

The Development of American Foreign Policy in Iran, 1942-1947:

From World War to Cold War

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In December of 1995, House Speaker Newt Gingrich made the headlines of the Los Angeles Times by calling for the allocation of eighteen million dollars to be added to the budget of the Central Intelligence Agency to finance a covert action program aimed at destabilizing the government of Iran. Gingrich's call for the United States to work toward overthrowing the current Iranian regime stems from his belief that Iran represents an "evil empire" and is a major supporter of international terrorism.¹ His proposal represented a dramatic increase over the two million dollars previously allotted to the CIA annually for what had admittedly been a "largely symbolic effort" against Iran.² Although there was opposition to the Speaker's proposal, the twenty-eight billion dollar CIA budget for 1996 was finally approved, with twenty million dollars allocated for the Iran program.

The fact that the CIA budget passed intact says much about the present state of relations between the United States and the nation of Iran. It suggests that, for most Americans in the last decade of the twentieth century, the image of Iran is very much in agreement with that held by Speaker Gingrich. Because of its strong anti-western, anti-American position, as well as its alleged ties to terrorist activities around the world, the militant Islamic regime in Iran has for the past 15 years been reviled by most of the western world. Yet it is also a well known fact that prior to the mass uprising that brought the Islamic regime to power in 1979, the United States had enjoyed an extremely close relationship with Iran. During the 36-year reign of Iran's Shah Mohammad Reza Pahlavi, Iran was considered to be one of the staunchest allies of the United States and a champion for western interests in the Middle East. Thus, the present concerns with the Islamic regime, combined with the long history of successful U. S.-Iranian relations suggest a

¹ Los Angeles Times; December 10, 1995, *Gingrich Wants Funds for Covert Action in Iran*. A-1

² Los Angeles Times; December 22, 1995, *Congress OKs House Plan...*A-18.

continuity of perceptions in the United States that Iran remains of vital importance to American interests

While the transformation of Iran from ally to enemy is generally understood by most Americans, the question of how and why Iran came to be so closely linked to American interests is not. How was it that the United States developed this love-hate relationship with a nation half way around the globe, to such an extent that it once poured many millions of dollars in economic and military aid, and now budget many millions to overthrow? Certainly Iran's oil reserves and its strategic location at the crossroads of three continents are obvious factors for American interest in a nation that is otherwise so remote and alien from its own. Iran's role as a Cold War ally of the United States against the spread of Soviet aggression, with which Iran shares a 1,200 mile common border, is also an important link between these two nations. But the key to understanding the development of the historic relationship between Iran and the United States lies in the foreign policy of the United States as it embraced its role as a world leader during and following the Second World War.

For years prior to that war, Iran had been the subject of foreign intervention and intrigue by both Great Britain and the Soviet Union. During that time it developed an ability to play the competing powers against one another. With the outbreak of World War Two, the competition was postponed when the British and Soviets invaded Iran, dividing it into spheres of influence. As the United States was drawn into the war and into occupied Iran as an ally of both the British and the Soviets, it was faced with several paradoxes that presented a crucial test for American foreign policy. The initial challenge was to support the war effort while at same time respect the independence and sovereignty of Iran, to which each of the allies was committed by international treaty. In addition, as the war drew to a close the United States chose to play a guiding role in the development of a strong and stable regime in Iran that could stand up to unfriendly foreign

influences yet remain cooperative with the considerable interests of the United States and its western allies. Despite their war time alliance, the United States increasingly viewed Iran's northern neighbor, the Soviet Union, as the most dangerous of those foreign influences. Because of the very fine line between guiding the development of a strong and stable government and interfering in the affairs of a foreign state, American foreign policy makers were faced with a unique diplomatic challenge in Iran.

It was because the United States was successful in meeting this challenge that the nation of Iran became a staunch ally of the west, and of the United States in particular in the decade following World War II. Although American foreign policy toward Iran was at times flawed and ambiguous, it was successful in creating a government that was willing and able to stand up to external aggression while at the same pursuing a course of action that complemented American economic and security interests. By creating a link between Iran's interests and those of the free and independent nations of the world, of which the United States was portrayed as champion and protector, the forces behind American foreign policy led Iran to steer away from Soviet influence and intervention. Yet because Iran was so skillful at playing major powers against one another, the United States was increasingly, and perhaps unavoidably, drawn into the political void created by the demise of Soviet influence. Iran was as aware of its strategic importance to the international powers as it was its political vulnerability to them. Because the United States responded to Iran's concerns for the latter, it was able to gain significant benefits from the former.

The crucial period of the development of American policy in Iran originated with a series of three events that began with the Allied occupation of Iran. Each of these events revolved around Soviet attempts to obtain an oil concession in Iran, and through each can be seen a progressively stronger role played by the United States in thwarting Soviet efforts. They represent an evolution of foreign policy that allowed the United States to establish itself as a dominant power in the

international arena and they provide perhaps the best illustration of the processes that helped to create the Cold War.

Historians have long recognized the complex relationships between the superpowers and the nations of the Middle East, of which Iran is an integral member. The questions which they address in seeking to explain the dynamics of this relationship revolve mainly around the issues of the Cold War and superpower intervention, the sovereignty of "Third World" nations such as Iran, and, of course, the quest for oil. Their efforts reflect the many forces at work that guided and influenced the development of American policy in Iran during and after World War II.

Richard W. Cottam, who served as an American diplomat in Teheran in the 1950's, suggested in his *Iran and the United States: a Cold War Case Study* (1988) that America replaced Great Britain as the counter-force to the Soviet Union in an imperialist struggle for preeminence in Iran. In this interpretation, Cottam saw Iran as a pivotal figure in the developing Cold War struggle for superpower dominance over the emerging Third World states. He further argued that Iran's oil reserves were not the driving force behind United States intervention. Rather, the driving force behind American policy was a "paternal" response by the United States toward Iran as it assumed its post World War II role as "protector of the west".³

James F. Goode interpreted American motivations somewhat differently than did Cottam. In his 1990 work *The United States and Iran, 1946-51*, Goode maintained that there was no imperialist conspiracy or evil intent on the part of the United States government. Rather the events in Iran represented a misguided policy, based on the ignorance and anti-Communist fervor among policy makers. Goode believed that American interference in Iran, which greatly increased as a result of the flawed policies implemented in the 1940's, was at the root of the 1979 revolution. A

³ Cottam, Richard W. *Iran and the United States: A Cold War Case Study*. Pittsburgh, Pa.: University of Pittsburgh Press, 1988, 8-9.

similar approach is taken by James A. Bill in *The Eagle and the Lion: The Tragedy of American-Iranian Relations* (1988).

Yet another account of the relationship between the United States and Iran is given by David S. Painter in *Oil and the American Century* (1986). In this work Painter pointed to a conscious decision on the part of United States policy makers to create a symbiotic relationship between American oil corporations and the national interest to the mutual benefit of both. Painter portrayed United States policy in Iran as a mutual effort with American oil companies to effectively "control world oil reserves, combat economic nationalism, and contain the Soviet Union."⁴ Another proponent of the importance of oil in the formulation of American foreign policy in the 1940's is Edward W. Chester in his 1983 work *United States Oil Policy: A Twentieth-Century Overview*. While these works focus on American oil policy worldwide, both provide extensive coverage of United States policy relating to Iran.

As illustrated by the varied interpretations of these historians, the question of the motivation behind the involvement of the United States in Iran remains an important point of contention. Was the United States foreign policy directed by ideological convictions based on the struggle of democracy over communism, or was it rather the manifestation of a new American imperialism? To what extent was oil a mitigating factor in American foreign policy? The influence of American foreign policy in the sequence of events that helped Iran to successfully repel Soviet aggression during the 1940's was profound, even though the United States had carefully maintained an outward position of neutrality. American foreign policy in this conflict reflected the need to maintain a precarious position of respect for both the power of the Soviet Union and the rights of

⁴ Painter, David S. *Oil and the American Century: The Political Economy of U.S. Foreign Oil Policy, 1941-1954*. Baltimore and London: The John Hopkins University Press, 1986, 1. While a portion of Painter's argument is built on events that took place in the early 1950's, and therefore outside the scope of this study, he saw the development of the early stages of the U.S.-Iranian relationship to be consistent with his overall argument.

sovereign states such as Iran. As a result, the United States often found itself in the role mediator, hoping to resolve the Soviet-Iranian conflicts without directly confronting the Soviets or promising the Iranians that which they could not deliver.

Another critical yet often overlooked factor that influenced the actions of the United States government in Iran was the issue of national sovereignty. What role did the sovereignty of foreign nations, particularly weak nations susceptible to pressures from either side of the superpower struggle, play in the formulation of United States policy? Did United States foreign policy place the sovereignty of nations such as Iran below her own national interests, whether political or economic? To what extent was access to oil, the life blood of all industrialized nations by the mid-twentieth century, a critical factor in shaping American policy?

The available record, while far from complete, provides a fascinating and complex picture of the role that United States came to play in the course of world affairs in the years following World War II. Government documents and personal records of those most closely involved in the formation of American foreign policy provide a detailed account of the development of United States involvement in the Middle East. United States reaction to Soviet aggression in Iran reveals many of the concerns, fears, and intentions that influenced United States foreign policy in this period. To the extent that the motivation behind the policy of the United States government regarding Iran guided American policy in general during this period, it also provides insight into the encompassing Cold War ambitions of the United States government.

Iran to 1940: Great Powers, Nationalism, and Oil

The situation in Iran in the 1940's grew out of a complex history in which the United States, Great Britain, and the Soviet Union came to play an integral role in Iran's internal affairs. Iran, a non-

Arabic state known as Persia until 1935, had a long and colorful history of conquest and domination and was for much of its history a major power in the Middle East. Throughout its long history Persia was ruled by a system of absolute monarchy, under which the king, or shah, served as the linchpin of Persian society, providing a source of national stability and also a strong sense of national identity.⁵ Like most cultures in the Middle East, the Persians were followers of Islam. Yet they retained a unique identity in the region by adhering to a line of Islam known as Shia. Early in the 16th century Persia, under the Safavid dynasty, established Shiism as the state religion, thereby separating itself from the predominantly Sunni Moslems of the Turkish and Indian empires. This religious distinction had strong political consequences in the Islamic world. It led to centuries of conflict between Persia and its Sunni neighbors, and further contributed to a fierce nationalist identity that survives to this day.⁶

By the turn of the 19th century, Persia, long isolated from the western world by the Turkish Ottoman empire and weakened by centuries of warfare and internal division, became vulnerable to the colonial designs of both Russia and Great Britain. Persia's geographic location at the center of the land bridge connecting Europe, Africa, and Asia made it especially attractive to the great European powers and therefore exceedingly difficult for Persia to avoid entanglement in their political maneuverings. Russia, in search of access to the Indian Ocean since the days of Tsar Peter the Great, eagerly sought to expand its influence southward into the Middle East. The British, well entrenched in India and armed with a navy that controlled the waters of the Persian Gulf, sought to expand its sphere of colonial interest to the north and west. Persia, along with its

⁵ Ledeen, Michael Arthur and William Lewis. *Debacle: The American Failure in Iran*. New York: Alfred A. Knopf, 1981, 4.

⁶ Fawcett, Louise L'estrange. *Iran and the Cold War: The Azerbaijan Crisis of 1946*. Cambridge: Cambridge University Press, 1992, 6.

neighboring states of Mesopotamia, Afghanistan, and Pakistan, found itself increasingly drawn into the struggle between the imperial powers of Russia and Great Britain.⁷

Faced with this dilemma, the Persian monarchs entered into a series of treaties with both Russia and England, granting concessions to each in exchange for protection from the other. The British were able to take the greatest advantage of such concessions, as evidenced by the 1873 concession granted by the shah Nasir al-Din to the British Baron Julius de Reuter. This agreement gave de Reuter a seventy-year monopoly on all railway and road construction, access to virtually all of Persia's natural resources, and options to industrial development of every kind within the kingdom.⁸ This unprecedented concession was described by British cabinet member Lord Curzon as "the most complete and extraordinary surrender of the entire industrial resources of a kingdom into foreign hands that has ever been dreamt of, much less accomplished in history."⁹ The agreement, through which the shah was guaranteed between 15 and 20 per cent of profits in return for placing his nation's economic dependence on England, was short-lived, as external pressure from Russia forced the shah to cancel the concession.¹⁰ Despite the setback, the British continued to exert their influence. In 1899, the British pressured the shah into granting de Rueter a more limited, yet highly significant concession, allowing him to establish the Imperial Bank of Persia and also giving him the right to search for oil.¹¹

The concessions by the shah and his manipulation by outside powers led to internal protest from Persians concerned with both foreign intervention and internal corruption. A reform movement developed within the country in the late 1800's, influenced by recently introduced western ideas and also by an emerging pan-Islamic ideology. This movement, led by a diverse

⁷ Cottam, 27.

⁸ Bill, James A. *The Eagle and the Lion: The Tragedy of American-Iranian Relations*. New Haven and London: Yale University Press, 1988, 4.

⁹ Bill, 4.

¹⁰ Mansfield, Peter. *A History of the Middle East*. New York: Penguin Books, 1991, 144.

¹¹ Mansfield, 144.

alliance of merchants, western-educated students and religious leaders, was violently repressed by Nasir al-Din. Following the shah's assassination by radical reformers in 1896, the reform movement progressed rapidly under the feeble rule of al-Din's son, Muzzafar. By 1906, the pressures for reform of the increasingly corrupt and debt-ridden monarchy forced the shah to reluctantly comply with demands. As a result, a parliament, or *Majlis* was established, which in turn created a national Constitution. This series of events, the Constitutional Revolution, was supported by the majority of Persians and marked a major turning point in the absolute rule of Persian monarchs.¹² Yet the power and influence of the shah, built upon 2,000 years of tradition, remained extremely strong. This duality of power within Persia set the stage for frequent clashes between the shah and the Majlis. Foreign interests capitalized on these internal conflicts within Persia and quickly became adept at playing these conflicts to their own advantage.¹³

In 1907, Muzzaffar al-Din was replaced on the shah's Peacock Throne¹⁴ by his son Mohammed Ali, who, like his father, was reluctant to accede to the reform demands of the Majlis. Nationalist unrest escalated to the point where the new shah tried to dismiss the Majlis, first through political pressure, and finally through violence. Widespread unrest erupted against the shah, prompting the Russians to send troops into Persia on the pretext of protecting its nationals. Neither the Russian troops nor those of the shah could quell the popular uprising created by this series of events, and in 1909 the shah fled into exile in Russia. The victorious Majlis elected the shah's 11 year-old-son, Ahmed Mirza, to succeed him on the Peacock Throne.¹⁵

An important act contributing to the unrest among Persian nationals was the Anglo-Russian Convention and Detente of 1907, which resolved many of the disputes between the two major

¹² Cottam, 30-31.

