930 took place at Cairo.⁽²⁾ Since then not much was heard of a relationship until the year 1937. The next two years were filled with what

recently has been described as Saudi Arabia's courtship of Germany.⁽³⁾ It finally led to the establishment of the German diplomatic representation at Jeddah in January 1939. Hardly seven months later the relations were frozen not to be resumed again until 15 years later in November 1954.⁽⁴⁾

It is those years from 1937 to 1939, which are under survey here. The short period of intensive political relations between the two powers, diverse but both on an ascending line is fascinating for the light which is shed on the stakes at play and the policy restraints as well as on the zeal and circumspection of the prime movers in the corridors of power, last not least of King 'Abd al-'Aziz himself.

I. The Middle East and its Role in German Commerce and Foreign Policy in the 1930's. An Overview and some Basic Tenets.

Historians widely agree that King 'Abd al-'Aziz mastered the skills of building and balancing power relationships and loyalty bonds, both domestically and internationally, in order to safeguard the formation of the Saudi state and rulership. Seen from this angle his sudden and energetic "courting of" Germany in the late 1930's might have proceeded in a systematic fashion similar to his earlier attempts and methods of winning Washington's full diplomatic recognition and consular representation. In this case it had been reported, that "King 'Abd al-'Aziz had given orders that purchases of American vehicles by the government were to be stopped or greatly curtailed as a protest against the refusal of the United States to recognize his government and to send an accredited representative to Jeddah".⁽⁵⁾ The King's insistence that the flag should precede trade and not vice versa as was the general pattern of commercial penetration clearly was aimed at gaining international standing and enlisting support in checking British imperial ambitions. In this sense contacts were made to a Germany which already before Hitler's coming to power had begun to commend herself as a kind of 'Third Power' elsewhere in the Middle East, e.g. in Iran, Turkey, Iraq, Afghanistan.⁽⁶⁾

Prior to a proper assessment of what this new power performance of

Germany could have meant to King 'Abd al-'Aziz, it is, however, indispensable, to screen Germany's overall commercial performance in the Middle East and point out some of the factors, by which trade and politics were conditioned. Some basic tenets of Germany's Middle Eastern oil policy in the 30's also will be elucidated.⁽⁷⁾

Of course, it is not implied, that King 'Abd al-'Aziz necessarily shaped his perceptions of a German role in the Middle East on a similar evaluation of facts and interests nor is it suggested, that all German middlemen acted on such premises. On the other hand, what might be inferred from a brief overview is that King 'Abd al-'Aziz probably harboured no great illusions about the limitations of any immediate German commitment to Saudi Arabia in international politics or in oil development as a cornerstone for state financing. It is in this latter respect that the roles of Germany and the United States in King 'Abd al-'Aziz's calculations differed fundamentally. However, what made Germany so attractive to him? Which functions as a "third power" could she perform?

1. The Commercial Performance.

In the official German trade statistics of the inter-war years the Middle Eastern countries listed separately were Turkey, Egypt, Iran, Palestine and Syria-Lebanon (since 1937 also Iraq, Afghanistan, Anglo-Egyptian Sudan). Trading with such countries as Afghanistan, Iran, Transjordan, Arabia (i.e. Saudi Arabia, Oman, Kuwait, Yemen) was summarized under the heading 'remaining Asia'.

Generally speaking, from the early 1930's onwards German trading with the Orient benefitted from a combination of two factors: first, a domestic policy of job creation and obtaining supply orders; second, an authentic Middle Eastern policy of import substitution and modernisation based on state intervention. The countries concerned were Turkey, Egypt, Iran and Iraq. Each way in turn was designed both to overcome the local effects of the global depression and to build strong national

economies.⁽⁸⁾

Saudi Arabia, too, had very seriously although indirectly suffered from the effects of the depression. The sharp decline of the annual pilgrimage and the resultant dramatic loss in revenues taught King 'Abd al-'Aziz, that his newly created state had to look for more stable sources of financing. A few statistical figures⁽⁹⁾ must suffice here to illustrate, how gloomy Saudi Arabia's prospects of state income and financing of imports had looked in the early 30's. In 1930 the revenue of the government of the Hejaz and Nejd and its Dependencies was estimated at \$7,223,700, of which a total of about \$2,920,000 were derived from pilgrims. Customs revenues and all other taxes such as tithes accounted for another \$3,000,000 and \$1,250,000 respectively. As each foreign pilgrim was estimated to spend an average of \$200 during his stay in the Hejaz; and as the number of pilgrims in normal years was usually about 100,000, the country's approximate annual income from pilgrimage was about \$20,000,000. However, in the wake of the global economic depression the annual number of pilgrims had dropped from 116,000 in 1930 to a mere 20,000 in the years 1933 and 1934; and after an upsurge of 80,000 in 1936 the number again had decreased to 50,000 in 1937 and 48,000 in 1939.⁽¹⁰⁾ Year-to-year losses of revenue of such size forebode calamity for rulership, state and society. The country's purchasing power could no longer meet the estimated worth of \$13,000,000 to \$15,000,000 of annual imports, of which approximately 70% consisted of essential food products and textiles. As these purchases usually could only partially be paid or else entirely, when a pilgrimage season paid-off, Saudi Arabia, in the 30's and according to Philby, was run more or less on a "rolling credit" or an informal public debt basis.

