

## **Politics, Power, and U.S. Policy in Iran, 1950-1953<sup>1</sup>**

by Francis J. Gavin

On 19 August 1953, elements of the Iranian army, acting on orders from the Shah and with covert support from the U.S. Central Intelligence Agency (CIA), deposed Mohammed Mossadegh as the Prime Minister of Iran. Mossadegh's overthrow climaxed more than two years of crisis stemming from Iran's clash with Great Britain over the nationalization of the British owned Anglo-Iranian Oil company. Early in the crisis, the United States was sympathetic to Mossadegh's nationalization program, and went to great lengths to convince the British to negotiate a fair settlement with Iran. Throughout 1951 and 1952, the U.S. government steadfastly refused to sanction any unilateral attempt by Great Britain to end the crisis through non-diplomatic means. As a result, U.S. participation in the 1953 coup has been taken as evidence of a dramatic shift in American policy towards Iran.

The historical literature on this crisis explains the apparent radical change in policy toward Iran as the result of a change in administrations from Truman to Eisenhower. This view emerges from a widely held belief among diplomatic historians that each president, or at least each administration, has a distinctive policy of its own. The story is typically one of discontinuity from administration to administration, based on ideological and personality differences. In the case of Iran, it is argued that the Eisenhower administration's mistrust of Third World nationalism, its sympathy for oil interests and its paranoia toward communism produced a

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drastic shift in U.S. policy. In this view, ideology, domestic politics, and personality play fundamental roles in the formation of foreign policy. It is of crucial importance exactly who the president happens to be and who the president's chief advisers are. This way of looking at things, which is common among diplomatic historians, could be termed the “presidential synthesis” framework.<sup>2</sup>

But how important were ideology, domestic politics, and personality in the formation of U.S. foreign policy during the Cold War? Did U.S. policy really shift dramatically when the Truman administration was replaced by Eisenhower? Do changes in policy seem to result more from shifts in administration than structural changes in the international environment?

These types of questions are obviously relevant to policymaking today, and are important not only for diplomatic historians. For example, there has been a heated discussion among international relations (IR) theorists during the past few years over what factors matter most in international politics. Realism, with its emphasis on shifting military balances and threats, has been criticized for ignoring important domestic sources of policy and grand strategy. Explanations that focus on norms, ideology, and domestic sources of foreign policy are increasingly popular. Richard Rosecrance and Arthur Stein have argued that “grand strategic assessments focusing only on the narrow constituents of realism -- material power, changes in its

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<sup>2</sup> For the best example of the presidential synthesis framework, see John Lewis Gaddis, Strategies of Containment: A Critical Appraisal of Postwar American National Security Policy (Oxford: Oxford University Press, 1982); see, for example, p. 354: “Newly elected administrations tend to define their view of the world, not only by an objective and dispassionate assessment of what is going on in it, but rather by a determination to distance themselves from their immediate predecessor’s policies. If one examines the point at which each successive strategy of containment gave way to the next -- 1950, 1953, 1961, 1969 -- one finds that all but one coincided with a change of party in the White House.... Eisenhower’s asymmetrical New Look arose out of his critique, during the 1952 campaign, of Truman’s commitment to symmetry.”

distribution, and external threat -- are radically incomplete and do not account for what nations actually do.”<sup>3</sup> Fareed Zakaria has pointed out that some critics have suggested that “the domestic politics of states are the key to understanding world events.”<sup>4</sup> Ethan Kapstein claims that “structural realism, qua theory, must be viewed as deeply and perhaps fatally flawed.”<sup>5</sup> Michael Desch has pointed out that the new wave of culturalists in security studies are almost all united in the belief that “realism ... is an overrated, if not bankrupt body of theory...”<sup>6</sup> Although the terminology is often different, diplomatic historians have engaged in similar debates.<sup>7</sup> Increasingly, scholars are looking to factors *other* than the balance of power to explain the past and predict the future.

The debate over what factors drive foreign policy is of critical importance to historians and IR theorists alike. Unfortunately, these important debates have rarely crossed disciplinary bounds, and with a few admirable exceptions, diplomatic historians and IR theorists have generally ignored each other. This is unfortunate, because as a recent *International Security* Symposium on History and Theory demonstrated, there is often more that binds the two

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<sup>3</sup> See, for example, the essays in Richard Rosecrance and Arthur Stein, eds., *The Domestic Bases of Grand Strategy* (Ithaca: Cornell University Press, 1993), p. 5.

<sup>4</sup> For an excellent review of this debate, see Fareed Zakaria, “Realism and Domestic Politics: A Review Essay,” *International Security*, Vol. 17, No. 1 (Summer 1992). See also Richard Ned Lebow, “The Long Peace, the End of the Cold War, and the Failure of Realism,” in Richard Ned Lebow and Thomas Risse-Kappen, eds., *International Relations Theory and the End of the Cold War* (New York: Columbia University Press, 1995);

<sup>5</sup> Ethan Kapstein, “Is Realism Dead? The Domestic Sources of International Politics,” *International Organization* Vol. 49, No. 4 (Autumn 1995), p. 751.

<sup>6</sup> Michael Desch, “Progress or Degeneration? The Return to Culture in National Security Studies,” forthcoming essay for *International Security*, p. 2.

<sup>7</sup> There are several valuable sources which outline these historical debates. See Michael Hogan, ed. *America in the World: The Historiography of American Foreign Relations since 1941* (Cambridge: Cambridge University Press, 1995); Michael Hogan and Thomas Paterson, eds., *Explaining the History of American Foreign Relations* (Cambridge: Cambridge University Press, 1991); and Jerald Combs, *American Diplomatic History: Two Centuries of Changing Interpretations* (Berkeley: University of California Press, 1983).

disciplines together than separates them.<sup>8</sup> For example, IR theory can help diplomatic historians sharpen the types of questions that drive their research. IR theory depends on first-rate empirical work, most of which is done by historians. More important, both disciplines are interested in the same fundamental question -- what kinds of things make for war and peace in the modern age.

America's policy toward Iran is a case in point. What is presented here is a historical reinterpretation, based on archival evidence, of a controversial chapter in America's Cold War foreign policy. In terms of content and style, it is diplomatic history. But my broader argument should interest diplomatic historians *and* IR theorists concerned with the sources of U.S. foreign policy. I point out that the historical literature on America's Iran policy is an example of how many scholars (in both fields) tend to over-emphasize domestic politics, ideology, and presidential personality, while ignoring or understating important structural factors like the balance of power and threat, when analyzing U.S. foreign policy during the Cold War. This has led many historians and political scientists to exaggerate the policy differences between different presidents -- in this case Truman and Eisenhower -- while ignoring important continuities. In turn, this has led to a distorted view of which factors mattered most in the making of U.S. foreign policy during the Cold War.

How are we to understand the seemingly dramatic shift in America's Iran policy? This paper will answer that question by examining how structural factors, especially the changing balance of power and threat, affected U.S. decision-making in the early 1950s. It is true that

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<sup>8</sup> See the collection of articles under the heading, "Symposium: History and Theory," International Security, Vol. 22, No. 1 (Summer 1997), pp. 3-85.

Truman's Iran policy initially was cautious. This restraint was dictated by the need to avoid provoking the Soviet Union, because an invasion or even a communist coup could have meant the irrevocable loss of Iran's oil resources to the West. But beginning in the summer of 1952, the Truman administration developed a more assertive policy. Favorable shifts in both the global balance of power and the perceived threat from the Soviet Union allowed for more aggressive measures to guarantee that Iran remained out of the Soviet orbit. This assertive policy was reflected in NSC 136 and 136/1, debated during the fall and written in November 1952. For the first time, the Truman administration was willing to consider a Soviet invasion of Iran as a *casus belli*, or the start of a global war. The Truman administration also sanctioned direct intervention to stabilize the Iranian domestic situation, including covert operations and the deployment of military forces if necessary. Furthermore, the United States now sought to include Iran in any regional security alliance.

What appeared to be a more aggressive stance by the Eisenhower administration was in actuality a continuation of a policy initiated by the late Truman administration. Seen in this light, the August 1953 coup was not an isolated incident, but an outgrowth of decisions and policies made by the Truman administration largely as a result of a truly remarkable U.S. military buildup that really began to come on line in mid-1952. Such aggressiveness would have been impossible in 1950 or 1951, even if Eisenhower had been president. By the same token, had the Truman administration continued through 1953, it probably would have continued the assertive policy it had begun in the summer and fall of 1952, perhaps even approving internal intervention to prevent the loss of Iran.

This paper has four sections. In the first, I lay out the consensus view of historians who have looked at America's policy toward Iran in the early 1950s. I offer an alternative framework -- the balance of power -- to understand what initially might appear to be ideological, domestic political, and personality-driven shifts in policy. The second section explains the Truman administration's policy toward Iran between late 1950 and early 1952. I explore the enormous difficulty the United States faced in trying to keep Iran out of the Soviet orbit without making a military commitment or unduly angering a close ally during a time of extraordinary global danger and Western military weakness. The third section details how U.S. policy became more assertive from mid-1952 on. The massive American rearmament, initiated in 1950, began bearing fruit in 1952. An increase in U.S. military power and a decreased Soviet threat were key elements behind the new U.S. policy toward Iran. The final section explains how the Eisenhower policy continued the more unilateral approach begun by Truman in late 1952, a policy made possible in large measure because of a dramatic shift in the balance of military power between the United States and the Soviet Union.

### **Innenpolitik: The Presidential Synthesis and America's Iran Policy**

There is in fact a consensus interpretation of U.S. policy toward Iran during the early 1950s. In account after account, scholars have stressed what they see as a drastic shift in U.S. policy on the Iran question brought on by the change in presidential administrations. According to this interpretation, there was what Barry Rubin, one of the leading students of U.S. policy

toward Iran, called a shift from "liberal to conservative Cold War policies."<sup>9</sup> When John Foster Dulles took over as Secretary of State, as Richard Cottam put it, there was "instantly a new official definition of the situation."<sup>10</sup> Mark Lytle, author of another book on U.S.-Iranian relations, basically agrees. The new administration, he contends, decided that it would "resolve the crisis on its own terms...[M]ossadeq would receive a lesson in cold war politics, Republican style."<sup>11</sup> Another scholar, Mark Gasiorowski, takes essentially the same line. This shift to a "conservative" philosophy, he argues, meant that the Eisenhower administration would pursue a "more activist foreign policy."<sup>12</sup> The Eisenhower people were more suspicious of Third World nationalism, Rubin says, than the Truman administration had been.<sup>13</sup> And James Bill, another scholar who has worked on this question, makes a similar point. The Eisenhower administration was "more paranoid about the communist threat"<sup>14</sup> than its predecessors had been; the new administration, he says, "had little patience or sympathy for nationalist movements in areas of the world where they had economic and political interests."<sup>15</sup> Indeed, according to Bill, the new

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<sup>9</sup> Barry Rubin, Paved With Good Intentions: The American Experience and Iran. Oxford: Oxford University Press, 1981, p. 55-56.

<sup>10</sup> Richard W. Cottam, Iran and the United States: A Cold War Case Study. Pittsburgh: University of Pittsburgh Press, 1988, p. 103.

<sup>11</sup> Mark Hamilton Lytle, The Origins of the Iranian-American Alliance: 1941-1953. New York, Holmes and Meier, 1987, p. 204.