¹³ Kuniholm, Bruce Robellet. *The Origins of the Cold War in the Near East: Great Power Conflict and Diplomacy in Iran, Turkey, and Greece*. Princeton, New Jersey: Princeton University Press, 1980, 131.

¹⁴ The Peacock Throne is the jewel encrusted seat of the Iranian monarchy. The throne was brought to Iran by Nadir Shah as a trophy of his mid-18th century conquest of India.

¹⁵ Mansfield, 146.

European powers concerning both Persia and Afghanistan. Although the pact proclaimed that both countries respected the independence of Persia, it divided Persia into spheres of interest between the British and Russians.¹⁶ This agreement, created in anticipation of an imminent clash with imperial Germany, was intended to counter expected aggressions by the Germans or their probable ally, the Ottoman Turks.¹⁷ The Persian nationals, little concerned with the European powers' strategic affairs, saw this agreement as a plan to strip Persia of its independence. The emerging forces of nationalism in Persia faced a formidable challenge from outside powers as events drew the Middle East into the international power struggle of World War I.

The discovery of oil in Persia further complicated the struggle of the nationalists and international rivals. De Rueter, failing to find oil, had abandoned his concession after two years. However, the shah Muzaffar al-Din granted another Englishman, William D'Arcy, a 60 year concession in 1901. This concession, strongly supported by the British government, gave D'Arcy exclusive rights of exploration for all of Persia. Initially unsuccessful, D'Arcy's search was given the attention and support of the British Royal Navy, whose determination to convert its ships from coal to oil led to a concerted British effort to find a source of oil that could be produced under their control.¹⁸ In 1908, with financial support from the British Burmah Oil Company, D'Arcy discovered one of the richest oil fields in the world at Masjid-i-Sulaiman in south-west Persia. The Anglo-Persian Oil Company was born, and England had the oil supply it so desperately needed. In 1911, Winston Churchill took over as the First Lord of the Admiralty for the British Navy and launched into an ambitious modernization program for the Navy that relied heavily on the Persian oil reserves to fuel the British fleet and provide income for its expansion. In support of the latter,

¹⁶ Ford, Alan W. *The Anglo-Iranian Oil Dispute of 1951-1952: A Study of the Role of Law in the Relations of States*. Berkeley and Los Angeles: University of California Press, 1954, 6.

¹⁷ Mansfield, 146.

¹⁸ Bill, 57.

Churchill convinced the British parliament in 1914 to purchase a controlling interest in Anglo-Persian and with the profits finance the huge expansion of the Royal Navy.¹⁹

The outbreak of the First World War brought the occupation of Persia by both British and Russian troops, despite Persia's declaration of neutrality. The occupation, justified by the Russians on the basis of Turkish aggressions on the Persian border and by the British to protect her oil interests, served to further alienate the Persian population from both.²⁰ As a consequence of that alienation, Persian nationalists were able to reject British overtures designed to strengthen political and economic ties between the two countries following the war. Lord Curzon, emboldened by the collapse of tsarist Russia, had offered an Anglo-Persian agreement in 1919 which provided for British civil and military advisers, a loan program, and cooperative development program. This plan was initially accepted by the shah but the Majlis, concerned by the prospect of British economic domination and supported by American criticism of the proposal, refused to ratify the agreement.²¹ Most of the British advisers were recalled.²²

The situation with the Russians had changed dramatically at the war's end. The defeat of Russia and subsequent Bolshevik Revolution signaled more favorable Persian attitudes toward their northern neighbor. A new Soviet-Persian Treaty of Friendship was signed in February of 1921. In this agreement the new Soviet government renounced the past imperialist aggressions of tsarist Russia, forgave Persian debts, and relinquished most of the claims and concessions obtained by the previous government. Unlike the proposal of Lord Curzon, this conciliatory agreement was quickly accepted by the Majlis. There was, however, a stipulation in this agreement that allowed for Soviet military intervention in Persia if the Russians thought that a threat to their security

¹⁹ Mansfield, 147.

²⁰ Cottam, 36.

²¹ Cottam, 37.

²² Mansfield, 211.

developed within Persia.²³ This clause apparently caused little immediate concern for the Persian Majlis but it would play a major role in the future relations between these two countries.²⁴

As external tensions eased along the northern border, the political and economic situation in Persia fell into disarray. Internal divisions, corruption, weak leadership and financial crisis threatened Persia's stability from within. Out of this chaos rose an aggressive young officer from the Persian Cossack brigade, Colonel Reza Khan. Accounts of his apparently legendary rise to power vary from source to source, but it is clear that by early 1921 he had taken advantage of his fierce reputation and position as commander of the Brigade and seized power in the government of Persia. He disbanded the cabinet, forced the impotent shah to accede to his demands, and in a short time took full control of the government as Prime Minister. Reza Khan's rapid success was due in large part to his relationship with the armed forces, which he promptly reorganized into an efficient and disciplined force with which he was able to consolidate power.²⁵

By the fall of 1925, Reza Khan's consolidation was complete. Shah Ahmed Qajar was deposed by an overwhelming majority of the Majlis, ending the 200-year Qajar dynasty. On December 12 a newly elected constituent assembly bestowed the royal crown on Reza Khan, granting him the Peacock Throne and the traditional right of succession to his heirs. The new shah took the name Pahlavi, which refers to the language of an ancient Persian dynasty. This choice of names was significant. Pahlavi was the predecessor of the modern Farsi language, and through this link the new shah hoped to identify with the imperial traditions of the ancient Persians, rather than the more recent and less progressive traditions of Islam.²⁶

²³ Ford, 7-8.

²⁴ This treaty was used by the Soviets to justify their occupation of northern Iran after the end of WWII. Despite their signing the 1943 Teheran agreement promising to withdraw from occupied Iran following the war's end, they argued this 1921 treaty allowed them to remain as long as their interests were threatened.

²⁵ Fawcett, 14.

²⁶ Ledeen, 6.

The Reza Shah Pahlavi embarked on an a relatively ambitious modernization program for Persia, seeking to both westernize and secularize his nation. In addition to modernizing the Persian army, the shah worked to break the power of tribal chieftains and weaken the authority of religious clerics, or *mullahs*, to pacify and unite the country under his centralized control.²⁷ He launched a limited land reform program, redistributing lands of the clergy to the peasantry in order to weaken the power the clergy and to build loyalty among the peasantry. These reforms served to revitalize a sense of Persian nationalism, linking the monarchy with the great historic traditions of Persia past. In line with this new identity sought by the shah, he renamed the country Iran in 1935.²⁸

Through the 1930's the shah launched a variety of industrial programs, including the building of the Trans-Iranian Railway with the assistance of American and European advisors. He utilized the German Junkers company to develop internal air services, and developed a cooperative fishery on the Caspian Sea with the Russians.²⁹ With the assistance of a group of American advisers led by financier and oil industry executive A. C. Millspaugh, he was able to improve Persia's oil production. By 1930, Persia was the world's fourth largest oil producer, behind the United States, Russia, and Venezuela.³⁰ Buoyed by his initial successes and an increased international prestige, the shah directed his growing concern for Persian national rights toward Great Britain and the Anglo-Persian Oil Company. In an attempt to increase revenues from the APOC he threatened to cancel the company's concession in 1932, forcing the British to appeal the matter to the League of Nations. A compromise was reached in 1933 whereby the concession was preserved but the shah was able to extract more favorable terms for Persia.³¹

²⁷ Mansfield, 212.

²⁸ Mansfield, 212.

²⁹ Mansfield, 213.

³⁰ Bill, 60.

³¹ Yergin, Daniel. *The Prize: The Epic Quest for Oil, Money and Power*. New York: Simon and Schuster, 1991, 271.

The shah continued to assert his nationalist authority against British interests in Persia, forcing them to relocate their seat of authority for the region to Bahrain, remove two coaling stations from Persian territory, and re-route Royal Air Force flights around Persian air space. Despite the impressive accomplishments of the shah in asserting the sovereignty of his nation between the World Wars, the onset of the second great war spelled the end for his national aspirations. Many influential Iranians, including the shah, had developed strong ties with Germany, partly to offset the past imperialist aggressions of England and Russia, and partly because of strong German support of Reza Shah's industrialization programs. The shah tried to assert Iran's neutrality in the conflict, but the Allies, concerned with the possibility of German access to Iran's oil, demanded that the Iranian government cooperate with Allied war efforts. The United States, not yet a belligerent in the war but bound to support both England and Russia by the Lend-Lease Act of 1941, refused to support Reza Shah's appeal for neutrality.³²

On August 25, 1941 British and Soviet troops invaded Iran, facing little resistance from hopelessly inferior Iranian Army.³³ In a plea from Reza Shah to President Roosevelt, the Shah accused the America's allies of crossing "brusquely and without previous notice the boundaries of this country occupying certain localities and bombarding a considerable number of cities which were open and without defense."³⁴ Reza Shah's pleas drew little more than sympathetic rhetoric from the Roosevelt administration.³⁵ With his power undermined by the allied occupation, the shah abdicated and his son Mohammad Reza Pahlavi, then twenty-two-years-old, was installed on the Peacock Throne.³⁶ As historian Robert Graham characterized it, the shah fell victim to powers

³² Bill, 18.

³³ Kuniholm, 140.

³⁴ Alexander and Nanes, eds. *The United States and Iran: A Documentary History*. Washington: University Publications of America, 1980. *The Shah of Iran (Reza Shah Pahlavi) to President Roosevelt*, (August 25, 1941). 77-78.

³⁵ Alexander and Nanes, *President Roosevelt to the Shah of Iran (Reza Shah Pahlavi)*, (September 2, 1941), 79-80.

³⁶ Kuniholm, 141.

with which he could not compete, powers that "were capable of riding roughshod over Iranian sovereignty if they felt their vital interests were at stake."³⁷

In January of 1942, the British and Soviets signed the Tripartite Treaty of Alliance with Iran, ironically acknowledging Iran's sovereignty and independence and agreeing to defend Iran from outside aggression. It also stipulated that the occupation forces would withdraw from Iran within six months of cessation of hostilities. Yet the agreement also provided for the Soviets and British to again divide Iran into spheres of influence, with the British assuming chief occupation responsibilities in the southern, central and western portions, while the Soviets administered the northern provinces of Azerbaijan, Gilan and Mazandaran.³⁸ The integrity of the Iranian government suffered greatly under the occupation forces. The prime minister and Majlis deputies were for the most part selected by the occupying powers, and their turnover rate suggested a political revolving door.³⁹ The young shah was little more than a figurehead, his survival on the Peacock throne subject to the decisions of the occupying powers. For the Iranian people, the occupying forces were a national disgrace and a profound source of humiliation to the national pride.⁴⁰

The United States became involved in wartime Iran shortly after the Allied invasion, providing troops under the command of British forces to assist primarily in the movement of American lend-lease supplies to the Soviets. Meeting with Stalin and Churchill at the Teheran Conference of 1943, Franklin D. Roosevelt added the United States' support for the tripartite agreement by promoting a formal declaration from the three allies stressing the need of each to recognize the independence and territorial integrity of Iran following the war's end. The intent of the declaration, however, had less to do with Allied concern for Iran's sovereignty than Roosevelt

³⁷ Graham, Robert. *Iran: The Illusion of Power*. New York: St. Martin's, 1980, 57.

³⁸ Mansfield, 224.

³⁹ Ledeen, 9.

⁴⁰ Ledeen, 9.

and Churchill's fear that the Soviet's would use their foothold in the north to eventually bring all of Iran into the Soviet sphere.⁴¹

The Development of American Foreign Policy

The development of American foreign policy in Iran evolved slowly since the early part of the 20th century. Initially limited to diplomatic protests over the treatment of American missionaries in what was then Persia, the small legation of the United States reflected the limited American interest in Iran. One early figure whose experience also reflected the limited extent of American policy was W. Morgan Shuster, an American financier who was appointed treasurer-general of Iran in 1911. Selected from a list of applicants provided by the American government at the request of the Persian parliament,⁴² Shuster took his position as an employee of the Persian government seriously, working diligently to prevent both the Russians and British from interfering with Persian sovereignty.⁴³

Despite the positive influence of Shuster's policies on Persian financial affairs, his resistance to foreign intervention raised the ire of the British and Russians, both of whom were attempting to exploit oil reserves in northern Persia. The resulting disputes escalated to the point that both the Russians and British governments sent troops into their respective spheres of influence in 1911, placing great pressure on the Persian government.⁴⁴ In the face of such pressure from these foreign powers, the Persian government was forced to expel Shuster. Despite Persian pleas for

⁴¹ Sick, Gary. *All Fall Down: America's Tragic Encounter with Iran*. New York: Random House, 1985, 5.

⁴² Alexander and Nanes, *The Persian Charge' d'Affaires to the Secretary of State* (Feb. 17, 1911), 8-9.

⁴³ Cottam, 52.

⁴⁴ Alexander and Nanes, *The Persian Charge' d'Affaires to the Secretary of State* (Nov. 25, 1911), 11-12.

support, the United States responded by concluding that its role in this crisis could extend no further than providing protection for the departing Shuster and his American assistants.⁴⁵

This early experience in American diplomacy reflected the neutrality of the American government, introduced the Persian strategy of playing major foreign powers against one another, and demonstrated the hope that the Persians held out for American support, in spite of the fact that Shuster was in no way acting on behalf of the American government. The Persian perception of an American policy of protection against foreign imperialism was further enhanced by the Wilson administration's highly visible protest against the ill-conceived and short-lived Anglo-Persian Agreement of 1919.⁴⁶

In the early 1920's the Persian government actively courted the involvement of American oil companies, in part to provide a balance against British pressures. The Persian government's invitation to the American companies, which included Sinclair and Standard of New Jersey, stipulated that these companies not share their concessions with other nationals. Despite this stipulation, Sinclair entered negotiations with an American-Russian syndicate and Standard signed an agreement with Anglo-Persian, actions which ultimately cost both companies any chance of an oil concession. The American legation in Teheran expressed sympathy, if not outright support, for the actions of both companies, yet maintained a largely hands-off policy throughout the negotiations.⁴⁷

With the above exceptions, American policy toward Persia was notable largely for its absence. It was not until the outbreak of World War II that the United States began to formulate a deliberate policy toward the nation of Iran. A State Department memorandum written in January of 1943

⁴⁵ Alexander and Nanes, *The Secretary of State to the American Minister at Teheran* (Dec. 1, 1911), 13.

