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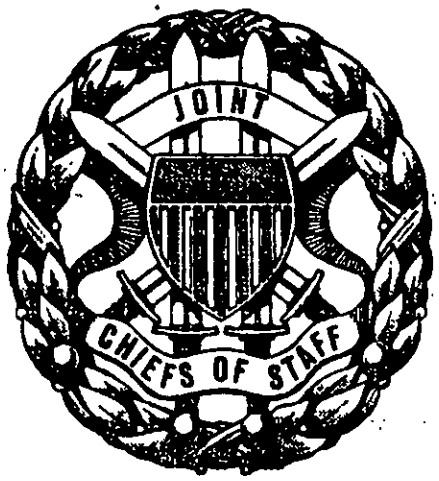
SPECIAL HISTORICAL STUDY

THE JOINT CHIEFS OF STAFF AND THE DEVELOPMENT OF US POLICY TOWARD IRAN 1946 - 1978



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HISTORICAL DIVISION
JOINT SECRETARIAT
JOINT CHIEFS OF STAFF
31 MARCH 1980

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THE JOINT CHIEFS OF STAFF AND THE DEVELOPMENT OF US POLICY TOWARD IRAN

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OVERVIEW

(U) Located at the crossroads between East and West, Iran has always occupied a strategic position in the world. Situated on the border of the Soviet Union and including vast quantities of oil, Iran's geographical location became even more important in the post-World War II era.

(U) The United States first became involved in Iran during World War II when it stationed troops there to assist in moving military equipment and materiel to the Soviet Union. Immediately following the war, Iran was caught up in one of the first Cold War confrontations between the United States and the Soviet Union. At that time, Soviet troops refused to evacuate the northernmost Iranian province of Azerbaijan as previously agreed and the United States pressured the Soviet Union to remove its forces. The US efforts succeeded and the Soviets did withdraw. This experience, however, demonstrated to the United States the importance of Iran and the need for a stable, friendly regime there. To that end, the United States began to provide the Shah and his government military aid. Limited at first to the sale of military equipment, a formal program of grant assistance was initiated in 1949.

(U) Rising nationalism in Iran and growing resentment of the British oil concession brought Dr. Mohammed Mossadegh, a rabid patriot, to the forefront of Iranian politics in 1950. He became prime minister in 1951 and proceeded to nationalize the Anglo-Iranian Oil Company. The accompanying public fervor and the ensuing economic chaos threatened Iran, for a time, with anarchy and the possibility of an internal communist takeover. Once again, the United States saw the need for a strong and stable Iran.

(U) Following the overthrow of Dr. Mossadegh and the return of the Shah to full power, the United States stepped up its military assistance to Iran. This aid was designed to build a modern armed force capable of maintaining internal security and providing some defense against external aggression. Simultaneously, the United States sought to create a collective defense arrangement in the Middle East, including Iran, to block Soviet expansion into the area. The US efforts culminated with the establishment of the Baghdad Pact, which subsequently evolved into CENTO, in 1955 with Iran as a member. Although the United States did not join this new organization, it did participate in the Pact's military planning. Throughout the remainder of the 1950s, the United States supplied military aid to the Shah to enable Iran to contribute to the Pact's defense efforts.

(U) By the early 1960s, the Iranian armed forces seemed launched on the way to becoming a modern fighting force. Moreover, during this period, the Shah finally began to address the nagging internal problems that had long plagued his country. He instituted a wide ranging program of reform, known as the "White Revolution," including land reform and distribution, economic modernization, and political enfranchisement. Therefore Presidents Kennedy and Johnson gave the Shah their full backing. They continued and expanded military assistance in a further effort to strengthen the Iranian forces. It was in this period that the US military assistance program was converted from one of grant aid to credit sales. Simultaneously, with its increasing strength, Iran had become more independent, pursuing its own ambitions.

(U) After assuming the Presidency in 1969, Richard Nixon fitted Iran into his new "Nixon Doctrine"--a

policy whereby the United States, while continuing economic and military assistance, would look to friends and allies to handle their own internal security and military defense. In the case of Iran, the United States turned to a willing Shah and his armed forces to assume the defense of the Persian Gulf area in place of the departing British presence. The vastly expanding Iranian revenues resulting from spiralling increases in the price of oil would allow Iran to build the military establishment necessary for this task. Accordingly, the United States began to sell Iran large quantities of its newest and most sophisticated weapons, and US arms sales to Iran rose from $458 million in FY 1972 to approximately $4 billion by FY 1974.

(S) President Carter, while convinced of the importance of Iran to the Western powers, did not believe such massive arms sales to the Shah were necessary. Therefore he reduced the volume of new commitments and prohibited the sale of new weapons until they were operationally deployed with US forces. As a result, US arms sales to Iran fell from $3.2 billion in FY 1977 to $763 million in FY 1978.

(U) Meanwhile, opposition to the Shah in Iran, which had gradually developed over the years but remained relatively quiescent and divided, now coalesced. Opposing the Shah were all elements of the political spectrum in Iran. Conservatives, both clergy and lay, feared the loss of privileged positions in the Shah's modernization programs while the liberals, the expanding middle class, and the working people disliked the Shah's authoritarian methods and the corruption surrounding his regime. The result was growing revolution and spreading anarchy during the latter part of 1978. After several months of indecision, the Shah abdicated

on 16 January 1979 and left the country. The US policy, now over 30 years old, of support for the Shah had failed and Iran teetered on the brink of chaos.

(U) Throughout the United States involvement in Iran, the Joint Chiefs of Staff have participated in the development of the national policy toward that country. Their role, however, had been largely one of supporting the government-wide consensus rather than launching new intitiatives. In October 1946, during the Azerbaijan crisis, the Joint Chiefs of Staff provided the Department of State their first appraisal of Iran. Both oil resources and a strategic location, affording a base for both defensive and counteroffensive operations against the Soviet Union, gave Iran a major strategic importance. The Joint Chiefs of Staff have consistently and repeatedly maintained this position since that time.

(U) From 1946 through 1978, the Joint Chiefs of Staff urged and supported military assistance for the Shah and his forces in order to insure a stable, Western-oriented Iran. In the 1950s, JCS recommendations for increased support for the Iranian forces to enable them to contribute to Middle East defense and JCS support for a Middle East collective defense arrangement, which included Iran, became US policy. During the 1960s, the Joint Chiefs of Staff continued to advocate military support of Iran. They sent several special missions there to survey the requirements. They carefully reviewed the resulting findings and submitted detailed recommendations to the Secretary of Defense. These JCS recommendations formed the basis for expanded US programs for Iran. Presidents Nixon and Ford did not rely on the Joint Chiefs of Staff as closely as their predecessors for advice on Iran.

Decisions were made to sell vast amounts of new and sophisticated military equipment to Iran without any formal review by the Joint Chiefs of Staff. Still, the Joint Chiefs of Staff did supply recommendations on Iran and its armed forces in the annual Joint Strategic Objectives Plan (JSOP) submissions, but these recommendations usually merely reflected Presidential decisions. President Carter cut back military sales to Iran and once again turned to the Joint Chiefs of Staff for advice on provision of new weapons systems to the Shah. Yet neither the Joint Chiefs of Staff nor most of the President's civilian advisers foresaw the deteriorating internal situation in Iran, that culminated in the fall of the Shah.

1
WHICH WAY IRAN?
1946-1953

Historical Background

(U) Iran is one of the oldest countries in the world today. Its national history dates back 2,500 years to the consolidated empire of the Medes and Persians, which at its height encompassed all the territories between what is today India and the Mediterranean Sea. The Persian Empire was the greatest power the world had known to that time.

(U) Succeeding centuries witnessed alternating periods of foreign conquest and native rule. Then, in the period A.D. 637-650, Arab Moslems from the Arabian Peninsula subdued all the territory that is modern Iran. Gradually the conquered inhabitants were converted to Islam, embracing the Shiite branch while the majority of the Moslem world adhered to the Sunni branch. Other conquerors followed the Arabs--the Seljuk Turks, the Mongols, and Tammerlane. The arise of the Safavid dynasty in 1502 returned native rulers for the first time in 600 years.

(U) In 1795, a Qajar prince subdued all rivals and established a dynasty that ruled Iran, or Persia as it was then known, until 1925. Throughout the 19th Century, Iran was subjected to increasing pressures by the European powers, especially Russia and Britain, for economic and territorial concessions. Over the same period, growing nationalist sentiment led to a strengthening and modernization of Iranian institutions, culminating in a series of reforms in the years 1906-1908, including adoption of a constitution and establishment of a parliament, the Majlis. These events,

coupled with the discovery of oil in large amounts in 1908, brought Iran into the modern age. By Western standards, however, Iran remained an extremely backward country.

(U) Even though Iran declared its neutrality in World War I, both Russia and Britain placed troops there. Following the eruption of the revolution at home in 1917, the Russians withdrew, and Britain became the dominant foreign power in Iran. Thereupon, the British attempted to force a treaty upon Iran officially recognizing this influence, but the Majlis refused to accept the treaty. Subsequently, Iran became a member of the League of Nations in 1920 and Britain began withdrawal of its troops in 1921. That same year, Iran and the Soviet Union signed a treaty of friendship. Among other provisions, Iran agreed not to permit its territory to be used by anti-Soviet groups.

(U) That same year a little known Iranian officer, Brigadier General Reza Khan, Commander of the Persian Cossack Brigade, staged a coup and took control of Tehran. He forced the Shah to appoint him both commander in chief of the armed forces and war minister. From these positions, he consolidated and expanded his power. In 1923 he became Premier and, in 1925, the Majlis ended the Qajar rule, proclaiming Reza Khan the new ruler as Reza Shah Pahlevi.

(U) Reza Shah, who ruled Iran as a military dictator, was determined to rid Iran of foreign influence and centralize the government. He launched a vigorous program of modernization, instituting a universal conscription law, organizing a standing army drawn from the peasantry, and establishing his authority throughout the country. He encouraged industrialization and renegotiated the Anglo-Iranian oil concession agreement of 1919 to obtain more favorable terms for Iran. He

outlawed the veil, introduced civil marriage and divorce, expropriated the property of the Islamic clergy, and organized secular schools. In 1935, the name of the country was changed from Persia to Iran.

(U) When World War II broke out, Iran again tried to remain neutral. Reza Shah, however, held some pro-German views and, in June 1941, refused a joint British-Soviet request to permit transit of war supplies across Iran. Consequently, both Britain and the Soviet Union moved troops into Iran. The Soviets occupied five northern provinces, including Gilan, Mazandaran, and traditionally dissident Azerbaijan, while the British took over the southwestern part of the country and the Persian Gulf in order to protect Allied oil supplies. This occupation was regularized by the Tripartite Treaty of Alliance signed by Britain, the Soviet Union, and Iran in January 1942. The treaty not only gave formal sanction to the occupying forces, but also guaranteed their respect for the territorial integrity, sovereignty, and political independence of Iran and provided for withdrawal of the occupying troops within six months of the end of hostilities. Later in 1942, US forces entered Iran to assist in the movement of materiel and supplies to the Soviet Union, but their presence was never recognized by a treaty.

(U) With the entry of the British and Soviet troops, Reza Shah had abdicated in favor of his 22-year old son, Mohammed Reza Pahlevi and, subsequently, on 1 September 1943, Iran declared war on Germany. During the course of a conference of the Allied leaders in Tehran in late November and early December 1943, Franklin Roosevelt, Winston Churchill, and Joseph Stalin issued the "Declaration on Iran," in which they

acknowledged Iran's assistance in the war, reaffirmed the commitment to Iran's independence, and pledged economic assistance at the close of the hostilities.[1]

The Azerbaijan Crisis

(U) In the years following World War II, Iran was confronted with two major crises that threatened its existence as an independent, Western-oriented nation. In the first, the Azerbaijan crisis, the Soviet Union not only refused to evacuate the Province, as provided in the terms of the Tripartite Treaty, but also pressured Iran for oil rights. The United States opposed these moves and the resulting dispute vitiated much of the good-will remaining among the wartime allies.

(U) Even during World War II, the Soviet Union had closed its zone of occupation to all foreign travelers, thereby preventing allied diplomats and newsmen from reporting on conditions in northern Iran. A ban was imposed on the export of staple foodstuffs from the Soviet zone, one of the major food producing areas of Iran. As a result, famine occurred in other parts of the country, including Tehran. As one authority has noted, "The Iron Curtain was thus hung in Iran long before the English speaking democracies learned of its existence."[2]

(U) The Soviet Union had also demanded that Iran grant it oil concessions that would cover the five provinces bordering on Russia. Iran, however, flatly

1. For the historical background on Iran prior to 1946, see Harvey H. Smith et al., Area Handbook for Iran (1971), pp. 39-64.
2. George Lenczowski, Russia and the West in Iran, 1918-1948 (1949), pp. 193-215.

rejected all oil concessions, not only to the Soviet Union but to the United Kingdom and the United States. On 19 May 1945, following Germany's surrender, Iran demanded that both of the occupying nations withdraw their forces. In reply both the United Kingdom and the USSR made it clear that they would not withdraw before the agreed deadline of six months after the end of hostilities. In August 1945, both nations removed their uniformed forces, mainly service troops, from the area of Tehran, but the Soviet Union left thousands of men in plain clothes in the area. These included members of the Soviet secret police, the NKVD.[3]

(U) Perhaps the most serious of the transgressions during Soviet occupation occurred in late 1945. Against the will of the Iranian Government, the Soviet Union aided and abetted a change in the form of government in Azerbaijan Province. Soviet forces supported a seizure of government power in Azerbaijan by the communist "Tudeh" party. When the Iranian Government attempted to send military forces to reinforce their garrison in Azerbaijan, Soviet military authorities prevented Iranian troops from entering the province. The Iranian Government was effectively prevented by the Soviet Union from applying Iranian laws in the area. As a result of an uprising of Kurdish tribesmen in the northern area, an uprising openly encouraged by the Soviet Union in December 1945, the entire province of Azerbaijan was separated from the control of the Iranian Government.[4]

(U) With the support of the United States, Iran appealed to the newly established United Nations

3. Lenczowski, Russian and the West in Iran, 1918-1948, pp. 216-220.
4. Ibid., pp. 284-289.

Security Council on 19 January 1946, asking that it investigate the situation and recommend appropriate action. The Soviet Union denounced Iran's action and denied all its allegations. The Security Council, in its first real test, was unable to act, since the Soviet Union took the position that the Council was not competent to handle the dispute. The Security Council then agreed to let the two countries try to settle their differences by direct negotiations.[5]

(U) Meanwhile the situation in Iran had grown more tense. Soviet activities there "threatened the peace of the world" as President Truman described the crisis. In a speech obviously intended as a warning to the Soviet Union over Iran, Secretary of State James F. Byrnes in late February pointed out that the United States had "approved many adjustments" and "resolved many disputes" in favor of the Soviet Union. He said the United States welcomed the Soviet Union as a member of the United Nations. He pointed out that great powers as well as small ones had "agreed under the United Nations Charter not to use force or the threat of force except in defense of law and in the purposes of the Charter." He emphasized that the United States "will not and cannot stand aloof if force is used contrary to the purposes and principles of the Charter."[6]

(U) Admiral Willian D. Leahy, USN, the Chief of Staff to the Commander in Chief and the presiding member of the Joint Chiefs of Staff, found Secretary Byrnes' speech "of superlative value." He only regretted that it had not been delivered earlier.[7]

5. Harry S. Truman, Years of Trial and Hope (1956), p. 94.
6. State Dept Bulletin, 10 Mar 46, p. 358.
7. ADM William D. Leahy, Diary, 3 Mar 46, copy in National Archives.