King 'Abd al-'Aziz, who was only used to a budgetless finance, was compelled to take unprecedented and long-term measures to alleviate the court's distress. In the spring of 1932 his son Faisal, as Secretary of State for Foreign Affairs, paid visits to nearly all major European capitals. Negotiations for loans were conducted at London and Moscow.⁽¹¹⁾

Whereas a diehard British government apparently tried to attach imperial strings such as a British inspectorate of the Saudi financial reorganization as well as exclusive air communication and landing rights,⁽¹²⁾ the Soviets were more accomodating. Although in the end not much came out of it either, the latter at least provided King 'Abd al-'Aziz with some leverage against the British⁽¹³⁾. At Berlin, where Faisal had arrived on May 21st via Rome, Bern, Paris, London and Deng Haag, hopes were expressed for a stronger development of commercial relations and the establishment of diplomatic relations. The deflationary policies of the then Reich Chancellor Dr. Heinrich Bruning, the lack of capital and curbs to loss guarantees for export trade were, however, bad starting conditions. Also, at one stage of this tour through Europe a project seems to have been discussed of establishing a central bank with English, French, Italian and Egyptian shareholding⁽¹⁴⁾. In the end all that 'Abd al-'Aziz could resort to was the granting, in 1933, of an oil concession to the Standard Oil Company of California. In view of a glutted world oil market, the prospects for an immediate remedy were not too bright, but the company had paid cash and that was a beginning.

The success story of what was to become ARAMCO is well known. Of greater significance here is the comparison of the rather poor German performance in oil politics in neighbouring Iraq at about the same time. It also provides the true perspective for Grobba's alleged hunt for oil concessions on the peninsula in the late 1930's. From this angle it can surely be assumed that King 'Abd al-'Aziz had economic reasons as well for not taking German oil interests seriously. This however did not equally apply to German trade. By 1937, German trading with the Middle East had largely recuperated from the depression years and began to surpass the figures of the boom year 1929. The year 1938 showed a further upsurge. Germany's exports to the Middle East, in fact, rose faster than her total exports⁽¹⁵⁾. The share of the Middle East in German exports amounted to 4% whereas its import share was 5.5%. Although these figures look altogether rather modest, they nevertheless markedly differ

from Germany's dissociation from Middle Eastern oil development.

2. Germany's Dissociation from Middle Eastern Oil Development. Some Economic Restraints and Political Aspects.

Ever since the dramatic local effects of the global economic depression in the early 30's King 'Abd al-'Aziz considered the exploration and export of oil as absolute requirements for state-financiation and economic development. In view of a glutted world oil market as well as of British prohibitive marketing practices, not to speak of British imperial designs at large, King 'Abd al-'Aziz naturally inclined to grant oil concessions to companies with both an access to profitable markets and no political strings. In this sense CASOC was an obvious choice in the early 30's.

In comparison and also judged by those two criteria any Germany oil company or German dominated multinational oil company would surely also have commended itself at least as a competitive bidder. For the Third Reich, because of its large scale motorisation, aviation and armament efforts, was – besides Italy and Japan – one of the most promising oil markets at the time⁽¹⁶⁾. Furthermore by geographical distance as well as foreign policy orientations towards central Europe, Germany – despite her pre-1914 imperical legacies – seemed to be trustworthy. Inder her caution, at least until 1937, of not confronting the British in the Middle East politically made Germany acceptable to those, who had to take British sensibilities into consideration.

Nevertheless, as the wide-spread rumours about the alleged motives of Grobba's visit to Jedda in early 1939 reveal⁽¹⁷⁾, there was considerable ignorance and misunderstanding regarding German oil policy in the 1930's. Unfortunately, documentary evidence for King 'Abd al-'Aziz's personal estimate seems so far not available. Being a shrewed observer of everything that was going on in the Middle East and especially in the oil sector it has, however, to be assumed that he must have pondered over the lack of official backing at Berlin for German oil enterprise in the Middle East. A lesson by itself was the performance – and failure – of German oil

interest in the British Oil Development Company (BOD), which, in the early 30's, had obtained a concession in northern Iraq⁽¹⁸⁾. True, there was considerable British governmental intrigue of spoiling business for the German shareholders. However, the government at Berlin had not been constructive either. It even had allowed opportunities for a German or combined German-Italian majority shareholding to pass. When governmental support was afforded at all, it was either with the aim of securing export orders for German heavy industries or else to make the German position in the BOD more attractive to major oil companies and exchange it for a share in a concession in Central America.

What seems to have escaped the attention of many observers at the time was that ever since the mid-30's, when Hitler set on the road to war, oil and fuel were considered to be too precious, strategically, to be left vulnerable by outside interference. In the event of a war in Europe and the Mediterranean with Britain as one of the adversaries, German oil supplies from the Middle East would not be defensible. This was the strategic ruling of German oil policy abroad in the late 30's⁽¹⁹⁾. Hence the poor performance of German shareholders later on in the BOD; hence Iraq's failure, in 1937, of engaging German oil interests in the Basra province; hence the constraints upon Germany's envoy at Baghdad and Jedda, Dr. Fritz Grobba.

3. The Dual System of German Foreign Policy Making.

The frequent misunderstandings over the motives and true aims of Germany's political, diplomatic and later on, propagandistic performance in the Middle East have in no small degree been brought about by the dual system of German foreign policy making after 1933. Hitler had come to power by legal means, but with the aim of altering the entire body politic. Partly to secure credibility and recognition internationally, partly because of a lack of adequately trained personnel among his party ranks for assignments in foreign policy making and diplomacy he allowed the German Foreign Office to continue its work, so as if foreign policy

behaviour would not change. Gradually however, Hitler's Nationalist Socialist Party mustered its own rank and file for conducting foreign affairs. The party, in fact, established its own Foreign Policy Office (Außenpolitisches Amt, APA), headed by Rosenberg, which quite systematically at home and abroad set about to usurp functions of the still existent German Foreign Office (Auswärtiges Amt, AA) and enforce a party ideological line on issues of foreign policy. There were mounting clashes of loyalties. Many a diplomat, who was dissatisfied with the restraints of the Weimar Republic's foreign policy but who lacked the credentials of the Hitler party, was caught in the middle.

As concerned the Middle East and as will be exemplified in the next chapter, Saudi Arabia came to experience this dual system in a particular way. The opposite protagonists, with whom King 'Abd al-'Aziz had to deal, were Werner-Otto von Hentig, who was in charge of the Oriental desk at Berlin's Foreign Office⁽²⁰⁾, and Fritz Grobba, the German ambassador at Baghdad and later an accredited envoy also at Jedda, who became enthralled by the new chances of a forward policy in the Middle East⁽²¹⁾.

