

Introduction

History is about arguments.

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The new edition of the declassified documents throws invaluable light on how deeply the United States was involved in the internal politics of Iran from the very beginning of the oil crisis – an involvement previously overlooked by both historians and informed observers. A cursory comparison between the 2017 version of *Foreign Relations of the United States, 1952–54*, Vol. X, *Iran, 1951–54* (FRUS) with the 1989 version with the same title indicates that these documents were withheld for so long precisely because the State Department was reluctant to admit to such deep involvement.¹ The 2017 version reveals that the 1989 version had “redacted” – euphemism for deleted and censored – the following two short, but significant, phrases from a long 1951 National Security Council document: US “conduct special political operations” in Iran; and US “coordinated US-UK support for pro-Western Iranian elements.”² Similarly, the old version reported that Foster Dulles, the Secretary of State, immediately after the successful 1953 coup, profusely thanked “” The new version fills the blank with “the CIA, State, and FOA [Foreign Affairs Operations].”³ The main function of FOA was to funnel money into covert CIA operations.

¹ State Department, *Foreign Relations of the United States, 1952–54*, Vol. X, *Iran, 1951–54* (ed. William Slany) (Washington, DC: US Government Printing Office, 1989), 1–1092; State Department, *Foreign Relations of the United States, 1952–54, Iran, 1951–54* (ed. William Van Hook) (Washington, DC: US Government Printing House, 2017), 1–970.

² NSC, 27 June 1951, *FRUS* (1989), 75. Compare it with *FRUS* (2017), 109.

³ NSC, Memo of Meeting (27 August 1953), *FRUS* (1989), 773. Compare it with *FRUS* (2017), 720. The document gives no precise definition for FOA. It could be a variation of OPC (Office of Policy Coordination) – a bland name for secret operations including assassinations, bribery, rumormongering, and financing noncommunist front organizations. See Tim Weiner, *Legacy of Ashes: The History of the CIA* (New York: Random House, 2008), 33.

The new volume, thus, is less meticulous in keeping up the pretense that American diplomats did not interfere in the internal affairs of their host countries.

The previous volume, although 1,000 pages long, had nothing on the actual coup itself, and remarkably little for periods of heightened crises in the previous twenty-eight months. It was hard to believe that the Tehran embassy had not been communicating with Washington, particularly during those critical days and weeks. Not surprisingly, when the earlier version was first released, the American Historical Association raised an “outcry” and some leading members dismissed the volume as a total “fraud.” Consequently, Congress passed the Foreign Relations Statute instructing the government to release after thirty years all documents – not just State Department ones – relevant to the understanding of American foreign policy.⁴ This thirty-year rule was soon reduced to twenty-five years. In 1996 the State Department announced it would soon release a new version of the Iran volume for the years 1951–4.⁵ After a series of delays and false starts, the long-promised volume eventually saw the light of day in late 2017.

The editor describes the new volume as a “retrospective supplement” to the earlier one that, he claims, provided “a thorough accurate, and reliable account of the role the United States played in mediating” the dispute between Iran and the United Kingdom. The new one, he further claims, placed the whole crisis solidly within the “context of the Cold War.” In other words, the first depicts America as an “honest broker” in the oil crisis; the second revealed America as being mainly concerned with the communist danger – both from the Tudeh Party and the Soviet Union. These claims are not always borne out by the contents. The editor, in passing, admits that the new volume still withholds ten full documents, excises a paragraph or more from thirty-eight others, and

⁴ Historical Advisory Committee to the State Department, “Report of the Committee,” *Perspectives*, September 2012.

⁵ Warren Kimball, “Classified!” *Perspectives*, February 1997, 9–10, 22–4; Stephen Weissman, “Censoring American Diplomatic History,” *Perspectives*, September 2011, 48–9; Weissman, “Why Is US Withholding Documents . . . ?” *Christian Science Monitor*, 25 March 2011; Richard Immerman (Chair), “Report on Diplomatic Documentation,” *Perspectives*, January 2013. See also National Security Archive, “Have the British Been Meddling with the FRUS Retrospective Volume?” www2.gwu.edu/~nsarchiv/NSAEBB/NSAEBB435/; and “CIA Stalling State Department Histories,” www2.gwu.edu/~nsarchiv/NSAEBB/NSAEBB52/.