<sup>12</sup> Mark Gasiorowski, U.S. Foreign Policy and the Shah: Building a Client State in Iran. Ithaca: Cornell University Press, 1991, p. 82-83.

<sup>13</sup> Barry Rubin, Paved With Good Intentions: The American Experience and Iran. Oxford: Oxford University Press, 1981, p. 55-56. Rubin continues on p. 57: "Should the United States back all existing governments, even those that seemed to have lost popular support, against all opposition forces, even those that were not Communist dominated? Or was the answer to support active non-Communist reform movements in attempts to redress popular grievances before these grievances became fuel for full-scale revolutions? Here, while Truman and Acheson felt social change was inevitable - and thus should be encouraged in a manner consistent with American interests - Eisenhower and Dulles tended to see reform movements as disruptive and as likely to be captured by local Communists. The Iran experience marked the transition from a United States foreign policy based on the first perception to one based on the second."

<sup>14</sup> James A. Bill. The Eagle and the Lion: The Tragedy of American-Iranian Relations. New Haven: Yale University Press, 1988, p. 85.

<sup>15</sup> *Ibid*, p. 85.

Republican administration was more hostile to Third World nationalism because it was "more susceptible to the arguments of the oil industry."<sup>16</sup>

In general, the argument is that the Eisenhower administration was ready to act more "aggressively," employing "a broader variety of policy instruments, including covert action"<sup>17</sup> than the Truman administration had been. Its predecessors had been relatively moderate on the Iran issue; the Eisenhower administration from the start was ready, for ideological and domestic political reasons, to take a much tougher line.<sup>18</sup> In particular, the assumption is that it was only under Eisenhower that covert action came to be considered a legitimate and important instrument of U.S. policy in this area. The most recent account argues that Eisenhower and Dulles "were ideologically predisposed to covert operations."<sup>19</sup> In short, the January 1953 change of administration also marked a clear shift in policy. The moderate, Democratic approach, relatively sympathetic to Third World nationalist movements, had been replaced by a far more aggressive, hard-line Republican policy.

An alternative view, linked to the classical realist tradition in American political thought, emphasizes what Soviet officials used to call "permanently operating factors" in international politics.<sup>20</sup> The picture here is essentially one of continuity. For the Cold War period, the

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<sup>16</sup> Ibid, p. 85.

<sup>17</sup> Gasiorowski, U.S. Foreign Policy and the Shah, p. 82-83. It should be pointed out that Gasiorowski has also written an excellent account of the coup itself. See Mark Gasiorowski, "The 1953 Coup D'Etat in Iran," International Journal of Middle East Studies (vol. 19, no. 3, August 1987), pp. 261-286. Despite his contentions in his later book, Gasiorowski actually demonstrates in his article that the CIA had initiated a covert operation entitled BEDAMN which was originally meant to counter Soviet and Tudeh influence but which by October and November of 1952 was actively seeking to undermine Mossadegh's support.

<sup>18</sup> Bill, p. 85.

<sup>19</sup> Mary Ann Heiss, Empire and Nationhood: The United States, Great Britain, and Iranian Oil, 1950-1954. New York: Columbia, 1997, p. 82-83.

<sup>20</sup> I am aware that there is enormous controversy among IR theorists about how to define the different varieties of realism -- structural realism, neo-realism, offensive realism, defensive realism, soft realism, hard realism. As a historian, the author is not interested in weighing in on these disputes, and uses the term

argument would be that the United States and the Soviet Union were engaged in a great political conflict, that their policies were rooted in that overarching rivalry, and that those policies were shaped by such factors as the global balance of power and the specific dynamics of the local and regional political conflicts that became enmeshed in the Cold War. According to this view, policy was not essentially "reinvented" with each changing administration. The contention is not that policy remained constant. Things could change. Assessments of potential threats could shift. The balance of military power could change and conflicts within particular countries could evolve. Nor is it claimed that personality or domestic politics count for nothing. The basic argument is simply that what historians call the "presidential synthesis" or political scientists refer to as first and second image explanations greatly underestimate the degree of continuity between administrations. The claim is that domestic politics, ideology and personality counted for a good deal less, and other factors, like the balance of power and threat, mattered a good deal more.

U.S. policy toward Iran should provide what political scientists call an easy case for the presidential synthesis view and a hard case for realism. Not only was there change in presidential administrations, but there was a new presidential political party. The 1952

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"classical realism" advisedly. For a good review of these disputes in the political science field, see Michael E. Brown, Sean Lynn-Jones, and Steven Miller, eds., The Perils of Anarchy: Contemporary Realism and International Security (Cambridge: MIT Press, 1995); see also Robert Keohane, ed., Neorealism and its Critics (New York: Columbia University Press, 1986). For work on the balance of threat, see Stephen Walt, "Alliance Formation and the Balance of World Power," International Security, Vol. 9, No. 4 (Spring 1985); and Randall Schweller, "Bandwagoning for Profit: Bringing the Revisionist State Back In," International Security Vol. 19, No. 1 (Summer 1994). Works that define realism in ways that are especially useful to both historians and IR theorists include George Kennan, American Diplomacy (Chicago: University of Chicago Press, 1951); Hans Morganthau, Politics Among Nations: The Struggle for Power and Peace (New York: Alfred A. Knopf, 1960); Arnold Wolfers, Discord and Collaboration: Essays on International Politics (Baltimore: The Johns Hopkins Press, 1962). For two excellent and more recent attempts by historians to define realism, see Stephen Pelz, "Balance of Power," in Hogan and Paterson, eds., Explaining the History of American Foreign Relations, pp. 111-140; and Marc Trachtenberg, "Peace and the Pursuit of Power," a review of Paul Schroeder's "The Transformation of European Politics, 1763-1848," Orbis, Winter 1996, pp. 159-160.

presidential campaign witnessed a bitter rhetorical battle, focused on political ideology, between the Democrats and Republicans over the direction of U.S. foreign policy. Eisenhower retained few Truman administration officials on his foreign policy team. If the presidential synthesis framework is correct, Eisenhower's policy toward Iran should have been dramatically different from Truman's policy. It should be a hard case for realism because its adherents disagree about the importance of the periphery to international politics.<sup>21</sup> Realists have had difficulty determining how great powers should calculate the importance of Third World countries like Iran. In short, if structural factors like the balance of power and threat drove U.S. policy in a hard case like Iran, we may have good reason to question the accuracy of historical accounts that rely largely on ideology, domestic politics, and presidential personality to explain U.S. policy during the Cold War.

### **The Truman Administration's Policy toward Iran**

From the start of the Cold War, the Truman administration's policy toward Iran was driven by the geopolitical realities of the Cold War. This was especially true after the North Korean invasion of South Korea in June 1950, which provoked a great fear that the Soviet Union would expand the war to other weak spots around the world. Iran was identified by administration officials as one of the important U.S. interests that were vulnerable to Soviet pressure:

Elsewhere along the periphery of the Soviet orbit Iran,  
Yugoslavia and Germany are the principal foci of attention and

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<sup>21</sup> For an excellent review of these disagreements, see Michael Desch, "Why Realists Disagree about the Third World (and why they shouldn't)," *Security Studies* Vol. 5, No. 3 (Spring, 1996), pp.358-381.

any faltering in Free World unity and determination might tempt the Kremlin to move at these points.<sup>22</sup>

Protecting vulnerable areas like Iran became even more important to U.S. policymakers after China intervened in the Korean conflict in October 1950. The Truman administration feared that the communist world was going on the offensive and scrambled to figure out what area of the world might be next. With American-led forces in danger of being pushed off the Korean peninsula, the Joint Chiefs of Staff told the administration that the United States faced “one of the greatest dangers in history.” They worried that the Korean War was only the “first phase of a global war” between the United States and the Soviet Union.<sup>23</sup> A National Intelligence Estimate prepared in December 1950 argued that the Soviet Union had “resolved to pursue aggressively their world-wide attack on the power position of the United States and its allies, regardless of the possibility that global war may result ...”<sup>24</sup> As General Omar Bradley told the House Foreign Affairs Committee, the Korean War had confronted the United States with a completely new threat that required a total reassessment of U.S. military requirements. “It is ... apparent that Communism is willing to use arms to gain its ends .... This is a fundamental change, and it has forced a change in our estimate of the military needs of the United States.”<sup>25</sup>

If the Soviet Union initiated global war in 1951, how did policymakers think the United States would fare? The loss of the U.S. nuclear monopoly in 1949, the North Korean invasion, and the intervention by the People’s Republic of China in October 1950 had taken U.S.

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<sup>22</sup> "Report Prepared by the Embassy in the Soviet Union, "Soviet Intentions", dated April 25, 1951, Foreign Relations of the United States (hereafter cited as FRUS), 1951, Vol. IV, (U.S. Government Printing Office (USGPO), 1985, pp. 1582.

<sup>23</sup> Walter S. Poole, The History of the Joint Chiefs of Staff: The Joint Chiefs of Staff and National Policy, Vol. IV, 1950-1952 (Wilmington, DE: Michael Glazier, Inc., 1980), p. 79-89.

<sup>24</sup> quoted from *ibid*, p. 67.

policymakers by surprise. American “forces in being” were dangerously low in the winter of 1950-51, and much of U.S. conventional military strength was being used in the Far East. “The size and condition of the U.S. military establishment reflected several years of fiscal austerity .... There were also qualitative shortcomings ... Army units were deficient in manpower and training, lacked modern equipment, and had become habituated to garrison routines ...”<sup>26</sup> As Marc Trachtenberg has persuasively argued, most U.S. policymakers believed that the United States was “too weak to take on a global war” in 1950 or 1951.<sup>27</sup>

The United States moved to correct these deficiencies with a sharply accelerated and expanded military buildup. Global strategy was reexamined to reflect the increased danger to U.S. interests in the world. Plans that called for general rearmament by 1954 were speeded up to reach these goals by 1952.<sup>28</sup> The Western allies were pushed to re-arm as well. But until the effects of NSC-68 and NSC-68/4 came on-line, the Western World would feel vulnerable. In January 1951, the Joint Chiefs of Staff (JCS) warned that the Army would not realize the “rearmament program’s full effect for 18 months” and strategic air power would not “wholly mature until mid-1952.”<sup>29</sup> This meant that the period between 1951 and the first half of 1952 would be a time of vulnerability and risk for the Western world. Until the rearmament was complete, U.S. officials calculated that the military balance of power would clearly favor the Soviet Union. At the start of 1951, General Bradley warned that the United States might not lose a world war that began in the next year or two but “we would have a hell of a time winning

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<sup>25</sup> *ibid.*, p. 38.

<sup>26</sup> *ibid.*, p. 39.

<sup>27</sup> Marc Trachtenberg, *History and Strategy* (Princeton: Princeton University Press, 1991), p. 124.

<sup>28</sup> See NSC 68, "United States Objectives and Programs for National Security", dated April 14, 1950, *FRUS*, 1950, Vol. 1, (USGPO, 1977) p 234; NSC 68/4, same title, *FRUS*, 1950, Vol. 1, p 467.

it.”<sup>30</sup> Until positions of strength were developed, U.S. policy had to be guided by “prudence and perseverance.”<sup>31</sup> The administration would pursue cautious policies to avoid provoking the Soviet Union into actions which could lead to global war.