II. The "Hot Phase" of Saudi-German Arms Negotiations and Diplomatic Relations in the late 1930's.

Already in autumn 1929, shortly before the documents of the ratification of the Saudi-German treaty of friendship were exchanged at Cairo, newspapers had reported that German military instructors might be assisting King 'Abd al-'Aziz in building up a large modern army⁽²²⁾. A year before, in March 1928, there even had been rumours about shipments of munitions from the German port of Kiel to Jedda⁽²³⁾. Be that as it may, rumours are not easy to discard at least as long as there are dubious circumstances. If the news headlines had any substance at all, they would at best indicate, that King 'Abd al-'Aziz's later arms negotiations also may have primarily been conducted in the interest of state power.

Nevertheless, the by-now well documented Saudi-German arms negotiations in the late 1930's have remained shrouded in mystery as regards their full scope, true motives and actual deliveries. The reasons for this state of affairs and for the current historiographical controversies are manifold indeed. By and large they all have to do with the complexity of the contemporary historical context of the Saudi policy performance⁽²⁴⁾. Therefore, while hitherto the constraints upon Germany's Middle East policy have been stressed, in this chapter the specific concerns, dimensions and constraints of Saudi Arabia's regional policies will be accentuated. Rather than Berlin's sudden anti-British sentiments, the feelers towards Arab middlemen and the wild dreams of the APA (Foreign Policy Department of the Nazi Party) officials, it was waxing security concerns and regional policies of young Saudi Arabia, which provided the background and motive forces for King 'Abd al-'Aziz's arms negotiations.

1. The Course of Events.

The exact date and level of the beginnings of German-Saudi Arabian discussions about an arms deal may be impossible to trace. Some historians have placed them in the context of the Peel Commission's partition plan for Palestine, which was submitted to the British government in July 1937⁽²⁵⁾. Others trace them to February of that year and refer to sources from the German Foreign Office archives⁽²⁶⁾. This latter date is corroborated by evidence from the National Archives in Washington. According to the United States' Military Attache at Berlin, Major Truman Smith, a prominent figure in the foreign business field of the German armament industry had explained to him, that "in recent months every European arms concern has noticed a sudden and quite remarkable interest in armaments throughout the Near East countries. Turkey for several years has been a steady arms customer of Germany . . . Since February, however, Afghanistan, Persia, Iraq and the Hejaz have all decided simultaneously on a modernization of armaments on a scale which is quite surprising. Hardly a fortnight goes without a new commission from one of these lands appearing in Berlin"⁽²⁷⁾. In an earlier report, of

May 25, 1937, on a weapons demonstration by the German arms manufacturer Rheinmetall the same attache had mentioned among those attending also representatives of the Hejaz⁽²⁸⁾. Newspapers at the time carried similar stories about the modernization of Saudi Arabia's army and they reported of huge arms deliveries from France. According to the same sources a "ministry of defence" had been founded under the provisional direction of King 'Abd al-'Aziz's financial adviser 'Abdallah al-Suleiman⁽²⁹⁾.

Seen from the German angle the Saudi approaches to Berlin's officials, on first sight at least, looked less dramatic. On November 5th, 1937, Dr. Fritz Grobba, Germany's envoy in Baghdad had a meeting with Sheikh Yusuf Yasin, the private secretary of King 'Abd al-'Aziz⁽³⁰⁾. Although the Palestinian problem and its implications for Saudi-British relations were covered in the discussions, military aspects of the "rebellion" in Palestine and arms requests seem not to have been raised. Instead Yusuf Yasin stressed upon Grobba the importance of establishing formal diplomatic relations between Berlin and Riyadh. He forwarded King 'Abd al-'Aziz's renewed wish to see a German diplomatic envoy being accredited to Jedda and to have a regular exchange of views on questions of mutual interest⁽³¹⁾.

It has nevertheless to be assumed that Grobba's and Yasin's meeting on a diplomatic level was related to recent Saudi approaches at Baghdad to representatives of the Otto Wolff enterprise, which were engaged in negotiations with the Iraqi Ministry of Defence for the supply of German arms. Furthermore, documentary evidence suggests, that officials of the APA (Foreign Policy Department of the Nazi Party) on their part had already for some time been working on Arab middlemen.⁽³²⁾ These again seem to have been instrumental in bringing the APA into contact with more influential members of King 'Abd al-'Aziz's entourage such as his personal physician Midhat Sheikh al-Ard or Khalid al-Hud al-Qarqani.⁽³³⁾ The former called on the APA during a visit to Berlin in autumn 1937. He raised two points: first, a clarification of whether the Nazi's anti-Semitic

campaign was aimed at Arabs as well and second, a request for arms deliveries.⁽³⁴⁾ As concerns the first topic, it is possible that King 'Abd al-'Aziz's worry may also have been caused by British propaganda.⁽³⁵⁾ Discussion of the second topic may have been in continuation of the talks at Baghdad in 1937. It has to be observed, however, that at Berlin the "dual system of German foreign policy making" became involved. The ensuing tug of war between the Foreign Office (AA=Auswärtiges Amt) and the APA was mainly responsible for the zigzag proceedings of the Saudi-German negotiations in the months ahead. King 'Abd al-'Aziz was concerned about the retardation. When, in January 1938, Khalid al-Hud, the Saudi minister of commerce arrived in Berlin, he did not only negotiate about an intensification of trade and economic cooperation, but he also tried to push the issue of an arms deal including up to 20,000 Mauser rifles and a cartridge factory. In fact, the successful and rapid conclusion of an arms deal seems to have been the sole purpose of al-Hud's mission.⁽³⁶⁾ At one stage he tried to play the APA off against the AA. However the efforts were of no avail; in fact they may even have been counterproductive. By mid 1938 it was clear, that Khalid al-Hud's mission had failed, much to the dismay and outrage of King 'Abd al-'Aziz.⁽³⁷⁾

Notwithstandingly, the mission did have one positive side effect at least. It had become clear that extensive business and especially arms deals required for their loan arrangements on governmental level and also because of the political aspects involved the establishment of formal diplomatic relations. True, King 'Abd al-'Aziz in his remarkable farsightedness and solid pragmatism had stipulated this requirement very early and repeatedly. But he had encountered a German Foreign Office, that somehow was reluctant.