(U) British forces withdrew from Iran on 2 March 1946, six months after the Japanese surrender as agreed in the Anglo-Iranian-Soviet treaty. US forces had already been evacuated by the end of 1945. The Soviet Union, however, gave no sign of keeping its pledge of withdrawal. Three days after the deadline date, Secretary of State Byrnes addressed a note to Soviet Foreign Minister Molotov asking that Soviet forces be withdrawn as agreed and warning that the United States could not remain "indifferent" to the situation. Intelligence indicated that Soviet tanks were moving into Iran, deploying toward the Turkish border and the Iraqi frontier and the US Air Attache personnally observed Soviet tanks only 25 miles from Tehran. Secretary Byrnes' reaction upon learning of this was to observe that the Soviet forces were adding military invasion to political subversion. Reportedly he reacted with some heat and stated "Now we'll give it to them with both barrels."[8]

(U) "Both barrels" took the form of a second note to Foreign Minister Molotov on 8 March saying that it appeared Soviet forces in Iran were being reinforced and asking for an explanation if that were the case. No official Soviet reply was received to either of Mr. Brynes' notes, but on 15 March the Soviet news agency, Tass, denied that any reinforcement or redeployment was taking place in Iran.[9]

8. Msgs, State 385 to Moscow, 5 Mar 46, Moscow 682 to State, 6 Mar 46, Foreign Relations of the United States, 1946, vol. VII (1969), pp. 340-342, 348. Herbert Feis, From Trust to Terror (1970), p. 81-87. Truman, Years of Trial and Hope, pp. 94-96. Lenczowski, Russia and the West in Iran, pp. 296-302. Smith et al., Area Handbook, Iran, p. 65.

9. Msg, State 425 to Moscow, 8 Mar 46, Foreign Relatins of the United States, 1946, vol. VII, p. 348.

(U) When Iran again went to the Security Council, accusing the Soviet Union of failure to withdraw from its territory, Soviet diplomats protested sharply. At one point during a Security Council meeting on the subject, Soviet Ambassador Andrei Gromyko stalked out of the meeting. On the other hand, the United States supported Iran more strongly than on the first occasion, with Secretary of State Byrnes personally appearing before the Council. It was apparent that the Soviet Union was bothered by the unfavorable publicity emanating from these meetings, and on 26 March the Soviet representative announced suddenly that the Soviet forces would be removed from Iran within six weeks after March 24, 1946 "if no unforeseen circumstances occur." On 4 April Iran announced that an agreement had been reached with the Soviet Union confirming the Soviet withdrawal and establishing an Iranian-Soviet oil company, to be ratified by the Iranian Parliament (Majlis) within seven months of that date. The Soviet Government would hold 51 percent of the stock and the Iranian Government the remaining 49 percent. The Soviet Union subsequently evacuated its forces on schedule, leaving behind a strong communist revolutionary regime in Azerbaijan.[10]

(U) To this point in the crisis, the Joint Chiefs of Staff had not been asked to provide opinions on military options with respect to the situation in Iran or to prepare any plans for military actions. Rather US actions remained within the diplomatic realm. The US strategy appeared to be to leave the matter within the purview of the UN Security Council as long as it was safe to do so.

10. Lenczowski, Russia and the West in Iran, pp. 298-299. Nosrollah Fatemi, "Oil Diplomacy" (1954), pp. 315-316. The agreement establishing an Iranian-Soviet oil company never took effect, since the Iranian Parliament refused to ratify it.

(U) By the fall of 1946, the Shah and his government had begun plans to reassert control over Azerbaijan, raising the possibility of a confrontation with the Soviet Union, and now the advice of the Joint Chiefs of Staff was sought. In September, the Department of State asked the Joint Chiefs of Staff for their views on the strategic importance of Iran to the United States. The Joint Chiefs of Staff were also asked in what ways US interest in Iran was linked to the Near and Middle East as a whole and how that interest would be affected by Soviet domination of all or part of Iran. Finally, the Department of State asked: ". . . does the JCS consider that a program of assistance by the US to the Iranian military establishment would contribute to the defense of United States strategic interest in the Near and Middle Eastern area?"[11]

(U) The Joint Chiefs of Staff, in their reply of 11 October, began by observing that the Department of State's questions were based on an assumption of possible war between the United States and the Soviet Union and that their answer relied on the same assumption. Iran, as a major source of oil supply, was militarily of "major strategic interest" to the United States. Moreover, "from the standpoint of defensive purposes," the area offered "opportunities to conduct delaying operations and/or operations to protect United States-controlled oil resources in Saudi Arabia." In addition, Iran offered, as did all the Middle East, a base for counteroffensive operations againt the Soviet Union.

(U) The Joint Chiefs of Staff then evaluated four possibilities that had been put forth by the Department of State: (1) division of Iran into British and Soviet spheres of influence would advance the Soviet Union's

11. Foreign Relations of the United States, 1946, vol. VII, pp. 515-516.

political and strategic objectives, contribute to the encirclement of Turkey, and destroy British ability to defend the Iraqi oil fields; (2) control of the northern province of Azerbaijan by the USSR, although undesirable, would be the least objectionable of the situations listed; (3) creation of a Soviet-dominated autonomous Kurdish state would probably cause the dissolution of the present Iraqi Government and possibly lead to the installation of a Soviet-oriented regime there; (4) domination of all Iran by the USSR would greatly intensify all the adverse effects listed above.[12]

(U) The Joint Chiefs of Staff made clear their support for military aid to Iran. Token assistance to Iran's military forces, they said, could create confidence and good will toward the United States within the Iranian Government and thus contribute to the US strategic posture in the area. To assist Iran in preventing civil disturbances, which could attract intervention by "powerful neighbors" and involve the United States, the Joint Chiefs of Staff favored giving Iran reasonable amounts of military material to be used only for internal security. They considered "such non-aggression items" as small arms, light artillery, ammunition, small tanks, transportation and communication equipment, quartermaster supplies, and possibly short range aircraft and naval patrol craft to be appropriate for Iran in reasonable quantities if requested. The United States must be satisfied, of course, that Iran wanted to maintain its independence within the "community of nations."

(U) The Joint Chiefs of Staff also believed it would be appropriate for the United States to give technical advice, but it must be done without fanfare and upon request only. Such a step would contribute to

12. (U) SM-6874-46 to SWNCC, 11 Oct 46 (derived from JCS 1714/3), CCS 092 (8-22-46) sec 1. Printed in Memo, SWNCC to MGEN J. N. Hilldring, 12 Oct 46, SWN-4818, Foreign Relations of the United States, 1946, vol. VII, pp. 529-532.

"the defense of United States strategic interest in Iran and the Near and Midle East area." In 1943 the United States had, as a matter of course, established two small military missions in Iran. One of these missions advised the Iranian Army, the second advised the Imperial Gendarmerie.[13] The Joint Chiefs of Staff recommended that these missions not be removed but that, conversely, no new missions be established at this time.

(U) Subsequently, on 29 October 1946, the Secretary of State made a decision that marked the beginning of an aid program for Iran. He decided to support a program under which the United States would sell Iran armaments worth not more than $10 million.[14]

(U) In Iran, meantime, the crisis had worsened. According to diplomatic reports from Tehran, Prime Minister Qavam was retreating before Soviet pressure and Iran was daily losing what remained of its independence. Mr. Loy Henderson, Director of the Office of Near Eastern and African Affairs, in the Department of State considered the situation to be so critical that swift action by the United States might be required. An Iranian military mission in Washington to purchase the already approved $10 million worth of military equipment was running into a stone wall. Mr. Henderson warned that the United States could no longer delay and

13. (U) JCS 557,30 Oct 43, CCS 530 Persia (9-2-42) sec 2. For further informatin of the US wartime missions to Iran see T. H. Motter, The Persian Corridor and Aid to Russia (1952), pp. 473-477. The US mission to the Gendarmerie, subsequently known as GENMISH, was sanctioned by an agreement between the United States and Iran on 27 November 1943. The mission to the Iranian Army, subsequently known as ARMISH, was not recognized by a formal agreement until 6 October 1947. See EAS no. 361, 27 Nov 43 and TIAS 1666,16 Oct 47, both in Treaties and Other Int'l Agreements of the USA, 1776-1949, vol 8, pp. 1285-1290, 1295-1301.

14. (U) Memo, AsstSecState for Occupied Areas to USecState, 29 Oct 46, printed in Foreign Relations of the United States, 1946, vol. VII, p. 255.

should sell this "nonaggression" equipment to Iran quickly. He quoted the JCS statements of 11 October in support of his position. He also favored increasing the strengths of the military missions in Iran and keeping them there so long as they were needed. Secretary of State Byrnes approved Mr. Henderson's recommendations.[15]

(U) The immediate crisis in Iran subsided as 1946 drew to a close. On 24 November, the Iranian Government ordered its forces to march into Azerbaijan to supervise parliamentary elections. The Soviet Government protested this move, warning of possible "disturbances" should Iranian troops enter Azerbaijan. The US Ambassador to Iran, George V. Allen, lauded the move, publicly announcing that it was "quite normal and appropriate." In this statement, he was backed up by Under Secretary of State Dean Acheson in Washington. The Iranian Army marched into Azerbaijan with only a few minor skirmishes taking place. On 4 December the rebel regime collapsed.[16]

The Mossadegh Crisis

(U) The second threat to Iran's independence and Western orientation in the years following World War II was the "Mossadegh crisis" of 1951-1953. In this instance the danger came not from external sources but, rather, from internal dissension. Dr. Mohammed Mossadegh, a determined nationalist, led a vigorous movement to gain complete control of Iranian oil resources. The resulting unrest and chaos in Iran seemed for some months to be opening the way for the communist-controlled Tudeh Party to seize control of the government.

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15. (U) Memo, Dir. Office of Near Eastern and Afircan Affairs (Henderson) to USecState, 18 Oct 46, w/att Memo, "Implementation of United States Policy toward Iran," same date, Foreign Relations of the United States, 1946, vol. VII, pp. 533-536, and fn 1, p. 535.

16. Lenczowski, Russia and the West in Iran, p. 302.

(U) The crisis arose over the status of the British oil concession. Under the agreement negotiated between Reza Shah and the British in 1933, the Anglo-Iranian Oil Company extracted and marketed Iranian oil, giving the Iranian Government 25-30 percent of the net profits. More nationalistic members of the Majlis, however, wanted a larger and more equitable share of the revenue. Dr. Mossadegh, the most vocal of these members, became chairman of the Majlis oil committee in 1950 and formed a coalition, the United Front, to press for nationalization of the Anglo-Iranian Oil Company. The more moderate Premier, General Ali Razmara, attempted to obtain more favorable terms from the Company, but was not successful. Meantime, in Saudi Arabia, the Arabian-American Oil Company accepted an arrangement that gave the government there 50 percent of its profits, and this development increased Iran's demands for a larger share of the profits of the Anglo-Iranian.[17]

(~~TS~~) Against this background, the Truman Administration began drafting a formal statement of US objectives and policy for Iran in March 1951. Adapting a Department of State study, the NSC Staff drafted and circulated a policy paper (NSC 107) for the Council's consideration. According to this statement, Iran's absorption within the communist orbit would damage oil-dependent Western European economies, impair US prestige, and "seriously weaken, if not destroy" resolution among adjacent Middle Eastern countries. For these reasons, the United States should take "all feasible steps" to insure that Iran escaped Soviet domination. Although the initiative for any military action in support of Iran rested with Great Britain, the United States and United Kingdom jointly should "give early consideration to measures designed to

17. Smith et al., Area Handbook, Iran, pp. 66-67.

strengthen the general area." Also, the United States should (1) strengthen its current assistance programs (especially economic aid) as much as possible and (2) press the British to "effect an early and equitable settlement" of the oil dispute. If an Iranian government took actions that foreshadowed communist control, the United States should be prepared to undertake "special political operations" to reverse this trend. Finally, in the event of an overt attack by the Soviet Union against Iran, the United States "in common prudence would have to proceed on the assumption that global war is probably imminent."[18]

(TS) The Joint Chiefs of Staff advised the Secretary of Defense that they considered NSC 107 acceptable as "an interim working guide." They asked, however, that this policy paper be reviewed as soon as the situation had clarified. When the National Security Council discussed NSC 107 on 21 March, the Service Secretaries recommended that it be rejected in toto. In their opinion, the courses of action designed to meet either internal subversion of external aggression "are safe innocuous statements of generalities which do not indicate anything except watchful waiting . . . . If we cannot do anything we should say so. If we can take concrete steps in either contingency we should so state." Overruling these objections, the Council adopted NSC 107; President Truman approved it on 24 March.[19]

18. (TS) NSC 107, 14 Mar 51, CCS 092 Iran (4-23-48) sec 2. The Joint Intelligence Committee reported that, under current circumstances, "It is not considered probable" that the Soviets could achieve total domination of Iran without overt use of their armed forces. However, "it is becoming increasingly evident" that they might win control of northern segments through economic and political pressure, possibly accompanied by subversive activities. The JCS noted these conclusions on 9 March. (TS) Rpt, JIC to JCS, "Intelligence Estimates on the Situation in Iran," 1 Mar 51, Encl to JCS 1924/51, 1 Mar 51, same file.