But what if the Soviet Union moved into an area that really exposed America’s military weakness, like the Middle East? On 5 January 1951, the U.S. chargé d'affaires in Moscow warned the Department of State that, with U.S. attention focused elsewhere in the world, the next Soviet move might come in the Near East, with Iran a likely target:

It would appear prudent at this stage to consider (the) danger that with our major attention focused on Far East and Europe, Soviets may be planning to disturb relatively quiet and neglected Near Eastern garden this year.... Soviet moves may take range from stepping up internal subversive programs and creating mass unrest through local Communist groups to armed revolts ... (S)hould Soviets be determined on precipitating World War III this year, it is possible that major Soviet military moves elsewhere might be accompanied by outright invasion (of) certain Near Eastern areas by Soviet military forces primarily with (a) view to denying to West (the) strategic and petroleum assets of this region.<sup>32</sup>

What could the United States do if the Soviet Union moved into Iran? Given America’s relative military weakness in the region, a local defense would be impossible. As Assistant Secretary of State for Near Eastern Affairs George McGhee complained to Secretary of State Dean Acheson, the United States would be forced to abandon “most if not all of the Middle East” during a global war because of “the unpleasant fact that the United States capabilities are

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<sup>29</sup> Poole, p. 80.

<sup>30</sup> Poole, p. 80.

<sup>31</sup> Ibid., p. 80.

<sup>32</sup> "The Charge in the Soviet Union (Barbour) to the Department of State", dated January 5, 1951, in FRUS, 1951, Vol. V, (USGPO, 1982) p. 15.

inadequate to protect our vital interests.”<sup>33</sup> The military balance of power in 1950 and 1951 thus made a military commitment to Iran impossible. U.S. policymakers would be faced with the stark choice of a global war the West might not win, or the devastating loss of a crucial strategic area. The Truman administration wanted to avoid that choice at all costs.

This difficult situation was compounded by the Anglo-Iranian oil dispute. From 1950 on, Britain and Iran were engaged in a major struggle over the control of Iranian oil, which up to that point had been under British ownership. The Truman administration's policy during the early stages of the Anglo-Iranian dispute was shaped by one overriding goal -- to prevent Iran from slipping into Soviet hands. But the United States felt too weak to risk war with the Soviet Union. This goal had to be achieved without a U.S. military commitment that could lead to a larger, perhaps global U.S.-Soviet war. For the same reason, the British had to be restrained from armed intervention in Iran on behalf of their oil interests. The Truman administration feared that the Soviet Union would use any British military action as a pretext for its own intervention. A complete break with Britain was to be avoided, however. The legitimate concerns of America's closest ally had to be recognized and handled sensitively. The United States, therefore, was left with little choice other than to act as a neutral arbiter and press for a negotiated settlement. With the West weak and vulnerable, the dispute needed to be resolved peacefully. Until the summer and fall of 1952, or about the time American military power really came on line, the Truman administration followed a moderate strategy to broker a negotiated settlement.

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<sup>33</sup> McGhee to Acheson, dated December 27, 1950, quoted from Emily Hill, “The United States and the Defense of the Northern Tier: American Strategy for the Defense of Iran and Turkey, 1949-1954,” unpublished manuscript, 1992.

## The Strategic Importance of Iran

Why was keeping Iran out of Soviet hands so important? Cheap Middle Eastern oil, much of which came from Iran, was fueling the economic recovery of Western Europe. The loss of this oil could slow or reverse the economic resurgence. More important, these oil resources would be needed in any global war with the Soviet Union. The Korean conflict, particularly the Chinese intervention in November 1950, dramatically increased Iran's geopolitical importance. The Soviet Union's ability to prevail in a global war would be greatly enhanced by possession of Iranian oil; conversely, the Western powers would be handicapped without ready access to this vital war-fighting resource. If Iran fell into the Soviet sphere, U.S. prestige in the region would be damaged and the will of neighboring countries to resist Soviet penetration would be weakened. Other sources of Persian gulf oil could easily be taken by the Soviet Union. War plans would have to be changed; during a global conflict, the United States anticipated the initial loss of Western Europe, making the Middle East essential for launching strategic bombing missions against the Soviet Union. Communications and transport between Western Europe and the Far East would be severely curtailed if the region was controlled by the Soviet Union.<sup>34</sup>

Despite the strategic importance of Iran, U.S. policymakers were at a loss as to how to prevent a concerted Soviet effort to seize it. Because of Iran's geographical vulnerability and political instability, U.S. policymakers recognized that it was a tempting target for Soviet

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<sup>34</sup> These concerns, which are repeated continually during policy discussions about Iran, were officially discussed in document NSC-107/2, "The Position of the United States with Respect to Iran", dated June 27,

intervention.<sup>35</sup> Left to its own devices, the small Iranian army would not be able to defend the country against a determined Soviet attack.<sup>36</sup> Worse yet, an overt Soviet invasion might not be necessary. U.S. officials feared that internal political weakness, abject poverty among the masses, and rising nationalism made Iran a perfect candidate for a Czechoslovak-style communist coup.<sup>37</sup> U.S. intelligence had known for some time that the Soviet Union was supporting the Communist Tudeh party in Iranian cities and fomenting Kurdish and Azerbaijani agitation among the tribes in the north.<sup>38</sup> Short of a U.S. military commitment, little could be done to deter or reverse a determined Soviet takeover. But a U.S. military commitment would risk a clash with the Soviet Union that could escalate into global war.

If Iran was so important, why would the Truman administration refrain from making a military commitment to defend it? This issue produced contentious debate within the administration. Assistant Secretary of State George McGhee contended that U.S. war planning did not adequately reflect "the NSC findings that the defense of the Middle East is 'vital' to the defense of the U.S."<sup>39</sup> The State Department pointed out that in October 1950, the U.S. and U.K. Joint Chiefs of Staff had agreed that during a global war with the Soviet Union, the Middle

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1951, FRUS, 1951-1954, Vol. X, (USGPO, 1989)pp. 71-76. The FRUS volume on Iran dated from 1951-1954, as opposed to 1952-1954 like the other volumes in that series.

<sup>35</sup> "Report Prepared by the Embassy in the Soviet Union, "Soviet Intentions", dated April 25, 1951, FRUS, 1951, Vol. IV, pp. 1582.

<sup>36</sup> The Joint Intelligence Committee estimated that Iran could be overrun by the Soviet Army in 45-50 days. See "Intelligence Estimate of the Situation in Iran", dated November 1, 1950, Record Group (hereafter called RG) 218, CCS 092, Iran (4-23-48) United States National Archives, College Park, MD (hereafter cited as USNA).

<sup>37</sup> This is a constant theme in both U.S. diplomatic and national security documents. See especially NSC 107/2, and the Ambassador to Iran (Grady) to State, dated January 23, 1951, FRUS, 1951-1954, Vol. X.

<sup>38</sup> For a detailed description of the Tudeh Party's activities and organization, see the Central Intelligence Agency report, "The Tudeh Party: Vehicle of Communism in Iran", dated July 18, 1949, Freedom of Information Act (FOIA), CIA.

<sup>39</sup> See "Proposed U.S. Political and Military Actions Required to Assist the Countries of the Middle East in the Defense of the Area Against Aggression", dated December 27, 1950, in FRUS, Vol. V, 1951, p. 4

East was second only to Western Europe in importance.<sup>40</sup> Despite the region's "vital" status, however, the United States planned to abandon the Middle East when fighting broke out. The plan, which called for the British to defend the area, was considered unrealistic, for "[t]o follow the time-honored assumption that the U.S. can rely on the U.K. to defend the Middle East is to indulge in wishful thinking."<sup>41</sup> The State Department urged that military resources be committed to defending the region. Additionally, officials at the Department believed that the United States should make clear that U.S. forces would not idly stand by if the Soviet Union moved into the region. The State Department suggested that the United States "let it be known informally to the governments of each country in the area that an overt Soviet aggression in the area would lead inevitably to global war."<sup>42</sup>

But the U.S. Joint Chiefs of Staff were equally adamant that the United States could not offer a military guarantee to Iran. They argued that they simply did not have the forces to defend the region, and more important, did not want to engage in a conflict that would likely result in a global war at a time of U.S. weakness. The military insisted that civilian policymakers had to face up to this problem:

We are kidding ourselves and kidding them if we do anything which indicates that we are going to put forces in that area. The forces to do that are just not in sight.<sup>43</sup>

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<sup>40</sup> See "Re-evaluation of U.S. Plans for the Middle East", undated (but attached to the document "Proposed U.S. Political and Military Actions" dated December 27, 1950), FRUS, Vol. V, 1951, p. 7

<sup>41</sup> *Ibid.*, p. 10.

<sup>42</sup> "Proposed U.S. Political and Military Actions", p. 5

<sup>43</sup> State Department Draft Minutes of Discussions at the State-Joint Chiefs of Staff Meeting, January 30, 1951", dated February 6, 1951, General Collins speaking, in FRUS, 1951, Vol. V., p. 33. See also Admiral Sherman's comments, pp. 32-33: "It is clear that we cannot commit U.S. troops to the Middle East when we are so short of troops elsewhere."

This situation was reflected in official policy. U.S. military weakness meant that the United States did not “plan to contribute forces, either ground or air, for the support of Iran even in the case of Soviet attack.”<sup>44</sup> Because the prospect of a direct conflict with the Soviet Union had to take the highest priority, the United States had to avoid “obligations in those lesser important areas of the world which might jeopardize our ability to implement our over-all strategy in the event of global war.”<sup>45</sup> Because U.S. military power was already stretched too thin, Iran was, despite its “vital” status, by necessity a “less important” area than Western Europe. Furthermore, a Soviet invasion of Iran would not automatically cause the United States to launch a wider war. Throughout 1951, U.S. policy recommended trying to keep the conflict localized.<sup>46</sup> With neither global war nor local U.S. opposition a possibility, any Soviet overt or covert move would likely lead to Soviet domination of Iran.

It was not that the Joint Chiefs underestimated the importance of keeping Iran in the Western camp. Because of Iran’s location and oil resources, the JCS hoped that Iranian independence could be maintained. Nor did they overestimate Great Britain's ability to exercise its strategic responsibility in the Middle East.<sup>47</sup> The Joint Chiefs were just being realistic; the United States and its western allies did not have the resources or the power to fight what would inevitably be a global war of attrition for any but the most vital interests. This dilemma would

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<sup>44</sup> Report by the Joint Strategic Planning Survey Committee, dated October 24, 1950, in Records of the Joint Chiefs of Staff, part II, 1946-53 (RJCS), the Middle East, reel 1, frame 114, University Publications of America microfilm (UPA), 1979.

<sup>45</sup> *ibid.*, frame 114.

<sup>46</sup> Annex to NSC 107/1, dated June 20, 1951, in Documents of the National Security Council, 5th Supplement, reel 1, frame 186, UPA.