Principally, however and as the record of German-Saudi approaches indeed clearly demonstrates the issues of formal diplomatic relations and of an arms deal were not necessarily linked. When the Saudi Under-Secretary-of-State for Foreign Affairs, Fuad-bey-Hamza visited Berlin in

late August 1938, he must have conveyed this at least to von Hentig of the AA, although his mission's true purpose had remained subject to speculation.⁽³⁸⁾ Finally towards the end of 1938 and in the course of the comprehensive discussions and negotiations following Dr. Grobba's accrediting as German envoy at Jedda, it emerged that the German Foreign Office demanded from Saudi Arabia a political price, which King 'Abd al-'Aziz was too shrewd to underwrite without reservations.

To understand the contents of the negotiations and to evaluate and determine their true aims and results a mere reconstruction of the menders of diplomacy is not sufficient. Light must be shed on the regional and international context of the immediate policy and security considerations as they concerned both King 'Abd al-'Aziz and Germany's Middle East policy making.

2. The Stakes at Play.

a. The Saudi-Arabian Angle.

In the 1930's King 'Abd al-'Aziz's statecraft was challenged by an extraordinary range of domestic issues, border problems and vicissitudes of regional dynamics. Appropriate response required not only exceptional diplomatic skills and flexibility but also credible deterrents such as armed state power.

Not enough, the urgency for a credible defence capacity was dramatically underlined by the Italian conquest of the Cyrenaica and Tripolitania, Mussolini's conquest of Abyssinia and further Italian encroachments in the Red Sea. Surely a scenario for dangers incumbent on a state and kingdom, that had only just been founded, could not have been worse. Therefore, pragmatism and armed watchfulness were the needs of the hour. King 'Abd al-'Aziz's approaches to the Berlin government testified to his diplomatic acumen, circumspection and resolution.

b. The German Angle.

The year 1937 constituted a watershed in Germany's overall foreign

policy.⁽⁴⁵⁾ What was so decisive about the year 1937 was first the newly won German self-consciousness of having again attained world power status in an international system, that was mainly to the detriment of the British Empire, rapidly disintegrating. Japan's invasion of North China and Inner Mongolia; Italy's accession to the Anti-Comintern Pact on November 6, 1937; the failure of Lord Halifax's mission to Germany to find common ground for mutual policies last not least in central and southeastern Europe; the development of the civil war in Spain; all these events together with Germany's successes in 1936 of having thrown off the shackles that had remained from the Versailles treaty system put imperial Britain globally on a defensive. Germany's self-consciousness, nevertheless, was not Prometheus unbound. In fact the second component, which made 1937 a watershed, was that the German rearmament had reached the limits of its production capacity.⁽⁴⁸⁾ The transformation of the economy into a military economy geared to rearmament had led to severe foreign exchange problems and shortages of raw material imports. Hence the new policies of claiming "Lebensraum" in eastern Europe; of pegging out a sphere of economic autarky, which should make Germany independent of the world market;⁽⁴⁹⁾ of increasing barter trade with Turkey and Iran.⁽⁵⁰⁾

War was now considered to be a legitimate means for pursuing this policy. In fact a largely dialectical process had been set in motion. For the pursuance of that very policy should also safeguard the capacity for war.

It is against this background, that Germany's stakes in the Middle East and, in particular, with regard to Saudi Arabia have to be evaluated. As Hitler, by 1937, had set on a collision course with British foreign policy, war with the British Empire could no longer be excluded. Still reluctant to precipitate a major clash, the Middle East nevertheless began to commend itself as an area, from which Britain's vital imperial links might be vulnerable or else a certain measure of containment of British power be feasible.

While Hitler himself, however, kept looking upon the Middle East as

rather a side-show for strategies to be handled mainly by the Italian ally,⁽⁵¹⁾ German foreign policy making was nevertheless not exempted from safeguarding national interests and approaching the Middle East in a constructive way concomitant with Berlin's more global strategy.

It was on this crucial point, where the dual system of German foreign policy making made itself felt on the Middle East and also on Saudi Arabia. The APA rather dilettantly thought that they could ride the waves of Arab nationalism. By sending arms to Iraq, Palestine and later on to Syria as well as by disseminating slogans, they thought they could erode Britain's imperial position in the Middle East.

In contrast, the AA and foremost von Hentig, who were too experienced in respect to the Middle East to have any illusions about the foundations of British imperial might and interests there, pursued a subtle policy of containment. To them the countries of the Fertile Crescent as well as Egypt were strongholds of British and French dominance in the Middle East. In view of Hitler's priorities for a central European German expansion, they considered that it would be futile and at best dangerously adventurous to undertake to unseat the entente's hegemony in the Middle East in the way, as the APA saw fit.

Therefore von Hentig's high appreciation of Fuad bey Hamza's performance in Berlin in August 1938 in a way testifies to a meeting of minds.⁽⁵²⁾ The Saudi deputy foreign secretary impressed upon von Hentig the political significance of the restraints, which British power in the East exerted on King 'Abd al-'Aziz's diplomacy.⁽⁵³⁾ Von Hentig's personal note, that here was a man ". . . the most sober one; the one who was least guided by momentary aspects and who might perhaps later on be of crucial importance to us"⁽⁵⁴⁾ is, indeed, revealing for the dichotomy which was developing between the Middle Eastern policies of the APA and the AA. Together with commercially well founded German strongholds in Turkey and Iran Britain's might and imperial arteries in the Middle East might best be contained by a Saudi Arabia, that was neutral and which, in the event of a major war, might even incline towards Germany by pursuing a

course of “positive neutrality”. This indeed, was the political price, which Germany asked for an arms deal with King 'Abd al-'Aziz.