⁴⁶ Alexander and Nanes, *The Secretary of State to the Ambassador in Great Britain (Davis)* (Aug. 20, 1919), 23.

⁴⁷ Chester, Edward W., *United States Oil Policy and Diplomacy; A Twentieth Century Overview*, 254-256. Alexander and Nanes, *The Charge' in Persia (Murray) to the Secretary of State* (Sept. 19, 1924), 48-50.

reflected the emerging interest of the United States in Iran and the Middle East in general. This document attacked both Russian and British intervention in Iranian affairs. Although it recognized the Russians as the more aggressive of the two, both countries were portrayed as serious obstacles to Iranian sovereignty. The memo concluded by stating that only the United States was "in a position to build up Iran to the point at which it will stand in need of neither British nor Russian assistance to maintain order in its own House."⁴⁸ In another, and perhaps more revealing look into the nature of America's long term interest in maintaining an American presence in Iran, United States Secretary of State Cordell Hull wrote to President Roosevelt in August of 1943, concurring in general with the January State Department memo. He added, however, that "from a more directly selfish point of view, it is in our interest that no great power be established on the Persian gulf opposite the important American petroleum development in Saudi Arabia."⁴⁹

In support of that goal to establish an American presence in Iran, and at the request of the Iranian government, the United States provided diplomatic, financial and military missions to help guide the country through its wartime occupation. Because of the past relationship between the United States and Iran, and the propensity for the Iranians to view the Americans as a buffer between the British and Soviets, the American role in the allied occupation increased considerably.⁵⁰ The United States posted some 30,000 non-combatant troops in Iran for the purpose of maintaining the countries transportation and communication infrastructure. American Colonel H. Norman Schwartzkopf⁵¹ led a mission to advise and re-organize the Iranian police force, or gendarmerie, while General Clarence Ridley served on a third mission as intendant general to the Iranian army. Arthur C. Millspaugh, a former financial adviser under the deposed

⁴⁸ Alexander and Nanes, *Memorandum by John D. Jernegan of the Division of Near Eastern Affairs: American Policy in Iran* (Jan. 23, 1943), 94-99.

⁴⁹ Alexander and Nanes, *The Secretary of State to President Roosevelt* (Aug. 16, 1943), 103-104

⁵⁰ Cottam, 62.

⁵¹ Schwartzkopf was a 1917 graduate of the U.S. Military Academy and former head of the New Jersey police force. He should not be confused with the American general of Gulf War fame.

Reza Shah, served as the head of the financial mission, and Louis Dreyfus, Jr. headed the diplomatic mission. In addition, the United States established intelligence-gathering operations under the Office of Strategic Services (OSS) and military intelligence.⁵²

The purpose of these missions was to coordinate and assert American influence in the hope of strengthening Iranian stability.⁵³ Almost from the beginning, however, the various missions were bogged down by internal rivalry, a problem further exasperated by a lack of coherent policy from Washington. Schwartzkopf and Ridley quarreled over the funding and authority of their respective missions, mirroring rifts that had developed between the State Department and the Department of War. Millspaugh, whose mission was the only one directly responsible to the Iranian, rather than American government, was in open dispute with the American military missions over funding priorities. In addition, Millspaugh angered important Iranian nationals with his extensive reform measures and authoritarian manner.⁵⁴

As the conflicts escalated, the question of American interventionism began to be raised among both the Americans and Iranians. Dreyfus, in a 1943 letter to the Secretary of State, worried "that there is a growing tendency on the part of the Iranians to classify the United States with the British and Russians and, at least by inference, to blame us increasingly for Iran's woes."⁵⁵ An influential member of the Iranian Majlis, Muhammad Musaddiq, expressed concern that the policies of Millspaugh and the increased presence of the United States would upset the delicate balance of power between the British and Russians in favor of the British.⁵⁶ By the end of 1944 the United States had distanced itself from Millspaugh's policies. The Majlis stripped him of his powers in

⁵²It should be noted that the intelligence operation was disbanded at the insistence of the Soviets, who strongly objected on the grounds that an American intelligence operation in Iran was "superfluous." Kuniholm, 149.

⁵³ Painter, 76.

⁵⁴ Cottam, 63.

⁵⁵ Bill, 24.

⁵⁶ Bill, 26.

January of 1943 and on February 15 Millspaugh resigned.⁵⁷ Like Shuster, Millspaugh's policies were not dictated by the United States, but they did affect how the Iranians perceived American intentions. American policy in Iran was in a state of flux, and with the end of World War II rapidly approaching, that policy faced new and more critical challenges.

Oil Crisis of 1944: Opening Salvo in US-Soviet Conflict

The war-time occupation of Iran by the British, Soviets, and Americans was also accompanied by renewed efforts to obtain further oil concessions within Iran. The Iranian government played an important role in stimulating this development by offering an oil concession to an American oil company, the Standard Vacuum Oil Company (Stanvac) in February of 1943. Most observers saw this move as a deliberate attempt by the Iranian government to further involve the United States in Iranian affairs, as leverage against British and Soviet pressures.⁵⁸

By 1943, American interest in Middle East oil was high and the State Department supported the involvement of American oil companies. In a statement which suggests the extent of American interest in Middle Eastern oil the State Department informed Stanvac "that because of the importance of petroleum, both for the long-range viewpoint and for war purposes, the Department of State looks with favor upon the development of all possible sources of petroleum."⁵⁹

Yet the State Department followed a rather ambiguous policy, particularly after a second American firm, Sinclair Oil Company, announced in March of 1944 that it too desired an Iranian oil concession. The State Department sent a petroleum attaché, Richard Ford, to facilitate communications between the Iranian government and the American companies. At the request of

⁵⁷ Cottam, 63.

⁵⁸ Cottam, 51. Kuniholm, 192.

⁵⁹ Kuniholm, See note #143, 193..

the Iranian government it also recommended an American consulting firm headed by petroleum expert Herbert Hoover, Jr., who had recently helped the Nicaraguan government arrange favorable terms with American and British oil companies. Despite such assistance, the State Department refused to actively assist either company in obtaining an oil concession, citing American principles of equal opportunity and free enterprise. An American official involved in the negotiations expressed his frustration with the lack of cohesiveness in Department policy by writing that

it is quite impossible to utilize the favorable position in which the Department is situated where it can take no action to help either American party where such action might be to the conceivable detriment of the other American bidder, even though such action might result in the award of the concession to an American company...⁶⁰

The British, in a move to protect their interests in Iranian oil reserves, encouraged Royal Dutch Shell to enter negotiations with Iran in the fall of 1943 for the same concession which the American companies were interested.⁶¹

The ensuing competition for oil presented a number of problems for the United States. First, it held great potential for straining war-time relations with her British ally. British concerns regarding oil in the Middle East, expressed by Shell executive Sir Frederick Godber, were that England keep "up our end before the Americans get all there is left."⁶² British government apprehension was also expressed in an exchange between Churchill and Roosevelt. After initial concerns were expressed by both leaders over intrigues against the oil concessions of each in the Middle East, Roosevelt attempted to alleviate the concern of his allies by stating in March of 1944 that "I am having the oil question studied by the Department of State and my oil experts, but please do accept my assurances that we are not making sheep's eyes at your oil fields in Iraq or Iran." Churchill's response to Roosevelt suggests a subtle hint of the importance of the oil concession issue for the two powers: "Thank you very much for your assurances about no sheep's

⁶⁰ Kuniholm, 194.
⁶¹ Painter, 78.
⁶² Bill, 28.

over at our oil fields in Iran and Iraq. Let me reciprocate by giving you the fullest assurance that we have no thought of trying to horn in upon your interests or property in Saudi Arabia."⁶³

The second, and most critical challenge for the United States came from the Soviet Union. While the British and Americans attempted to reassure each other, the Soviets saw the activities of their allies as a growing threat to their own strategic interests in the area. In the Soviet-Iranian Treaty of Friendship in 1921, the Soviets had relinquished their claims to an oil concession in the north with the proviso that no other power be granted a concession there. The British and American scramble for concessions in 1944 caused considerable apprehension among the Soviets, despite American attaché Ford's assurances that American oil companies were interested in southern, not northern concessions.⁶⁴

In September of 1944 the Soviets sought to counter British and American overtures by sending a mission to arrange for an oil concession in the north of Iran. The Soviet mission, headed by Vice-commissar for Foreign Affairs Sergei Kavtaradze, asked for a five-year concession in the north of Iran.⁶⁵ The Iranian Prime Minister Sa'ed, in a difficult position in view of the overtures proffered to the United States and the concessions already in the hands of the British, had Hoover draw up a contract for a possible Soviet concession in the north.⁶⁶ It was this scramble by the Allies for an Iranian oil concession that triggered the first of three episodes that resulted in the United States replacing the Soviets as a major foreign influence in Iran.

The Iranian government, subject to wartime occupation by three world powers, found itself in an extremely delicate situation. The government had, in fact, created much of the problem with

⁶³ Kimball, ed. *Churchill & Roosevelt: The Complete Correspondence*, Churchill's comments are found in document C-601, *Prime Minister to President Roosevelt Personal and Most Secret* (Mar. 4, 1944), 17. Roosevelt's are found in document R-485, *Personal and Secret. From the President to the Former Naval Person* (Mar. 3, 1944), 14.

⁶⁴ Kuniholm, 194.

⁶⁵ Painter, 79.

⁶⁶ Kuniholm, 195.

which it was confronted by when it invited American oil interests as a counter to Soviet and British pressures. The struggle of these occupying powers over Iran's petroleum resources was not lost on the Iranian people and domestic pressure mounted against foreign intervention. Muhammad Musaddiq, an influential spokesman in the Majlis, spoke out against the Iranian Prime ministers who had encouraged American involvement in Iranian affairs, arguing that such encouragement had led to the latest Soviet demands. As Musaddiq reasoned: "When from the other side of the world the American government asks for a concession, why should the Soviet government, which is our neighbor, not do so?"⁶⁷

Faced with both domestic and external pressure, the Iranian Cabinet voted on 8 October, 1944, to postpone all oil concessions.⁶⁸ The Soviets were outraged by the Iranian actions, as was the Tudeh party, which came out in open support of the Soviet efforts. The Soviet government responded with a dramatic show of political pressure against the Iranian government, focusing in particular on Prime Minister Sa'ed. Kavtaradze, in a meeting with Sa'ed on 9 October, warned the Prime Minister of the "unhappy consequences" of refusing an oil concession to the Soviets.⁶⁹ The Moscow press attacked Sa'ed and the Iranian government as anti-Soviet, playing off internal tensions already divided both for and against the Soviets. Those internal tensions were further aggravated by the open support for the Soviets by the Tudeh Party, which launched marches, protests and riots against the Sa'ed government.⁷⁰

In the face of such pressure, the position of the United States was somewhat ambiguous. George Kennan, American charge' in Moscow, sent a protest note to Moscow in view of the Teheran Declaration, the United States could not "concur in any action which would constitute

⁶⁷ Bill, 29.

⁶⁸ Bill gives much of the credit for postponement of oil concessions to Musaddiq and other domestic pressure, 29. Painter suggests British and American "encouragement" was instrumental, 79.

⁶⁹ Kuniholm, 196; FRUS 1944, V. *The Ambassador in Iran (Morris) to the Secretary of State* (Oct. 13, 1944), 456.

⁷⁰ FRUS 1944, V. *The Ambassador in Iran (Morris) to the Secretary of State* (Nov. 1, 1944), p.464.

undue interference in the internal affairs of Iran."⁷¹ Yet American commitment to Iran's sovereignty had its limits at this time. As Wallace Murray, Director of the Office of Near Eastern Affairs pointed out, "we are in the midst of a war... we cannot take any action which would interfere with the conduct of the war and with our vitally important relations with Soviet Russia."⁷²

In light of both internal and external pressures, Sa'ed resigned as Prime Minister on 8 November, 1944. His resignation, and the fact that the Soviets were still under wartime restraints, resulted in an easing of tensions. In the wake of the lease episode a bill was introduced by Musaddiq that made it illegal for any government official to negotiate or grant an oil concession to foreign interests without approval of the Majlis. While the Iranian Constitution had always required final approval of the Majlis before any concession could be legally granted, Mussadiq's bill provided the government with a stronger defense against possible future external pressure by directing that pressure against the entire body of the Majlis, rather than an individual leader such as Sa'ed. The bill was also significant in that it contained a provision calling for the Iranian government to take a more active role in the administration and exploitation of Iranian oil resources.⁷³ The provisions of the oil bill were important signals of Iran's increased interest in independence from external intervention in Iranian politics and of Iranian leaders' emerging intent to gain greater control of Iran's economic resources. The Majlis passed the bill unanimously on 2 December, 1944.

⁷¹ Kuniholm, 198: FRUS 1944, V: *The Ambassador in Iran (Morris) to the Secretary of State* (Nov. 1, 1944), 464-465. In this telegram, Morris re-iterates Kennan's protest to Moscow.

⁷² Painter, p. 80: FRUS 1944 V: *Memorandum of Conversation, by the Director of the Office of Near Eastern and African Affairs (Murray)* (Nov. 3, 1944), 467.

⁷³ U.S. Ambassador Morris noted the significance of Mussadiq's bill in a 5 December memo to Secretary of State E. R. Stettinius, Jr. FRUS 1944, V: 479-480.

The Soviet Union complained bitterly that the law favored the British whose concessions remained intact.⁷⁴ They also continued to apply pressure on the Iranian government, in particular the new Prime Minister, Mostafa Qoli Bayat. Bayat responded to Soviet entreaties calling for revision of the new law, which the Soviets considered objectionable and obstructive, by stating there was nothing he could do, even if he so desired, since the law was already passed by the Majlis.⁷⁵ The Soviet mission, having failed to secure an oil concession, left for Moscow on 9 December, 1944.