<sup>47</sup> "The United Kingdom power position in the Greek-Turkish-Iranian and Near Eastern areas has weakened"; see "Agreed Conclusions and Recommendations of the Conference of Middle Eastern Chiefs of Mission, Istanbul, February 14-21, 1951," in FRUS, 1951, Vol. V, p. 60. See also "Paper Drafted in the Bureau

confront the United States again during the next year: the necessity of keeping Iran out of the Soviet orbit while admitting the impossibility of defending it from a Soviet attack.<sup>48</sup>

Because a U.S. military commitment to Iran could not be made, it was critical to avoid provoking the Soviet Union with actions that would invite intervention. The Soviet Union and Iran had signed a friendship pact in 1921 that gave the Soviet Union the right to intervene if a foreign power invaded Iran. To forestall this scenario, the United States had to prevent the British from responding to the dispute with a military action that could provoke a Soviet response. As the official JCS history for the period points out, “the specter of renewed Soviet intervention (for which provisions of the 1921 Soviet-Iranian Treaty provided a legal pretext) would color all subsequent events and decisions.”<sup>49</sup> The British could not be allowed to take any action that spurred a Soviet military response during a time of U.S. military weakness.

This was perhaps the most difficult element of the Truman administration's policy, as the United States and Great Britain assessed the strategic and political situation in Iran differently. British leaders believed they had the right to act unilaterally in the region. State Department officials viewed Great Britain as handicapped by vestiges of an imperialistic attitude; an attitude that was especially apparent regarding Iranian nationalism, which British diplomats saw as unrepresentative and dangerous.

What is questioned is really the ability of some of the British to realize that, whether they like it or not, they are no longer merely in the oil business in Iran, but instead involved in a play

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of Near Eastern, South Asian, and African Affairs", undated but probably written in December 1950 or January 1951, in FRUS, 1951, Vol. V, p. 24.

<sup>48</sup> See NSC 107, dated March 24, 1951, and NSC 107/2 in FRUS, 1952-1954, Vol. X.

<sup>49</sup> Poole, p. 354.

of social forces which, considering the outside threat of communism, requires unselfish action and long-range vision.<sup>50</sup>

The Truman administration was frustrated that Britain seemed willing to risk a global war with the Soviet Union to protect British oil interests. U.S. policymakers feared that any rash move by Britain could provoke an internal crisis or even a Soviet intervention:

There is danger that the Western World may lose Iran to the USSR...(I)t is understood that the British are contemplating the use of force if such action would be necessary for them to retain control of their oil concessions in Iran. In such an eventuality the USSR might occupy North Iran under its Treaty of 1921 with that country.<sup>51</sup>

Although British policy during the dispute was often frustrating to U.S. policymakers, the Truman administration had to recognize the concerns of its most loyal ally, whose support was important for a wide array of Western initiatives around the world. A public split over Iran would only benefit the Soviet Union.<sup>52</sup> The Truman administration had to avoid an open row with the closest U.S. ally. U.S. policy was precariously balanced: On the one hand, the British had to be prevented from taking military action in Iran; on the other hand they could not be publicly chastised or humiliated.

The reality of U.S. military weakness in 1950-1951 meant that the goals of U.S. policy in Iran could best be accomplished through a negotiated settlement of the Anglo-Iranian dispute. However, this was easier said than done. The gulf between the Iranian and British positions

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<sup>50</sup> See "The Peculiar Position of the British in Iran," dated August 22, 1950, written by Joseph J. Wagner, Second Secretary of the Embassy in Tehran to the Department of State, USNA, RG 59, file 611.41, p. 8.

<sup>51</sup> "Supplementary Study" dated April 13, 1951, p. 79.

<sup>52</sup> U.S. policymakers were convinced that the Soviet Union would actively try to create crises that would split the forces arrayed against it. "The Chinese question and Middle East oil have given rise to difficulties suggesting a potential cleavage between the United States and the United Kingdom themselves", in Report prepared by the Embassy in the Soviet Union, "Soviet Intentions", dated April 25, 1951, FRUS, 1951, Vol. 4 (USGPO, 1985).

was wide, and because of the structural constraints on the Truman administration, the United States had little leverage to compel a settlement on either party. But given the requirement that Iran be kept independent without provoking a clash with the Soviet Union, the Truman administration hoped that quiet diplomacy would produce the desired results.

### Diplomacy at a time of Weakness: Seeking a Negotiated Settlement

Negotiations were difficult from the start. Even before the oil concern had been nationalized, the British had refused to cooperate. This refusal was especially frustrating to the Truman administration, as the State Department had been warning both the company and the British Foreign Office for months that a reasonable deal had to be offered before it was too late.<sup>53</sup> The company and the government scorned U.S. proposals in 1950 and early 1951, and by the time the Anglo-Iranian company finally put forward the suggested "50-50" offer (similar to a deal made between Saudi Arabia and ARAMCO), the mood in Iran had changed dramatically.

The March, 1951 assassination of Prime Minister Ali Razmara, a moderate who had spoken out against nationalization, underscored the difficulty of arriving at a negotiated settlement to the dispute.<sup>54</sup> U.S. policy now recognized nationalization of the oil concern as an

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<sup>53</sup> Grady to State, July 1, 1951, FRUS, 1951-1954, Vol. X, p. 79-80. "All last fall and winter we endeavored to get the Anglo-Iranian Oil Company (AIOC) to change its policy in the interest of the over-all objectives of the British and ourselves vis-à-vis Russia...All that time it was impossible to get the Foreign Office to influence the oil company to carry out our strong recommendations with regard to some non-monetary concessions which would enable Razmara to get the supplemental agreements through the Majlis..."

<sup>54</sup> See "Office of Current Intelligence: Daily Digest of Significant Traffic", Central Intelligence Agency Weekly Report, dated March 12, 1951, p. 4, Freedom of Information Act (hereafter called FOIA). Events bore this out. The CIA anticipated that the new Premier, Hussein Ala, would try to persuade Anglo-Iranian to alter its terms in favor of Iran; such a stance would make it hard for him to survive long. "His success in effecting reforms, and indeed in staying in office, unquestionably will depend almost wholly on his

inevitable and, in fact, acceptable outcome, as long as it was the product of a negotiated settlement.<sup>55</sup> Secretary of State Acheson made it clear that he was eager to work with any reasonable leader, and instructed the embassy to tell the Shah to pick a leader he could trust.<sup>56</sup>

The Attlee government viewed the situation differently. The British saw no room for compromise on nationalization, and actively sought to bring about the accession of Seyid Zia or any candidate favorable to the Anglo-Iranian company's position. Acheson complained on 28 March that the British were foolish in thinking they could get "by constitutional or unconstitutional means [a] completely negative decision re nationalization."<sup>57</sup> Active interference in Iranian domestic affairs would only exacerbate anti-British feeling. The British government resented the lack of U.S. support for their position, but the Truman administration was determined to prevent any British actions that could destabilize Iran and invite Soviet intervention. The United States persisted with quiet diplomacy to defuse the explosive situation.

After the passage of the nationalization bill on 28 April, the British stance became more belligerent. A plan to seize the Abadan Oil Refinery with paratroopers was considered.<sup>58</sup> In a series of tense meetings between British and American officials, U.S. policymakers made it clear that they would not support even the threat of unilateral military action by the British: "We would be opposed to the adoption of 'strong measures' by the British to obtain a favorable solution to the problem of the AIOC [Anglo-Iranian Oil Consortium] concession, such as the

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handling of the explosive oil issue." Ala lasted only one month before Mossadegh was selected on the basis of his pro-nationalization policy.

<sup>55</sup> Acheson to Embassy in Iran, dated March 17, 1951, FRUS, 1951-1954, Vol. X.

<sup>56</sup> State to Embassy in Iran, dated March 7, 1951, FRUS 1951-1954, Vol. X

<sup>57</sup> Acheson to Embassy in Iran, dated March 28, 1951, FRUS, 1951-1954, Vol. X.

<sup>58</sup> For Plan Y, see Daniel Yergin, The Prize: The Epic Quest for Oil, Money, and Power (New York: 1991), p. 458.

manipulation into office of an Iranian Premier of UK choosing or the introduction of force or the threat of force." <sup>59</sup> The threat or use of force would violate the U.N. charter and tempt the Soviet Union to intervene under the pretext of the Soviet-Iranian Friendship Treaty of 1921. The British Foreign Secretary, Herbert Morrison, "quite frankly" expressed his disappointment in the U.S. attitude.<sup>60</sup> But Britain could not risk alienating its strongest ally, and the military plans were canceled.

At this point the Truman administration dispatched Averell Harriman to Tehran and London to try to broker a diplomatic solution.<sup>61</sup> After weeks of frustrating negotiations, the high-level shuttle diplomacy failed. On 12 September, the threat of British military action re-appeared when Mossadegh ordered all British employees of the Anglo-Iranian company to leave the country in fifteen days. Again, the dispute was complicated by the British election, which had been called for 25 October. The U.S. chargé d'affaires to the United Kingdom reported to the State Department that "it is our belief therefore that Labour in [the] face [of the] latest Iran action, will find itself under strong compulsion to use force to maintain present nucleus of technicians in Abadan..."<sup>62</sup> Failure to do so was seen as political suicide for the Labour Party. But despite the enormous pressure of domestic politics, British leaders could not realistically take an action that risked a split with the United States: "In final analysis, however,

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<sup>59</sup> Paper presented to the British Ambassador on April 17, 1951 (paper undated), FRUS, 1951-1954, Vol. X.

<sup>60</sup> Ambassador in the United Kingdom (Gifford) to State, dated June 26, 1951, FRUS, 1951-1954, Vol. X.

<sup>61</sup> For the Harriman Mission, see FRUS, 1951-1954, Vol. X, pp. 97-152.

<sup>62</sup> The Charge in the United Kingdom (Holmes) to the Department of State, dated September 26, 1951, FRUS, 1951-1954, Vol. X.

decision re force will probably be largely influenced by U.S. attitude.'<sup>63</sup> The British backed down again.

Once again, the Truman administration refused to support military action. This failure to back British policy carried high risks. The U.S. chargé in London cabled the State Department that "there is a strong feeling in [British] govt. circles at the present time that the issue in Iran has been finally joined and, under these circumstances, that their friendliest and staunchest ally should show its hand firmly and unequivocally in support of them.'<sup>64</sup> But the Truman administration feared that unilateral military action could unleash a chain of events that would force the West to choose between global war and capitulation over Iran. Despite the difficulties involved, the Truman administration continued to push for a negotiated settlement of the dispute.

As the crisis deepened and negotiations stalled, dissatisfaction with a moderate policy was heard in some corners. After the disappointing failure of the Harriman mission, U.S. Ambassador Grady in Tehran had warned that U.S. policy was too accommodating to the British, and could eventually lead to ruin:

We have reached the point now where we must decide to maintain our own policy or accept that of the British. It is my strong conviction that British policy has been one that may well lead to disaster in this country...It would, in my mind, be a grave mistake to be pressured by British into changing our policy.<sup>65</sup>

The military had been even more critical of the initial policy. Defense Secretary Robert Lovett warned that Iran might turn to the Soviet Union for technical assistance if the dispute was not settled. This could give the Soviet Union access to Iranian oil, an outcome the military

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<sup>63</sup> Ibid.

<sup>64</sup> Ibid.