3. Constraints and Results.

The Saudi Arabia - German negotiations for closer cooperation reached their crucial stage in the first half of 1939. A high level round of what may be described as preparatory talks took place in February on the occasion of Dr. Grobba's first visit to Jedda.

The accrediting of Germany's ambassador to Iraq also at Jedda was considered by Berlin as a diplomatic success of its own. In short, the position was regarded as a turn-out in case of major difficulties with the British at Baghdad and a cancellation of diplomatic relations.⁽⁵⁵⁾

Grobba had altogether three meetings with Yusuf Yasin and two audiences with King 'Abd al-'Aziz. The lengthy reports⁽⁵⁶⁾, which the German envoy sent to Berlin, portrayed court advisers and a Saudi King, who revealed deep resentments against the arrogance of power displayed by the British in the Hadramaut, in Oman, in Palestine and over the issue of Alexandretta, but who saw no other choice than to try and get on with that power, which beleaguered also Saudi Arabia's borders. The King and his advisers were less outspoken about their views on Italian policy in the Middle East. The relationship with Rome was described as generally good. The nearest that King 'Abd al-'Aziz came to, was his conceding that he did harbour suspicions about Italian policy in the Red Sea and that he was tackling the situation by playing off the British and Italians against each other. Concerning the future cooperation with Germany King 'Abd al-'Aziz, presumably informed by Yussuf Yasin about Berlin's priorities, straightforwardly expressed readiness of promising an attitude of positive neutrality in case of a European war.⁽⁵⁷⁾ The things which he in turn requested from Germany were first moral support in case of any interference in Saudi Arabian affairs by a third power and second help with building up and arming his country so that it might maintain its independence. He did not beat around the bush that he was asking for

delivery of "a large number of Mauser rifles" as well as for the construction of a cartridge factory at a preferential price.⁽⁵⁸⁾

Grobba's optimism about what he considered to be a success of his mission was not shared at all by the Foreign Office in Berlin.⁽⁵⁹⁾ The crux of the matter was a consent on a clear determination of what positive neutrality should mean. Enclosed was a commitment to its full scope. King 'Abd al-'Aziz had compared positive neutrality with his approach to the crisis on Abyssinia. He had not followed suit, when British admonishments and appeals by the League of Nations called for an economic boycott of Mussolini's Italy.⁽⁶⁰⁾ His legitimization was, that as the custodian of the Holy Places of Mecca and Medina he should not entangle the dar-al-islam into issues of international politics.⁽⁶¹⁾ In contrast the German Foreign Office and foremost von Hentig strove for a Saudi commitment to a more active policy of positive neutrality in case of war. The next and decisive round of negotiations in mid-1939 was inaugurated by an event, which was to produce glaring headlines around the world, like "Berlin woos 'The Wolf of the Desert'⁽⁶²⁾ or Hitler goes to the Arabs'⁽⁶³⁾ or 'Report about Herr Hitler and the Saudi Plenipotentiary'.⁽⁶⁴⁾ Khalid al-Hud's skillfully arranged reception by Hitler at his retreat at Obersalzberg on June 17th was however preceded by von Hentig's special trip to the Middle East, in the course of which he also stopped at Baghdad,⁽⁶⁶⁾ in order to bring home to Grobba the Foreign office line of thinking as regarded Saudi Arabian neutrality.

Finally, in an all out attempt of winning also the ever cautious King 'Abd al-'Aziz over to the German line of thinking, Khalid al-Hud on July 17th 1939 was "granted" an arms deal consisting of 8,000 rifles, 8 Mil. bullets, and the erection of a small cartridge factory. A special credit of 6 Mil. German Reichsmark was arranged. Furthermore, as a "gesture of goodwill" about 4,000 rifles were marshalled off as a gift to 'Abd al-'Aziz.⁽⁶⁷⁾ The fact that in the end the government at Berlin had dropped all demands for a declaration of active positive neutrality as a prerequisite for arms sales has recently been explained by a German desire of

redressing Saudi disenchantment over the conclusion of the German-Soviet Non-Aggression Pact in summer 1939.⁽⁶⁸⁾ Be that as it may, the German gesture of an arms deal – which because of the outbreak of war in Europe in September 1939 never materialised – may as well have been a kind of signal to King 'Abd al-'Aziz, that Germany, in case of need would offer her good services to check Italian overbearingness. As the latter powers both pursued imperial interests in the Middle East, they were likely to reach a compromise to the detriment of Arab lands as had been the case with British and French interests before. The Anglo-Italian detente as it had been effected by the Anglo-Italian Agreement of April 1938 on the mutual spheres of interest in the Red Sea area⁽⁶⁹⁾ testified to this fact. In other words, mastering the art of balancing power relationships in order to safeguard a measure of order for securing stability and survival, King 'Abd al-'Aziz with all his ingenuity had at a propitious moment tried to assign Germany a role on his chessboard of Middle Eastern politics.

Conclusion:

As was shown, the relationship between Saudi Arabia and Germany under the reign of King 'Abd al-'Aziz was mutually dictated in large measure by considerations of regional policy. While Germany, however, was restrained by her predominantly central European orientation and also clearly restricted by her 'dual system of foreign policy making', i.e. the infighting between the APA and AA, King 'Abd al-'Aziz energetically tried to elicit from Berlin a definite commitment in the fields of bilateral diplomatic, commercial and political relations. By it, he hoped to increase his maneuverability in warding off the British and Italian imperial encroachments. He may not always have been fully aware of the fact, that Germany, in the late 30's, by her dissociation from oil development in the Middle East, her economic policy of autarky and her withdrawal from the League of Nations had set on a course of self-imposed "isolation" and a "policy of entrenchment" as a prelude to the war in Europe, which Hitler sought. On the other hand, King 'Abd al-'Aziz surely must have sensed

that Germany did not have a calculable Middle Eastern policy at all. By sticking to his version of a policy of neutrality he indeed showed remarkable circumspection and wise caution.