The United States and Great Britain took measures in stride. The United States informed the Iranian government that while the American companies were "disappointed" at the decision, particularly after expending considerable effort and expense to obtain concessions, it was trusted that the Iranians had acted in good faith and would be expected to continue such good faith when negotiations were resumed. These sentiments, expressed by Acting Secretary of State Edward Stettinius, reaffirmed existing American policy "based on the American Government's recognition of the sovereign right of an independent nation such as Iran, acting in a nondiscriminatory manner, to grant or withhold commercial concessions within its territory."⁷⁶ Such assurances, argued Stettinius, were further guaranteed by the Teheran Declaration of 1943, signed by Stalin, Roosevelt and Churchill, which proclaimed that their three nations were "at one with the government of Iran in their desire for the maintenance of the independence, sovereignty and territorial integrity of Iran" in accordance with the principles of the Atlantic charter, to which all four nations subscribed.⁷⁷

⁷⁴ Ambassador Morris reported a conversation with Soviet Ambassador Maximov that the U.S. and U.S.S.R. had been the losers under the new law and should work to influence the new government to look more favorably on oil concessions. FRUS 1944, V: *The Ambassador in Iran (Morris) to the Secretary of State* (Dec. 6, 1944), 481.

⁷⁵ FRUS 1944, V: *The Ambassador in Iran (Morris) to the Secretary of State* (Dec. 9, 1944), 483-484.

⁷⁶ FRUS 1944, V: *The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)* (Oct. 30, 1944), 463. This policy was a continuation of that set forth by Stettinius' predecessor, Cordell Hull.

⁷⁷ This excerpt from the Tripartite Declaration is drawn from *The United States and Iran: A Documentary History* Alexander and Nanes, eds.; p. 143.

Stettinius' moderation hints that the United States was not overly disappointed by the turn of events. Although Kennan interpreted Soviet motives in Iran as essentially defensive,⁷⁸ there had been a growing concern among British and American officials over Soviet intentions toward Iran. As early as October, American Ambassador Morris wrote of British fears that the Soviets' demand for an Iranian concession would be used as a "precedent for similar demands in Bulgaria, Yugoslavia and possibly Greece to extend their influence over any type of wealth possessed by those countries."⁷⁹ Morris' concern over Soviet activities was such that he recommended, in this same memo, that the British and Americans, either separately or together, send representations directly to the Soviet government. If such action was not diplomatically advisable, he continued, "it might be well to encourage the Iranian Government to postpone for 6 months or a year the granting of any concessions."⁸⁰

American foreign policy in Iran began to take on a heightened emphasis as a result of the war-time scramble for oil concessions by the Allied powers, which represented the first of the three conflicts that drove an increasingly divisive wedge between the United States and the Soviet Union. While American policy was directed at preserving Iranian sovereignty, there was a growing realization that the United States would be required to play a leading role in guaranteeing that Iranian independence could be attained. The rift that developed over Iranian oil concessions in the wartime alliance between the Soviets, British and Americans exposed a clash of political and economic interests that centered around the extremely vulnerable nation of Iran. Although crisis was averted, in some measure due to an emerging nationalist consciousness within Iran led by

⁷⁸ In a 7 November memo to the Secretary of State, Kennan stated the belief that the Soviets were not primarily concerned with Iranian oil, rather they feared other powers making inroads into northern Iran, which was very near the vital Soviet oil fields of Baku. FRUS 1944, V: *The Charge' in the Soviet Union (Kennan) to the Secretary of State* (Nov. 7, 1944), 470. This position could be seen as quite similar to that of the US interest in protecting American oil interests in Saudi Arabia.

⁷⁹ FRUS 1944 V: *The Ambassador in Iran (Morris) to the Secretary of State* (Oct. 7, 1944), 455.

⁸⁰ Although Morris's suggestion of a postponement came one day prior to Sa'ed's announcement, there is no evidence to indicate overt American influence over the decision.

popular leaders such as Muvaddiq. American resolve to support Iranian sovereignty was only beginning to be tested. As the war drew to a close, the United States was again faced with the dilemma of supporting the sovereignty of a nation long-accustomed to dancing in the political embrace of competing world powers.

The Azerbaijan Crisis: The Second Round

The pressing question in Iran as the war effort began to wind down in 1945 was the withdrawal of Allied troops. A series of conferences⁸¹ between the three powers were held in which a date for withdrawal from Iran became an increasingly important issue. Despite British and American calls for early withdrawal from Iran, the Soviets were reluctant to reach any such agreement. Rather, they continued to apply pressure on the Iranian government for economic concessions in the north. As part of their strategy, they increased their involvement in internal strife within Iran, primarily in the northern province Azerbaijan. This interference in Iranian affairs was greatly disturbing to the Iranians and Americans alike, and was to form the basis for the second major struggle between the United States and the Soviet Union over Iran. The United States, whose support was seen by Iranians as critical in their handling of the oil crisis, found itself increasingly drawn into the ongoing struggle over Soviet involvement in Iranian affairs.

In August of 1945, the U. S. Director of the Office of Near Eastern and African Affairs, Loy Henderson, drafted a memorandum to the Secretary of State in which he summarized American policy toward Iran as having two objectives. The first he cited as an immediate objective, which was "to respond sympathetically to the appeals of a friendly nation." The second objective was long-range, geared toward contributing to "the reconstruction of Iran as a sound member of the

⁸¹ Malta Conference, January 1945; Yalta, February, 1945; Potsdam, July, 1945.

international body politic, and thereby to remove a future threat to Allied solidarity and international security."⁸² Henderson felt that present and future policy must take into account "the intensification of the traditional Anglo-Soviet conflict for supremacy in Iran," which he felt had been temporarily held in check by the wartime alliance. The result of this renewed conflict was an internal struggle between "leftist and conservative" forces that were weakening the Iranian government and creating a "political vacuum... in which continued foreign interference is inevitable." Henderson cited these "disturbing developments" as evidence that Iran will become "one of the major security problems of the future." Because of the internal political conflict and the external Anglo-Soviet maneuvers, Henderson argued that future American policy in Iran must be governed according to the "requirements of international security."⁸³

In pursuit of the above goals, Henderson argued that a multilateral program of support under the auspices of the three major powers or a broader United Nations effort was needed to address Iran's external problems. For Iran's internal problems, Henderson outlined a more unilateral approach, with the United States encouraging the Iranian Government to "assume the responsibilities and functions of a sovereign state, and to establish a legitimate and strong central government which will be representative of the population and effectively responsive to its needs." Henderson closed his memorandum with a pledge that the United States would make every effort to prevent infringement of Iranian sovereignty or any attempt by outside powers to pursue policies of expansionism or regionalism at the expense of Iran.⁸⁴

Less than two months later, Secretary of State Byrnes expanded on the direction of United States policy toward Iran in a memo to Secretary of War Patterson regarding post war military missions. Secretary Byrnes was of the opinion that the request for continuance of American

⁸² Alexander and Nanes, *Memorandum by the Director of the Office of Near Eastern and African Affairs (Henderson) to the Secretary of State*. (Aug. 23, 1945), 147-153.

⁸³ Alexander and Nanes, 152.

⁸⁴ Alexander and Nanes, 153.

military missions by the Iranian government should be honored since they served the American national interests. He felt that by strengthening Iran's internal security the United States could "remove any pretext for British or Soviet intervention" in Iran's internal affairs, thereby preventing "future threats to Allied solidarity and international security." The Secretary went on to state that the military missions' stabilizing influence in Iran will "serve to lay a sound foundation for the development of American commercial, petroleum, and aviation interests in the Middle East."⁸⁵ Taken together, these diplomatic statements reveal the growing importance of the Middle East and Iran to America's post-war future. They reveal an important shift from the short-range "sympathetic" policy of the United States during World War II toward one that closely linked Iranian "sovereignty" with the long-range interests of the United States in the Middle East. As World War II drew to a close the alliance of the big three superpowers became increasingly strained. The province of Azerbaijan served as a focal point for a growing struggle over influence in the Middle East, a struggle in which the Soviet Union came to be viewed by the United States as a threat to Iranian sovereignty as well as a threat to international security.

The Soviet Union, which shared an extensive border and had strong historical ties with Iran, also had a great deal of interest in the region and was understandably concerned about British and American activities in Iran. Still stinging from the rejection of their concession demands, they felt that the various American missions and the well entrenched British oil interests gave those countries an unfair advantage in Iran's post-war affairs. In light of the political instability of the Iranian government, they were particularly anxious over the susceptibility of Iranian leadership to British and American influence at the expense of Soviet interests.⁸⁶ The Soviets were also concerned with the security of their Baku oil fields, which they felt could be ultimately threatened

⁸⁵ Alexander and Nanes, *The Secretary of State to the Secretary of War (Patterson) on Interest of United States in Maintaining Postwar Military Mission in Iran* (Oct. 17, 1945), 153-154.

⁸⁶ Byrnes, James F. *Speaking Frankly*. New York: Harper and Brothers, 1947, 119; Cottam, 66-68;

if other powers established a dominant presence in Iran. A CIA research report in 1947 categorized Soviet interest in Iran as defensive and political rather than economic. Quoting a Soviet General Staff statement from 1941, "Iran is today a country of great strategic importance since it could be used as a base for launching an attack against the Soviet Union."⁸⁷

In light of the extent of British and American activities in Iran, as well as the proximity of Iran to its sensitive southern border, it is understandable why the Soviet Union would have been reluctant to withdraw from Iran. Continued Soviet military occupation allowed the Soviet Union to bolster the indigenous separatist movements that had been increasingly active and influential in the midst of the Iranian political turmoil. It also served as leverage for the Soviets in their attempts to gain political and economic concessions from the Iranians to counter those it believed were enjoyed by its allies, the British and Americans.⁸⁸

The British and Americans continued to press the Soviets for an agreement to withdraw, and came to see the withdrawal issue as a test case for the three powers to live up to the obligations of the newly created United Nations charter.⁸⁹ It was not until negotiations in London in September of 1945 that the three powers agreed to withdraw their forces, with the scheduled date to be March 2, 1946.⁹⁰ But even as the London agreement was easing tensions the internal political situation in Teheran was reaching crisis proportions. Azerbaijani and Kurdish separatists movements had been agitating throughout the war years for the establishment of autonomous states in the north. Both regions had long standing grievances against past and present policies of the Iranian

⁸⁷ *CIA Research Reports: The Middle East, 1946-1976*. SR-6, *Iran*, 1. This 1947 report, reflecting a well entrenched Cold War mentality, also reported the converse, that Iran could also be used as a base for Soviet attack on areas that were vital to U. S. interests.

⁸⁸ Bill, 32.

⁸⁹ FRUS 1945, VIII: *Memorandum by the Director of the Office of Near Eastern and African Affairs (Henderson) to the Secretary of State* (Dec. 11, 1945), 489.

⁹⁰ The date for withdrawal as established by the Tripartite Treaty called for Allied withdrawal 6 months following the end of hostilities. The Iranian government interpreted this to mean the capitulation of Germany, while the Soviets adopted a strict interpretation of the treaty which meant hostilities ended with the 2 September capitulation of Japan.

government and had used the Soviet occupation to further their cause. Iranian attempts to put down separatist protests had been repelled by Soviet forces, and repeated pleas by the Iranian government against Soviet intervention had been ignored. In November of 1945, with the support and encouragement of the Soviets and the Tudeh party, separatist revolts against the Iranian government were launched in both Azerbaijan and Kurdistan. Soviet forces kept the Iranian gendarmerie in the regions confined to their barracks and they prevented the Iranian army from entering the regions to put down the revolts. The Soviet troops informed the Iranian commander that his advance would be considered an "attack on the Soviet Union."⁹¹

American officials responded to the unrest in Azerbaijan with alarm and caution. The alarm was outlined by Loy Henderson who, in a memo to Assistant Secretary of State Dunn, decried Soviet intervention in Azerbaijan, both for its effect on Iranian sovereignty and its "broader implications." Henderson saw the loss of Azerbaijan as "fraught with dangerous possibilities" in that it threatened the "empire position of Great Britain throughout the area" as well as "our oil, economic, and strategic interests in the area." He explained the United States' growing interest in Iran was reflected in a policy "based not only on a desire to assist a friendly nation but also has been designed to prevent Iran from becoming a threat to Allied solidarity and international security."⁹² Despite these strong assertions of American will to play an increasingly dominant role in international affairs, the initial American response to the Azerbaijan crisis was rather limited, reflecting a cautious approach toward the Soviet Union that marked American policy throughout the period.

In response to Iranian pleas for assistance, the United States sent a diplomatic note to the Soviet Union on 23 November, suggesting that as long as Allied troops remained on Iranian soil,

⁹¹ FRUS, 1945, VIII: *The Ambassador in Iran (Murray) to the Secretary of State* (Nov. 22, 1945), 442.

⁹² FRUS, 1945, VIII: *Memorandum by the Director of the office of Near Eastern and African Affairs (Henderson) to the Assistant Secretary of State (Dunn)*, (Nov. 19, 1945), 430-431.

"incidents and misunderstandings" were likely to occur. The memo further suggested that all Allied troops be withdrawn by 1 January, 1946 in order to eliminate the possibility of additional misunderstandings.⁹³ Initially there was not a clear understanding of the events in Azerbaijan; accurate information from the region was difficult to attain.⁹⁴ Some observers noted the domestic roots of the uprising, which stemmed from past policies of the Reza Shah that had alienated the northern tribes. A prominent official of the British Foreign Office reported to the State Department in the early phase of the revolt that while there was no doubt that the Soviets were behind the unrest, concrete evidence was still lacking. He also argued, though, that there was considerable historic precedence for conflict between Azerbaijan dissidents and Teheran to account for the unrest.⁹⁵ Both the Kurds and Azeris had long-standing grievances with the Iran government, and had taken advantage of the Soviet occupation to act upon those grievances. Rather than being seen as the driving force behind the revolt, the Soviets were viewed by many State Department officials as taking advantage of the unrest to gain leverage in their struggle for greater influence in the region.⁹⁶

Most interpretations, however, were more ominous. Iran, through the persistent efforts of Royal Court spokesman Hussein Ala, sought to portray the events as evidence of Soviet aggression in clear violation of the Teheran Declaration.⁹⁷ American diplomats such as Wallace Murray cited Soviet actions as part of an overall plan to incorporate Azerbaijan, and most likely Iran, into the Soviet sphere, through the establishment of popular pro-Soviet governments. Murray linked Soviet

⁹³ FRUS 1945, VIII: *The Secretary of State to the Ambassador in the Soviet Union (Harriman)* (Nov. 23, 1945), 448-450.