19. (TS) Memo, JCS to SecDef, 19 Mar 51 (derived from JCS 1714/17), same file. (TS) NSC Action No. 451,

(U) The tempo of events in Iran suddenly accelerated. General Razmara was assassinated on 7 March 1951; Dr. Mossadegh assumed the Premiership; and nationalization was promulgated on 2 May. Thereafter, the focal point of crisis centered on Dr. Mossadegh, who now roused popular emotions to fever pitch.[20]

(U) The British, as was to be expected, reacted with considerable concern, fearing that acquiesence in the nationalization could jeopardize all their overseas investments. Accordingly, Britain reinforced its Middle Eastern garrisons and dispatched warships to Abadan, the site of the Anglo-Iranian refinery. The United States, however, opposed the use of force to resolve the matter, and Secretary of State Acheson advised the British Ambassador in Washington on 17 May 1951 that the United States could support a resort to force only under one of the following conditions: Iranian Government invitation; Soviet military intervention; a communist coup in Tehran; or evacuation of endangered British nationals. A wide Anglo-American policy cleavage now ensued.[21]

(~~TS~~) Since the inadequacies of NSC 107 now were manifest, the NSC Staff circulated a revised policy paper (NSC 107/1) on 6 June 1951. The immediate situation in Iran, according to this statement, made that country's loss to the free world through internal communist uprising "a distinct possibility." The United States should therefore (1) continue to extend political support, primarily to the Shah as the only source of continuity of leadership; (2) accelerate and expand military, economic and technical

Mar 51. (TS) N/H of JCS 1714/16, 28 Mar 51, same file. As the JCS wished, Mr. Truman ordered the State Department to submit monthly progress reports until conditions were further clarified.

20. Dean Acheson, Present at the Creation (1969), pp. 503-504.

21. Ibid., p. 506.

assistance; and (3) attempt an early settlement of the oil controversy, recognizing both the rights of sovereign states and the importance of international contractual relationships. Considerable attention was devoted to contingency planning. If the central government requested dispatch of British troops to southern Iran in order to defeat a communist coup, the United States should offer the United Kingdom full political and perhaps military support. However, entry of British troops without Iranian consent could only be justified if necessary to save the lives of British subjects. Under any other circumstances, intervention would sunder the free world, create chaos in Iran, and possibly cause Tehran to request Soviet assistance. Should the United Kingdom resort to military action against US advice, therefore, "the situation would be so critical that the position of the United States would have to be determined in the light of the situation at that time."[22]

(~~TS~~) The Joint Strategic Survey Committee, the senior policy review element of the Joint Staff, adjudged NSC 107/1 acceptable as written. The Chief of Naval Operations, Admiral Forrest Sherman, however, felt the paper failed to reflect (1) growing petroleum needs of NATO nations, (2) declining British ability to provide military power and political leadership in the Middle East, and (3) increasing US capabilities and requirements in that area. He recommended several revisions along these lines, but the Joint Chiefs of Staff accepted only one, which stated that "increasing US influence in the Middle East" should be a governing factor in the continuing policy review. After approving other editorial modifications, they transmitted comments to Secretary of Defense Robert Lovett on 19 June 1951. Eight days later, the National Security

22. (TS) NSC 107/1, 6 Jun 51, CCS 092 Iran (4-23-48) sec 3.

Council slightly amended this paper and then adopted it as NSC 107/2; the final paper incorporated Admiral Sherman's addition. On 28 June, President Truman accorded NSC 107/2 his approval.[23]

(U) Meanwhile, matters grew steadily worse. Attempting to adjudicate the controversy, the International Court of Justice recommended reversion to the status quo ante and joint British-Iranian operation of the oil industry; Dr. Mossadegh categorically rejected this ruling. Iran and the United Kingdom seemed on the brink of hostilities; it was understood in Washington that the British Chiefs of Staff had recommended, and the Attlee Government rejected, military intervention.[24] At this point, President Truman dispatched Ambassador Averell Harriman to London and then to Tehran to urge resumption of negotiations. Neither side would make major concessions and, after initial progress, the talks collapsed later in August.[25]

(TS) Secretary of State Acheson and British Foreign Secretary Morrison discussed the Iranian situation during a Washington Foreign Ministers' Meeting in September 1951. The United States still could not support employment of British troops in connection with the oil controversy, except for the purpose of evacuating endangered nations, and no consensus was achieved.[26]

23. (TS) Memo, SecDef to JCS, 7 Jun 51, Encl to JCS 1714/20, 7 Jun 51; (TS) JCS 1714/22, 18 Jun 51; (TS) Memo, JCS to SecDef, 19 Jun 51 (derived from Dec On JCS 1714/21); (TS) Memo, ExecSecy to NSC, 28 Jun 51, Encl to JCS 1714/23, 2 Jul 51; CCS 092 Iran (4-23-48) sec 3.

24. (TS) Memo, Dep USecState to ExecSecy, NSC, 6 Aug 51, Encl to JCS 1714/24, 13 Aug 51, same file, sec 4.

25. Acheson, Present at the Creation, pp. 507-509.

26. (TS) WFM B-2/2a, "Iran," 22 Aug 51, Encl to JCS 1714/25, 24 Aug 51; (TS) WFM B-2/2b, "Iran," 24 Aug 51, Encl to JCS 1714/27, 29 Aug 51; CCS 092 Iran (4-23-48) sec 4. For DOD concurrence, see (TS) Memo, JCS to SecDef, 29 Aug 51 (derived from JCS 1714/26); (TS) Ltr, SecDef to SecState, 4 Sep 51, same file. Acheson, Present at the Creation, p. 510.

(U) Unhappily, the Anglo-Iranian controversy escalated further in the following weeks. Iran seized the Abadan refinery and expelled British technicians. Since the Iranians lacked technical skills needed to operate the facility, Abadan ceased operation and Iran lost its chief source of income. The British, meanwhile, reinforced their Persian Gulf squadron to 14 warships and filed a condemnatory resolution in the UN Security Council. In October 1951, Dr. Mossadegh arrived in New York to plead his country's case before the United Nations. Thinking that the opportunity for an offer of "good offices" might arise, the Secretary of Defense felt it would be "of the greatest importance" to possess an estimate of the increase in Soviet military potential that would occur if Iran and her oil fell under communist control. He therefore directed the Joint Chiefs of Staff quickly to survey this question.

(~~TS~~) Replying on 10 October, the Joint Chiefs of Staff predicted the following consequences:

> Economic--Probable eventual loss of all Middle Eastern oil, creating a possibly intolerable deficiency in oil resources.
> Political--Major threat of communist domination during peacetime of Iraq, Saudi Arabia, Pakistan, and India.
> Military--Prior development by the USSR of bases, facilities and stockpiles, greatly increasing the chances of Soviet success in operations against the Middle East and/or Pakistan-India.

If the Soviet Union achieved control of Iran during peacetime, they contended, her power position "would be so improved that, in all probability, an increase in the level of the military establishments of the Western World would be required." Under such circumstances,

the Joint Chiefs of Staff would be compelled "immediately to re-examine their global strategy . . . ." Therefore, from a strictly military standpoint, preservation of Iran's orientation toward the United States and protection of the United Kingdom's general position in the Middle East "now transcend in importance the desirability of supporting British oil interests in Iran." In reply to a specific Secretary of Defense question about the effect of Soviet acquisition of Iranian oil resources, the Joint Chiefs of Staff predicted that such a development would enhance Soviet capabilities and require "a longer effort" by the Western powers to defeat the Soviet Union and its satellites.[27]

(~~TS~~) The Administration did offer its "good offices" during Dr. Mossadegh's visit--but achieved nothing. When Winston Churchill succeeded Clement Attlee as Prime Minister on 25 October 1951, British distaste for Mossadegh did not abate. Early in November, Secretary Acheson gave the new British Foreign Secretary, Anthony Eden, the substance of the JCS memorandum of 10 October. The British Chiefs of Staff promptly challenged the JCS conclusion regarding the accretion of war potential if the Soviets acquired Iranian oil. They said that Soviet petroleum production already was sufficient for both civilian and military requirements, that importation of Iranian oil would exceed Soviet transport capacity, and that refineries and transport would be highly vulnerable to air attack.[28] In

27. (~~TS~~) Memo, SecDef to JCS, 8 Oct 51, Encl to JCS 1714/28, 8 Oct 51; (~~TS~~) Memo, JCS to SecDef, 10 Oct 51 (derived from Dec On JCS 1714/29); CCS 092 Iran (4-23-48) sec 4. Although this memorandum was submitted to the NSC, records do not indicate whether it was actually considered by the Council. (TS) N/H of JCS 1714/29, 23 Oct 51, same file.

28. (~~TS~~) Ltr, BJSM to SJCS, 28 Nov 51, Encl to JCS 1714/33, 30 Nov 71, same file, sec 5.

further Acheson-Eden discussions, the Secrtary of State argued that, if Dr. Mossadegh was not financially supported, Iran would fall into chaos and communism. The Foreign Secretary retorted that the Iranian economy was too primitive and too flexible to collapse, and contended that noncommunist alternatives to Mossadegh could be found.[29]

(~~TS~~) In succeeding months, the United States and Britain remained divided on the question of Iran. In anticipation of a meeting between President Truman and Prime Minister Churchill, the Joint Chiefs of Staff told the Secretary of Defense on 2 January 1952 that the "military urgency" of the situation in Iran, with its "explosive implications," was such that the US position should be expressed "in more concrete terms." Precision of expression, they believed, would avoid possible pre-commitment to courses of action not encompassed within NSC 107/2. In particular, US opposition to the use of force by Britain should be plainly stated. The President and Prime Minister met on 5 January 1952 and continued their talks for several days but, again, no agreement on Iran was reached.[30]

(U) The United States continued to furnish Iran with a marginal amount of economic aid. The World Bank attempted to negotiate an oil settlement but finally failed. Iran itself remained relatively quiescent until July 1952, when the Shah tried to appoint, a a new Premier. At once, riots convulsed Tehran;

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29. Anthony Eden, Full Circle (1960), p. 222.

30. (~~TS~~) TCT D-4/46, "Iran," 30 Dec 51, Encl B to JCS 1714/35, 31 Dec 51; (TS) Memo, JCS to SecDef, 2 Jan 52 (derived from JCS 1714/35); (~~TS~~) N/H of JCS 1714/35, 16 Jan 52; CCS 092 Iran (4-23-48) sec 5. The JCS Memorandum was transmitted informally prior to the Truman-Churchill talks. Acheson, Present at the Creation, pp. 599-600. For discussions on 8 and 9 January, see (~~TS~~) TCT Min-3, "Truman-Churchill Talks," 9 Jan 52 and (~~TS~~) TCT Conv-10, ". . . Iran," 11 Jan 52, CCS 337 (4-19-50) sec 9.

supported by street mobs, Dr. Mossadegh remained supreme. Alarmed by these events, the United States pressed the United Kingdom to accept "simple, temporary, and easily understood proposals to get oil flowing to the British and funds flowing to Iran without prejudice to the bargaining position of either side." On 30 August, President Truman and Prime Minister Churchill jointly proposed that, if Iran agreed to refer all claims and counter-claims to the International Court of Justice, the Anglo-Iranian Oil Company would pay for and market oil stored at Abadan, the United Kingdom would relax export restrictions, and the United States would make an immediate grant of $10 million to the Iranian Government. Dr. Mossadegh spurned this offer, presented extreme counterproposals, and finally severed diplomatic relations with the United Kingdom on 22 October 1952.[31]

(~~TS~~) As a corollary to its diplomatic efforts, the Department of State asked what military courses of action would be feasible in the event of a successful communist coup. The Deputy Secretary of Defense requested a response from the Joint Chiefs of Staff. On 5 September, they replied that appropriate plans were under preparation. However, they noted that, since current global commitments precluded dispatch of substantial US forces, intervention would require "political decisions of great import." This being so, they recommended that an all encompassing review of the situation be undertaken.[32]

(~~TS~~) On 31 October 1952, the Joint Chiefs of Staff submitted "tentative conclusions" concerning feasible military responses to rebellion or invasion. Unless current deployments were to be upset, they said, an

31. Acheson, Present at the Creation, p. 680. Richard P. Stebbins, The United States in World Affairs, 1952 (1953), pp. 233-235.