<sup>65</sup> Grady to State, dated August 27, 1951, FRUS, 1951-1954, Vol. X.

believed would be disastrous. If the British could not work out their problems, Lovett suggested that it might be necessary to authorize, "the sending in of U.S. technicians and other personnel to operate the oil installations if this becomes necessary to prevent the USSR from acquiring the advantage of Iranian oil."<sup>66</sup> The question of Soviet control of the oil was again brought up in NSC 117, dated 10 October, 1951. The Joint Chiefs of Staff thought it "a matter of urgency, to support or arrive at the achievement of a solution of the Iranian problem..."<sup>67</sup> The military even went so far as to suggest splitting with the British:

Strictly from the United States military point of view, Iran's orientation towards the United States in peacetime and maintenance of the British position in the Middle East now transcend in importance the desirability of supporting British oil interests in Iran. The Joint Chiefs of Staff would be forced immediately to re-examine their global strategy in the event that the USSR breached the Truman Doctrine in Iran by measures short of war.<sup>68</sup>

In light of the enormous risks, what were the alternatives to seeking a negotiated settlement? Lovett's suggestions seemed unrealistic. The Joint Chiefs could talk all they wanted to about the importance of Iran and the stubbornness of the British, but without an U.S. military commitment, and the resulting willingness to risk global war, there were few viable alternatives to a policy that sought a diplomatic solution. To a large extent, the original policy had been dictated by U.S. military weakness, globally and in the region. The strategic position of the United States was still too weak to allow the risk of a global war, and the military did not want to risk "going all the way" to save Iran.

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<sup>66</sup> The Charge in Iran (Richards) to State, dated September 25, 1951, FRUS, 1951-1954, Vol. X.

<sup>67</sup> NSC 117, Memorandum for the Secretary of Defense, "The Anglo-Iranian Problem", dated October 10, 1951, FRUS, 1951-1954, Vol. X.

<sup>68</sup> *Ibid.*

By the fall of 1951, the United States had persuaded the British to forgo unilateral military action. Nevertheless, the Truman administration was having a difficult time persuading Mossadegh to accept a negotiated settlement. Negotiations throughout 1951 and 1952 produced no results, and a complex settlement involving the World Bank was scuttled by Mossadegh after months of negotiations. By the spring of 1952, it was becoming evident that the Truman administration's efforts to produce a negotiated settlement were not working, yet the danger had not gone away. Iran was becoming more unstable by the day, offering an increasingly inviting target for Soviet action. If the dangerous dispute could not be settled through quiet diplomacy, if achieving a negotiated settlement was all but impossible, then how would a major crisis and a loss of Iran be averted?

### **The Change in Course: Summer 1952**

By the summer of 1952, many in the administration were convinced that Mossadegh was not truly interested in arriving at a fair settlement and increasingly viewed him as an impediment to a solution of the dispute. This was a change from the past, when the Truman administration had been neutral and at times supportive of the Prime Minister. When the Shah seemed prepared to dismiss Mossadegh, the State Department quietly signaled its support.<sup>69</sup> These signals were apparently misunderstood, and Mossadegh was retained.<sup>70</sup> The Prime Minister took advantage of the confused situation to amass near-dictatorial powers, removing moderates from positions of power while courting the Tudeh party. More than ever,

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<sup>69</sup> Henderson to State, dated June 13, 1952, FRUS, 1951-1954, Vol. X.

<sup>70</sup> Henderson to State, dated July 7, 1952, FRUS, 1951-1954, Vol. X.

Mossadegh was seen by the Truman administration as an obstacle to a settlement:

"...Mossadegh will not give in while he is in office....(If he goes, and both sides behave reasonably, an oil settlement probably can be reached."<sup>71</sup>

Mossadegh had essentially removed all other forces of resistance except for the Tudeh party. In this new situation, there was a danger that Mossadegh could be co-opted in a Czechoslovak-style coup where the "communist organization, either alone or in coalition with leftist elements in the National Front, might win control in a deteriorating situation."<sup>72</sup> The U.S. State Department was concerned that there had been "coordination between communists and nationalists in the outbreak against the Qavam government."<sup>73</sup> U.S. policy, which had sought the "middle ground" in its efforts to produce a settlement, was now obsolete because of Mossadegh's "unwillingness or inability to settle with the British."<sup>74</sup> If the situation continued to deteriorate, neither Mossadegh nor a non-communist successor could "resist Soviet pressure."<sup>75</sup>

Thus, it was the Truman administration that first identified Mossadegh as an obstacle to U.S. goals. Mossadegh's continued intransigence threatened to increase Iran's instability and drive the country into the Soviet orbit without an overt invasion. What is more, officials of the

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<sup>71</sup> Informal Report by the Assistant Secretary of State, Henry A. Byroade, to the Psychological Strategy Board, dated July 24, 1952, Declassified Document Reference, May-June 1994, #001714, p. 3.

<sup>72</sup> Martin and Richards to Byroade, Schwartz, Nitze, Linder, and Perkins, "Progress Report dated July 30, 1952 on NSC 107/2 - 'The Position of the United States with Respect to Iran,'" July 29, 1952, RG 59, Records of the Policy Planning Staff Relating to State Department Participation in the NSC, 1935-1962, Lot File 61 D 167, Box 15, p. 1.

<sup>73</sup> "Progress Report dated July 30, 1952 on NSC 107/2 - 'The Position of the United States with Respect to Iran,'" July 29, 1952, RG 59, Records of the Policy Planning Staff Relating to State Department Participation in the NSC, 1935-1962, Lot File 61 D 167, Box 15, USNA, p. 1.

<sup>74</sup> *Ibid.*, p. 2

<sup>75</sup> *Ibid.*, p. 1

Truman administration suggested that Mossadegh's reckless policies might require the United States to intervene directly in Iranian affairs:

In face of imminent assumption of power by the communists or in a situation of utter chaos, the United States may well concert with the United Kingdom to create a revolt of some autonomous authority, possibly tribal, in the hope that part of Iran if not the entire nation could remain outside Soviet control.<sup>76</sup>

This new situation also forced the Truman administration to reassess what measures it was prepared to take if the Soviet Union decided to exploit the turmoil. Before the summer of 1952, the Truman administration hesitated to commit any military forces to save Iran because any military reaction by the United States "would assuredly lead to hostilities between the U.S. and USSR. This would in turn most probably lead to global war."<sup>77</sup> Would the United States risk a global war to defend Iran? Certainly not in 1951 or the first half of 1952, before the massive rearmament effort bore enough fruit to alter the military balance of power with the Soviet Union. This was the main reason U.S. policy toward Iran had been so moderate. A July 1949 report to the National Security Council (NSC) stated: "We have told the Iranians that we are not in a position to make any commitment as to our action if the Soviet Union should take aggressive measures against Iran, but have pointed out our obligations under the United Nations Charter."<sup>78</sup> In a May 1951 memorandum outlining contingencies that would result in global war, a Soviet invasion of Iran was not considered a *casus belli*. "We would endeavor by all

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<sup>76</sup> Ibid., p. 3.

<sup>77</sup> Report by the Joint Strategic Plans Committee to the JCS, RG 218, CCS 092 (4-23-48), box 21, p. 3, USNA.

<sup>78</sup> Report to the National Security Council on The Position of the United States with Respect to Iran," July 21, 1949, RG 59, Records of the Policy Planning Staff Relating to State Department Participation in the NSC, 1935-1962," Lot File 61 D 167, box 14, pp. 3-4.

means to keep the conflict localized, including the presentation of the case to the United Nations.”<sup>79</sup>

But the global balance of power had shifted to such an extent that by the summer and fall of 1952, the United States could consider making a military commitment to maintain Iran's independence.<sup>80</sup> The massive American rearmament initiated by NSC 68 was bearing fruit by mid-1952, producing a balance of global power that enabled the Truman administration to consider risks that had been unthinkable only a year earlier. U.S. defense spending had increased from 4.7% of GNP in 1949 to 17.8% of GNP by 1952-53, and only a relatively small part of this increase went to the Korean War effort. Major U.S. allies also increased their military expenditures. During this same period, Great Britain increased its defense expenditures from 5.9% to 9.9% of GNP, and France increased from 6.5% to 10.1%.<sup>81</sup> Every branch of the U.S. military increased its size and strength; overseas bases were acquired; and the nuclear stockpile, as well as the means to deliver these weapons, had increased dramatically.<sup>82</sup> Melvyn Leffler notes that by January 1953 the volume of military production “was almost seven times what it had been in June 1950.”<sup>83</sup> As Marc Trachtenberg points out, these new deployments allowed the administration to pursue more assertive and unilateral policies in Korea, Berlin, and

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<sup>79</sup> Carlton Savage, “Possibilities of War with the Soviet Union, 1951-1952: Use of Atomic Weapons,” FRUS, Vol. I, p. 840.

<sup>80</sup> Walter S. Poole, The History of the Joint Chiefs of Staff: The Joint Chiefs of Staff and National Policy, Vol. IV, 1950-1952. Wilmington, DE: Michael Glazier, Inc., p. 365.

<sup>81</sup> See Trachtenberg, History and Strategy, pp. 126-129 and Marc Trachtenberg, unpublished manuscript, “The Constructed Peace”; the documents he cites are: Key Data Book, n.d., President’s Secretary’s Files, NSC-Reports-Misc., Truman Papers, HSTL; Report to the President, “Defense Expenditures of Soviet and NATO States as a Percent of Their Respective Gross National Products,” September 5, DDRS 1988/2259; briefing book for Eisenhower, n.d., and Cabot to Acheson, March 27, 1951, FRUS 1951, 3:6, 104; Draft Statement of U.S. Policy on Germany, December 13, 1957, FRUS, 1955-57, vol.1. 26: 335.

<sup>82</sup> For the details of this rearmament, see Poole, especially chapter 4.

<sup>83</sup> Melvyn Leffler, A Preponderance of Power: National Security, the Truman Administration, and the Cold War (Stanford: Stanford University Press, 1992), p. 490.

Indochina.<sup>84</sup> The United States also could pursue a bolder policy toward Iran, a policy that would now include a military component.

### The U.S. Military Commitment to Iran

The military component changed U.S. policy in two ways. As indicated below, an outright invasion of Iran by the Soviet Union was deemed to be the start of a world war. Instead of trying to localize the conflict, the United States would initiate global war plans against the Soviet Union. For U.S. leaders, however, this did not pose any inordinate risk. After all, the Soviet Union had not invaded Iran in 1950 or 1951, when U.S. forces were relatively weak. With the shift in the military balance since that time, the Soviet Union was not expected to take “drastic actions” like an invasion in 1953.<sup>85</sup> The threat to the Middle East as a whole was recognized more as a “Cold War” threat; a Soviet attack in this region was “highly unlikely” in 1953.<sup>86</sup> Although U.S. officials believed that the threat of a Soviet attack had subsided considerably, there was still a great danger that “political and economic conditions could continue to deteriorate” and Iran “might be lost to Communism as a result of this deterioration and of Soviet political warfare.”<sup>87</sup> The CIA warned that doing nothing benefited Moscow because the Soviet Union “appears to believe that the Iranian situation is developing favorably to its own objectives.”<sup>88</sup>

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<sup>84</sup> Tractenberg, “History and Strategy,” pp. 115-132.

<sup>85</sup> National Intelligence Estimate, “Probable Developments through 1953,” (NIE-75) dated November 13, 1952, CIA, FOIA.

<sup>86</sup> Re-examination of United States Programs for National Security, dated January 16, 1953, FRUS, 1952-1954, Vol. II, p. 220.

<sup>87</sup> *Ibid.*, p. 220.

<sup>88</sup> NIE-75, p. 2.