⁹⁴ FRUS 1945, VIII: 436. *The Ambassador in Iran (Murray) to the Secretary of State*. Murray's memo cites communication difficulties, plus the unreliability of both official Iranian accounts and those of the Teheran press, which comprise the bulk of the information on the revolt.

⁹⁵ FRUS 1945, VIII: *The Ambassador in the United Kingdom (Winant) to the Secretary of State* (Nov. 21, 1945), 440-441.

⁹⁶ Kuniholm, 275;

⁹⁷ FRUS 1945, VIII: *Memorandum of conversation, by the Assistant Chief of the Division of Middle Eastern Affairs (Minor)* (Nov. 19, 1945), 434.

actions in Iran with those in Rumania, whose government was "led by men under Soviet influence amenable to Soviet demands and hostile to other foreign nations."⁹⁸ Although Murray believed the Soviets immediate objective was to establish a "buffer zone" to protect an attack from the north, he also believed that there were long-range implications to Soviet policy in Iran that posed a very real threat to American and British interests throughout the Middle East. He argued that Soviet dominance over the Iranian government would extend Soviet influence to the Persian Gulf, threatening "our immensely rich oil holdings" in Kuwait, Bahrain and Saudi Arabia, and it would end all possibility of an American oil concession in Iran. Furthermore, it would lead to the exclusion of American airlines from Iran and would siphon Iranian trade to the Soviet Union to the "detriment of our commercial interests."⁹⁹

President Truman also expressed the growing climate of distrust over Soviet actions, not only in Iran but Greece as well. After hearing in October 1945 of additional Russian troops arriving in Iran, Truman thought that

It all seemed to add up to a planned move on the part of the Russians to get at least northern Iran under their control. Together with the threat of a Communist coup in Greece, this began to look like a giant pincers movement against the oil-rich areas of the Near East and the warm-water ports of the Mediterranean.¹⁰⁰

To counter these developments, Truman argued that the United States should make every effort, through the United Nations, to get their former ally out of Iran.

In a reflection of a new attitude toward the Soviet Union as well as a new attitude of the role of the United States in international affairs, Truman wrote a letter to Secretary of State Byrnes in January of 1946 condemning Soviet aggression in Iran as an "outrage" and drawing parallels to

⁹⁸ FRUS 1945, VIII: *The Ambassador in Iran (Murray) to the Secretary of State* (Sept. 25, 1945), 417-419.

⁹⁹ FRUS 1945, VIII: 417-419.

¹⁰⁰ Truman, Harry S. *Memoirs by Harry S. Truman: Year of Decisions, Volume One*. Garden City, N.Y.: Doubleday, 1955, 523.

Soviet actions in Latvia, Estonia, Poland and Lithuania. Truman cited the need to respond to the Soviets with "an iron fist" and "should let our position on Iran be known in no uncertain terms." Further highlighting America's new position in world affairs, Truman argued that "we should maintain complete control of Japan and the Pacific" and also create strong central governments in China and Korea. Truman ended his letter by stating that he was "tired of babying the Soviets."¹⁰¹

Despite such rhetoric, support for the government of Iran by the United States in early 1946 consisted largely of suggestions that Iran present an appeal to the United Nations calling for a Soviet withdrawal. When the Soviets ignored the March 1946 deadline, the State Department followed with a series of protest notes to the Soviet Union.¹⁰² The United States also supported requests by the Iranian government for Allied troop withdrawal from Iran by agreeing to withdraw all troops by January 1 of 1946, thus placing the international spotlight on the Soviet Union.¹⁰³ In a memo to President Truman, Iranian Ambassador Hussein Ala thanked the United States for its support, acknowledging that the only solution to Iran's problems was the immediate and simultaneous withdrawal of British and Soviet troops. The Ambassador pleaded with the President to "continue to stand up for the rights of Iran, whose independence and integrity are being trampled underfoot" and stating that "your country alone can save us, for you have always defended moral ideals and principles and your hands are clean." Ala ended his plea by calling for United States support to help Iran gain a seat on the United Nations Security Council, which would "strengthen her hands in the efforts she is making to uphold her independence and integrity."¹⁰⁴

¹⁰¹ Truman, *Year of Decisions*, 551-552.

¹⁰² Gasiorowski, Mark J. *U.S. Foreign Policy and the Shah: Building a Client State in Iran*. Ithaca, N.Y.: Cornell University Press, 1991, 51.

¹⁰³ The United States agreed to remove its occupation troops, but at the request of the Iranian government agreed to maintain the military missions headed by Ridley and Schwartzkopf. FRUS 1945, VIII: *The Secretary of War (Patterson) to the Secretary of State* (Nov. 24, 1945), 452-453.

¹⁰⁴ FRUS 1945, VIII: *The Appointed Iranian Ambassador (Ala) to the Secretary of State* (Nov. 27, 1945), 459-461. Ala made these remarks in a meeting with President Truman when he presented his credentials as the first Iranian Ambassador to the United States. Similar sentiments were expressed by Ala in a memo to Secretary of State Byrnes on November 28. 462-463.

Ala's plea for continued support presented a number of problems for the United States Government. In order that the United States not be viewed as hostile to Soviet interests it was unable to assure the Iranians of American support in advance of an Iranian complaint before the Security Council. On the other hand, the Iranians were reluctant to file a complaint without assurances of support from the United States for fear of confronting the Soviets on their own.¹⁰⁵ An additional problem was that the British did not want Iran to appeal, on the grounds that they hoped to form a Tripartite commission between the three powers to solve the Azerbaijan situation. The British felt an appeal to the United Nations by Iran would cause the Soviets to reject such a commission, and therefore Iran should hold off on its complaint until the Three Power Commission could be established.¹⁰⁶ Another possible motive for British reluctance was expressed in a memo by Ambassador Murray, who wondered whether it could prove embarrassing for the British to have "all the facts of foreign intervention in Iran aired in the UNO."¹⁰⁷

The position of the United States Government in this matter again reflected a great deal of caution. In a conversation with Ala, Henderson informed him that while the United States was not encouraging Iran to appeal, neither would it discourage such an appeal. He did state however, that the American government would "be glad if the matter could be settled outside the UNO and the UNO would be spared facing a problem of this kind at its inception."¹⁰⁸ Similar sentiments were expressed by Secretary of State Byrnes. In a meeting with Stalin over the Azerbaijan issue Byrnes warned that if Iran presented its case before the United Nations, the United States would be "be forced to support the position of Iran" even though they would "greatly regret" opposing the Soviets in the first meeting of the United Nations.¹⁰⁹ The idea that the United States was eager to

¹⁰⁵ FRUS 1946, VII: *The Secretary of State to the Ambassador in Iran (Murray)* (Jan. 2, 1946), 292-293.

¹⁰⁶ FRUS 1946, VII: *The Ambassador in Iran (Murray) to the Secretary of State* (Jan. 4, 1946), 294-295.

¹⁰⁷ FRUS 1946, VII: *The Ambassador in Iran (Murray) to the Secretary of State* (Jan. 10, 1946), 299-301.

¹⁰⁸ FRUS 1946, VII: *Memorandum of Conversation, by the Director of the Office of Near Eastern and African Affairs (Henderson)* (Jan. 4, 1946), 295-297.

¹⁰⁹ Byrnes, 120.

keep the issue from the world stage of the United Nations suggests that there was still considerable ambivalence toward American support for smaller nations at the expense of confrontation with larger ones.

Prime Minister Hakimi had earlier ordered the United Nations appeal rescinded, under direct pressure from the British, yet the Majlis rallied around the leadership of Mossadegh, who rejected the Tripartite Commission on the grounds that "it ran counter to the independence of Iran."¹¹⁰ On 19 January, 1946 Iran brought its case before the first meeting of the United Nations General assembly in London. The United States did in fact support Iran's action, based on a policy decision that the appeal was "reasonable" and introduced in "good faith."¹¹¹ The Soviet Union responded to Iran's appeals by denying interference in Azerbaijan and justifying its occupation based on the 1921 Soviet-Iranian Treaty of Friendship, which allowed for Soviet occupation of Iran if the Soviet frontier was threatened by a third power occupying Iran.

Prime Minister Hakimi had resigned his office following the United Nations appeal and was followed by the election of Qavam al-Salteneh in January of 1946. The new Prime Minister, who felt that the present problem was a continuation of the 1944 concession crisis, sought to negotiate with the Russians directly.¹¹² In that respect he was supported by figures such as Mussadiq, who argued for direct negotiations with the Soviets and the avoidance of any pacts which involved collusion among the Allied powers.¹¹³ Qavam also sought to soothe public opinion and placate the Soviets by removing several pro-British officials from his government, including the Iranian chief

¹¹⁰ FRUS 1946, VII: *The Ambassador in Iran (Murray) to the Secretary of State* (Jan. 10, 1946), 299-301.

¹¹¹ FRUS 1946, VII: *Memorandum by the Senior Advisor to the United States Delegation at the United Nations (Stevenson)* (Jan. 24, 1946), 309.

¹¹² Cottam, 72.

¹¹³ FRUS 1946, VII: *The Ambassador in Iran (Murray) to the Secretary of State* (Jan. 10, 1946), 299-301.

of Staff.¹¹⁴ In order to further this effort he also appointed a few select Tudeh sympathizers to his government.¹¹⁵

Under Qavam's government the Iranian appeal against the Soviet Union was again presented before the United Nations. After a series of discussions between Security Council members, it was decided that the matter would be referred to bilateral negotiations but the matter would be dropped from the agenda. While the Iranian Ambassador complained that his willingness to enter bilateral negotiations was based on the understanding that the matter remain on the agenda, the United States remained ambiguous in its support. When the Ambassador asked if he could count on future support from the United States, the American political advisor to the United Nations replied that while he could not commit to questions of a hypothetical nature, the Azerbaijan question would remain of "continuing concern."¹¹⁶

Despite the ambivalent nature of Iranian-American relations, American policy makers were confronted with new challenges during this period. On 9 February, 1946, Stalin made a speech in which he described a capitalist encirclement of the Soviet Union and spoke harshly of the active role that capitalism played in the previous world wars. His response to these developments was to call for a new five-year plan to build up the capabilities of the Soviet Union, particularly in the area of re-armament.¹¹⁷ The American response to Stalin's speech was reflected in a telegram from the American Ambassador to Moscow, George Kennan on 22 February, known as the "long telegram." An 8,000 word exposition on the expansionist designs of the Soviet Union and the need for American vigilance to stop the advance of Soviet communism, Kennan's telegram signaled a dramatic reappraisal of American relations with the Soviet Union, and brought into sharp focus

¹¹⁴ Kuniholm, 306.

¹¹⁵ Bill, 35.

¹¹⁶ FRUS 1946, VII: *Memorandum of Conversation, by Raymond A. Hare, Political Adviser to the United States Delegation at the United Nations* (Feb. 2, 1946), 327-328.

¹¹⁷ Kuniholm, 309.

the polarization of communist and capitalist ideology.¹¹⁸ On March 5, Churchill added to the mounting international tension by making his famous "iron curtain" speech in Missouri, in which he echoed many of the concerns from Kennan's "long telegram" and called for an alliance of western democracies to combat the threat posed by the expansion of Soviet communism.¹¹⁹

In the midst of these vitriolic exchanges of rhetoric between the superpowers of the East and West, Qavam went to Moscow to enter into a series of negotiations with Stalin and Foreign Minister Molotov. Arriving on 19 February, Qavam spent several weeks negotiating the withdrawal of Soviet forces, even as the March 2 deadline passed with no results. The Soviets were adamant that Qavam recognize the autonomy of Azerbaijan and also give the Soviets an oil concession. They also disregarded the terms of the Tripartite Treaty of 1942 and continued to base their occupation on a loose interpretation of the Friendship Treaty of 1921. The government of Teheran sent a diplomatic note of protest against continued Soviet occupation on 4 March, with the Americans and British following suit shortly thereafter.

On 18 March Ambassador Ala again brought Iran's case before the Security Council, this time with the support of President Truman and Secretary of State Byrnes, who called for immediate consideration of the case by the Security Council.¹²⁰ Meanwhile Qavam, who believed that settlement of the issue required an appeasement of Iran's northern neighbors, came to an agreement with the Soviets when on 22 March they offered to withdraw their troops by 6 May in return for promises for the arrangement of Soviet oil exploitation in the north.¹²¹ The oil concession would be contingent on the approval of the next Majlis session, whose ratification would be required

¹¹⁸ Harriman, W. Averell and Elie Abel. *Special Envoy to Churchill and Stalin, 1941-1946*. New York: Random House, 1975, 548.

¹¹⁹ Kuniholm, 315-316.

¹²⁰ FRUS 1946, VII: *The Secretary of State to the Ambassador in Iran (Murray)* (Mar.22,1946), 371-372.

¹²¹ FRUS 1946, VII: *The Ambassador in Iran (Murray) to the Secretary of State* (Mar.22,1946), 369-371.

within seven months.¹²² The Security Council, in light of this tentative agreement, decided to defer the matter until the expected withdrawal date of 6 May.

By mid-May the Soviet troops had been withdrawn from Iran and the attention of the Iranian government was focused on the situation in Azerbaijan. Qavam began to consolidate his power by courting the support of the Tudeh party, at the time the only organized political party in Iran. These actions were recognized by the new American Ambassador to Iran, George Allen, as politically risky yet potentially valuable, by drawing the Tudeh away from a reliance on the Soviets for support.¹²³ Qavam's actions were seen by the Shah, on the other hand, as quite harmful. In a meeting with Allen, the Shah indicated his dissatisfaction with the "passive policy" of Qavam, and urged "more direct American support to counteract Soviet penetration."¹²⁴ Allen responded by telling the Shah that such interference was "contrary to American character" and that the Shah should continue to work through the United Nations to prevent foreign interference. The Shah's hard line approach toward the Soviets was at odds with the policy of Qavam, who sought conciliation with the Russians.¹²⁵ This internal conflict reflected a growing rift between the Royal Court and the actions of the constitutional government, a rift in which the American officials would ultimately be driven to mend or favor one side at the expense of the other. Which the United States would choose was clear from the start; there was little more than a pretense of U. S. promotion of a democratic government in Iran.¹²⁶ The United States was concerned primarily with creating a strong, stable government in Iran that could stand up to external pressure and

¹²² The 14th session of the Majlis had expired on March 11, and prior to dissolving they had voted that no elections could be held while foreign troops remained in Iran. This declaration left Qavam to rule alone until the 15th Majlis could be elected. *CIA Research Reports; The Battle for Iran*, 14.