32. (~~TS~~) Memo, DepSecDef to JCS, 28 Aug 52, Encl to JCS 1714/40, 29 Aug 52; (~~TS~~) Memo, JCS to SecDef, 5 Sep 52 (derived from JCS 1714/41); CCS 092 Iran (4-23-48) sec 6.

appeal by Tehran for direct assistance could only be answered by (1) conducting a show of force by periodic aircraft flights over key centers and (2) providing the loyal Iranian Army with logistical support. They then described various conditions under which US forces might be committed under conditions short of war. If overt communist aggression occurred, however, the Joint Chiefs of Staff warned that "the resultant situation would be not unlike that [which] we face in Korea." The Secretary of Defense passed this paper to Secretary Acheson and to the Director of Central Intelligence.[33]

~~(TS)~~ In their memorandum of 5 September, the Joint Chiefs of Staff expressed the view that NSC 107/2 had been overtaken by events. Accepting this conclusion, the NSC Staff now reexamined NSC 107/2. The Defense member, Mr. Frank Nash, proposed two major modifications. First, the United States should offer to extend "substantial immediate economic assistance" if Iran provided reasonable assurances of satisfactory compensation to Anglo-Iranian. Essentially, this repeated the joint proposal of 30 August. Second, in light of "the failure of British policy," declining UK capabilities, and increasing American strength and influence, "the United States should take action necessary to prevent Iran from falling to communism, even if this involves acting independently of the UK and the risk of damaging our close relations with the UK." Concomitantly, the United States also should be prepared to take the military initiative in support of Iran. The Department of State submitted a much milder revision, softening the first of Mr. Nash's proposals and discarding the second. After lengthy discussions,

33. ~~(TS)~~ Memo, JCS to SecDef, 31 Oct 52 (derived from JCS 1714/42); ~~(TS)~~ Ltr, SecDef to SecState, 10 Nov 52; CCS 092 Iran (4-23-48) sec 7.

the NSC Staff approved this State submission (now designated NSC 136) as "a short-term policy."[34]

(TS) The Staff debate reflected opposing views of the respective Department heads. While NSC 136 was under preparation, the Secretaries of State and Defense debated the efficacy of continued close US-UK cooperation. Writing to Mr. Acheson on 24 October, Secretary Lovett contended that the rupture of diplomatic relations between London and Tehran "has brought us to the end of the road we have been travelling." Because British policy had failed, the United States must chart a new course:

> The strategic necessities of the situation, in my opinion, require that we accept our responsibilities and act promptly and, if necessary, independently of the British in an effort to save Iran . . . . [This] will involve the provision of immediate economic assistance, and measures to help Iran start up her oil industry and secure markets for her oil. It will also involve additional political, economic and probably military commitments . . . . The actions now open to us to save Iran may appear painful, costly and dangerous, but they involve, in my judgment, only a small fraction of the money, material, manpower and anguish that will have to expended to hold Iran by military action or to hold the remainder of the Middle East if Iran should be seized and consolidated by the Communists.[35]

(TS) On 4 November 1952, Secretary Acheson answered that the objective on US policy "must be to save Iran without unnecessarily damaging our relations with the United Kingdom." The British believed that extensive concessions on their part had only encouraged Dr. Mossadegh to become increasingly unreasonable. In

34. (TS) Memo, ExecSecy to Senior NSC Staff, 1 Oct 52; (TS) Memo, ExecSecy to Senior NSC Staff, 7 Oct 52; same file, sec 6. (TS) Memo, ExecSecy to Senior NSC Staff, 5 Nov 52; (TS) NSC 136, 6 Nov 52, Encl B to JCS 1714/43, 23 Oct 52; same file, sec 7.

35. (TS) Ltr, SecDef to SecState, 24 Oct 52, CCS 092 Iran (4-23-48) sec 7.

these circumstances, Mr. Acheson argued that unilateral and uncoordinated action could inflict "deep and lasting harm upon the Anglo-American alliance."[36]

(~~TS~~) Submitted to the National Security Council on 6 November 1952, NSC 136 generally reflected Secretary Acheson's philosophy. Replying to Mr. Lovett's request for comment and recommendation, the Joint Chiefs of Staff proposed addition of the following admonition: "If for overriding political reasons it is found necessary for the United States to provide military forces in this area, implementation will require either a substantial augmentation of over-all US forces or a reduction of present US military commitments elsewhere." Meeting on 19 November, the National Security Council "noted" the JCS views and then, with slight amendments, adopted NSC 136. On the following day, President Truman directed its implementation under the coordination of Secretary Acheson. Crucial paragraphs of this paper read as follows:

> 3. It is now estimated that Communist forces probably will not gain control of the Iranian Government during 1953 nevertheless, . . . if present trends continue unchecked, Iran could be effectively lost to the free world before an actual take-over of the Iranian Government . . . .
>
> 4. If light of the present situation the United States should adopt and pursue the following policies:
>
> a. Continue to assist in every practicable way to effect an early and equitable liquidation of the oil controversy.

36. (~~TS~~) Ltr, SecState to SecDef, 4 Nov 52, App to JCS 1714/44, 12 Nov 52, CCS 092 Iran (4-23-48) sec 7. However, it should be noted that Present at the Creation is liberally sprinkled with pungent criticisms of British obduracy.

> b. Be prepared to take the necessary measures to help Iran start up her oil industry and to secure markets for her oil . . . .
>
> c. Be prepared to provide prompt United States budgetary aid to Iran.
>
> In carrying out the above, the United States should (1) maintain full consultation with the UK, (2) avoid unnecessarily sacrificing legitimate UK interests or unnecessarily impairing US-UK relations, (3) not permit the UK to veto any US actions which the United States considers essential . . . .

(~~TS~~) The new NSC policy statement also addressed the possibility of a communist seizure of power in Iran. To avoid such an eventuality, the United States would exert all possible influence to keep Iran from falling under communist control, assisting a noncommunist government with military support if necessary. In this regard, plans were to be prepared, in concert with Britain and perhaps others, for specific measures to meet such a development.[37]

(U) Thereafter, the Joint Chiefs of Staff proceeded with preparation of the required plans. Completed during the following spring, these plans provided for shows of force, using SAC aircraft from Britain or North Africa, or carrier aircraft from the Mediterranean.[38]

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37. (~~TS~~) NSC 136, 6 Nov 52, Encl B to JCS 1714/43, 23 Oct 52, CCS 092 Iran (4-23-48) sec 7. (~~TS~~) NSC 136/1, 20 Nov 52, same file, sec 8. (~~TS~~) Memo, JCS to SecDef, "NSC 136 - The Present Situation in Iran," 18 Nov 52 (derived from JCS 1714/45), same file (adapted from a somewhat stronger memo by GEN Collins). (~~TS~~) N/H of JCS 1714/43, 5 Dec 52, same file. (~~TS~~) NSC Action No. 680, 19 Nov 52.

38. (U) JCS 1714/46, 6 Apr 53; JCS 1714/48, 16 Apr 53; Memo, JCS to SecDef, 19 Jun 53 (derived from JCS 1714/49); CCS 092 Iran (4-23-48) sec 8.

(U) Meanwhile, the Truman Administration mounted a final diplomatic offensive during November-December 1952 to resolve the Iranian-British dispute. On 7 November, the President accepted Secretary Acheson's plan to advance the Iranian Government up to $100 million against future oil deliveries. Also, he approved a voluntary program under which US oil companies, either alone or in conjunction with the Anglo-Iranian, would purchase and market Iranian oil. If Dr. Mossadegh agreed to arbitrate compensation, therefore, the United States immediately would extend assistance and oil shipments would resume.[39]

(U) During the early months of 1953, Dr. Mossadegh still refused any compromise. President Dwight Eisenhower, upon entry into office in January, continued both technical and military assistance to Iran in hopes of encouraging a British-Iranian settlement. Soon, however, it was obvious that no settlement was possible and, on 29 June 1953, President Eisenhower notified the Iranian Premier that the United States would supply no further aid or purchase Iranian oil.[40]

(U) Dr. Mossadegh's support within Iran came from widely divergent groups, united only on the issues of nationalization and elimination of British influence. With the oil refineries idle and the resulting loss of income and employment, Dr. Mossadegh's popular support began to fall away in 1953. Moreover, although fiercely anti-communist himself, the Premier relied increasingly on the support of the communist Tudeh Party. Simultaneously, he began to adopt more dictatorial methods. In so doing, he brought about a crisis and showdown with the Shah.[41]

39. Acheson, Present at the Creation, pp. 681-685.
40. Dept of State Bulletin, 20 Jul 53, pp. 74-75.
41. Smith et al., Area Handbook, Iran, pp. 68-69.

(U) Early in August 1953, Dr. Mossadegh announced his intention to dissolve the Majlis and held a referendum to endorse this decision. The Shah responded by dismissing Dr. Mossadegh and appointing General Fazlollah Zahedi in his stead. Dr. Mossadegh defied his order and announced the deposition of the Shah. Rioting erupted in Tehran and the Shah fled the country. On 19 August 1953, after four days of anarchy, General Zahedi rallied the Army behind the Shah, arrested Dr. Mossadegh, and assumed the premiership. Three days later, on 22 August, the Shah returned to Tehran to a tumultuous public welcome.[42]

(~~TS~~) JCS action during the crisis was restricted to preparation of a list of forces that might be dispatched to Iran or the Persian Gulf for periods of time ranging from a few days to two months. Subsequently, at JCS direction, CINCNELM readied a "U.S. Joint Plan for Operations in the Middle East." It provided for US Air Force and Marine units from Europe and the Mediterranean to seize and secure Abadan and Tehran followed by the airlifting of ground forces to assist in the maintenance of law and order.[43]

(U) In subsequent years, a number of accounts have indicated clandestine US encouragement, support, and direction of the overthrow of Dr. Mossadegh. Official files, however, reveal no indication of JCS involvement in these activities.[44]

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42. Smith et al., Area Handbook, Iran, p. 69.

43. (U) CM-20-53 to CSAF et al., 20 Aug 53; SM-1539-53 to JSPC, 21 Aug 53; CCS 092 Iran (4-23-48) sec 9. (~~TS~~) Dec On JCS 1714/55, 9 Dec 55, same file, sec 10. (TS-NOFORN) CINCNELM OPLAN 207-54, 1 Feb 54, same file, BP Pt 2.

44. See Kermit Roosevelt, Countercoup, The Struggle for the Control of Iran (1979). Roosevelt recounts a meeting on 25 June 1953 where the Secretary of State approved US support for an effort to overthrow Mossadegh. Among those listed as attending were

(U) With the removal of Dr. Mossadegh events in Iran resumed an even keel. Accordingly, the United States resumed economic and military assistance to Iran in September 1953. Thereafter, on 5 December 1953, Britain and Iran reestablished diplomatic relations and the two countries resolved their oil dispute the following summer. As provided in an agreement of 5 August 1954, an international consortium of US, British, and Dutch companies would extract, refine, and distribute Iranian oil with Iran receiving 50 percent of all profits. In addition, compensation would be paid to the Anglo-Iranian Oil Company. This agreement, which was to last for 25 years, was ratified by the Majlis in October 1954.[45]

The Beginning of US Military Assistance to Iran

(U) In the period immediately after World War II, the United States began to give military aid to Iran. Initially, this support was for internal security purposes, provided in the hope of improving Iranian stability. As already mentioned,[46] the Secretary of State approved the first military assistance for Iran in October 1946, deciding that the United States would sell Iran $10 milllion worth of equipment. The following year, the program was continued through an agreement, signed on 20 June 1947, extending Iran

Secretary of Defense Charles Wilson and a military aide, but no member of the Joint Chiefs of Staff. Roosevelt also reports a briefing to President Eisenhower after the successful completion of the operation where Admiral Arthur Radford, Chairman of the Joint Chiefs of Staff, was present.

For a further discussion of reports of US involvement in the Mossadegh overthrow, see Rouhollah K. Ramazani, Iran's Foreign Policy, 1941-1973 (1975), pp. 249-250.

45. Smith et al., Area Handbook, Iran, pp. 70-71.
46. See above p. 17.

credit to purchase $25 million worth of surplus US arms.[47]

(U) In 1949, the United States decided to continue military aid to Iran and to place this assistance on a grant basis, incorporating Iran into the newly consolidated US military assistance program for FY 1950. The Foreign Assistance Coordinating Committee, an interdepartmental group that oversaw the preparation of the US assistant program, placed Iran in the second of three priority groups and proposed that it be granted "token" military assistance, defined as aid sufficient to insure the political orientation of the recipient towards the United States. The Joint Chiefs of Staff reviewed the overall aid program in February 1949 and found it "generally sound" without commenting on the Iranian portion.[48]

(U) Several weeks later, however, on 14 March 1949, the Joint Chiefs of Staff did provide the Secretary of Defense specific comments with respect to Iran. They pointed out that Iran, because of its geographical position, would be of strategic importance to the United States in the event of war with the Soviet Union, and that the United States should maintain friendly relations with Iran, so as to stabilize the Iranian Government as a means of preventing communist encroachment. The long-range security objective of the United States should therefore be to supply the Iranian Army with such equipment and support "as would reasonably insure maintenance of internal security, a stabilized government, and prevention of interference from

47. Editorial Note, Foreign Relations of the United States, 1947, vol V, p. 916.

48. (U) FACCD-3/1, 7 Feb 49, App B to JCS 1868/57, 9 Feb 49; (U) Memo, JCS to SecDef, 21 Feb 49 (derived from JCS 1868/59); CCS 092 (8-22-46) sec 19. Prior to this time, assistance programs to individual countries and regions had been the subject of separate legislation; now all were to be consolidated into a single law.

outside forces, other than direct invasion." To this end, the Joint Chiefs of Staff recommended the appropriation of $12.3 million for military assistance to Iran, divided among the services as follows: Army, $10 million; Air Force, $2.3 million.[49]

(U) The Foreign Assistance Coordinating Committee increased the amount for Iran to $15.2 million in the consolidated $1.45 billion aid program that was approved by the Truman Administration in April 1949. The Congress, however, reduced the overall figure somewhat, and the final program included only $27.6 million to be shared by Iran along with Korea and the Philippines. Of that total, the Joint Chiefs of Staff recommended an allocation of $10.45 million for Iran. The Administration, however, raised this figure to $11.7 million.[50]

(U) Subsequently, on 23 May 1950, the United States and Iran agreed that the United States would provide Iran "on a grant basis" equipment, materials, and services for security and self-defense purposes. Also included was provision for US technical personnel in Iran to implement the terms of the agreement. Accordingly, the United States established in 1950 the Military Assistance Advisory Group (MAAG) Iran. Besides the MAAG, there already existed in Iran,[51] two small US military advisory elements--the US

49. (U) Memo, JCS to SecDef, 14 Mar 49 (derived from JCS 1868/62), CCS 092 (8-22-46) sec 21.