makes minor cuts in another eighty-two. He adds that many CIA cables for the 1953 “covert action” had apparently been “destroyed” during routine “office relocations” in 1961–2. The CIA itself admits destroying nine-year-old cables deemed “unimportant” in order to “house clean” and “gain space.”⁶

Our knowledge of US relations with the Mossadeq administration has been further enriched in recent years by the opening up of a number of other sources. First, the CIA has been pressured – probably because of the Freedom of Information Act – to release reams of relevant telegrams, reports, and memos on its Electronic Reading Room.⁷ They are readily available on the Internet. Second, the National Security Archive in Washington has performed the Herculean task of persuading the CIA to declassify two in-depth internal studies – *The Battle for Iran* and “*Zendeabad Shah!*” *The CIA and the Fall of the Iranian Prime Minister Mohammed Mossadeq, August 1953*.⁸ *Zendeabad* means “Long Live.”

Third, the Internet provides easy access to important Iranian sources, particularly to the proceedings of the turbulent majles and senate – the country’s lower and upper Houses of Parliament. It also provides ready access to *Ettela’at (Information)* – a daily which in those years served as the “paper of record.” It not only reported fairly objectively on political events, but also carried an unsigned column, “Day’s Events,” written by a correspondent who visited the prime minister every morning and conveyed his views to the readers.⁹ One senior senator – who happened to be a highly regarded historian – described *Ettela’at* as required reading for anyone interested in national and international politics.¹⁰ He read the paper from cover to cover every day during lunch or dinner. What is more, during these months, Iran had a lively press

⁶ Scott Koch, “*Zendeabad Shah!*”: *The CIA and the Fall of the Iranian Prime Minister Mohammed Mossadeq, August 1953* (Washington, DC: CIA History Staff, 1963) (declassified in 2018), 1–93, iv.

⁷ The CIA posted them on www.cia.gov/library/readingroom/search/site/iran%20C%201951-79.

⁸ Koch, “*Zendeabad Shah!*”: *The CIA and the Fall of the Iranian Prime Minister Mohammed Mossadeq, August 1953*; and CIA History Staff, *The Battle for Iran* (Washington, DC: Near East Division, n.d.).

⁹ Anonymous (Ahmad Shahidi), “Dar Mohafel-e Tehran” (Day’s Events), *Ettela’at*, 21 March–18 August 1953.

¹⁰ Mehdi Malekzadeh, *Muzakerat-e Majles-e Sena* (Senate Debates) (Tehran: Majles Publishing House, 1951), 1st Senate, 11 May 1951.

with most political groups publishing their newspapers and stressing the importance of the “Fourth Estate.”

Finally, the famous Wilber Report – leaked to the *New York Times* in 2000 – provides a down-to-earth and in-depth study of the mechanisms used in the eventual 1953 coup. Dr. Donald Wilber, one of the coup planners, was assigned to write it immediately after the event by the CIA itself. The report can be taken to be a reliable primary source. Designed for internal use only, it cannot be dismissed as simple propaganda even though it contains some expected self-promotion and self-censorship. Since it was designed as a practical self-help book for future CIA coups, it remains our best source for the overthrow of Mossadeq.¹¹

In fact, the Wilber report is so thorough that scholars eager for fresh information on the actual coup hastily dismissed the new *FRUS* volume as worthless on the grounds that it “contained no new revelations.”¹² Andrew Bacevich, the eminent historian of American foreign policy, argued that the tome reads “like the Book of Genesis describing the Garden of Eden but leaving out the bit about Eve and the Serpent.”¹³ Malcolm Byrne of the National Security Archive declared the “big news about the much anticipated volume was that it contained nothing new about the coup.”¹⁴ These American specialists, eager for new information on the coup itself, have overlooked the goldmine of information that the new volume provides on Iran – especially on US involvement in internal Iranian politics. The main aim of the present book is to examine this new information.

This book contains five essays, one in each chapter. The first explores US involvement in Iran during 1951–2 – the period before the coup. The new documents reveal for the very first time that the US

¹¹ Donald Wilber, *Overthrow of Premier Mossadeq of Iran, November 1952–August 1953* (Washington, DC: CIA Historical Division, 1954), 1–95, plus Appendices A–E. See <http://cryptome.org/cia-iran-all.htm>. This is the best source. A shorter version – with many names erased – was published as *Regime Change in Iran: Overthrow of Premier Mossadeq of Iran* (London: Russell Press, 2006).