By this point, U.S. leaders feared that political instability in Iran could still result in the “loss” of the country without a Soviet invasion. Recognizing that a negotiated settlement of the Anglo-Iranian dispute was increasingly unlikely, the State Department asked the JCS to provide a military option. An Air Force intelligence report, completed on 13 August 1952 for the JCS, argued that it was time for the military to recognize that Iran was an endangered strategic asset that required an assertive policy if it was to be kept in the western camp. The Truman administration had to determine whether Iran was worth the risk a global war:

In the absence of some oil settlement, the probability of losing Iran to the Soviets would become increasingly imminent. This prospect confronts the Western Allies with a choice of alternatives: to allow Iran to pass into Soviet hands by default, or to pay the price for retaining it in the Western camp....The Western Allies are confronted with this question: Is Iran an expendable strategic asset?<sup>89</sup>

The Joint Chiefs of Staff Strategic Plans Group considered the problem of providing a military response to Soviet actions short of an outright invasion. One scenario they investigated was a Tudeh party coup d'état in Teheran assisted by covert Soviet help.<sup>90</sup> Assuming that some troops loyal to the government would remain in the southern provinces in Iran, the U.S. military would "exert military pressure progressively to weaken the Tudeh rule, toward the end that it will become possible to reestablish an Iranian government capable of controlling the entire country and sympathetically inclined toward the Western world."<sup>91</sup> U.S. military officials formulated detailed plans to send 1-1/2 air wings, one reinforced Army or Marine division, and

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<sup>89</sup>Air Intelligence Production Memo, "The Implications of the Soviet-Communist Threat in Iran," dated August 13, 1952, CCS 092, Iran (4-23-48) , RG 218, USNA.

<sup>90</sup> Enclosure, dated September 3, 1952, found in memo from the Joint Strategic Plans Group to the JCS, "Military Courses of Action in Iran," dated September 5, 1952, CCS 092, Iran (4-23-48) , RG 218, USNA.

<sup>91</sup> Ibid., p. 2.

several naval and support units to the region to help reverse a coup.<sup>92</sup> Most significantly, this plan accepted the obvious risk that it could produce a direct confrontation with the Soviet Union that could lead to global war. Military planners were confident, based on the changes in the worldwide balance of power, that a Soviet response could be deterred; and if the Soviet Union was not deterred, the U.S. planners were convinced that the United States would prevail in a global war.

As Melvyn Leffler has argued, the Truman administration recognized that its new Iran policy “represented a reversal of the Defense Department’s previous reluctance to make a major policy commitment in the Middle East because of inadequate military capabilities.”<sup>93</sup> The new policy was a break from the past. In a letter to Acheson, Secretary of Defense Lovett contended that the rupture between London and Tehran “has brought us to the end of the road we have been traveling.”<sup>94</sup> It was time to act assertively to maintain Iran's independence and orientation toward the west:

The strategic necessities of the situation, in my opinion, require that we accept our responsibilities and act promptly ... to save Iran.... It will also involve additional political, economic and probably military commitments.... The actions now open to us to save Iran may appear painful, costly and dangerous, but they involve...only a small fraction of the money, material, manpower and anguish that will have to be expended to hold Iran by military action or to hold the remainder of the Middle East if Iran should be seized and consolidated by the Communists.<sup>95</sup>

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<sup>92</sup> Joint Strategic Plans Committee, “U.S. Military Courses of Action with Respect to Iran,” December 31, 1952, RJCS, Middle East, UPA, reel 1, frame 706-708.

<sup>93</sup> Leffler, *Preponderance of Power*, p. 484.

<sup>94</sup> Letter, Lovett to Acheson, dated October 24, 1952, Poole, *The History of the Joint Chiefs of Staff: The Joint Chiefs of Staff and National Policy, Vol. IV, 1950-1952*, p. 366.

<sup>95</sup> *Ibid.*, p. 366.

This new assertive and unilateral policy was officially spelled out in the document NSC 136/1, which was developed during the late summer and fall of 1952 and officially approved on 20 November. The document called for the inclusion of Iran in any regional defense arrangement that might be developed. This meant that, unlike during the period before mid-1952, the United States was now prepared to offer a military commitment to Iran. The Truman administration officially set forth aggressive plans to reverse a communist sponsored coup, in spite of the risk that such actions might produce a confrontation with the Soviet Union.

In addition, a direct attack on Iran by the Soviet Union was recognized as the likely start of a global war. In the event of such an attack, the United States would "place itself in the best possible position to meet the increased threat of global war" and take "action against the aggressor to the extent and in the manner which would best contribute to the security of the United States."<sup>96</sup> That this was an important shift in U.S. policy was noted at the time:

Your attention is also directed to Paragraph 7 of NSC 136 where it is shown that the United States Government may decide in the light of the circumstances existing at the time whether to attempt to localize a Soviet attack against Iran or to treat it as a casus belli: This is a much stronger statement than was contained in NSC 107/2 ...<sup>97</sup>

The increased global power afforded by American rearmament gave the Truman administration the confidence it needed to risk a confrontation with the Soviet Union. Although the administration certainly hoped to avoid a global war over Iran, U.S. officials now believed that U.S. military strength would deter any rash Soviet moves. An adverse balance of military

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<sup>96</sup> NSC 136/1, "U.S. Policy Regarding the Present Situation in Iran," dated November 20, 1952, Papers of Harry S. Truman, President's Secretary's File, Harry S. Truman Library, p. 5.

power would no longer deter U.S. action in Iran; instead, a favorable balance would deter the Soviet Union. The United States could afford to be more than a neutral arbiter of the Anglo-Iranian dispute.

This new strength also facilitated a more aggressive policy to risk covert action in Iran. Paragraph 5 of NSC 136 and 136/1 authorized plans for “specific military, economic, diplomatic, and psychological measures which should be taken to support a non-communist Iranian Government or to prevent all or part of Iran or adjacent areas from falling under communist domination.” Even more interesting, however, are the parts of NSC 136 and 136/1 that have been deleted in the Truman Library’s version but included in a draft found in the collection of the State Department at the National Archive. Paragraph 4g, deleted in most versions, recommends that the U.S. continue its “special political measures” to restore stability in Iran.<sup>98</sup> Paragraph 5c calls for “(P)reparatory measures for the implementation of special political operations in Iran ...Effective liaison with the United Kingdom should be maintained with respect to such operations.”<sup>99</sup> In the event of a successful communist coup, the United States should “make every feasible effort, especially through special political operations, to endeavor to develop or maintain localized centers of resistance and to harass, undermine, and if possible, to bring about the overthrow of the communist government.”<sup>100</sup>

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<sup>97</sup> Byroade to Bruce, “Briefing Memorandum Regarding NSC 136,” dated November 17, 1952, RG 59, Records of the Policy Planning Staff Relating to State Department Participation in the NSC, 1935-1962, Lot File 61 D167, box 15, p. 2.

<sup>98</sup> NSC 136/1. Statement of Policy Proposed by the National Security Council on The Present Situation in Iran, dated November 20, 1952, RG 59, Records of the Policy Planning Staff Relating to State Department Participation in the NSC, 1935-1962, Lot File 61 D 167, box 15, p. 3, USNA

<sup>99</sup> NSC 136/1. Statement of Policy Proposed by the National Security Council on The Present Situation in Iran, dated November 20, 1952, RG 59, Records of the Policy Planning Staff Relating to State Department Participation in the NSC, 1935-1962, Lot File 61 D 167, box 15, p. 4, USNA.

<sup>100</sup> *Ibid.*, p. 4.

There is no doubt what was meant by “special political operations.” The State Department recommended forming an inter-departmental working group for “seeing that the plans called for by paragraph 5a are prepared.”<sup>101</sup> Charles Bohlen told Henry Byroade to get in touch with Kermit Roosevelt, the CIA representative who eventually helped organize the coup. This working group began to develop plans for covert operations in Iran.<sup>102</sup> A progress report for the NSC noted that the “CIA’s detailed plan for covert operations in Iran during 1953 was approved by the PSB on January 8, 1953,”<sup>103</sup> twelve days before Eisenhower took office.

This shift in U.S. policy toward Iran took place gradually, and before the change of administration. The United States still preferred a negotiated settlement to the crisis, and discussions continued in the fall of 1952 and into the winter of 1953.<sup>104</sup> But if negotiations failed, which was considered likely, U.S. officials were prepared to adopt a more unilateral and aggressive policy. The Truman administration by late 1952 was willing to consider the use of force to achieve its goals in Iran, a shift that allowed for a far more assertive policy. The

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<sup>101</sup> Bohlen to Byroade, dated December 4, 1952, RG 59, Records of the Policy Planning Staff Relating to State Department Participation in the NSC, 1935-1962, Lot File 61 D 167, box 15, USNA.

<sup>102</sup> Unfortunately, the documentation on this planning remains largely classified, a scandalous situation that was the source of great controversy when *FRUS*, vol. X, 1952-1954 was released. (The Chair of the U.S. Department of State Advisory Committee on Historical Diplomatic Documentation, Warren Cohen, resigned in protest). But Bruce R. Kuniholm, who reviewed the volume for the Committee, makes the case that a document deleted from the volume, a memorandum of conversation between U.S. and British officials on December 3, 1952, most likely involved a British request for American support of covert operations. See Bruce R. Kuniholm, “Foreign Relations, Public Relations, Accountability, and Understanding,” in *Perspectives* (vol. 28, no. 5, May/June 1990), p. 11. Kuniholm points out that the United States had supported covert operations against Communist forces but not Mossadegh himself under Truman. But as this essay makes clear, after July 1952 the Truman administration came to believe that Mossadegh’s continued rule would make a Communist takeover more likely, thereby justifying covert activity against him.

<sup>103</sup> Memorandum, Walter B. Smith to James S. Lay, NSC, “First Progress Report on Paragraph 5-a of NSC 136/1, ‘U.S. Policy Regarding the Present Situation in Iran,’” dated March 20, 1953, RG 59, Records of the Policy Planning Staff Relating to State Department Participation in the NSC, 1935-1962, Lot File 61 D 167, box 15, p. 4.

administration also was willing to intervene directly in Iran to stabilize the political situation if such action advanced U.S. strategic goals.

### **Eisenhower and the Anglo-Iranian Dispute**

That fact that both administrations saw the dispute in similar Cold War terms is borne out by the record of a transition meeting that brought together President Truman, General Eisenhower, and their advisers on 18 November 1952. During this meeting, almost as much time was spent discussing Iran as the Korean War and European defense. Referring to Britain and Iran, Acheson told Eisenhower that "both parties had been wholly unreasonable."<sup>105</sup>

Acheson argued that the Iranian government could last no longer than a year if it managed its economic affairs perfectly, which was highly unlikely. Acheson claimed that Iranian officials were acting irrationally, denying themselves the benefits that oil revenue would bring. Rather than settle the dispute, the current government was likely to bring its own collapse. The British were no better, in Acheson's view, as they were prepared to watch Iran collapse:

The British seemed more concerned about the consequences of a settlement which differed from their desires because of the effects on British investments in other parts of the world. This had led to a fundamental difference of view. Although it seemed unlikely to us that persuasion would result in any workable solution in time.<sup>106</sup>

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<sup>104</sup> Intense negotiations continued through the fall of 1952 and the winter of 1953. See Heiss, Empire and Nationhood, especially pp. 141-171.

<sup>105</sup> "Memorandum of Meeting at the White House between President Truman and General Eisenhower", dated November 18, 1952, Microfilm in University Publications of American: President Harry S. Truman's Office Files, 1945-1953, Part 2, Correspondence File.