50. (U) Memo, SpecAsst to SecDef for MilAsst to DJS et al., 27 Apr 49, Encl to JCS 1868/72, 29 Apr 49, CCS 092 (8-22-46) sec 21. (U) Memo, JCS to SecDef, 23 Sep 49 (derived from JCS 1868/111), same file, sec 29. Spec Msg to Congress, 25 Jul 49, Public Papers of the Presidents of the United States, Harry S. Truman, 1949 (1964), pp. 395-400. PL 324 (The Mutual Defense Assistance Act), 6 Oct 49. PL 430, 28 Oct 49. Defense Security Assistance Agency (DSAA), "DSAA Fiscal Year Series: Iran."

51. See p. 17.

Military Mission with the Imperial Iranian Gendarmerie (GENMISH), and the US Military Mission to the Iranian Army (ARMISH).[52]

(U) The United States continued to grant military assistance to Iran on a modest scale during the Mossadegh period, except for a three-month period, July-September 1953. In all, from 1 July 1951 through 30 June 1953, $66 million were programmed and equipment valued at $42.4 million was actually delivered to the Iranian armed forces. The Joint Chiefs of Staff played an important role in the program, recommending both the amount to be programmed and the way it was to be spent.[53]

(U) President Truman, on 9 January 1950, had asked the Congress to appropriate $1.1 billion for military assistance for FY 1951, to be allocated among the NATO countries, Greece, Turkey, Iran, Korea, and the Philippines. Acting at the direction of the Secretary of Defense, the Joint Chiefs of Staff recommended the amounts to be allocated to each country. They proposed $11.5 million for Iran. After the outbreak of the Korean War, however, the Congress acceded to the President's request for a substantial increase in military assistance funds. In the finally approved program, Iran received a much larger share, amounting to $25.5 million.[54]

(U) During the period 1950-1952, Iran held a low priority among MAP recipients. British and US military planners felt that they lacked the forces to defend

52. I UST 420. (C) USSTRICOM/USAF, "DOD Advisory/Support Study - Iran, n.d., Encl to Att to JCS 2315/498-5, 1 Oct 71, JMF 037 (29 Jul 70) sec 2.

53. (U) DSAA, "DSAA Fiscal Year Series: Iran."

54. (U) Public Papers, Truman, 1950, pp. 59-60, 547, 564-566. (U) Memo, SecDef to CJCS and Chm, Munitions Brd, 30 Jan 50, Encl to JCS 2099, 31 Jan 50, CCS 092 (8-22-46) sec 33. (U) Memo, JCS to SecDef, 11 May 50 (derived from JCS 2099/6), same file, sec 36. (U) Memo, SecDef to CJCS, 8 Jun 50, Encl to JCS 2099/18, 10 Jun 50, same file, sec 39. (U) DSAA, "DSAA Fiscal Year Series: Iran."

Iran. In case of general war, they hoped only to hold an "Inner Ring" comprising Lebanon, Jordan, and Israel. Nonetheless, on 5 Februsry 1951, the Joint Chiefs of Staff did recommend a modest increase in the FY 1952 military assistance for Iran: $34.9 million, of which $31.9 million was for the Army. These funds were primarily for maintaining existing equipment; only a "limited amount" of additional equipment was recommended to "improve the efficiency of the Army and Gendarmerie." Ultimately, the Congress appropriated $372 million (as Title II of PL 249) for Greece, Turkey, and Iran. Thereupon, the Joint Chiefs of Staff "refined" these Title II funds, recommending an allocation for Iran of $30.6 million ($28.2 million for the Army and $2.4 million for the Air Force). The Secretary of Defense approved these recommendations on 13 February 1952, but subsequent revisions reduced the final amount to $28.4 million.[55]

(U) JCS responsibility for preparing Military Assistance programs was broadened under new procedures adopted by the Department of Defense in August 1951. The Joint Chiefs of Staff were now to send "program objectives" and "screening criteria" to Military Advisory and Assistance Groups (MAAGs) as guidance for preparing detailed "force bases" for their respective countries. After approval by the Joint Chiefs of Staff, these force bases would be used by the MAAGs to estimate requirements. The MAAG requirements, in turn, would allow the Joint Chiefs of Staff to make recommendations to the Secretary of Defense for allocating funds among recipient countries. He then would submit recommendations to the Bureau of

55. (U) Memos, SecDef to JCS, 9 Nov 50, Encl to JCS 2099/63, 10 Nov 50, CCS 092 (8-22-46) sec 45; SecDef to JCS, 27 Dec 50, Encl to JCS 2099/72, 27 Dec 50, same file, sec 47; JCS to SecDef, 5 Feb 51 (derived from JCS 2099/77), same file, sec 49. (U) Memo, JCS to SecDef, 16 Jan 52 (derived from JCS 2099/158); (~~TS~~) Memo, SecDef to JCS, 13 Feb 52, Encl to JCS 2099/171, 13 Feb 52, same file, sec 65. (U) PL 249, 31 Oct 51. DSAA "DSAA Fiscal Year Series: Iran."

the Budget as the basis for the President's request to the Congress for Military Assistance Appropriations.[56]

(U) Under this program, the Joint Chiefs of Staff issued their "program objectives" on 4 September 1951. Their expectations for Iran were very modest: "Consistent with Iran's ability to absorb it, accelerate and expand military assistance provided such assistance will help restore stability and increase internal security." On 26 October 1951, they approved the following force bases for Iran:

Army
- 7 infantry divisions
- 1 mechanized combat command

Navy
- 5 gun boats
- 3 patrol craft

Air Force
- 3 fighter-bomber squadrons (U/E 25 a/c)
- 1 reconnaissance squadron (U/E 20 a/c)
- 1 transport squadron (U/E 12 a/c)

Personnel Strength

Army	127,000
Navy	2,617
Air Force	5,200
	134,817[57]

(~~TS~~) Based on the above requirements, the Joint Chiefs Chiefs of Staff made FY 1953 MAP recommendations for Iran on 1 February 1952. They sought $20 million for the Iranian Army for maintenance, training, modest amounts of new motor transport, and medical and signal equipment. They recommended $40 million for all the Title II navies (Greece, Turkey, Iran, and Yugoslavia) without breaking down the amount among the countries.

56. (U) JCS 2099/115, 7 Jul 51; Dec On JCS 2099/115, 9 Jul 51; N/H to JCS 2099/118, 6 Aug 51; CCS 092 (8-22-46) sec 56.

57. (U) JCS 2099/121, 24 Aug 51, CCS 092 (8-22-46) sec 57. (U) JCS 2099/154, 26 Oct 51, same file, sec 64.

They did the same for air forces, but reported split views: The Air Force Chief of Staff favored $512.46 million; the other Chiefs recommended only $397.14 million. The Secretary of Defense decided in favor of the majority, but later adjustments resulted in a final DOD recommendation for Iran as follows:

Material		$21,185,898
Army	(19,400,000)	
Navy	(902,536)	
Air Force	(883,362)	
Training		1,500,000
Total		$22,685,898[58]

(~~TS~~) The Preident requested $606 million of the Congress for the Near and Middle East without breakdown by individual country; final appropriations, however, amounted only to $499 million. As a result, the Joint Chiefs of Staff recommended and the Secretary of Defense approved an allocation for Iran of $21 million (Army $19.2 million, Navy $.9 million, and Air Force $.9 million). Subsequent adjustments reduced the final program to $19.1 million.[59]

58. (U) Memo, JCS to SecDef, 1 Feb 52 (derived from JCS 2099/169); (TS) Memo, SecDef to JCS, 9 Feb 52, Encl to JCS 2099/70, 11 Feb 52; CCS 092 (8-22-46) sec 67. (~~TS~~) Memo, SecDef to JCS, 13 Mar 52, Encl to JCS 2099/180, 17 Mar 52, same file, sec 70.

59. (U) Special Message to Congress on the Mutual Security Program, Public Papers, Truman, 1952-1953, p. 182. (U) Digest of Appropriations, 1953, pp. 40-41. (TS) Memo, DepSecDef to JCS, 21 Jun 52, Encl to JCS 2099/209, 25 Jun 52; (TS) N/H of JCS 2099/209, 10 Jul 52; CCS 092 (8-22-46) sec 76. (U) Memo, JCS to SecDef, 18 Jul 52 (derived from JCS 2099/216); (U) N/H of JCS 2099/216, 29 Jul 52; same file, sec 77. DSAA, "DSAA Fiscal Year Series: Iran."

BUILDING THE ANTI-SOVIET BARRIER
1953-1960

(U) Following the removal of Dr. Mossadegh, the United States became even more committed to the maintenance of a stable and pro-Western Iran. Not only did Iran possess grant quantities of oil needed by the Western nations, but its strategic location had taken on added significance in light of the US policy of containment of the Soviet Union. Situated along the northern rim of the Middle East, Iran was viewed as a principal link in a barrier against Soviet expansion into the Middle East and the Persian Gulf, Accordingly, from 1953 and throughout the remainder of the 1950s, the United States pursued several parallel objectives with regard to Iran. These included bringing Iran into a collective defense for the Middle East, strengthening the Iranian armed forces, and assuring internal order within the country.

CENTO: Iran and Collective Defense in the Middle East

(U) The return of a friendly government in Tehran allowed the United States to give serious consideration to the incorporation of Iran into a collective defense arrangement in the Middle East. Such an idea was not new. The Truman Administration had entertained the hope of establishing a "Middle East Defense Organization" (MEDO), beginning with a framework of the United States, Britain, France, and Turkey, into which other Middle Eastern countries would be fitted. But political instability in many of these countries, combined with Arab hostility toward the Western powers because of their support of Israel, precluded any positive steps toward a MEDO at that time.[1]

1. (U) NSC 129/1, 24 Apr 52, CCS 092 Palestine (5-3-46) BP pt 1.

(U) Soon after the Eisenhower Administration took office, Secretary of State John Foster Dulles made a three-week tour of the Middle East. Upon his return, he gave a public report in a television address on 1 June 1953. It was "high time," he said that the United States paid greater attention to that area of the world. On the subject of collective defense, Secretary Dulles made the following remarks:

> A Middle East Defense Organization is a future rather than an immediate possibility. Many of the Arab League countries are so engrossed with their quarrels with Israel or with Great Britain or France that they pay little heed to the menace of Soviet communism. However, there is more concern where the Soviet Union is near. In general, the northern tier of nations shows awareness of the danger.[2]

The Secretary did not indicate what nations he regarded as the "northern tier," but in a report to the National Security Council, he identified them as Pakistan, Iran, Iraq, Syria, and Turkey.[3]

(U) Following the overthrow of Dr. Mossadegh, the NSC Planning Board[4] prepared a new policy statement (NSC 175) toward Iran in December 1953. Among other things, the Planning Board foresaw that Iran might be willing to enter into a regional defense arrangement within a year or two if the oil controversy were settled soon and a pro-Western government continued in power. A "long-range program" of improving Iran's armed forces was recommended, "related to the progress made toward effective regional defense plans."

2. Dept of State Bulletin, 15 Jun 53, pp. 831-835.
3. (~~TS~~) NSC Action No. 801, 1 Jun 53.
4. During the Eisenhower Administration, this Board prepared studies and policy recommendations for consideration by the National Security Council.

(U) In an appended staff study, the Planning Board discussed Iran's security and other problems facing the country. It was noted that Iran constituted a "blocking position" from which to oppose any Soviet move toward Turkey, Pakistan, the Persian Gulf, or the Suez Canal, and that it would provide valuable bases for attacks against the Soviet Union in case of war. The Board cited the judgment of the US Ambassador in Tehran that cooperation of Iran and Iraq in regional defense would depend upon the receipt of "firm commitments" from the United States to supply military aid.[5]

(~~TS~~) The Joint Chiefs of Staff considered NSC 175 acceptable subject to several changes. They pointed out that the authors of the study had underemphasized the difficulty involved in defending Iran. That nation's own forces were not strong enough alone to block a Soviet move against Turkey or Pakistan, and the mountainous terrain and lack of communications in the Middle East would make it extremely difficult to support Iran. As for the prospects for regional association, political and religious differences might make it difficult for Turkey, Pakistan, and Iran to cooperate, while Iraq would probably maintain a position of "benevolent neutrality." Turkey's commitments to NATO, moreover, would inhibit the diversion of her forces to assist Iran.[6]

(~~TS~~) The National Security Council approved NSC 175 on 30 December 1953 with minor changes, including most of those recommended by the Joint Chiefs of Staff. The Council instructed the Joint Chiefs of Staff, however,

5. (U) NSC 175, 21 Dec 53, CCS 091 Iran (4-23-48) sec 11.

6. (TS) Memo, JCS to SecDef, 29 Dec 53 (derived from JCS 1714/57), CCS 092 Iran (4-23-48) sec 11.

to reconsider their comments on the difficulties of regional defense cooperation, apparently believing them somewhat exaggerated. Following approval by the President, NSC 175 was issued in January as NSC 5402.[7]

(~~TS~~) Meantime, during the fall of 1953, the Joint Chiefs of Staff had addressed the issues of a strategic concept for the Middle East and regional security arrangements for that area. With regard to the former, the Joint Chiefs of Staff examined three possible strategies:

1. To defend along the high ground in northwestern Iran from a point on the Turkish-Iranian border just north of Lake Urmia eastward along the southern shore of the Caspian Sea (the Elburz Mountains), then curving southward to the Great Salt Desert in north Central Iran. This was the northernmost line of defense that could be considered practicable.

2. To defend along the line of the Zagros Mountains, extending from a point near the junction of Turkey, Iraq, and Iran to the head of the Persian Gulf. This line constituted the southernmost natural boundary that would provide protection for all the Middle Eastern oil region.