Footnotes :

1. cf. Lukasz Hirszowicz: *The Third Reich and the Arab East*. London 1966. Heinz Tillmann: *Deutschlands Araberpolitik im Zweiten Weltkrieg*. Berlin (Ost) 1965. This book by an East-German author stresses the continuity from Wilhelmine Germany's policy towards the Middle East to that by the Third Reich. Suggestive of this thesis, although rather accentuating the Balkan countries is: *The Fabian Society (Ed.): Hitler's Route to Bagdad*. London 1939. See also: Albert Viton: *Hitler goes to the Arabs*. In: *Asia*. July 1939, p. 419-422. Some other well researched works on Hitler and the Middle East are: Mohamed-Kamal El Dessouki: *Hitler und der Nahe Osten*. Berlin (West) 1963. Bernd Philipp Schroder: *Deutschland und der Mittlere Osten im Zweiten Weltkrieg*. Gottingen 1975. With special reference to Palestine cf. R. Melka: *Nazi Germany and the Palestine Question*. In: *Middle Eastern Studies* 5, London 1969. Francis Nicosia: *Arab Nationalism and National Socialist Germany, 1933-1939: Ideological and Strategic Incompatibility*. In: *Int. J. Middle East Stud.* 12 (1980), 351-372. H.D. Schmidt: *The Nazi Party in Palestine and the Levant 1932-1939*. In *International Affairs* 28, 1952. On Saudi Arabia and her arms negotiations with Germany in the 30's cf. D.C. Watt: *The Foreign Policy of Ibn Saud 1936-1939*. In: *Journal of the Royal Central Asian Society*. London, April 1963. As a recent piece of Zionist propaganda may pass: Michael Wolffsohn: *The German-Saudi Arabian Arms Deal of 1936 to 1939 Reconsidered. (The 1930s Dimension of an Issue of the 1980s)*. In: Uriel Dann (Ed.): *The Great Powers in the Middle East, 1919-1939*. New York 1984.
2. The negotiations and signatories were the German envoy at Caïron von Stohrer and the Saudi envoy Shejkh Fausan El Sabek together with King 'Abd al-'Aziz's personal adviser Shejkh Hafez Wahba. See : *Deutsche Allgemeine Zeitung*, 17.5.1929. *Kölnische Zeitung*, 2.5.1929. *Islam Echo*, Berlin, 1.6.1929.
3. Clive Leatherdale: *Britain and Saudi Arabia 1925-1939. The Imperial Oasis*. London 1983, p. 300-306.
4. s. Yves Famchon et Maurice Leruth: *L'Allemagne et le Moyen-Orient*. Paris 1957, p. 188.
5. Wallace Murray (Division of Near Eastern Affairs, Department of State) to Secretary of State, Washington, 27.1.1931. Enclosure: Memorandum: Economic Situation in the Hejaz and Nejd and its Dependencies. p. 3. National Archives Washington (NA). Records of the Department of State Relating to Internal Affairs of Saudi Arabia 1930-1944. Decimal File. 890F. 01/28, (Roll 1).
6. cf. Y.P. Hirschfeld: *Deutschland und Iran im Spielfeld der Mächte. Internationale Beziehungen unter Reza Schah 1921-1941*. Dusseldorf 1980, p. 53-101. Also: Y. Famchon et M. Levuth: op. cit., p. 16f.
7. For a comprehensive treatment s. Helmut Mejcher: *Die Politik und das Öl im Nahen Osten*. Bd. 1: *Der Kampf der Mächte und Konzerne vor dem Zweiten Weltkrieg*. Stuttgart 1980. By the

- same author: *The International Petroleum Cartel (1928), Arab and Turkish Oil Aspirations and German Oil Policy towards the Middle East on the Eve of the Second World War*. In: K.-J. Gantzel and H. Mejcher (Eds.): *Oil, the Middle East, North Africa and the Industrial States*. Paderborn 1984.
8. A major research project with reference to Turkey, Egypt and Iraq is currently conducted by Camilla Dawletschin at the Department of History in the University of Hamburg. See also: Dietmar Rothermund (Hrsg.): *Die Peripherie in der Weltwirtschaftskrise: Afrika, Asien und Lateinamerika 1929-1939*. Paderborn 1983.
 9. Source: Memorandum, Economic Situation in the Hejaz and Nejd and its Dependencies, 27.1.1931 s. Footnote 5.
 10. These figures are taken from Carl Rathjens: *Die Pilgerfahrt nach Mekka. Von der Weihrauchstraße zur Ölwirtschaft*. Hamburg 1948, p. 105. They occasionally vary from the figures given in official Saudi statistics such as *Basic Statistics on Hajj*. Hajj Research Centre. Jeddah 1978, s. Ulrich Fiedler: *Der Bedeutungswandel der Hedschasbahn. Eine historisch-geographische Untersuchung*. Berlin 1984, P. 269.
 11. David Holden and Richard Johns: *The House of Saud*. London 1982, p. 107f.
 12. Atherton (American Embassy, London) to Department of State, 7.3.1932. 890 F. 51/2. Sloan (A.E., Bagdad) to Department of State, 12.3.1932, 890 F. 51/3. Internal Affairs of Saudi Arabia. NA.
 13. Nothing came out of this either, s. D. Holden and R. Johns(op.cit., p. 108. Also: W.M. Walmsley (American Vice Consul., Aden) the Secretary of State, 3.8.1932. 890F. 51/6 NA.
 14. It is not quite clear, whether this project was ventilated during or immediately after the tour to European capitals. It seems that the Egyptian ex-Khedive had a hand in it. Walmsley to Secretary of State, 12.4.1933 890F. 516 State/3. NA.
 15. s. Helmut Reichardt: *Der deutsche Aussenhandel mit dem Orient 1938*. In: *Orient-Nachrichten* 5, No. 6., 16.3.1939, p. 83ff.
 16. s. Footnote 7.
 17. cf. Wallace Murray, Division of Near Eastern Affairs, 2.8.1939. *The Struggle for Oil Concessions in Saudi Arabia*. FW 890F. 6363 Standard Oil Co./118. NA. In his memoirs Grobba underlines that he was not working for a German oil concession but instead supporting the Japanese to obtain one. Fritz Grobba: *Manner und Mächte im Orient*. Göttingen 1967, p. 94f. There is, on the other hand, some evidence that rumours about alleged German oil interests were spread and made use of by the American oil lobby in its struggle for diplomatic support from Washington, cf. A.D. Miller: *Search for Security. Saudi Arabian Oil and American Foreign Policy, 1939-1949*. Chapel Hill 1980, p. 27f.
 18. s. Footnote 7.
 19. s. Meyer-Dornberg: *Die Ölversorgung der Kriegsmarine*. Freiburg 1973.
 20. Best evidence on von Hentig's strong reservations against the Nazi establishment and especially the APA is a summary complaint drawn up by the Reichsleiter Rosenberg himself for submission to Hitler. Reproduced in von Hentig's memoirs: *Mein Leben eine Dienstreise*. Göttingen 1963, p. 481ff. After the war von Hentig became the Federal Republic's envoy to Indonesia. After his resignation from the Foreign Service in March 1954 he was until 1956 a