¹²³ FRUS 1946, VII: *The Ambassador in Iran (Allen) to the Secretary of State* (May 31, 1946), 490-491.

¹²⁴ FRUS 1946, VII: *The Ambassador in Iran (Allen) to the Secretary of State* (May 26, 1946), 486-487.

¹²⁵ FRUS 1946, VII: 487.

¹²⁶ Bill, 49.

intervention. At this point in time, the United States was willing to lend its support in favor of strength and stability.¹²⁷

The Americans were also at odds over the best approach toward Iran. When Qavam brought several members of the Tudeh Party into his Cabinet, American response was mixed. Allen saw this move as an attempt by Qavam to absorb the Tudeh into his newly formed Democratic Party of Iran, and also to "steal the thunder" from the Democrats of Azerbaijan, who had established the autonomous government in that region.¹²⁸ Robert Rossow, American Vice Consul in Tabriz, Azerbaijan, however, saw the situation much like the Shah and his supporters, who viewed Qavam's action as an indication that he had lost control and was in fact acting as a puppet of the Soviets.¹²⁹ Qavam, however, was able to maintain control of the situation, and kept in close contact with Ambassador Allen, who was careful to remain supportive yet noncommittal.

Qavam had entered into negotiations with representatives of the Azerbaijan Republic in June in the hopes of drawing them back into the fold, confident that the Soviets would not interfere while their opportunity for an oil concession remained hopeful. He was concerned, however that the Soviets would take a more aggressive approach if he had to use force to bring Azerbaijan back into the Iranian nation.¹³⁰ By the middle of August negotiations had broken down, and Qavam, committed to returning Azerbaijan to Iranian control by force if necessary, sought American assistance for his efforts. Again the American response to Qavam was to advise him to place his trust in the United Nations and nations such as the United States, which were committed to defending small nations from aggression. In what was becoming a familiar theme in American-Iranian policy, the United States stopped well short of providing Qavam with any guarantees.¹³¹

¹²⁷ Goode, James F. *The United States and Iran, 1946-51: The Diplomacy of Neglect*. London: Macmillan Press, 1989, 18-19.

¹²⁸ FRUS 1946, VII: *The Ambassador in Iran (Allen) to the Secretary of State* (July 1, 1946), 505.

¹²⁹ FRUS 1946, VII: *The Ambassador in Iran (Allen) to the Secretary of State* (Aug. 6, 1946), 510.

¹³⁰ FRUS 1946, VII: *The Ambassador in Iran (Allen) to the Secretary of State* (Aug. 13, 1946), 511-512.

¹³¹ FRUS 1946, VII: 511-512.

As the negotiations broke down, unrest broke out in the south of Iran among the Qashqa'i tribes which had long been hostile to Tudeh and Soviet intervention. Qavam was faced with a critical situation, particularly in light of suggestions that the British were behind the Qashqa'i uprising.¹³² Qavam decided to respond with a major shift in policy based upon a strong assertion of Iranian sovereignty throughout the country. Yet in keeping with Iran's practice of playing one power against another, Qavam felt such a policy was only possible with the financial and military support of the United States.¹³³ Although Allen was still unable to guarantee American support, Acting Secretary of State Acheson, in a letter to Byrnes, revealed a shift in the direction of American thinking. He wrote that the present situation "holds elements threat to international peace and security through involvement UK and USSR in protracted Iranian civil war" and that "best possible hope preserving Iranian independence would be to strengthen Qavam's hand by positive show US interest."¹³⁴ Secretary of State Byrnes was not yet ready to commit military support, however, despite reports from the Joints Chiefs of Staff that the loss or division of Iran into spheres of interest would greatly harm the strategic interests of the United States throughout the Middle East.¹³⁵ Despite the dire consequences of "losing" Iran to the West, the State Department remained firm in its policy that the responsibility for maintaining the independence and integrity of Iran "rests primarily on (government of) Iran."¹³⁶

Meanwhile, Qavam was being pressured by the Soviets to hold elections for the 15th Majlis, which he had agreed to do within seven months following the tentative Soviet-Iranian oil agreement of March which led to the Soviet military withdrawal. Qavam was understandably reluctant to

¹³² FRUS 1946, VII: *The Acting Secretary of State to the Secretary of State (at Paris)* (Sept. 27, 1946), 516-517.

¹³³ FRUS 1946, VII: *The Ambassador in Iran (Allen) to the Secretary of State* (Sept. 30, 1946), 518.

¹³⁴ FRUS 1946, VII: *The Acting Secretary of State to the Secretary of State, at Paris* (Oct. 1, 1946), 520.

¹³⁵ FRUS 1946, VII: *Memorandum by the Director of the Office of Near Eastern Affairs (Henderson) to the Under Secretary of State (Acheson)* (Oct. 8, 1946), 523-525.

¹³⁶ FRUS 1946, VII: *The Acting Secretary of State to the Ambassador in Iran (Allen)*, (Oct. 8, 1946), 527.

and elections while Iran was suffering through so much internal and external turmoil as was
Acheson, who was of the opinion that elections at such a time could mean the loss of Iranian
independence to the Soviets and severely endanger American interests in the area.¹³⁷ Acheson
expressed his hope that Qavam would postpone the elections. "as LA postponed elections in the
South during Civil War."¹³⁸

Ambassador Allen was becoming increasingly concerned over Qavam's dealings with the
Soviets during this period¹³⁹ and those concerns led him to again meet with the Shah to discuss
Qavam's ability to handle the current situation.¹⁴⁰ As a result of this meeting the Shah came to
the conclusion that Qavam "had to go," a position shared at the time by Ambassador Allen.¹⁴¹
Rather than dismissing Qavam, which was within the constitutional authority of the Shah, a
compromise was reached whereby Qavam was compelled to reorganize his Cabinet, expelling the
three Tudeh members and other Soviet sympathizers in the government.¹⁴² In a statement that
strongly suggests the direction of American support shifting toward the Shah, Allen saw great
benefit in allowing Qavam to remain because it was Qavam rather than the Shah who would bear
the brunt of Soviet and Tudeh attacks, allowing the Shah to reserve "his power for future use."¹⁴³

¹³⁷ FRUS 1946, VII: *The Acting Secretary of State to the Ambassador in Iran (Allen)* (Oct. 11, 1946), 528-529.

¹³⁸ FRUS 1946, VII: 529.

¹³⁹ In addition to the oil concession, Qavam had been negotiating for a joint Iranian-Soviet airline concession in northern Iran, which American officials feared would facilitate Soviet plans to absorb northern Iran into the Soviet sphere. FRUS 1946, VII: *The Acting Secretary of State to the Ambassador in Iran (Allen)* (Oct. 8, 1946), 527.

¹⁴⁰ FRUS 1946, VII: *The Ambassador in Iran (Allen) to the Secretary of State* (Oct. 15, 1946), 535.

¹⁴¹ FRUS 1946, VII: *The Ambassador in Iran (Allen) to the Secretary of State* (Nov. 2, 1946), 541-542.

¹⁴² Kuniholm gives a great deal of credit to Allen, who he claims advised the Shah that he should make Qavam resign if he failed to expel Soviet sympathizers from the government. 388-390: The Shah gave "his version" in a memorandum from Allen to Byrnes, which placed all credit for the change of government on the Shah's forceful stance, and portrayed Allen as a sympathetic and supportive bystander. FRUS 1946, VII: 537-539; Cottam downplays the Shah's role, citing an Allen memo that portrays Qavam's actions as a response to his realization that he could not successfully work with the pro-Soviet Tudeh members. The memo also notes that the new Cabinet is "straight Qavam Party", which would suggest that Qavam, rather than the Shah, was instrumental in its creation. That same memo does, however, acknowledge the representations of the American and British Ambassadors, whose "insistent advice and warnings" helped to bring about Qavam's decisions. FRUS 1946, VII: 536-537.

¹⁴³ FRUS 1946, VII: *The Ambassador in Iran (Allen) to the Secretary of State* (Nov. 2, 1946), 541.

These events point to an increased willingness on the part of the U. S. officials to direct and perhaps manipulate discord within the Iranian government for the sake of long-term stability.

The upcoming elections were of great concern to the Americans, who feared that Soviet sympathizers would win in Azerbaijan and from there infiltrate the government in Teheran. In light of the purging of the pro-Soviet elements from the Iranian government, and the persistent urging of Allen in response to calls for assistance from the Shah and Prime minister, the Secretary of State announced on 28 October that \$10,000,000 in defensive arms would be sold to Iran. Additional support for Iran was promised by Acheson in late November, which demonstrated a pronounced shift in American policy, offering to support Iran "not only by words but appropriate acts."¹⁴⁴

Buoyed by these pronouncements of American support, elections were called for December 7, 1946. Qavam announced that government troops would be dispatched to all provinces, including Azerbaijan, to maintain peace and order during the elections. The Soviets complained bitterly of the plans to dispatch troops into the Autonomous Republic of Azerbaijan, but Iran was given a powerful boost of support by Allen, who responded to Iranian press inquiries that it was "an entirely normal and proper decision" for the Iranian government to send troops to maintain order during elections.¹⁴⁵ In addition, Qavam presented his case to the United Nations Security Council, informing that body that he was exercising Iran's sovereign right to supervise the elections for the 15th Majlis and that any Soviet intervention in the affairs of Iran would constitute a threat to international peace.¹⁴⁶

With the acknowledged American support and the matter before the Security Council, the Iranian army moved into Azerbaijan on December 8, meeting only token resistance. Within a

¹⁴⁴ FRUS 1946, VII: *The Acting Secretary of State to the Ambassador in Iran (Allen)* (Nov. 22, 1946), 546.

¹⁴⁵ FRUS 1946, VII: *The Ambassador in Iran (Allen) to the Secretary of State* (Nov. 27, 1946), 548.

¹⁴⁶ FRUS 1946, VII: *The Ambassador in Iran (Allen) to the Secretary of State* (Nov. 29, 1946), 549.

number of days, both Azerbaijan and Kurdistan had been returned to the control of the Iranian Government, with the Soviets offering little more than moral support for their puppet regimes. The victory was so swift and one-sided that Allen reported the Iranians to be in a "daze, incredulous that war could be over so easily and hesitant to celebrate too early lest there be a hitch somewhere."¹⁴⁷ Ambassador Allen wrote the Secretary of State that the Shah and the vast majority of Iranians credited the resolve of the United States, which convinced the Soviets that the United States was "not bluffing and would support any United Nations member threatened by aggression." Continuing this informal and "embarrassing" tribute to the United States by Iranian dignitaries, Azerbaijan was referred to as the "Stalingrad of western democracies" and the "turn of the tides against Soviet aggression throughout the world." Allen concluded the memo by noting that he reminded his hosts that it was *they* who regained Azerbaijan, with the vital support of the United Nations.¹⁴⁸

Despite Allen's humble response, the relationship between Iran and the United States was becoming increasingly dependent on the guidance and support of the United States. While Iran had obtained a major victory over Soviet intervention, it was by no means free of foreign influence.

The Truman Doctrine: From Isolation to International Commitment

Although the withdrawal of the Soviet Union from the northern provinces of Iran was seen as a victory for the United States' firm policy toward the Soviet Union, there were few who believed that the problem had been completely resolved. In a telegram from William B. Smith, American Ambassador in the Soviet Union, to Secretary of State Byrnes, Smith tempered the general enthusiasm of the moment with the suggestion that the Soviets may have refrained from interfering in Azerbaijan in order to not jeopardize their pending oil concession. Yet he still placed much

¹⁴⁷ FRUS 1946, VII: *The Ambassador in Iran (Allen) to the Secretary of State* (Dec. 12, 1946), 561.

¹⁴⁸ Alexander and Nanes, *The Ambassador in Iran (Allen) to the Secretary of State* (Dec. 17, 1946), 188.

...for the victory on the "actively interested" concern of both the United States and the United Nations.

Iran is no stronger than UN and UN, in last analysis, is no stronger than USA (The Soviet Union¹⁴⁹) for a complex of external and internal reasons is not willing on ground which it is not well prepared to face at present a showdown with USA. Collapse of Azerbaijan house of cards was a major victory for UN and for a firm policy toward USSR. It must not be thought, however, that Kremlin will resign itself to this humiliating reverse. It will continue to maneuver not only for oil concessions but also for political (and strategic) ascendancy in Iran.¹⁴⁹

Smith recognized that despite the strong support of both the United States and the United Nations, Iran's struggle with its neighbor to the north was far from over. His memo also warned that the United States must remain vigilant if it wanted to keep Iran free of Soviet aggression.

The Iranian and American perception of the success of a hard-line stance with the Soviets in Iran had a profound impact on future American policy. The shift toward a more active role in Iran represented a broader trend on the part of the United States to address perceived aggressions by the Soviet Union elsewhere. On the heels of the Azerbaijan crisis there was a great deal of concern over Soviet activity in both Turkey and Greece, countries which, along with Iran, form the "Northern Tier" of states which constitute a historic buffer zone between the forces of the East and West.¹⁵⁰ In February of 1947 England, which had long maintained primary responsibility for the economic and military support of both Greece and Turkey, notified the United States that it was no longer financially able to provide the assistance needed by those countries to combat internal and external threats. In what was to become the United States' first direct and public intervention in the geopolitics of the Near East, the United States responded in March of 1947 with a program known as the Truman Doctrine. A policy of financial assistance aimed at supporting "free nations struggling against internal armed minorities supported from without, and nations subjected

¹⁴⁹ FRUS 1946 VII, *The Ambassador in the Soviet Union (Smith) to the Secretary of State* (Dec. 27, 1946), 566-567.