3. To concentrate forces around Mosul-Kirkuk, Baghdad, and Basra, maximizing the enemy's difficulties in crossing the Zagros Mountains by ground delaying action and air interdiction, and undertaking mobile operations to destroy Soviet forces debouching into the Tigris-Euphrates valley.

(~~TS~~) The Joint Chiefs of Staff considered the second concept, the Zagros line, the best. They favored retention of the third as a possible alternative, but rejected the first as unfeasible because of

7. (~~TS~~) NSC Action No. 998, 30 Dec 53. (~~TS~~) NSC 5402, 2 Jan 54, CCS 092 Iran (4-23-48) sec 11.

political complications and the difficulties of providing logistic support. The Joint Chiefs of Staff estimated force requirements for the second concept at four divisions and 1,100 aircraft on D-day, rising to 10 divisions and 1,250 aircraft by D+60 days. Naval requirements were one destroyer squadron, 20 escort vessels, 25 minesweepers, one antisubmarine patrol squadron, and various auxiliaries. Before making final recommendation on this matter, the Joint Chiefs of Staff wanted further study, including the views of the concerned commanders on the indigenous military potential of the Middle East and the cost to the United States of developing the forces of the countries of that region.[8]

(TS) With regard to regional security arrangements, the Joint Chiefs of Staff told the Secretary of Defense on 13 November 1953 that "the time might be propitious" for encouraging an association among Turkey, Iraq, Iran, and Pakistan. Such an arrangement, they continued,

> would visualize an association of indigenous forces under an indigenous command advantageously located with relation to the current threat. It would also provide for the evolutionary growth of a defense organization which could logically develop in time to include other Middle East countries. . . .[9]

(TS) After receipt of the views of both CINCNELM and USCINCEUR, the Joint Chiefs of Staff approved on 6

8. (TS) JCS 1887/70, 13 Oct 53, CCS 381 EMMEA (11-19-47) BP pt 1A. (TS) SM-1765-53 to CINCNELM, 2 Nov 53; SM-1767-53 to JSPC, 2 Nov 53; same file, sec 16.

9. (TS) Memo, JCS to SecDef, 14 Nov 53 (derived from JCS 1887/73), same file, sec 17.

April 1953 the Zagros line defense concept for the Middle East. They then approached the British Chiefs of Staff on this matter in June 1954, proposing combined US-British-Turkish discussion to determine a concept of operations, to include force estimates, for this defense line.[10]

(TS) Another encouraging development took place in December 1954, when the Shah paid a state visit to President Eisenhower. On this occasion, the Shah announced that Iran had decided to abandon its traditional neutrality and to cooperate with the nations of the free world. US officials replied by expressing a hope that Iran would join Turkey, Pakistan, and Iraq in a defense association, and by promising to assist in the defense of the Zagros line.[11]

(TS) Following the Shah's visit, the NSC Planning Board drew up a revised statement of policy toward Iran that was approved by the President and the Council in January 1955 (NSC 5504). This paper recommended that the United States assist in developing Iran's armed forces to enable them to "make a useful contribution to Middle East defense"--an objective that would admittedly "require a long-term program involving U.S. expenditures substantially in excess of present levels." The Joint Chiefs of Staff had endorsed NSC 5504, but had warned that any increase in the Iranian program must be carefully weighed against other claims for the limited funds available and should await a more careful

10. (TS) JCS 1887/75, 18 Mar 54; Dec On JCS 1887/75, 6 Apr 54; CCS 381 EMMEA (11-19-47) sec 17. (TS) SM-571-54 to BCOS, 21 Jun 54 (derived from JCS 1887/80), same file, sec 18.

11. (TS) NSC 5504, 15 Jan 55, CCS 092 Iran (4-23-48) sec 15.

definition of Iran's military role pending developments in Middle East regional security arrangements.[12]

(TS) In April 1954, military representatives of the United States, Britain, and Turkey had begun meeting in London to draw up a defense concept for the Middle East. JCS guidance for the US representative encompassed the Zagros line strategy discussed above. The Joint Chiefs of Staff did not contemplate "stationing or committing any significant U.S. forces in defense of the Middle East at this time," but they assumed that nuclear weapons would be available to deny the Zagros passes to the Soviets.[13]

(TS) The tripartite military representatives met for many months and, on 22 February 1955, issued their report. They concluded that the Middle East countries could provide the ground forces needed to defend the Zagros line, but would require outside assistance to bring them up to the necessary readiness as well as air and naval support. The representatives assumed the use of nuclear weapons by both sides. The most important military action that could be taken, they believed, would be to deploy to the area a small, highly mobile air force with nuclear weapons immediately available. The tripartite planners also set out in detail the forces required, finding a deficit in those currently available in the area.[14]

12. Ibid. (TS) Memo, JCS to SecDef, 7 Jan 55 (derived from JCS 1714/78), CCS 092 Iran (4-23-48) sec 15.

13. (TS) JCS 1887/75, 18 Mar 54, CCS 381 EMMEA (11-19-47) sec 18. (TS) SM-997-54 to CINCNELM, 17 Nov 54 (derived from JCS 1887/93), same file, sec 19.

14. (TS) Rpt, Dep Chief of Turkish Staff, Vice Chief of UK Air Staff, and CINCNELM, "Combined Turkey-UK-US Middle East Defense Study," 22 Feb 55, CCS 381 EMMEA (11-19-47) BP pt 2.

(U) On 24 February 1955, just two days after the US, British, and Turkish military planners had completed their report, Turkey and Iraq signed a Pact of Mutual Cooperation in Baghadad, establishing an organization for collective defense in the Middle East under the northern tier concept. This "Baghdad Pact" committed the contracting parties to "cooperate for their security and defense." Detailed means for this cooperation remained to be worked out later. The Pact was open to acession by other interested states and it provided for the establishment of a permanent council at the ministerial level when "at least four Powers" had become members. Three other adherences followed shortly: British accession was deposited on 5 April, Pakistan followed on 23 September, and on 25 October the Shah signed the Pact, authorizing Iranian membership.[15]

(~~TS~~) The Joint Chiefs of Staff supported and urged US adherence to the Baghdad Pact. In their consideration of this matter, they observed that Iran's contribution could be strengthened by increasing US support to the Iranian forces. The advice of the Joint Chiefs of Staff was not accepted, and on 11 July 1955, the Under Secretary of State recommended to President Eisenhower against accession to the Pact. As the reason, the Under Secretary cited the adverse affect on "our influence in bringing about a reduction in Arab-Israeli tensions." The Under Secretary of State did recommend that the United States establish close liaison with the Pact organization in order to coordinate US plans and aid programs with those of the member

15. (U) Paul E. Zinner (ed.), Documents on American Foreign Relations, 1955 (1956), pp. 342-344. Hollis W. Barber, The United States in World Affairs, 1955 (1957), pp. 154-155.

states. He also recommended increased US military assistance as an inducement to Iran, which, at this point, had not yet joined the Pact.[16]

(~~TS~~) The President accepted the advice of the Under Secretary of State, and the United States did not accede to the Baghdad Pact. At JCS recommendation, however, the US Army Attache in Iraq was designated as the US military observer with the Baghdad Pact organization.[17]

(TS) The signatories of the Pact held their first meeting in Baghdad on 21-22 November 1955. There they established a formal organization, including a council at the ministerial level with permanent deputies of ambassadorial rank, a secretariat, and economic and military committees. A counter-subversion committee was added later. Thereafter planning proceeded on the definition of the threat to the Pact area and on a defense concept. The latter called for holding the mountain barrier made up of the Elburz and Hindu Kush ranges extending across northern Iran from Turkey to Afghanistan--a line that would provide maximum security to the region by containing the potential enemy within his own territory and denying him access to allied air bases, oil areas, and lines of communication. The Iranian delegate took the lead in advocating defense along the Elburz range, a position that was politically

16. (~~TS~~) Memo, JCS to SecDef, 16 Jun 55 (derived from JCS 1887/104), CCS 381 EMMEA (11-19-47) sec 21. (~~TS~~) Memo, USecState to Pres, 11 Jul 55, App A to JCS 1887/108, 19 Jul 55; Memo, Dep ASD(ISA) to JCS, 14 Jul 55, Encl to JCS 1887/108, 19 Jul 55; same file, sec 22.

17. (~~TS~~) Memo, Dep ASD(ISA) to JCS, 14 Jul 55, Encl to JCS 1887/108, 19 Jul 55, CCS 381 EMMEA (11-19-47) sec 22. (U) Memo, JCS to SecDef, 30 Sep 55 (derived from JCS 1887/117); N/H of JCS 1887/117, 2 Nov 55; same file, sec 23.

imperative for him in view of the fact that the Elburz provided the only strong natural barrier from which to defend Iranian territory. The Elburz concept, while politically essential to Iran and preferred by Pakistan, represented a much more ambitious undertaking than the Zagros defense concept approved earlier by the US, British, and Turkey military representatives.[18]

(~~TS~~) During 1956, the Joint Chiefs of Staff made several further formal recommendations to the Secretary of Defense for US adherence to the Baghdad Pact, but no such action resulted. Nonetheless, the United States did take various actions to increase cooperation with the Pact organization. With Secretary of Defense approval, the Joint Chiefs of Staff agreed in March 1956 to comment on studies prepared by the Military Committee. Then, in April 1956, a permanent US military liaison office with the Pact was established and, a month later, the US military observer to the Pact was authorized to express US views on Middle East defense matters on an informal basis. In addition, the United States began to participate in the Economic and Counter-subversion Committees.[19]

18. (U) "Communique," Baghdad Pact Council Meeting, 22 Nov 55, Dept of State Bulletin, 2 Jan 56, pp. 16-18. (TS) US Army Attache, Iraq, "Observations and Impressions of the First Meeting, Council of the Baghdad Pact Military Deputies' Committee, 21-28 January 1956," 6 Feb 56, CCS 381 EMMEA (11-19-47) sec 27.

19. (~~TS~~) Memo, JCS to SecDef, 4 Jan 56 (derived from JCS 1887/135), CCS 381 EMMEA (11-19-47) sec 25. (U) Memo, JCS to SecDef, Encl to JCS 1887/156, 23 Mar 56, same file, sec 28. (~~TS~~) Memo, JCS to SecDef, 30 Nov 56 (derived from JCS 1887/313), same file, sec 51. (U) Dec On JCS 1887/149, 3 Mar 56; (U) Msg, JCS 998294 to USARMA Iraq, 3 Mar 56 (derived from JCS 1887/149); same file, sec 27. (~~TS~~) JCS 1887/167, 5 Apr 56, same file, sec 29. (~~TS~~) Memo, JCS to CINCNELM, 11 Apr 56 (derived from JCS 1887/167), same file, sec 30. (U) SM-428-56to USARMA Iraq, 24 May 56 (derived from JCS 1887/184); N/H of JCS 1887/184, 28 May 56; same file, sec 34. Richard P. Stebbins, United States in World Affairs, 1956 (1957), pp. 94-95.

(~~TS~~) Following the Suez crisis in the fall of 1956, the Joint Chiefs of Staff again urged US adherence to the Baghdad Pact. They were concerned with the power vacuum resulting from the failure of Britain and France to overturn Gamal Abdel Nasser'S seizure of the Canal as well as the growing Egyptian influence in the Middle East, which had full Soviet backing. They told the Secretary of Defense on 30 November 1957 that "continuation of the Baghdad Pact as a regional defense organization against Soviet aggression in the Middle East is vital to the security of this area and to the attainment of U.S. military objectives." Joining the Pact, they believed, would provide the United States with an opportunity to establish a military position in the area if it should be needed.[20]

(U) President Eisenhower recognized the gravity of the situation, but preferred other measures to adherence to the Baghdad Pact. His policy, which became known as the Eisenhower Doctrine, was presented to the Congress on 5 January 1957, in the form of a request for a joint resolution authorizing him to offer military aid to any country in the Middle East requesting it. The objective was to help those countries maintain their independence from communist domination. President Eisenhower also requested authority to use US armed forces as he deemed necessary to protect the territorial integrity and political independence of any Middle Eastern state requesting help when faced with overt armed aggression from a country controlled by international communism. The Congress granted the President's request by a joint resolution which the President signed on 9 March 1957.[21]

20. (~~TS~~) Memo, JCS to SecDef, 30 Nov 56 (derived from JCS 1887/313), CCS 381 EMMEA (11-19-47) sec 51.

21. (U) Public Papers of the Presidents, Dwight D. Eisenhower, 1957 (1958), pp. 6-16. Richard P. Stebbins, The United States in World Affairs, 1957 (1958), pp. 154-155.

(U) Even though the United States did not join the Baghdad Pact, it continued to look to this collective security arrangement to provide stability in the Middle East. To this end, the United States strengthened its cooperation with the Pact, becoming a member of its Military Committee in June 1957. Since the Joint Chiefs of Staff reviewed the studies of the Committee, this action, in fact, only made formal what was already occurring on an informal basis.[22]

(U) The US hope that the Baghdad Pact would prove a stablilizing influence in the Middle East received a severe setback in 1958. On 14 July, a leftist revolution in Iraq overthrew the pro-western monarchy and substituted a new "Republican Government." This new regime subsequently disassociated Iraq from the Pact, which then moved its headquarters to Turkey and became known as the Central Treaty Organization (CENTO). Although Turkey and Iran formed a continuous block along the Soviet border, the withdrawal of Iraq from the organization weakened the northern tier defense, and the susceptibility of the Iraqi Government to anti-Western influences exposed both Iran and Turkey to possible danger from the rear.[23]

(U) To bolster support for CENTO and enhance the security of the Middle East, the United States signed bilateral agreements in 1959 with three CENTO members, Iran, Turkey, and Pakistan. In the Agreement of Cooperation, signed on 5 March 1959, the United States and Iran undertook to cooperate for their security and defense in the interest of world peace. The Agreement provided that: "In case of aggression against

22. (U) "Communique," Baghdad Pact Council Meeting, 6 Jun 57, in Paul E. Zinner (ed.), Documents on American Foreign Relations, 1957 (1958), pp. 253-257.