- personal adviser to King Saud bin 'Abd al-'Aziz bin Abd ar-Rahman bin Feisal al-Saud.
21. Dr. Fritz Grobba, like von Hentig a career diplomat with a fairly wide experience of the Middle East, was probably because of his record as a free mason prevented from joining the Nazi establishment. On the impact, which nazism had on him, a report by the British Embassy at Baghdad observed the following: "He went on leave in 1935 for the first time for four years in order that he might get into personal touch with his new masters and acquire something of what he described as the 'atmosphere' of nazism. When he returned he was in many ways a changed man, clearly much impressed by all he had seen and heard and full of the breezes of Nuremberg. Since that time he has pursued a more forward policy than in the past." Report on Heads of Foreign Missions at Bagdad. F.O. 371/23314. PRO London.
 22. Rigasche Rundschau, 27.9.1929. The newspaper referred to reports in the British "Daily Mail".
 23. Hamburger Echo, 23.3.1928.
 24. cf. literature listed in footnote 1.
 25. Clive Leatherdale: op.cit., p. 301; L. Hirsowicz: op.cit., p. 33f.
 26. The difference in emphasis on these dates, of course, also stems from the fact, that some of the studies do not clearly distinguish the issue of arms deliveries to the Palestinians (via Saudi Arabia) from the arms negotiations with King 'Abd al-'Aziz.
 27. Quoted after M. Wolffson: op.cit., (unpublish MS), p. 7f.
 28. Ibidem, p. 9.
 29. Neue Zuricher Zeitung, 1.4.1937.
 30. Grobba an das Auswartige Amt, 9.11.1937. Nr. 2633. PA (Political Archive of the German Foreign Office), Pol. Abt. VII. Saudisch Arabien/Deutschland.
 31. Grobba in turn enquired, what King 'Abd al-'Aziz thought of having a Saudi envoy accredited at Berlin.
 32. cf. Memorandum: Saudi Arabien. 23.7.1938. Von Herrn Osthus (APA) im Auftrag von Freiherrn von Harder ubergeben. PA, Pol.Abt. VII (385485-8), p. 2. The APA itself was also approached by pro-Hashemite Arab middlemen. In November 1937, for instance, the APA introduced to Grobba at Baghdad a certain young Sharif Seif ibn Nasir, who was the son of the commander-in-chief of King Ali of Hedjaz, who had tried to defend Jedda against King 'Abd al-'Aziz. Seif ibn Nasir, who had been brought into contact with the APA through an Arab merchant, apparently tried to win German sympathy, if not support, for a Hashimite led conspiracy against King 'Abd al-'Aziz. Grobba (Baghdad) an AA, 7.1.1938. Nr. 27. Geplanter Aufstand gegen Ibn Saud. PA, Pol. Abt. VII (385467-73).
 33. Midhat Sheikh al-Ard was a Syrian from Damascus. Presumably the Germans were very cautious; cf. L. Hirsowicz: op.cit., p. 48. Khalid al-Hud al-Qarqani was a Tripolitanian and "notoriously pro-German" (cf. Clive Leatherdale: op.cit., p. 305). According to L. Hirsowicz: op.cit., p. 48, al-Qarqani, however had visited Warsaw for a similar purpose early in the 1930's. The fact, that by 1931 Saudi Arabia owed 30,000 pounds sterling to Poland may be evidence, that an arms deal had successfully been concluded on a loan basis. cf. Memorandum: Economic Situation in the Hejaz and Nejd and its Dependencies. s. Footnote 5.
 34. M. Wolffsohn: op.cit. (M.S.), p. 16.