¹² Mark Gasiorowki, “New Details on the 1953 Coup in Iran,” www.lobelog.com/7/12/2017.

¹³ Andrew Bacevich, “A Prize from Fairyland,” *London Review of Books*, 2 November 2017.

¹⁴ Roland Brown, “The 1953 Coup: What Secrets Remain?” <https://iranwire.com/en/features/4169>.

tried unsuccessfully in July 1952 to replace Mossadeq with Qavam – triggering the July Uprising. It also intervened – this time successfully – in February 1953 in persuading the shah not to leave the country, and, thereby, in the shah’s own words “saving the monarchy.” The second essay examines the new documents, trying to answer the question whether US policy was shaped by fear of communism or concern about “contagion of oil nationalization.” The third looks at the various attempts made to bring down Mossadeq through parliamentary means. The new documents reveal, again for the first time, that the United States was deeply involved in majles elections and thus in majles politics. The fourth traces the road to the coup once the parliament path had been blocked. The new documents also reveal an ongoing debate within the US government, even within the CIA, on the pros and cons of a military coup. This debate took place under Truman long before the advent of the Eisenhower administration. The final essay explores the legacy of the 1953 coup, especially the wide gap between on one hand, Iranian memory, and on the other hand, American-induced amnesia – especially through official documents.

The new sources will hopefully clarify questions raised by historians of modern Iran: how far was the United States an “honest broker” in the oil dispute; could negotiations have resolved the oil crisis; did the USA-United Kingdom offer Iran a “fair compromise”; did the Eisenhower and Truman administrations differ significantly in their policies towards Iran; how much was Mossadeq’s overthrow due to external or internal forces; how significant were economic difficulties in the overthrow; and is there a close link between the 1953 coup and the 1979 revolution?

These questions have loomed even larger in recent years as revisionist historians in Iran, as well as in America and Britain, have mounted a concerted assault on previous answers and assumptions. Ironically, the new *FRUS* volume appeared at the very same time that Americans were becoming familiar with three novel terms: “fake news,” “deep state,” and “electoral collusion.” These terms may not have been current in America of the early 1950s, but the documents show that the United States, in its dealing with Mossadeq, readily relied on a toolbox that contained these very same three instruments.

1 | *US Involvement*

The Shah wished the Ambassador to know that he believed if it had not been for the actions of the Ambassador at that time [28 February 1953] the institution of monarchy in Iran would have been overthrown.

Memorandum for National Security Council (14 May 1953)

According to conventional wisdom America's deepening involvement in Iran began with the 1953 coup – with the firm installation of Mohammad Reza Shah on the throne. The new documents, however, show that the involvement began much earlier – as early as the nationalization of the oil industry in April 1951. It was most intrusive at three separate junctions: at the initial point of oil nationalization; in the July 1952 Uprising famous as *Siyeh-e Tir* (30th Tir) (21 July); and in the open confrontation between the shah and Mossadeq on 28 February 1953 – known as the February Incident (*Vaq'eh-e Esfand*).

Oil Nationalization

The whole oil crisis began on 27 April 1951 when parliament elected Mossadeq as prime minister with the mandate to form a cabinet and implement the recently enacted bill nationalizing the British-owned Anglo-Iranian Oil Company (AIOC). Mossadeq later revealed that Hussein Ala, the court minister and previous premier, had privately beseeched him to take the premiership in part because of concern about the forthcoming May Day, and in part because the majles was convinced he was the only person capable of implementing the nationalization law.¹

Mossadeq presented his cabinet and program to the majles at the very end of April. Endorsed by another overwhelming vote, he received the automatic *farman* (royal decree) to head the new government. The

¹ Mohammad Mossadeq, Address to Senate, *Muzakerat-e Majles-e Sena Aval (1st Senate Debates)* (Tehran: Senate Printing House, 1953), 4 September 1951.

shah also placed his pro forma signature onto the nationalization law on 1 May. In his May Day address to the nation, Mossadeq confessed he never expected in his old age and ill health to become prime minister, but nevertheless promised to implement fully the nationalization law. Congratulating workers on their day, he beseeched the nation, including journalists, to be “moderate,” “orderly,” and “not abuse their freedoms.”² The British embassy remarked that Mossadeq permitted public celebration of May Day because he was committed to the constitution and the rule of law – especially the right of citizens to speak, organize, and assemble.³ The CIA reported Mossadeq’s “first official act was to instruct the police not to ban the May Day demonstration.” It added, “his willingness to permit the May Day demonstration is indication of his rather unreliable political philosophy.”⁴