23. (U) Richard P. Stebbins, The United States in World Affairs, 1958 (1959), pp. 201-203. Richard P. Stebbins, The United States in World Affairs, 1959 (1960), p. 230. Smith et al., Area Handbook, Iran, p. 71.

Iran . . . the United States of America, in accordance with the Constitution of the United States of America, will take such appropriate action, including the use of armed forces, as may be mutually agreed upon . . . ." The United States also promised to continue both economic and military assistance, and Iran, for its part, pledged to use this aid for the purposes intended, preservation of its independence and integrity.[24]

Beginning to Build: Iran's Armed Forces, 1955-1960

(S) To play their assigned role in defense of the Baghdad Pact area, Iran's armed forces would have to be improved through training and acquisition of necessary equipment. The US Military Assistance Program (MAP) was the primary means by which these improvements were sought. Removal of Dr. Mossadegh from power and the increasing assumption of control over Iran's affairs by the Shah provided an opportunity for US military aid to bring about improvements in Iran's armed forces. As early as May 1954, the Joint Chiefs of Staff expressed confidence in the results expected of MAP by recommending a broadening of military objectives for Iran, which the Secretary of Defense approved, to include provision of "some resistance to external aggression."[25]

(U) Seeking to accelerate progress towards this goal, Brigadier General Robert A. McClure, USA, Chief of the MAAG in Iran, proposed on 2 September 1954 a three-year program for giving the Iranian armed forces defensive capabilities at a cost of $360 million. The Joint Chiefs of Staff agreed with the need for such a

24. (U) 10 UST 314.
25. (S) Memo, JCS to SecDef, 19 May 54 (derived from JCS 2099/374), CCS 092 (8-22-46) sec 111. (S) Memo SecDef to JCS, 15 Jul 54, Encl to JCS 2099/398, 21 Jul 54, same file, sec 113.

build-up, but they doubted the ability of Iran's armed forces to absorb such a large increase in equipment so fast. They also feared similar claims for increased aid from neighboring Middle Eastern countries. Accordingly they opposed large increases in military grant aid, a position that was upheld by the Administration.

(U) General McClure also proposed, and the Joint Chiefs of Staff approved, a change in the force basis of the Iranian Army in order to make it conform more nearly to the actual organization. The new force basis consisted of 8 light infantry divisions, 4 light armored divisions, and 5 independent infantry brigades. To make the switch to the new organization would require the activation of one infantry brigade and the conversion of one division from infantry to armored. Provision of Patton tanks for one armored battalion would be required.[26]

(~~NF~~) Acting under the stimulus of General McClure's proposal, the Joint Chiefs of Staff ordered a reexamination of interim military objectives for Iran. As a result, on 3 October 1955, the Joint Chiefs of Staff accepted the conclusion that the Zagros line must be held indefinitely if the United States was to attain its military objectives in the Middle East. However, existing Iranian forces would not hold the line against Soviet attack for more than a month; they could probably never be sufficiently strengthened to hold indefinitely. An appropriate interim objective would be to hold the key passes for six months with outside operational and logistical help. To attain this capability would require expenditures of approximately

26. (U) Memo, CHMAAG, Iran to ACOS G-3, DA, 2 Sep 54, Encl to JCS 1714/67; (U) Memo, JCS to SecDef, 24 Sep 54 (derived from JCS 1714/68); CCS 092 Iran (4-23-48) sec 13. (~~S~~) N/H of JCS 1714/80, 27 Apr 55, same file, sec 16.

$191.8 million for military training and equipment during the period FY 1955-1958.[27]

(TS) Adherence of Iran to the Baghdad Pact, however, led the Joint Chiefs of Staff to adopt a more optimistic view of Middle East defense. On 12 July 1956 they told the Secretary of Defense that they considered the Elburz Mountain line along Iran's northern border to be a "sound goal on which to base long-range planning for force requirements." Defense along this line became a practical goal because of "the effects of U.S. atomic operations." The "general order of magnitude" of forces required to defend the Elburz line was (in U.S. equivalents) 7 infantry and 3 armored divisions, 6 medium surface-to-surface missile battalions, 6 atomic demolition teams, 3 fighter and fighter-bomber wings and miscellaneous light naval vessels.[28]

(S) A few days later, Major General J.F.R. Seitz, USA, Chief of US ARMISH/MAAG, recommended a program for preparing the Iranian forces for a role in Baghdad Pact defense. His defensive concept, while calling for a stand on foreward positions, differed in significant details from the JCS concept. Instead of a defense all along the Elburz Mountains, General Seitz called for holding only the westernmost sector lying in the province of Azerbaijan, backed up by a second force holding the northern passes in the Zagros Mountains leading to Iraq.

(S) The Iranian armed forces, however, as presently organized, equipped and deployed had only a very limited capability for defense against Soviet

27. (TS) Memo, JCS to SecDef, 3 Oct 55 (derived from JCS 1714/83), CCS 092 Iran (4-23-48) sec 17.
28. (TS) Memo, JCS to SecDef, 12 Jul 56 (derived from JCS 1867/220), CCS 381 EMMEA (11-19-47) sec 39.

attack. To rectify this condition, General Seitz recommended a reorganization of the Army into 12 infantry divisions, of which 6 would be at half strength, and 5 reduced-strength independent brigades. Tanks of the 4 existing light armored brigades would be distributed among the infantry divisions, thereby enhancing their defensive capabilities. Three full-strength divisions would man the forward line, three would deploy on the secondary Zagros position, while the understrength divisions and the independent brigades would be stationed throughout the country to maintain internal order. In case of invasion, they would withdraw into the Zagros to reinforce its defenses.[29]

(~~TS~~) The Joint Chiefs of Staff found this reorganization plan acceptable both operationally and as a basis for future programming of military assistance funds for Iran. They reserved judgment, however, on the defensive concept, which was, of course, not in accord with their own concept for defending the Elburz line. They recommended, and the Secretary of Defense approved, adoption of General Seitz's program as the major combat force objectives for the Iranian Army.[30]

(TS) The concept of defending the Elburz line, at least initially, gained official approval at the highest levels of the US Government a year later, when the President, on 9 August 1957, approved NSC 5703/1. It called for the United States to provide Iran the military assistance to maintain armed forces capable, with outside air and logistic support, of

29. (~~S~~) Memo, USARMISH/MAAG Iran to USCINCEUR, "Force Base Program for Iran," 24 Jul 56, Encl to JCS 1714/91, 29 Aug 56, CCS 092 Iran (4-23-48) sec 18.

30. (~~TS~~) Memo, JCS to SecDef, 19 Sep 56 (derived from JCS 1714/92); (~~TS~~) N/H of JCS 1714/92, 4 Oct 56; CCS 092 Iran (4-23-48) sec 18.

"fighting delaying actions initially from positions in northern Iran against Soviet forces."[31]

(U) Programs for military aid to Iran showed a marked increase during these years: $10.8 million in FY 1955; $21.2 million in FY 1956; and $75.3 million in FY 1957. The Joint Chiefs of Staff were asked to comment on these programs, but since their response was addressed to the Middle East area as a whole, their views on the level of funding for the Iranian program cannot be determined.[32]

(~~TS~~) At first, the Shah had acquiesced in the levels of military aid offered his government by the United States and in the plans developed by USARMISH/MAAG for the forces to be supported by it. But when the Baghdad Pact Combined Military Planning Staff produced a plan calling for 16 full-strength divisions for the defense of Iran, the Iranian monarch insisted that he must have armed forces of this magnitude in order to fulfill his treaty obligations. To show its continued interest in the area, the United States in January 1958 offered additional military assistance in the amount of $14 million.

(~~TS~~) The Shah, however, continued to press for even larger amounts of aid. He scheduled a trip to Washington in order to argue his case in person. The Joint Chiefs of Staff, in a position paper preparatory to this visit, opposed an increase in military assistance for Iran on military grounds. They recommended that, if an offer of military equipment became politically desirable to bolster the Shah's morale,

31. (~~TS~~) NSC 5703/1, 9 Aug 57, CCS 092 Iran (4-23-48) sec 19.
32. DSAA, "DSAA Fiscal Year Series: Iran."

deliveries of materiel already programmed be speeded up.[33]

(S) President Eisenhower met with the Shah on 1 July 1958. No increase in military aid to Iran resulted from the discussion. Two weeks later, however, the overthrow of the monarchy in Iraq by leftist forces changed the strategic balance in the Middle East. As a result, President Eisenhower called General Nathan S. Twining, USAF, the Chairman of the Joint Chiefs of Staff, to the White House and asked him what could be done to "strengthen the military position of Iran and Turkey." General Twining replied that the Iranian forces were supplied almost entirely with US equipment and that deliveries, scheduled to keep pace with Iran's ability to absorb the equipment, had not met all requirements. He gave the President a list of these equipment deficiencies, from which certain items were selected for priority delivery, while the remaining were referred back to the Department of Defense for further study. One option offered by General Twining, to bring the six undermanned Iranian divisions to full strength, was rejected because of the cost and the time required to accomplish it. The major items to be supplied included 272 M-47 tanks, 58 artillery pieces, 1,359 trucks, and two small naval vessels. Military assistance for the following years ($95.5 million in FY 1958, $72.4 million in FY 1959) reflected these stepped up deliveries. Significantly, the figure for FY 1959 included for the first time, sales in the amount of $94,000.[34]

33. (TS) Memo, JCS to SecDef, 9 Jun 58 (derived from JCS 1714/100), CCS 092 Iran (4-23-48) sec 21.
34. (S) Memo, SpecAsst to CJCS to CJCS, 16 Jul 58, Encl to JCS 1887/477, same date; (TS) JCS 1887/478, 22 Jul 58; CCS 381 (8-23-47) sec 6. DSAA, "DSAA Fiscal Year Series: Iran."

(S) In 1958, the United States considered supplying Iran with nuclear capable battlefield weapons. Following a trip to the CENTO states, the Chief of Staff of the Army, General Maxwell D. Taylor, had requested the Joint Chiefs of Staff on 28 May 1958 to consider delivery of an HONEST JOHN battalion to Iran with the nuclear components of the weapon system stored in acceptable sites outside of the country. The Joint Chiefs of Staff, however, deferred to an evaluation of the political feasibility of this proposal, and the Department of State decided in August 1958 that provision of these weapons at that time would be politically disadvantageous. The Department feared an adverse effect on nearby countries. Moreover, it doubted that US assurances of rapid delivery of the nuclear warheads in case of emergency would convince the Shah that provision of this weapon system would constitute a net increase in Iran's defensive capability.[35]

(TS) The US commitments in 1958 for increased military assistance did not allay the Shah's apprehensions. He raised the question of Iranian security with President Eisenhower, when the latter visited Tehran in December 1959 during a trip to Europe, Africa, and Asia. The Shah cited the threat from both Iraq and Afghanistan and sought increased US support to modernize his forces. The Joint Chiefs of Staff reviewed both the assessment of the threat and the specific requirements that the Shah had given the President. They found the Iranian version of the threat "considerably overstated" and estimated the cost of the items on the list of requirements at $600 million. They judged

35. (S) JCS 1887/464, 16 Jun 58; N/H of JCS 1887/464, 27 Aug 58; CCS 381 EMMEA (11-19-47) sec 71.

the present and projected level of US military assistance to Iran to be sound, representing as much as could be effectively absorbed by the Iranian armed forces. Consequently, the Shah received no new commitments although the United States did assure him that his desire for modernization would be born in mind in developing future programs.[36]

(TS) By the end of the Eisenhower Administration, the United States had been furnishing military assistance to Iran for over 10 years and had delivered equipment valued at $386.8 million. The results, however, were not encouraging. The Iranian Army, according to an NSC policy review (NSC 6010), was capable only of "offering very limited resistence to aggression by a major power." The Air Force and Navy were "weak and ineffective." Still, Iran remained critically important to the United States because of its strategic location between the Soviet Union and the Persian Gulf and because of its great oil reserves. Military assistance must therefore continue. As in the past, it should be directed toward providing Iran a capability for internal security and for a limited contribution towards regional defense.[37]

Iran's Internal Affairs, 1953-1960

(U) The key to the success of all the military plans for Iran lay in continued internal order and

36. (TS) Memo, SecDef to CJCS, 4 Jan 60, Encl to JCS 1714/111, 12 Jan 60; (S) Ltr, Shah to Pres, 12 Jan 60, Att to JCS 1714/113, 29 Jan 60; (TS) JCSM-61-60 to SecDef, 19 Feb 60 (derived from JCS 1714/114); JMF 9181/4060 (24 Dec 59). (S) NSC 6010, 8 Jun 60, JMF 9181/9105 (8 Jun 60).