35. It has to be considered, however, that the B.B.C. did not inaugurate its Arab Service, which was very popular in the Middle East, until 3 January 1938. s. Callum A. Mac Donald: *Radio Bari: Italian Wireless Propaganda in the Middle East and British Countermeasures 1934-38*. In: *Middle Eastern Studies*, Vol. 13, No. 2 (May 1977), p. 203.
36. Grobba (Bagdad) an das AA, 20.1. 1938. Nr. 142 Wunsch Ibn Sauds nach Aufnahme diplomatischer Beziehungen mit Deutschland. PA: Pol.Abt. VII (385474-5). F. Grobba: *Manner und Mächte im Orient*. p. 107.
37. s. Footnote 32: Memorandum: Saudi Arabien, p. 3 f.
38. Fuad-bey-Hamza, who visited Berlin on his way from Karlsbad to London, stressed the British factor in King 'Abd al-'Aziz's deliberations. Hentig was much taken in by Fuad-bey-Hamza, of whom he jotted down "that of all Arabs who had negotiated. . . (he) was the most sober one; the one who was least guided by momentary aspects and who might perhaps later on be of crucial importance to us." Aufzeichnung, von Hentig, 27.8.1938. PA: Pol. Abt. VII (385489-91).
39. John S. Habib: *Ibn Sa'ud's Warriors of Islam*. Leiden 1978, p. 136ff.
40. A. J. Toynbee: *Survey of International Affairs 1934*. London 1935, p. 304ff. J.B. Glubb: *The Story of the Arab Legion*. London 1948, p. 203ff.
41. A.J. Toynbee: op.cit., p. 310ff.
42. Clive Leatherdale: op.cit., p. 221ff. See also F. Grobba (Bagdad) an AA., 4.7.1938, Report No. 1687, annex; Ibn Saud und der Vereinigungsplan der arabischen Fürstentümer am Persischen Golf. PA: Pol.Abt. VII (385478).
43. For a background on the constitutional movement in Kuwait cf. Jacqueline S. Ismael: *Kuwait. Social Change in Historical Perspective*. Syracuse 1982, p. 77ff.
44. s. Ahmed M. Goma: *The Foundation of the League of Arab States. Wartime Diplomacy and Inter-Arab Politics 1942-1945*. London 1977, p. 12ff.
45. cf. Gottfried Niedhart: *Deutsche Aussenpolitik und Internationales System im Krisenjahr 1937*. In: Wolfgang Michalka (Hrsg.): *Nationalsozialistische Aussenpolitik*. Darmstadt 1978, p. 360-376.
46. Some British observers saw this tour as the beginning of the German challenge to their "Moment in the Middle East". s. Elizabeth Monroe: *The Mediterranean in Politics*. Oxford 1938.
47. See Clive Leatherdale: op.cit., p. 301.
48. G. Niedhart: op.cit., p. 362. Reference there is made to a study by H.-E. Volkmann: *Aussenhandel und Aufrüstung in Deutschland 1933 bis 1939*. In: F. Forstmeier/H.-E. Volkmann (Hrsg.): *Wirtschaft und Rustung am Vorabend des Zweiten Weltkriegs*. Dusseldorf 1975.
49. cf. Dietmar Petzina: *Autarkiepolitik im Dritten Reich. Der nationalsozialistische Vierjahresplan*. Stuttgart 1968.
50. s. Footnote 48.
51. Concerning the dilemmas involved for the German admiralty. s. Walter Baum und Eberhard Wichold: *Der Krieg der "Achsenmächte" im Mittelmeer-Raum. Die "Strategie" der Diktatoren*. Göttingen 1973.
52. s.p.
53. According to strictly confidential reports by Grobba to the AA, Fuad Hamza had lost standing

- with King 'Abd al-'Aziz and was being considered a partisan of the British. The King, in fact, had told him (Grobba), that Germany should negotiate with nobody else than with Yussuf Yasin and Khalid al-Hud. Grobba to Undersecretary of state Woermann, AA. Baghdad 2.5.1939, D'ji-Nr. 101/39. PA: Pol.Abt. VII Deutschland/Saudisch Arabien (385515-21).
54. The exact wording in German read: "Da ich er Auffassung war, daß von allen arabischen Verhandlungspartnern, die uns bisher hier besucht haben, Fuad Hamza der nuchternste ist, derjenige, der sich am wenigsten durch Augenblicksgesichtspunkte leiten laßt und vor allem später einmal für uns von entscheidender Wichtigkeit sein konnte, so habe ich ihn auch nach Rücksprache mit ministerialdirektor Prufer mit Viceadmiral Canaris in Verbindung gebracht." Canaris was head of the German Counter-Intelligence.
 55. Grobba to Undersecretary of State Woermann, AA, 2.5.1939, Dji-Nr. 101/39, p. 3. The wording in German read: "Ich darf ausserdem daran erinnern, dass der Grund meiner Entsendung nach Saudisch-Arabien nicht nur die Anknüpfung diplomatischer Beziehungen, sondern vielmehr die Schaffung einer Ausweichstellung für mich im Falle eines Kriegs war."
 56. s. Grobba to AA, 18.2.1939. Nr. Dji-44. PA: Pol.Abt. VII. Saudisch-Arabian/Deutschland. (385522-29). Consultations with Yussuf Jasin on 12.2.1939, with King Ibn Saud on 13.3.1939, with Yussuf Jasin on 15.2.1939, with King Ibn Saud on 17.2.1939, with Yussuf Jasin on 18.2.1939.
 57. Indicative of the importance, which was attached to this statement in Grobba's report is, that it was underlined by the Foreign Office. Cf. Anlage zum Bericht der deutschen Gesandtschaft in Djidda vom 18.2.1939, Nr. Dji-44. PA: Pol.Abt. VII (385535).
 58. Ibidem.
 59. Woermann (AA) to Grobba (Baghdad), 18.4.1939 P.A.: Pol.Abt. VII (385547-8).
 60. Britain herself only halfheartedly observed the boycott. She continued supplying oil, lest her negotiations for purchasing Italy's shares in the British Oil Development Company in Iraq should break down.
 61. s. Clive Leatherdale: op.cit., p. 182.
 62. Daily Mail, 23.6.1939.
 63. Albert Viton in: Asia, July 1939.
 64. El-Misri, Cairo 27.6.1939.
 65. On this occasion a personal letter from King 'Abd al-'Aziz was handed over. PA: Pol.Abt. VII, (E 590593, 385557-8).
 66. Woermann to Grobba, 18.4.1939. PA: Pol.Abt. VII (385547-8).
 67. The real motive for giving these arms as a gift had to do with credit restrictions. Germany tried to avoid setting a precedent for other states to demand similar credit facilities, as Germany was willing to offer them to Saudi Arabia. s. PA: Pol.Abt. VII. 1143 Saudi Arabien/Deutschland. Aufzeichnung Herrn von Hentigs, 1.7.1939.
 68. Clive Leatherdale: op.cit., p. 309.
 69. cf. Royal Institute of International Affairs (Ed.): Political and Strategic Interests of the United Kingdom. An Outline. Oxford 1939, p. 179f.