¹⁵⁰ Kuniholm, xv.

to external threats and pressures," the Truman Doctrine paved the way for direct military and economic aid to Turkey and Greece and was responsible for relieving the Soviet threat to both countries.¹⁵¹ Along with its corollary program of rebuilding war-torn Europe under the Marshall Plan, the foreign policy of the United States underwent a dramatic shift in 1947, away from a long-standing policy of isolationism.¹⁵²

Although Iran was not directly included in either of these assistance programs, lessons learned by the U. S. in Iran were an important factor in building domestic support for the program which formed the foundation of the Truman Doctrine. Speaking before President Truman and leaders of Congress, Under Secretary of State Acheson warned that Soviet pressure on Turkey, Iran and Greece had reached a point where a "Soviet breakthrough might open three continents to Soviet penetration. Like apples in a barrel infected by one rotten one, the corruption of Greece would infect Iran and all to the East." Acheson's plea was concluded with the admonition that with the loss of British presence in the region, "we and we alone" were in a position to stop the Soviet advance.¹⁵³ Thus, the "tough" stand against the Soviets that appeared so successful in Iran would need to be applied across a broader front if the United States hoped to halt Soviet aggression.

Iranians, particularly the Shah, were disappointed at not being included in the aid package, and expressed those sentiments through diplomatic channels. Ambassador Allen responded that the Soviet threat had been much more immediate in Turkey and Greece, but that "Iran would probably be similarly supported if similar need should arise."¹⁵⁴ Allen cited the United States' offer to sell non-offensive military supplies to Iran during the height of the Azerbaijan crisis as evidence of their continued support, but the Shah was troubled by the American insistence that Iran pay for the material, with interest, while his neighbors were being treated much more generously. Allen

¹⁵¹ McGhee, 19-20.

¹⁵² Gasiorowski, 52.

¹⁵³ Acheson, 219.

¹⁵⁴ FRUS 1947, V: *The Ambassador in Iran (Allen) to the Secretary of State* (March 27, 1947), 901.

responded by reminding the Shah that the United States would continue to support all United Nations members, but must take into consideration all factors, including need and ability to pay.¹⁵⁵

Another important factor in American reluctance to provide an overly generous aid package to Iran was a concern over "further aggravating Soviet-Iranian relations," which at the time were relatively stable.¹⁵⁶ United States officials felt that such assistance to Iran would provide the Soviets with ammunition for a propaganda campaign accusing the United States of attempting to establish a "friendly government" in Iran or even a base from which it could launch military operations against the Soviet Union.¹⁵⁷ While American policy toward the Northern Tier countries was not altogether clear or consistent following the implementation of the Truman Doctrine, it was increasingly clear that the United States had committed itself to the responsibility of maintaining the balance of power in the region.

The reluctance of the United States to direct more aid to Iran at this time was consistent with its global Cold War strategy of "strong point" defense, which was aimed primarily at bolstering the key industrial centers of Europe and Japan.¹⁵⁸ Despite Iran's strategic location along the Northern Tier, the economic and military resources of the United States were limited, and assistance was given on a priority basis. Countries such as Iran, which was considered relatively stable following the Azerbaijan crisis, were relegated a lower status security priority. Despite reports from the Joints Chiefs of Staff in 1947 that the security of the region could not be disregarded, and the United States must be willing to take all necessary measures to defend the region,¹⁵⁹ American policy continued to emphasize that "the security of Iran depends in large measure upon determination of Iranian Govt to stand up for country's independence and upon

¹⁵⁵ FRUS 1947, V:901

¹⁵⁶ FRUS 1947, V: *The Secretary of State to the Embassy in Iran* (June 21, 1947), 917. See also *The Secretary of State to the Embassy in Iran* (July 29, 1947), 924-927.

¹⁵⁷ FRUS 1947, V:925

¹⁵⁸ Gasiorowski, 54.

¹⁵⁹ McGhee, 20.

measures within its own competence to reduce plausibility of excuse for intervention by any
power. At this early stage of the Cold War, Iran was viewed as an important ally of
the West, but its value was seen primarily in its role as a stable and friendly buffer between the
East and West. It was not until the stability within Iran began to unravel that the United States
again took an overt interest in Iranian affairs.

That is not to say that the United States had left Iran to its own devices. The United
States maintained a quiet presence in Iran in order to insure that it remained both friendly and
stable. The United States training and advisory missions established in 1942 to develop the
Iranian army and Gendarmerie were extended in 1947 and 1948, ensuring that there would be an
American presence to monitor and direct Iran's security apparatus. The United States Embassy
was also greatly enlarged, allowing for expanded diplomatic, economic, and cultural interaction
between the two countries. The United States established a Central Intelligence Agency¹⁶¹ station
in the American Embassy in Teheran in early 1947 as well, which conducted a number of covert
operations in the late 1940's. Among these operations were the monitoring of Soviet activities
within Iran, launching espionage and subversion operations against the Soviets utilizing Iranian
nationals, and the establishment of "stay behind" networks designed to launch a guerrilla warfare
campaign in the event of a Soviet invasion.¹⁶²

The United States saw the CIA as the front-line agency for identifying and resisting Soviet
intrigues against Iran, the United States and Great Britain, countering the "extra official activities"
of some 1,000 Soviet nationals supposedly engaged in official activities of various diplomatic,
commercial, and propaganda agencies. The alleged activities of the Soviets suggest a very similar
program to that of the American CIA activities. Yet as CIA reports noted, "official" American

¹⁶⁰ FRUS 1947, V: *The Secretary of State to the Embassy in Iran* (July 29, 1946), 927.

¹⁶¹ The CIA had been known as the Central Intelligence Group (CIG) until September of 1947.

¹⁶² Gasiorowski, 54.

personnel in Iran number less than 70, including diplomatic and consular staff as well as the mission advisors to the Iranian army and Gendarmerie.¹⁶³ Whatever the extent of CIA involvement in Iran during this period, it is clear from the extent and nature of its reports that the agency was at the very least actively involved in monitoring and analyzing Iranian affairs in its newly designated role as an instrument of American foreign policy.

Despite the growing involvement of the United States in Iran, it must be remembered that Great Britain remained both an influential ally of the United States, as well as an important figure in Iranian affairs. In a State Department memorandum entitled "The American Paper," United States' concern over international conflict in the Middle East was expressed with the view that the security of the Eastern Mediterranean and Middle East was vital to the security of both the United States and Great Britain. As such, it would be the policy of the United States to protect the sovereignty and independence of Italy, Greece, Turkey and Iran. The American Paper also recognized that

it would be unrealistic for the U. S. to undertake to carry out such a policy unless the British maintained their strong strategic, political, and economic position in the Middle East and Eastern Mediterranean, and unless they and ourselves followed parallel policies in that area.¹⁶⁴

In recognizing their common interests, this policy statement reflected a recognition of the degree of cooperation necessary between these two Western powers as they sought to protect their respective interests in the region. Over the course of the next several years this relationship would become increasingly strained. Yet the mutual concerns of each led to the development of American policy in the Middle East that reflected a close alliance with Great Britain in matters of international scope.

The Final Round: Rejection of the Soviet Oil Concession

¹⁶³ CIA Research Reports, ORE 48: L-8

¹⁶⁴ FRUS 1947, V: Memorandum Prepared in the Department of State (undated), 575-576.

the most significant environmental to the development of American policy toward Iran was the demand by the Soviets in 1947. As expected, the Soviets continued to press for ratification of the 1946 Iranian oil protocol made with Qavam in April of 1946. That oil agreement in turn paved the way for the election and convening of the 15th Majlis, which began shortly after the re-election of the Azerbaijan province. Because of a complicated electoral process that did not end until June, the new Parliament was not convened until July of 1947. Almost immediately, the 15th Majlis confronted the matter of the postponed Soviet oil agreement.¹⁶⁵

There was a great deal of conflict, both internal and external, surrounding the issue. Qavam, who remained as Prime Minister, was still at odds with the Shah, who favored rejecting any oil agreement with the Soviets on the grounds that it would open the door for Soviet intervention.¹⁶⁶ Qavam was of the opinion that the Soviets had exercised restraint during the Azerbaijan crisis in the hope of obtaining an agreement, and any rejection would cause the Soviets to respond harshly toward Iran, perhaps even to invade.¹⁶⁷ Both Qavam and the Shah sought assurances from the United States for support in the event of Soviet aggression. Without support from a major countervailing power such as the United States, they felt that Iran had little choice but to offer a concession to the Soviets.¹⁶⁸

American response to such pleas was that while the United States supported Iranian independence, it had "no basis for approach to the Soviet Union" and asserted that a "critical approach" to the Soviets would be considered provocative.¹⁶⁹ Much like the situation of American support in the Azerbaijan crisis, American support for Iranian independence continued to expect

¹⁶⁵ FRUS 1947, V: *The Ambassador in Iran (Allen) to the Secretary of State* (Aug. 14, 1947), 931-932.

¹⁶⁶ FRUS 1947 V: *The Ambassador in Iran (Allen) to the Secretary of State* (July 26, 1947), 922-923.

¹⁶⁷ FRUS 1947 V: *The Ambassador in Iran (Allen) to the Secretary of State* (June 14, 1947), 913.

¹⁶⁸ FRUS 1947 V: *The Ambassador in Iran (Allen) to the Secretary of State* (June 16, 1947), 914-916.

¹⁶⁹ FRUS 1947 V: *The Secretary of State to the Embassy in Iran* (June 21, 1947), 916-918.

Iran a willingness and ability to stand up for itself. In a meeting with the Shah, Ambassador Allen summarized the American position by stating that "occasions arise when small states are called on to take necessary measures to defend their essential rights regardless of assurances tending in world support for their just grievances but defending their essential interests even in absence of outright guarantees."¹⁷⁰ Unlike Qavam, the Shah was willing to take a strong stand against the Soviets. But he was willing to do so only with extensive American support, particularly in the form of military hardware. Both Qavam and the United States were aware of the danger of such support, which would be seen as provocative by the Soviets.

American support, or lack thereof, continued to strike the Iranians as unfair, especially in light of the assistance that Greece and Turkey were receiving under the aid programs of the Truman Doctrine. Ambassador Allen responded to Qavam that both the Turkish and Greek governments were seen as "entirely objectionable" to the Soviets, and had Truman included Iran in his plans, they too would be placed into that same category. Noting that Iran enjoyed relatively good relations with the Soviets, Allen questioned whether the Iranians were ready to be placed in such a situation. According to Allen, Qavam responded that Iran was not yet ready, but they might be shortly after the Majlis addressed the oil question.¹⁷¹

The American position on support of Iran was further defined by the understanding that it could do little in the event of a Soviet invasion of Iran due to its commitments elsewhere. Yet the situation in Iran was not seen by the State Department as overly critical for two reasons. First, due to the overall political and economic situation of the Soviets, it was not believed that the Soviets would attempt an "overt act of aggression in the near future" and that a Majlis rejection of the oil agreement would lead to little more than an opportunity for increased propaganda

¹⁷⁰ FRUS 1947 V: *The Ambassador in Iran (Allen) to the Secretary of State* (July 26, 1947), 922.

¹⁷¹ FRUS 1947 V: *The Ambassador in Iran (Allen) to the Secretary of State* (June 28, 1947), 918-920.

campaigns.¹⁷² Second, because U. S. officials realized that there was little of substance that they could offer the Iranians, they tried to persuade the Iranians to focus on internal improvements aimed at promoting the national strength and unity of Iran. Through such efforts, it was felt that the Iranians could best protect themselves from anticipated Soviet maneuvers.¹⁷³

External influences also played a role in Iran's considerations of the oil concessions. British interests, as expressed by Ambassador Le Rougetel and Foreign Minister Bevin, argued for the passage of the April 1946 agreement. According to Ambassador Allen, the British believed that a Soviet concession would make their own holdings safer, based on the assumption that the Iranian Government was not likely to nationalize the oil resources of Iran if the Russians held concessions also. Allen went on to argue that the British were perfectly willing to sacrifice the political and economic interests of Iran as long as their own interests were satisfied. Allen viewed the situation as strikingly similar to that of 1907 when the Russians and British first divided Iran into spheres of interest.¹⁷⁴

British overtures in support of a Soviet concession caused a great deal of controversy within the Iranian government, leading both Qavam and the shah to strongly reconsider their opposition to the proposal.¹⁷⁵ Word of the British position spread throughout Teheran, and in light of the well-known relationship between the United States and Great Britain, the Iranian press began to question whether the United States was party to a superpower competition among "those who are eager to possess the world."¹⁷⁶ Allen, with the support of the State Department, made his distaste for such ideas clear in a speech to the Iran-American Relations Society. Reiterating American support for Iranian sovereignty and forcefully condemning outside intervention in the affairs of

¹⁷² FRUS 1947 V: *The Secretary of State to the Embassy in Iran* (July 29, 1947), 924-927.

¹⁷³ FRUS 1947 V: *The Acting Secretary of State to the Embassy in Iran* (Sept. 26, 1947), 961-962.

¹⁷⁴ FRUS 1947 V: *The Ambassador in Iran (Allen) to the Secretary of State* (Jan. 11, 1947), 891-893.

¹⁷⁵ FRUS 1947 V: *The Ambassador in Iran (Allen) to the Secretary of State* (Sept. 9, 1947), 948-950.

¹⁷⁶ FRUS 1947 V: *The Ambassador in Iran (Allen) to the Secretary of State* (Sept. 11, 1947), 951-952.

Iran and all nations, Allen declared that "Iran's resources belong to Iran. Iran can give them away free of charge or refuse to dispose of them at any price if it so desires."¹⁷⁷

Reaction to Allen's message was mixed. Some Iranians saw the United States taking a noble stand against an Anglo-Russian plot to divide Iran. Qavam and the Shah were reportedly quite pleased with Allen's support and in many circles within Iran it was believed that "once more America has saved Iran."¹⁷⁸ Others, the Soviets in particular, continued to view American actions with a measure of cynicism, suggesting a possible desire by the United States to obtain an oil concession for itself. Soviet newspapers portrayed Allen's statements as further evidence of American efforts to gain control of Iran's resources.¹⁷⁹ In statements released to the local press in Iran, the Soviets also adopted a more conciliatory attitude toward Iran, emphasizing the mutual benefits to be derived between the two countries "by keeping with the principle of increasing Soviet-Iranian friendly relations." The Soviet statement also made veiled accusations against the British by addressing unfavorable concessionary practices that existed due to "a certain concession in Iran." Allen interpreted the Soviet message as further evidence that the Soviets would continue to apply "pressure against British and eventually American interests in the Persian Gulf." He concluded that the latest Soviet move was seen by Iranians as little more than an attempt to counter the strong American statements condemning outside intervention; Soviet's past history of aggression, he believed, was too well known to be brushed aside. Despite their sudden change in tactics, Allen was confident that the Soviets will "end up by getting little if anything" from the Iranian government.¹⁸⁰

In fact, the United States was confident that the Majlis would reject the Soviet-Iranian oil accord of April 1946, and was instead concerned with preparing for the Soviet response to that

¹⁷⁷ FRUS 1947 V: 951-952.