<sup>106</sup> Ibid.

The Truman administration had pursued a negotiated settlement in the hopes of ending the dispute, but that policy had failed. Acheson signaled the new assertiveness of the Truman administration by telling Eisenhower that efforts were underway to see "what the United States alone might do to solve this problem."<sup>107</sup> Opposition could be expected, and some cooperation was necessary, but this cooperation could best be gained through "a series of steps in which American unilateral action was started and became apparent."<sup>108</sup> Acheson argued that U.S. policy would have to "proceed by jerks in this way, with some periods of considerable bitterness," and he warned that Iran should be closely watched, as difficulties could confront the new administration early.<sup>109</sup> In his view U.S. policy would have to be assertive to avoid a disaster.

The situation in Iran continued to deteriorate after Eisenhower took office. Mossadegh increased his administrative powers in January and came to rely more heavily on the Tudeh party for support. The dispute seemed beyond compromise and the situation appeared more dangerous than ever. During a March 1953 NSC Meeting, Secretary of State John Foster Dulles "said that for a long time now he had been unable to perceive any serious obstacle to the loss of Iran to the free world if the Soviet Union was really determined to take it."<sup>110</sup>

The new administration wanted to achieve the same end as the Truman administration: to stabilize Iran and prevent a Soviet takeover by negotiating a settlement of the dispute. Nevertheless, the Eisenhower administration soon discovered how frustrating these negotiations

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<sup>107</sup> Ibid.

<sup>108</sup> Ibid.

<sup>109</sup> Ibid.

<sup>110</sup> Memorandum of Discussion at the 135th Meeting of the National Security Council, Washington, dated March 5, 1953, Ann Whitman File, NSC Series. DDE Library.

could be. Mossadegh was still intransigent, and the British refused to go along with any plan that pushed the Anglo-Iranian company out of Iran. Eisenhower complained in a letter to Churchill that "it was disturbing to gain the impression that your Government now considers the situation absolutely hopeless and believes that it would be preferable to face the probability of the whole area falling under Russian domination than to look for a new approach."<sup>111</sup> U.S. officials recognized that quiet diplomacy was not going to resolve the dispute. A more assertive means would be needed, as Acheson had told Eisenhower during the transition meeting in November.<sup>112</sup>

The bleak prospects for a negotiated settlement spurred the administration to pursue a bolder policy. Echoing the recommendations of the Truman administration, Dulles and Eisenhower decided that it was time to assert U.S. policy more unilaterally:

The British had lost their investment in Iran in any case, and a unilateral course of action by the United States was about the only thing which had not been tried.

The President was impressed with this argument, and informed Secretary Dulles that he ought to try to work out a position with the British that would save their face but actually give the United States control of the situation...<sup>113</sup>

By pursuing this policy, the United States might be able to purchase oil from Iran and help it stave off financial collapse.

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<sup>111</sup> Letter, Dwight D. Eisenhower to Winston Churchill, dated May 8, 1953, Ann Whitman File, International File, box 16, p. 2, DDE Library.

<sup>112</sup> "Memorandum of Meeting at the White House between President Truman and General Eisenhower", dated November 18, 1952, Microfilm in University Publications of American: President Harry S. Truman's Office Files, 1945-1953, Part 2, Correspondence File.

<sup>113</sup> Memorandum of Discussion at a Special Meeting of the National Security Council, Washington, dated April 7, 1953, Ann Whitman File, NSC Series. DDE Library.

At a 12 March meeting, the National Security Council decided it had to meet the problem head on. Iran was recognized as a potential target for Soviet adventurism. Continuing the assertive line that the Truman administration had handed down, Dulles emphasized that vigorous measures were needed to deter the Soviet Union from acting against strategically important areas.

Beyond this, Secretary Dulles pointed out, we must take clear positions so that war could not result from Soviet miscalculations. There must be no repetition of the fuzzy situation in Korea in the spring of 1950, which constituted an invitation to the Soviets to move against South Korea...

The third factor in preventing global war, continued Secretary Dulles, was a firm policy to hold the vital outpost positions around the periphery of the Soviet bloc. As examples, he cited Japan, Indo-China, India, Pakistan, Iran and NATO....<sup>114</sup>

By identifying Iran as a "vital outpost," Dulles recognized the crucial military component in U.S. policy toward Iran, which had been laid out in NSC 136 and 136/1. This military component gave the administration a wider range of action. Risks could be taken in pursuit of important goals because of the increased capabilities provided by the Truman buildup. Still, it would be hard to stabilize Iran if its leader refused to negotiate a reasonable settlement. Dulles described Iran as "his thorniest problem" and he was just as determined as the Truman administration to prevent Iran's loss.<sup>115</sup>

When Secretary Dulles embarked on a trip to the Middle East in May 1953 to see what steps the United States could take to secure the area, he deliberately skipped Iran to

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<sup>114</sup> Memorandum of Discussion at Meeting of the National Security Council, Washington, dated March 12, 1953, Ann Whitman File, NSC Series. DDE Library.

<sup>115</sup> Ibid.

demonstrate his increased displeasure with Mossadegh.<sup>116</sup> To prevent wider instability in the region, Dulles began to consider an alliance of the Northern Tier states closest to the Soviet Union: Turkey, Iraq, Syria, Pakistan, and Iran. With some military support from the United States, such an alliance could possibly be strong enough to stop a Soviet invasion and protect the oil fields of the Middle East. This alliance would therefore enable the United States to obtain the cherished yet difficult goal of defending the Middle East. What is often not understood about this potential alliance (Dulles' "pactomania") is that it had been a goal of the Truman administration and was spelled out in NSC 136.<sup>117</sup>

Dulles did not intend to include the British in the proposed alliance. Instead, he believed that the United States must be solely responsible for the defense of Iran. To this end, the NSC decided to study the military feasibility of defending Iran at the Zagros Mountain range in the north.<sup>118</sup> The whole notion, which could be seen as a direct threat to the Soviet Union, was now possible because of the shift in the global and regional balance of power produced by the policies of the Truman administration.

The Dulles administration hoped that the Northern Tier alliance would help solve the difficult dilemma of defending the Middle East by creating an effective military force. Without the participation of Iran, however, the alliance would be meaningless. If the Anglo-Iranian crisis continued, it was unlikely that Iran could participate in any meaningful way. U.S. officials realized that the precarious situation within Iran made it unlikely that Iran's pro-western

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<sup>116</sup> Memorandum of Discussion at the 147th Meeting of the National Security Council, Washington, dated June 1, 1953, Ann Whitman File, NSC Series. DDE Library.

<sup>117</sup> NSC 136, p. 5

<sup>118</sup> Memorandum of Discussion at the 135th Meeting of the National Security Council, Washington, dated March 5, 1953, Ann Whitman File, NSC Series. DDE Library.

orientation could be guaranteed, and that the alliance could become a reality only when the Iranian problem was solved.

Iran, continued Secretary Dulles, was the obvious weak spot in what could become a strong defensive arrangement of the northern tier of states: Turkey, Iraq, Syria and Pakistan. But the arrangement was not hopeless if we could save Iran. Our immediate need, therefore, was to concentrate on saving the situation there. There was still much strong anti-Soviet sentiment in the country.<sup>119</sup>

The problem, then, was how to change the situation in Iran. State Department officials warned that without a settlement of the Anglo-Iranian dispute, Mossadegh's government could reach the point where it "feels compelled to make an agreement whereby the USSR or its satellites will assume the responsibility for assisting in the production and marketing of large quantities of Iranian oil."<sup>120</sup> Through incremental steps, none of which would be a *casus belli* for the United States, the Soviet Union would come to dominate Iran, all with Mossadegh's willing or unwilling cooperation. The Communists, according to the State Department, were "actively supporting Mosadeq in order to get rid of the Shah. If Mosadeq eliminates the Shah, the Communist position will be stronger and they may then be expected to turn against

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<sup>119</sup> Memorandum of Discussion at the 147th Meeting of the National Security Council, Washington, dated June 2, 1953, Ann Whitman File, NSC Series. DDE Library.

<sup>120</sup> Frank Nash, Memorandum for the Chairman, Planning Board, NSC, "Proposed Course of Action with Respect to Iran," July 31, 1953, RG 59, Records of the Policy Planning Staff Relating to State Department Participation in the NSC, 1935-1962, Lot File 61 D 167, box 15, USNA. Using Soviet documents, Vladislav Zubok reveals that Mossadegh approached the Soviet ambassador during the summer of 1953 and asked for a trade agreement with the Soviet Union. Soviet intelligence initially believed that Mossadegh might use a deal with the Soviet Union to pressure Great Britain, but never exploited the opportunity presented by Mossadegh's position. Zubok also reveals that Soviet intelligence knew that the American Ambassador to Tehran, Loy Henderson, was conspiring with the Shah and military officials against Mossadegh as early as October, 1952. See Vladislav Zubok, "Soviet Intelligence and the Cold War: The 'Small' Committee of Information, 1952-53," *Diplomatic History* (vo. 19, no. 3, Summer 1995), pp. 466-67.

Mosadeq.”<sup>121</sup> This in turn might mean an eventual takeover of Iran by the Soviet Union, an outcome that had to be avoided.

The covert operations called for in paragraph 5 of NSC 136/1 could help the administration avoid the loss of Iran. The Eisenhower administration continued to plan for an operation along the lines established and approved by the Truman administration.<sup>122</sup> Certainly, U.S. officials recognized that such an operation could not replace a well thought-out policy on Iran, and understood that replacing Mossadegh would by no means solve all their problems. Major General Fazlollah Zahedi, the anti-British nationalist who the Shah eventually picked to replace Mossadegh, was not expected to “reverse his predecessor’s policies to any major extent...(I)t would be most unwise ... to assume that Iran will turn a new face toward the West in the immediate future.”<sup>123</sup> Nor did the Eisenhower administration, despite what much of the secondary literature contends, discount the importance of social and economic reforms in Iran:

The replacement of Mosadeq by Zahedi halted a dangerous drift of increasing communist influence on Iranian affairs. The change in government did not, however, eradicate Iran’s basic social, economic and political problems. There will be continued instability in Iran unless some progress towards solution of these problems can be made.<sup>124</sup>

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<sup>121</sup> Ibid., p. 1.

<sup>122</sup> “As called for by Paragraph 5 (a) of NSC 136/1, CIA representatives are in consultation with the British on plans for covert activity to counter a communist coup. Other plans are under study in the Department of State and Defense.” (underlined in the original) “The Iranian Situation,” March 3, 1953, RG 59, Records Relating to State Department Participation in the Operations Coordinating Board and the National Security Council, 1947-1963,” Lot File 63 D 351, NSC, Box 68, p. 2, USNA.

<sup>123</sup> Byroade to Bowie, “Iran,” August 21, 1953, RG 59, Records of the Policy Planning Staff Relating to State Department Participation in the NSC, 1935-1962, Lot File 61 D 167, box 15, p. 1-2, USNA. The document also underscores the fact that the Eisenhower administration understood the importance of nationalism in Iran and did not seek to discount it: “A revolution is in progress in Iran. It has deep-rooted origins in the wave of nationalism sweeping Asia. The old pattern of rule has been irrevocably shattered and any leader must shape his program on the basis of national aspirations. The replacement of Dr. Mosadeq by General Zahedi is not a reversal of this trend.”