The CIA also reported that oil nationalization enjoyed “almost universal support” and was seen as a “fight for national independence from foreign interference in the internal affairs of Iran.” It added “for the first time a government in Iran had come to power with popular backing.”⁵ The US chargé d’affaires later noted that Mossadeq had been elected in a wave of unprecedented popularity:⁶

There seems to be no question of the broad base of popular support for Dr. Mosadeq at the time he first took office as Prime Minister. As leader of the struggle against the Anglo-Iranian Oil Company in a country where resentment and even hatred of the British is deep-rooted, Mosadeq could count upon the support of the people from all levels of society with but few exceptions. For many months after oil nationalization, the Prime Minister’s popularity continually mounted. To the common people, Mosadeq was looked upon almost as a demigod. The phenomenon of Mosadeq was almost unique in Iran. The figure of a frail, old man, in an Oriental country where age of itself commands respect, who appeared to be successfully winning a battle against tremendous odds, aroused the sympathy of almost all Iranians. In a country where political corruption

² Mossadeq, May Day Speech, *Ettela’at*, 2 May 1951.

³ British Embassy, Activities and Development of Tudeh Party, *FO 416/Persia* 1951/104.

⁴ CIA, Daily Digest (30 April 1951), CIA Electronic Library, www.cia.gov/readinroom/search/site/Iran.

⁵ CIA, Current Outlook in Iran (25 September 1951), www.cia.gov/readingroom/search/site/Iran.

⁶ Roy Melbourne, Popularity and Prestige of Prime Minister Mohamed Mosadeq (1 July 1953), *FRUS* (2017), 612–15.

had been the accepted norm, there now appeared a man whose patriotism and financial honesty was unassailable.

Similarly, Sam Falle, a Persian-speaking British counsellor – the Foreign Office term for political attaché – later admitted that Mossadeq came to power “loved by the people” and with “tremendous popular support” in most part because he was a “brilliant” speaker, as well as a “sincere,” “honest,” “non-violent,” and “sort of an Iranian Mahatma Gandhi.”⁷ When Sir Francis Shepherd, the British ambassador, tried to persuade the shah to forestall Mossadeq’s election by dissolving the majles, declaring martial law, and appointing a more pliable prime minister, the shah declined on the grounds that any future government would still have to deal with overwhelming public opinion. Moreover, he was “not sure whether soldiers would obey orders if they were told to fire on crowds.”⁸ Thus began a breathtaking roller-coaster crisis that shook the international community as well as Iran for the next two years. It came to an abrupt end only with the military coup of August 1953.

Even before the nationalization bill had been finalized, George McGhee, President Truman’s assistant secretary of state, rushed to Tehran to persuade the shah not to sign the bill into law. He harbored the false notion that the shah had such constitutional prerogatives. Dr. Henry Grady, the US ambassador, had earlier warned that the only way to forestall the danger of nationalization was for the AIOC to offer Iran an agreement similar to that of Aramco – one based on the “principle” of 50/50 sharing of profits.⁹ An Iranian senator raised the not-so-rhetorical question why a dispute between Iran and a private British company was attracting so much American attention.¹⁰ McGhee, himself a Texan oil man, continued to serve as President Truman’s point man on Iran throughout the forthcoming crisis.

When McGhee arrived in Tehran he found the public mood such that “no one could persuade Iranians not to nationalize the AIOC.”¹¹ In the previous months, Mossadeq’s National Front had held mass meetings

⁷ Sam Falle, *My Lucky Life* (London: Book Guild, 1996), 75.

⁸ Sir Francis Shepherd, Letter to Foreign Office (6 May 1951), FO 248/Persia 1951/1514.

⁹ Editorial Note, Note on Grady’s Report (7 March 1951), *FRUS* (2017), 15.

¹⁰ Baqer Kazemi, Speech, *1st Senate*, 15 April 1951.