¹⁷⁸ FRUS 1947 V: *The Ambassador in Iran (Allen) to the Secretary of State* (Sept. 14, 1947), 953.

¹⁷⁹ FRUS 1947 V: 953.

¹⁸⁰ FRUS 1947 V: *The Ambassador in Iran (Allen) to the Secretary of State* (Sept. 22, 1947), 956-957.

eventuality. Since the United States was not in a position to actively defend Iran in the event of renewed Soviet interference in Iran's internal affairs, it would be forced to rely "on such defensive action as it might take in the United Nations."¹⁸¹ Yet the State Department continued to emphasize that internal improvements in Iran could go a long way toward creating a stable government that could significantly lessen Soviet disruption of Iranian security. Of primary concern within the State Department was; the continuing power struggle between the shah and Qavam, which was believed to be "intolerable and dangerous" to Iran's security; the loyalty of the many disparate tribal groups within Iran, which, if alienated by the Iranian government could become weapons of Soviet aggression;; and the immediate implementation of long-overdue economic and social reforms.¹⁸²

In support of these goals, the State Department was careful to note that while the United States was eager to lend assistance to Iran and strengthen "mutually beneficial" economic relations, it would not interfere with the internal affairs of the nation. In a speech before the Iran-American Merchants Association in October of 1947, State Department official Loy Henderson lauded Iranian plans for social and economic development programs and said that negotiations were underway to provide the foreign assistance necessary for the successful execution of the programs. Henderson noted that the success of such programs was predicated not only on foreign assistance, but the absence of foreign interference in Iran's internal affairs.¹⁸³ Once again, the State Department was pursuing a policy of support for Iranian independence while at the same time playing a stronger role in the process of guiding Iranian officials toward the actions that it felt were necessary for Iran to withstand external interference. American officials were pursuing apparently

¹⁸¹ FRUS 1947 V: *Memorandum by the Director of the Office of Near Eastern and African Affairs (Henderson) to the Acting Secretary of State* (Sept. 25, 1947), 958-959.

¹⁸² FRUS 1947 V: *The Acting Secretary of State to the Embassy in Iran* (Sept. 26, 1947), 960-962.

¹⁸³ FRUS 1947 V: *Report on the Address by the Director of the Office of Near Eastern and African Affairs* (Oct. 3, 1947), 962-963.

mutually exclusive goals, and were aware of the difficulty in doing so, but believing that the ultimate ends of that policy were crucial to both the United States and Iran. There was little dissension to such policies within either country. In addition, the fact that such a policy had been relatively successful thus far was combined with a recognition by the State Department that there was little else it could offer the Iranians in their ongoing struggles with the Soviet Union.

The close relationship which had developed between the United States and Iran since World War II presented a number of difficulties for American officials such as Allen and Henderson, who were sensitive to suggestions of undue American interference in Iranian affairs. In late September of 1947, the Iranian Director of Propaganda and assistant to Prime Minister Qavam, made a speech in which he portrayed the conflict over the Soviet oil concession as a thinly veiled contest between the United States and the Soviet Union. In this address broadcast over Teheran radio, the impression was given that the Iranian Government was opposing the Soviets in order to avoid offending the United States, to whom the nation of Iran owed a great debt of gratitude.¹⁸⁴ Ambassador Allen interpreted such messages as attempts by certain Iranians to justify their rejection of the Soviet oil concession by shifting the responsibility onto the shoulders of the United States. Allen immediately objected to such statements, pointing out to Iranian officials that the United States was not "an applicant" for Iranian oil and reiterated that the United States' interest in oil "extends merely to the question of freedom of Iran to make its own choice, without being influenced by threats." Allen did acknowledge, however, that there was some basis for Iranian suspicions, since certain American oil companies had been in "constant contact" with the Iranian Embassy and American State Department concerning their interest in Iranian oil concessions.¹⁸⁵ Allen's protests led to a second address by the Propaganda Director which denied that the United

¹⁸⁴ FRUS 1947 V: *The Ambassador in Iran (Allen) to the Secretary of State* (Oct. 3, 1947), 965-966.
¹⁸⁵ FRUS 1947 V: 955-956.

States was interested in Iranian oil. The Director added that American disinterest was in fact "regretted by all Iranians who admired the progressive and serious-minded American people."¹⁸⁶

Yet reports of American influence in Iranian oil policy was not limited to the Russian and Iranian media. After reports began appearing in American newspapers that Iranian opposition to the Soviets was due to direct US prompting, Ambassador Allen again launched into a campaign to correct what he saw as erroneous impressions. Placing the blame for the spread of such reports to the American press squarely on the shoulders of Qavam and other Iranian leaders, Allen saw the reports as further evidence that the Iranians sought to divert Soviet pressure away from Iran and toward the United States. Allen admitted that reports such as those in the New York Times were entirely honest in attributing Iran's stand to support from the United States, stating that in view of the uncertain position of the British, Iranians "would most certainly have given in to the Soviets." Allen again made clear that American support was limited to assuring that we could only support Iran's right to decide, and that our support must be carried out according the United Nations policy. Despite his repeated efforts to down play the American influence on Iranian politics, Allen realized through these events that "overcoming the fear of aggression in Iran is the most positive way of influencing Iran's decisions."¹⁸⁷ These examples suggest the high degree of sensitivity on the part of American officials in Iran toward their efforts to aid Iran in its relationship with the Soviet Union. It also suggests the willingness of the Iranians to accept the role of the Americans as mediators in the ongoing dispute, even if that role went well beyond mediation.

Finally on October 23, 1947, the Iranian Majlis voted overwhelmingly to reject the Soviet oil concession, making null and void the agreement reached by Qavam and the Soviets 18 months earlier. As a gesture to demonstrate that it was not hostile to its great northern neighbor, the Majlis left open the door for future negotiations. In addition, the bill included a stipulation that all

¹⁸⁶ FRUS 1947 V: 965-966.

¹⁸⁷ FRUS 1947 V: *The Ambassador in Iran (Allen) to the Secretary of State* (Oct. 13, 1947), 968-969.

concessions, including the Anglo-Iranian concession of 1933, be reviewed by the Iranian government for possible violations of the rights of the Iranian nation. The latter stipulation, designed to placate the Soviet Union by casting a critical eye toward all foreign intervention, played an important part in the nationalism movement of the early 1950's.¹⁸⁸

The role of the United States in the decision of the Iranian Parliament is, of course, difficult to measure, but it appears clear that Ambassador Allen's assessment of American support as a critical influence in Iranian politics is certainly valid.¹⁸⁹ The Majlis rejection of the Soviet concession was the culmination of three distinct crises faced by the nation of Iran as the Soviet Union brought pressure to bear on Iran in the aftermath of the Allied occupation of World War II. Much like the 1944 oil dispute and the occupation of Azerbaijan, increasingly influential American policy designed to assist Iran in standing firm to pressure from outside intervention prompted the Majlis rejection. Yet unlike the previous events, this final rebuff of the Soviet Union by Iran created a void in the traditional balance of power struggle between the Soviets and British, into which the United States was increasingly drawn.

Although this episode did not mark the end of Soviet aggression toward Iran, it did mark the end of Soviet overtures, diplomatic and otherwise, to obtain a treaty or concession that would have allowed the Soviet Union to establish a legitimate base of operations within Iran. It also represented, in a microcosm, the culmination of the earliest struggle between the Soviet Union and the United States, waged through surrogate nations such as Iran.

Conclusion

¹⁸⁸ Acheson, 503; Painter, 115.
¹⁸⁹ Cottam, 78.

The relations between the United States and Iran that have characterized the 50 years since World War II came into being almost wholly as a result of that war. The United States had little interest in and few common bonds with Iran at the onset of the war. Through the three events outlined in this study; the oil crisis of 1944, the Azerbaijan crisis of 1946, and the rejection of the Soviet oil concession in 1947, Iran came to play an increasingly pivotal role in American foreign policy. Taken together, these events represent an attempt by the United States to accomplish what many would consider to be mutually exclusive goals. On the one hand the United States sought to resolve the dilemma of supporting the sovereignty and independence of a nation to which it committed itself through international treaty, while on the other hand it sought to create a strong and stable regime in a nation that for several centuries had been little more than an impotent buffer state dominated by Great Britain and the Soviet Union. The irony of these goals is that by asserting its influence to accomplish the latter, by definition the United States undermined the former.

Despite such irony, the United States was successful in these endeavors because it was able to maintain an effective position of support for the nation of Iran as it struggled with Soviet, and to a lesser degree, British intervention. Yet even more important than the support provided by the United States, which except for the 1946 Azerbaijan crisis amounted to little more than moral support, was the ability of the United States to guide and direct key Iranian officials on a course that not only strengthened Iran's position against its historic nemesis but also furthered American economic and security interests in the international arena.

The result of these three events, which proved to be so critical in cementing the American-Iranian relationship which lasted for over three decades, was that the United States built a diplomatic framework that allowed it to essentially replace the Soviet Union and Great Britain as the dominant political influence in the nation of Iran, while at the same time appearing to stay clear

of Iran's sovereign affairs. It seems ironic that through its support of the sovereignty of Iran the United States became the dominant foreign influence in Iranian affairs. Further heightening the irony, the process does not appear to be deliberate, at least not initially. Rather, it was due in large part to key members of Iran's ruling elite, who were quite willing to allow, and perhaps even assist, in the process. One consistent factor in Iran's considerable history of foreign domination was its willingness and ability to play one power against another, and there was no exception with the United States. It is clear, from the oil crisis of 1944 to the final rejection of the Soviet concession, that Iran actively courted the economic and political assistance of the United States to serve as a counter force to that of the Soviet Union.

It is also clear that the United States maintained a careful policy of rejecting any appearance of American willingness to participate in Iran's political juggling of competing superpowers. Rather, the United States attempted to remain aloof in its commitments to Iran. By limiting its support and involvement to that allowed and mandated by international law, the United States was able to maintain the appearance of neutrality in the struggles between the Soviet Union and Iran, while at the same time bring to bear the weight of international law against the Soviet Union. Largely because of its many international commitments, the United States was well aware of its limited ability to play a more pro-active role in support of Iran, even as Soviet actions became more menacing. By focusing on the use of international pressure to keep the Soviet Union in check, the United States presented an appearance of neutrality that allowed it to make little commitment in terms of actual military or economic assistance.

Through such diplomatic maneuvering, the United States was able to thwart Soviet efforts to gain an entrance into the economic and political affairs of Iran. It was also able to establish itself as the pre-eminent defender of the rights of small nations against the aggressions of the great nations. Yet American support was predicated on the admonition that such countries adhere to the

principles of international law and accept the responsibilities of free and independent nations. In the conflict between Iran and the Soviet Union, that responsibility increasingly took the form of standing up to the Soviet Union. Through a policy of providing support for Iran that was limited to little more than "friendly" advice, the United States developed a subtle yet effective influence over the political affairs of a strategically important Iran while countering the spread of Soviet influence. For the nation of Iran, the United States became both protector and counselor, willing to protect Iran from harmful influences as long as Iran was willing and able to distinguish between harmful and friendly influence. As the Cold War developed and took shape, United States policy in Iran became increasingly focused on insuring that Iran was able to distinguish between the friendly influence of the United States and the harmful influence of the Soviet Union.

The experiences of both the United States and Iran in the Soviet struggle for an oil concession were important as the Cold War heated up. As American foreign policy evolved from a goal of "strong point" defense in which Iran played a secondary role, to one designed around global "containment" of the Soviet Union, Iran was assigned a new role. Because of its oil reserves and its strategic location, Iran became a much more important link in the chain which the Western powers were attempting to wrap around the Soviet Union. American policy reflected the growing urgency with which the Western powers regarded Iran. With the explosion of a Soviet atomic bomb in 1949, the Communist revolution in China, and the outbreak of the Korean war in 1950, the United States took a much more active role in supporting Iran, both politically and financially. Economic and military aid packages took the place of non-committal promises as Iran was seen as a likely stepping stone for Soviet expansion.

When a nationalist movement erupted in Iran in the early 1950s, threatening the West's oil supplies and undermining Iran's commitment to the western camp, the United States worked feverishly for several years to resolve the dispute. As the crisis escalated and American diplomacy

failed to resolve it, the United States participated in a joint British MI 6 and American CIA coup in 1953 against the nationalist Prime Minister Mohammed Mossadegh. Led by the CIA's Kermit Roosevelt, grandson of President Theodore Roosevelt, the coup successfully ousted Mossadegh, effectively ended the nationalization movement, and resulted in the establishment of a dictatorial regime under the leadership of the Shah.¹⁹⁰ The Shah's reign, under which Iran became a major force in the Middle East and a staunch ally of the United States, was supported by massive infusions of American money and arms. It lasted until 1979, when a popular uprising overthrew the Shah and a radical Islamic regime was established that has been intensely hostile towards the west, and the United States in particular, ever since.

House Speaker Gingrich's call for the overthrow of the Iranian regime makes no mention of the 1953 coup, nor does it mention the events which led to the United States becoming so intimately involved with a nation so remote and so alien from his own. Neither does Gingrich offer a coherent justification for a CIA-led overthrow, other than his charges that Iran is a major supporter of international terrorism and an "evil empire."¹⁹¹ Yet it is most significant that Gingrich's proposal was taken seriously by both the American public and lawmakers, making it into the CIA's 1996 budget. The fact that an official in the highest levels of American government could publicly call for and receive twenty million dollars to overthrow a foreign government says a great deal about both the government and the citizens of the United States. It suggests, that despite the passage of time, it is extremely difficult for peoples or nations, large or small, to tell the difference between good influences and bad ones.

¹⁹⁰ For a detailed yet self-serving account of the American involvement in the Coup, see Kermit Roosevelt's *Countercoup: The Struggle for Control of Iran*. A more critical examination is provided by Mark Gasiorowski in his *U.S. Foreign Policy and the Shah: Building a Client State in Iran*.

¹⁹¹ Los Angeles Times. *Gingrich Wants Funds for Covert Action in Iran*, December 22, 1995. A-1

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