<sup>124</sup> Byroade to Bowie, “Review of NSC 136/1,” October 15, 1953, RG 59, Records of the Policy Planning Staff Relating to State Department Participation in the NSC, 1935-1962, Lot File 61 D 167, box 16, p. 1, USNA.

Nevertheless, aiding a coup against Mossadegh was a bolder means of achieving U.S. policy toward Iran than anything that had been tried. The Eisenhower Administration was able to risk Soviet intervention because the balance of military power had shifted. NSC 136/1 had called on the military to detail what military steps could be taken in the event of political subversion in Iran. Troops would be deployed to Southern Iraq, and 45 medium-range bombers from Strategic Air Command would fly demonstration flights over Iran, providing support to Iranian insurgents. U.S. officials believed that these deployments would deter the Soviet Union from intervening. U.S. policymakers calculated that unlike in 1951, it was the Soviet Union that feared triggering a global war in late 1952-1953. The increased ability of the United States to project force in the region allowed the U.S. government to take greater risks in its policy toward Iran.<sup>125</sup>

This commitment came close to being tested. On 18 August 1953, it appeared that the coup had failed miserably and that a Tudeh takeover was imminent. The next day, Arthur Radford, the Chairman of the Joint Chiefs of Staff, received an extraordinary request from the National Security Council:

I have been informed...that the National Security Council may, in the immediate future, request recommendations from the Joint Chiefs of Staff on possible courses of military action in Iran, in support of a non-Communist Iranian government.<sup>126</sup>

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<sup>125</sup> See Memorandum for the Secretary Defense, "Iran", dated June 19, 1953, CCS 092, Iran (4-23-48), RG 218, USNA.

<sup>126</sup> Memorandum for General Twining, General Ridgway and Admiral Carney from Arthur W. Radford, Chairman of the Joint Chiefs of Staff, "U.S. Military Courses of Action with Respect to Iran," dated August 19, 1953, CCS 092, Iran (4-23-48), RG 218, USNA.

The Joint Chiefs quickly drew up military plans to intervene in Iran if it should prove necessary. Such a policy had grave risks, as it could lead to Soviet intervention and could alienate NATO allies. U.S. officials were convinced, however, that the correlation of forces vis-à-vis the Soviet Union, unlike earlier, allowed for bolder means to carry out the long-stated policy of maintaining Iran's independence and Western orientation.

As it turned out, the U.S. military was not called on to activate its military plans in Iran. By 20 August, the tide had turned and the coup was successful. The Tudeh party did not take power, and the Soviet Union did not intervene. The decision to participate in the coup, which would have been unthinkable two years earlier, regardless of who was in charge, reflected the shift in policy initiated by the Truman administration and revealed how willing the U.S. government was to take risks once the military balance had become much more favorable. But perhaps even more telling than the coup, which was a small operation, was the willingness of the United States to send troops to Iran in the event of a communist takeover. This commitment was reaffirmed in NSC 5402, dated 2 January 1954, a document that guided U.S. action toward Iran throughout the 1950s.<sup>127</sup> In fact, this remained U.S. policy -- in secret -- until it was publicly articulated in the "Carter Doctrine" speech of January 1980.

## **Conclusion**

Was there a sharp break between the Truman and Eisenhower administrations in their policies toward Iran, as so many scholars have claimed? Was there a shift from a "liberal" to a "conservative" foreign policy? Did the personality of the Eisenhower administration produce a

more "assertive" and "paranoid" policy, which was "suspicious" of third world nationalism and far more inclined than the Truman administration to be "susceptible" to the arguments of U.S. oil interests?<sup>128</sup> Was the Eisenhower administration more inclined to act "aggressively," with a wider array of instruments, including covert action?

On balance, one is struck by the large degree of continuity between the two administrations in their policies toward Iran. The policies of both administrations were driven almost entirely by Cold War concerns. Both wanted to achieve a negotiated settlement if possible. The difference came during the last months of the Truman administration, when a more assertive and unilateral policy was adopted. This new policy had little if anything to do with presidential personality or party differences. Given the dynamic of the dispute and the global and regional weakness of the United States, it is hard to imagine that Dwight Eisenhower would have risked the use of force in Iran in 1951. By the same token, Truman in August 1953 may have taken actions similar to the ones Eisenhower took; all the groundwork for the events of 1953 had been laid during the last months of the Truman administration.

The Truman administration was ready to consider far more assertive action to maintain Iran's independence and Western orientation by the end of its term. It is no coincidence that the planning for covert operations in Iran began during the last months of the Truman administration. It is revealing that Acheson's memoirs, which often attack the Eisenhower administration's

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<sup>127</sup> NSC 5402, "United States Policy Toward Iran," dated January 2, 1954, *FRUS*, 1951-1954, Vol. X.

<sup>128</sup> Structural constraints affected Truman and Eisenhower's domestic policies in similar ways. Truman and his Attorney General had initiated anti-trust procedures against the oil industry, but ultimately dropped the action for national security reasons. As Robert Donovan points out, "Truman, foe of monopoly and trade restrictions ... terminated the grand jury investigations....Later, he told Leonard Emmerglick of the Justice Department that he had acted ... on the assurance of General Bradley, chairman of the Joint Chiefs of Staff, that the national security required such a decision. Robert Donovan, *Tumultuous Years: The Presidency of Harry S. Truman, 1949-1953* (New York: W.W. Norton & Company, 1982), p. 405.

policies, do not criticize the coup when discussing the Anglo-Iranian dispute.<sup>129</sup> In general, there was much less difference between the Truman and Eisenhower administrations' views of the use of covert operations than scholars often claim.<sup>130</sup> The Truman administration had few qualms about covert operations, and in fact, increased covert operations were mandated by the administration in various NSC documents, including NSC 68.<sup>131</sup> Ironically, policymakers in the

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<sup>129</sup> See Lytle, p. 205.

<sup>130</sup> This myth inexplicably continues even in the most recent scholarship. Heiss claims that "an aversion to covert operations" prevented the Truman administration from "acquiescing in British plans to topple Mossadeq." Heiss, *Empire and Nationhood*, p. 172. But Melvyn Leffler, in his mastwork *A Preponderance of Power* demonstrates that the Truman administration did not hesitate to authorize covert operations in they advanced national security. See especially pp. 490-91: "To shore up the periphery, the United States could also use its growing covert capabilities .... The office's total personnel strength grew from 302 in 1949 to over 6,000 in 1952; its budget jumped from \$4.7 to \$82 million; its overseas stations grew from 7 to 47 .... Its covert operations increased 'sixteenfold' between January 1951 and January 1953."

There is still much work to be done on covert operations undertaken during the Truman period. But one interesting comparison would be to analyze the origins of the CIA's involvement in Guatemala in the early 1950's. Nicholas Cullather's recently declassified, in-house CIA history of this story is quite revealing. Cullather argues that on 9 September 1952, Under Secretary of State David Bruce explicitly approved a CIA operation called PBFORTUNE whose goal was to overthrow the regime of Jacobo Arbenz Guzman. Arms were shipped to rebels, but Central American government officials learned of the CIA's involvement and their cover was blown. The operation was suspended. But the key point that emerges from this document is that the CIA, with the knowledge of other parts of the government, increased its covert operations in Guatemala dramatically between 1950 and the end of 1952. See Nicholas Cullather, *Operation PBSUCCESS: The United States and Guatemala, 1952-1954*, dated 1994, History Staff, Central Intelligence Agency, RG 263, "Studies and Other Records Relating to the Activities of the CIA in Guatemala, 1952-1954," box 1, USNA.

<sup>131</sup> Some of this mythology concerning covert operations may have come from Truman himself. In 1963, a review of a book by Allen Dulles called "The Craft of Intelligence" appeared in the Washington Post, with Truman listed as the reviewer. While generally favorable, the review called for the CIA to get out of the covert operations business. Dulles wrote a letter to Truman reminding him that it was under Truman's guidance that such operations began: "You will also recall that about a year after the Truman Doctrine declaration of April [March] 1947, you were also the first to take stock of the fact that the Communist subversive threat could not be met solely by the overt type of assistance which you were able to render to the beleaguered countries of Greece and Turkey. This peril was evidenced by events early in 1948, with the take-over of Czechoslovakia by secret subversion, the Communist threat to Italian independence in the elections of 1948, and the communizing of Poland, Hungary and the other "Satellite" countries. It was then, in June 1948, that you, through National Security Council action, approved the organization within CIA of a new office to carry out covert operations directed against secret Communist subversion....The administration which followed your own, re-affirmed the need for this type of activity. While the charter that you initially gave the CIA in this field has been slightly modified over the years by NSC action, it remains substantially as you had approved it. It was during 'Beedle' Smith's directorship and again under your directive that the responsibility of the Director of Central Intelligence for covert operations was established, subject of course to the high policy guidance it has always had and to which it has faithfully adhered, despite newspaper reports to the contrary." Letter, dated January 7, 1964, Allen Dulles to the Honorable Harry S. Truman, USNA, RG 263, History Source Collection, NN3-263-94-010, Box 18, File HS/HC, Folder 3.

Truman administration were often more enthusiastic about covert operations than the head of the CIA himself was. As the official CIA History of the Truman period points out, "Bedell Smith was dismayed by the variety and magnitude of the covert action operations that he was called upon to conduct."<sup>132</sup>

The scholarship on U.S. policy toward Iran has vastly underestimated the continuity between the policies of the Truman and Eisenhower administrations. When a shift in policy did occur, it occurred under the Truman administration, and was driven less by ideology, domestic politics, or personality, and more by structural factors, notably the shift in the global balance of power and the increased threat. U.S. policy toward Iran is only one case, but it is an important one, and his story suggests that U.S. foreign policy during the Cold War should not be understood in highly personal and ideological terms. One is struck by the centrality of factors other than domestic politics, ideology and personality in determining policy -- especially structural factors like the balance of power. Most of the scholarship on this episode, like much of the literature on the Cold War in general, reflects a misunderstanding of how policy was shaped. Until diplomatic historians understand that the balance of power may have played at

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Dulles then arranged a private meeting with Truman, which is described in a memo. "I reviewed the various covert steps which had been taken under his authority in suppressing the Huk rebellion in the Philippines, of the problems we had faced during the Italian election in 1948 . . . I then showed him the article in The Washington Post of December 22, 1963, which I suggested seemed to me to be a misrepresentation of his position. I pointed out the number of National Security Actions which . . . he had taken which dealt with covert operations by the CIA. He studied attentively the Post story and seemed quite astounded by it. In fact, he said that this was all wrong . . . At no time did Mr. Truman express other than complete agreement with the viewpoint I expressed and several times said he would see what he could do about it . . . He was highly disturbed at The Washington Post article." Dulles came to the reasonable conclusion that the review article attributed to Truman had been written by someone else. Memo for Mr. Lawrence R. Houston, General Counsel, from A. W. Dulles, dated April 21, 1964, USNA, RG 263, History Source Collection, NN3-263-94-010, Box 18, File HS/HC, Folder 3.

<sup>132</sup> Ludwell Lee Montague, General Walter Bedell Smith as Director of Central Intelligence: October 1950-February 1953, Vol., IV, "The War Emergency and the Clandestine Services," December `1971, USNA, RG 263, DCI Historical Series, p. 20.

least as important a role as ideology and personality in driving U.S. policy, our understanding of the Cold War will remain incomplete.