¹¹ George McGhee, *Envoy to the Middle East* (New York: Harper and Row, 1983), 327.

demanding nationalization. At the same time, the Tudeh Party – the outlawed communist party – and its main front organizations, the Peace Partisans and the Society against the Imperialist Oil Company, had organized petitions, protests, and a general strike throughout the oil industry. They had also organized “sympathy strikes,” some violent, in other industries – especially in the textile factories in Isfahan. The senior senator from Isfahan described these strikes as a national *qeyam* (uprising) and praised nationalization as culmination of the country’s two-centuries-long struggle for unity, sovereignty, freedom, and “national independence” (*isteqlal-e melli*).¹²

As Grady begrudgingly admitted to the State Department: “Mosadeq has the backing of 95 to 98 percent of the people of this country. It is folly to try to push him out.”¹³ Although Grady persisted in opposing nationalization, he retained great respect for Mossadeq, describing him as: “A man of great ability, a popular leader and regarded by even his critics as thoroughly honest. He is also a man of great intelligence, wit, and education – a cultured Persian gentleman reminiscent of the late Gandhi.”¹⁴ Some in the CIA concurred – at least in these early days. They stressed that Iranians regarded the oil struggle as a “fight for national independence,” and, therefore, would rather suffer full revolution than see the British return to Iran.¹⁵

Nationalization received overwhelming support not only in the majles but also in the conservative upper house. Even senators wary of Mossadeq voted for nationalization. Hassan Taqizadeh, the senate president and veteran politician, who had negotiated the 1932–3 AIOC concession, privately told the *Manchester Guardian* reporter, whom he knew from the days of the Constitutional Revolution, that he “did not believe his ears” in 1933 when he heard Reza Shah had abruptly accepted the bad offer made by the oil company. He attributed the shah’s unexpected about-turn either to AIOC pressure or to perhaps a “private deal.”¹⁶ He left others to figure out what he meant by “private deal.”

¹² Mehdi Malekzadeh, Speech, *1st Senate*, 19 April 1951 and 18 May 1951.

¹³ Dr. Henry Grady, Telegram (1 July 1951), *FRUS* (1989), 78.

¹⁴ Grady, “What Went Wrong in Iran?” *Saturday Evening Post*. This is preserved in the British Petroleum Archives in Warwick University. See BP/10624.

¹⁵ CIA, Current Strength of the Tudeh Party (13 September 1951), *FRUS* (2017), 133.

¹⁶ Arthur Moore, Letter (22 October 1951), *FO 371/Persia 1951/34–91606*.

The National Security Council (NSC) in Washington rushed a National Intelligence Estimate (NIE) – known internally as an “Estimate.” It argued that Mossadeq, despite the opposition of the shah and the ruling elite, had “radically transformed” Iranian politics. He had done so by obtaining the support of the vast majority including “peasants, laborers, and tradesmen.” It concluded:

The most significant aspect of Mossadeq’s advent to power is that moderate elements in Iran’s government class appear to have lost control of the situation. Many deputies in the Majlis supported Musaddiq for Prime Minister in the hope that the oil crisis for which he is largely responsible, would result in his own downfall. In view of his strong popular backing, however, he will not be easily replaced.¹⁷

A follow-up estimate elaborated that Mossadeq had “come to power as leader of a nationalist movement”; that he had “aroused intense popular support”; that he “could not be removed from power as long as the oil question remains”; and that an “attempt to set up a non-parliamentary regime would involve grave risks which the Shah is not willing to take.”¹⁸ A more detailed NIE for 1952 reemphasized the conclusion the shah “cannot risk the danger of attempting to remove the premier because of the almost universal support on the oil issue.” It speculated that there was as an “outside chance that under British pressure he [the shah] would arrest him and his extreme supporters, but this would certainly risk a certain civil war.”¹⁹ The US embassy concurred.²⁰

McGhee, in his memoirs, is candid about his rushed trip to Tehran. He writes that he made it crystal clear to the shah that his administration was dead against nationalization since such a measure “would jeopardize oil concessions held by the USA, United Kingdom, and other firms around the world.”²¹ Loy Henderson, the incoming American ambassador, in a detailed report to the State Department listed reasons why the shah refused to heed

¹⁷ Office of National Estimates, Memo for the NSC (1 May 1951), *FRUS* (2017), 73–5.

¹⁸ NCS, Special Estimate: Current Developments in Iran (22 May 1951), *FRUS* (2017), 91–6.

¹⁹ NSC, NIE-46 (19 December 1951) www.cia.gov/readingroom/search/site/Iran.

²⁰ US Embassy, Popularity and Prestige of Prime Minister Musaddiq (1 July 1953), in *FO 371/Persia 1953/34–104568*.

²¹ McGhee, *Envoy to the Middle East*, 327.