37. DSAA, "DSAA Fiscal Year Series: Iran." (TS) NSC 6010, 8 Jun 60, JMF 9181/9105 (8 Jun 60). NSC 6010 was adopted by the NSC on 30 June 1960 and approved by the President on 6 July 1960. See (TS) N/H of JCS 1714/118, 20 Jul 60, same file.

orientation towards the West. A period of relative calm and stability had followed the overthrow of Dr. Mossadegh in 1953. Assisted by the Army, the Shah returned to power and internal order was restored. In the following several years, the political importance of the Majlis declined while, simultaneously, the influence of the Shah, his family, and close associates at court and in the armed forces increased.[38]

(TS) Beneath the surface calm and stability, however, a number of internal problems had begun to fester in Iran. A new NSC statement of policy on Iran (NSC 5703/1) in 1957, to which the Joint Chiefs of Staff had given their concurrence, first pointed out these problems and the possible negative impact for the achievement of US objectives in Iran. While still calling for a free and independent Iran with armed forces capable of maintaining internal security and contributing to Middle East defense, the new policy statement added the following objective:

> A government that can and will make maximum balanced use of all available resources in order to provide early and visible progress toward economic improvements that will meet rising popular expectations.[39]

(TS) A report to the National Security Council on Iran in October 1958 spelled out in considerably more detail the internal problems that were endangering political stability there. Listed were: the restiveness of the middle class, intellectuals, and junior military officers; the restriction on political activity; the police methods of the Shah and his government;

38. Smith et al., Area Handbook, Iran, pp. 70-72.
39. (TS) NSC 5703/1, 8 Feb 57, CCS 092 Iran (4-23-48) sec 19. (U) Memo, JCS to SecDef, 5 Feb 57 (derived from JCS 1714/94), same file.

corruption in the military and civil service; and involvement of the Imperial family and high court officials in large financial and business operations. The report also observed that the necessity of working closely with the Shah raised "a problem of possible over-identification of the U.S. with the Shah's policies at a time when opposition to his policies is an important factor in the growing political instability."[40]

(TS) Another potential Iranian trouble spot mentioned in the report to the National Security Council was the Kurdish problem. The Kurds, a distinct ethnic group in the Middle East, inhabited contiguous areas of Turkey, the Soviet Union, Iran, Iraq, and Syria. About one third of these people lived in Iran along the western border in extreme poverty and neglected by the Government. During the summer of 1958, both the Soviet Union and the United Arab Republic began to beam broadcasts to the Kurds in Iran promoting the establishment of a Free Kurdistan, and the resulting unrest posed a further internal threat to the Shah.[41]

(TS) As a result of the NSC report in October 1958, the United States adopted a new policy statement toward Iran on 15 November 1958 that called for pressure on the Shah to institute political, social, and economic reforms. The new policy, NSC 5821/1, drafted by the NSC Planning Board and concurred in by the Joint Chiefs of Staff, retained previous US objectives for Iran, but noted that threats to US interest lay in Iran's vulnerability to Soviet influence and "the widespread dissatisfaction of many Iranians with domestic conditions.

40. (TS) OCB Report, 9 Oct 58, Att to JCS 1714/101, 10 Oct 58, CCS 092 Iran (4-23-48) sec 21.
41. Ibid.

The latter, the statement said, was "more immediately pressing." The key issue was the extent to which "the largely personal regime of the Shah," with which the United States was closely identified, could cope with Iran's growing internal problems. A major question was whether the Shah could or would take "sufficiently dramatic and effective steps" to insure his position and siphon off growing discontent. To do so the Shah would have the difficult task of satisfying popular demands without alienating the conservative elements that provided the traditional support for his regime.

(~~TS~~) Despite the weaknesses of the Shah, NSC 5821/1 found no "constructive, pro-Western" alternative in Iran and saw no recourse but continued support for him. Hence the United States must influence the Shah to make "meaningful" reforms. Specific goals included: appointment of honest and competent government leaders and delegation of administrative responsibilities to them; liberalization of legislative and judicial practices; elimination of graft, corruption, and conflicts of interest in government circles and the Imperial family; improvement of the economic development program; and the adoption of administrative, tax, and financial reforms.[42]

(~~TS~~) Two years later, the United States reviewed but made no changes in its policy towards Iran. Once again, there appeared to be no satisfactory alternative to the Shah in spite of continuing and serious internal unrest. The United States should, therefore, continue to try to convince the Shah that internal instability was the most immediate threat to his regime.[43]

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42. (~~TS~~) NSC 5821/1, 15 Nov 58, CCS 092 Iran (4-23-48)

43. (~~TS~~) NSC 6010, 8 Jun 60, JMF 9181/9105 (8 Jun 60).

3

STRENGTHENING THE ANTI-SOVIET BARRIER
1961-1968

(U) In 1960, the United States seemed well on the way toward obtaining its policy goals for Iran. As a member of CENTO, Iran was actively involved in the collective defense of the Middle East, and US military assistance was giving Iran growing strength to participate in that defense. Yet, Iranian forces were still judged far from what was required, especially if called upon to meet a direct Soviet attack. Consequently, the 1960s would witness expanding US military aid for Iran in an effort to strengthen further the barrier against Soviet expansion into the Middle East. In addition, internal problems persisted in Iran which, if not resolved, could weaken Iran's ability to contribute to Middle East defense.

The Kennedy Adminstration: Growing Assistance for Iran

(~~TS~~) One aspect of the Iranian internal problems was among the first matters raised by the Joint Chiefs of Staff with the new Kennedy Administration. On 26 January 1961, they told Secretary of Defense Robert McNamara that existing contingency plans for Iran were insufficiently wide-ranging to deal with the many possible politically-inspired crises that might require US military action. They particularly wanted plans to assure that the Shah's successor would be pro-Western. The Assistant Secretary of Defense (ISA) agreed that "a careful review of our national policy . . . should be undertaken" and asked the Department of State to collaborate.[1]

1. (~~TS~~) JCSM-27-61 to SecDef, 26 Jan 61 (derived from JCS 1714/123); (~~TS~~) 1st N/H of JCS 1714/123, 1 Mar 61; JMF 9181/9105 (1 Dec 60).

(S) A Presidential Task Force, chaired by the Assistant Secretary of State for Near Eastern and South Asian Affairs, accomplished the desired review and carried out a far broader study than originally envisioned by the Joint Chiefs of Staff. The Task Force submitted its report to the National Security Council on 15 May 1961, stating that "the continuing trend toward revolution and chaos in Iran has reached the point where the U.S. must take vigorous action." As the Shah's popular support dwindled, "the spectres of a recrudescence of irresponsible anti-Western Mossadeqism or [a] brittle military dictatorship have loomed constantly larger." Obviously, therefore, the United States must make a "major effort" to support the Shah and his regime and encourage far-reaching political and economic reforms.[2]

(S) After consideration of the Task Force report, the National Security Council adopted, as a replacement for NSC 6010, a set of economic, political, and military recommendations that addressed not only internal insecurity but attempted to deal with Iran's long range problems. To respond to the immediate problem the National Security Council agreed to support the existing regime as the best attainable, to encourage the Shah to make political and social reforms, and to oppose military plots against him. The Council also sought to provide Iran more substantial assurance of US support against Soviet attack and to head off demands for ever increasing military aid. Specific proposals included:

a. Urgently examining the desirability of (1) moving earmarked forces to locations where they

2. (S) Presidential Task Force Study, "A Review of Problems in Iran and Recommendations for the National Security Council," 15 May 61, Att to JCS 1714/129, 15 May 61, JMF 9181/9105 (9 May 61) sec 1.

could assist Iran more rapidly and (2) giving Iran more information about US plans.

b. Continuing MAP support for the Iranian armed forces up to a level of about 200,000 men.

c. Helping to identify the key considerations in deciding how to react against a Soviet attack, developing plans for (1) the introduction of up to two divisions and (2) the deployment of nuclear forces so that they could be "brought to bear" near the Soviet border.[3]

(S) The Acting Assistant Secretary of Defense (ISA) asked the Joint Chiefs of Staff for their views on the recommendations described in (a) and (c) above. Their answer, although it acknowledged that Iran's importance "cannot be over-emphasized," stated that the United States lacked enough strength-in-being permanently to station sufficient forces in or near Iran. Pre-positioning of equipment and temporary "show of force" or "token" deployments were possible but the delays inherent in obtaining transit and base clearances might restrict immediate responses to the movement of naval forces into adjacent waters. The Joint Chiefs of Staff described periodic dispatching of units for maneuvers or exercises as "feasible and desirable." But they opposed the earmarking of units as "impractical" and the imparting of more information about US plans as "undesirable." And, since existing plans already provided for possible employment of more than two divisions, additional planning efforts appeared unnecessary. In conclusion, the Joint Chiefs of Staff believed that a commitment of substantial forces to oppose Soviet aggression might well spark a general

3. (S) Memo, DepSecDef to CJCS et al., 29 May 61, Encl to JCS 1714/131, 1 Jun 61, JMF 9181/9105 (9 May 60) sec 1.

war, in which case no sizeable US units were slated for early deployment to the Middle East.[4]

(TS) A few months later, the Joint Chiefs of Staff raised additional doubts about defending Iran against Soviet attack. They gave their views in response to inquiries by President Kennedy who feared that Soviet-instigated pressures on Berlin and Laos might presage diversionary pressure on Iran. Since no plans dealt specifically with a limited war confined to Iran, and involving US and Soviet forces, the Deputy Secretary of Defense asked the Joint Chiefs of Staff on 7 October 1961 to assess US capacity for fighting a limited war in Iran, with and without nuclear weapons. The JCS answer of 20 October was decidedly pessimistic. They held out hope of resisting "limited Soviet intervention and probing aggression," but not of opposing a "substantial and determined" incursion. In northeast Iran, scanty road and rail facilities would limit US forces to two divisions plus two battle groups. That force, together with Iranian units, was simply too small to stop a sizeable Soviet attack. Any commitment of US forces, they continued, must be preceded by a decision to do whatever was necessary to achieve national objectives. In order to assure "any chance of success," there would have to be immediate attacks against air bases in the Soviet Union using conventional or nuclear weapons as appropriate.[5]

4. (S) Memo, Actg ASD(ISA) to CJCS, 2 Jun 61, Encl to JCS 1714/132, 7 Jun 61, JMF 9181/9105 (9 May 61) sec 1. (TS) JCSM-443-61 to SecDef, 26 Jun 61 (derived from JCS 1714/133), same file, sec 2.

5. (TS) Memo, DepSecDef to CJCS, 7 Oct 61, Att to JCS 1714/134, 9 Oct 61, JMF 9181/9105 (9 May 61) sec 2. (TS) JCSM-741-61 to SecDef, 20 Oct 61 (derived from JCS 1714/135), same file, sec 3. For subsequent discussions, see (TS) Memo, Actg ASD(ISA) to CJCS, 20 Oct 61, Att to JCS 1714/136, 23 Oct 61; (TS) JCSM-780-61 to SecDef, 9 Nov 61 (derived from JCS 1714/137); same file.

(TS) Moreover, the Joint Chiefs of Staff doubted that the Iranian forces, by themselves, could repel a Soviet attack. They made this observation in briefing papers for the Assistant Secretary of Defense (ISA) in March 1962 in preparation for a visit of the Shah to Washington. At that time, they expressed the view that the Iranians could stop an Iraqi or Afghan invasion, but lacked "any significant capability" against the Soviets. Concurrently, the Joint Chiefs of Staff supplied Secretary McNamara with appraisals of Department of State suggestions to: send a military planning group to Tehran; divulge US plans for waging limited war to the Iranians; and pre-position some equipment in Iran. They were willing to outline a defense concept in general terms and to send, "under cover of the MAAG," a planning group that would assist in developing detailed plans. But they were opposed to pre-positioning equipment for a battle group, on grounds that the Soviets would find such a step provocative and that the small amount of equipment sent would lessen US creditability.[6]

(S) While in Washington, the Shah met with Secretary McNamara and the Chairman of the Joint Chiefs of Staff on 12 April 1962. Mr. McNamara expressed US willingness to send a planning team to Iran, and to make a "firm undertaking" on MAP deliveries during FYs 1963-1967. This five-year program for modernization of the Iranian armed forces would include: more than 10,000

6. (S) Memo, ASD(ISA) to CJCS, 21 Mar 62, Att to JCS 1714/141, 28 Mar 62; (TS) JCSM-233-62 to SecDef, 29 Mar 62 (derived from JCS 1714/143); (U) Memo, DASD(ISA) to Actg CJCS, 23 Mar 62, Encl to JCS 1714/142, 28 Mar 72; (TS) JCSM-241-62 to SecDef, 31 Mar 62 (derived from JCS 1714/144); JMF 9181/5420 (21 Mar 62).

vehicles; two minesweepers; 16 transport aircraft; 26-52 supersonic fighter-bombers (2-4 squadrons); airfield construction; and an early warning radar system. He asserted, however, that the Iranians "basic force level" ought to be 150,000 men. The Shah countered by citing CENTO studies that recommended substantial increases rather than force reductions. Mr. McNamara proposed, and the Shah quickly agreed, that the US planning team should study deployments and force levels.[7]

(S) Accordingly, the Joint Chiefs of Staff dispatched a Military Planning Team, headed by Brigadier Genral H. S. Twitchell, USA, to Iran. The Team presented and the Joint Chiefs of Staff endorsed five measures. First, support a force level of about 160,000 men. Second, assist in completion of a main air base and construction of a forward airfield. Third, approve an aircraft control and warning (AC&W) system and related communications plan that included construction of four radar stations and seek British cooperation in building two additional stations. Fourth, consider the reinsertion of two frigates in the five-year program. Fifth, resolve within the CENTO framework Iranian-US differences over force goals. The Deputy Secretary of Defense approved everything except action on the two frigates.[8]

7. (S) Annexes B and C to SM-514-62 to JCS, 2 May 62, JMF 9181/3100 (21 Apr 62) sec 2. (S) Aide Memoire, 12 Apr 62, Encl 2 to Report of US Military Planning Team, Iran, 20 Jul 62, Encl to JCS 1714/154, 21 Jul 62, JMF 9181/3100 (21 Apr 62) sec 4A.

8. (S) SM-538-62 to BG Twitchell, 10 May 62 (derived from JCS 1714/152), JMF 9181/3100 (21 Apr 62) sec 1. (TS) Report of U.S. Military Planning Team, Iran, 20 Jul 62, Encl to JCS 1714/154, 21 Jul 62, same file, secs 4 and 4A. (TS) JCSM-579-62 to SecDef, 3 Aug 62 (derived from JCS 1714/156); Memo, DepSecDef to CJCS, 31 Aug 62, Att to JCS 1714/158, 6 Sep 62, same file, sec 5.

(S) On 19 September 1962, the United States presented the Shah a five-year program of military assistance for FYs 1963-1967, revised in light of the findings of the Military Planning Team. The program was based on a concept of defense for Iran against all contingencies, both internal and external, recognizing that assistance from the United States and its allies would be required to deter and defeat Soviet aggression. This concept also took into consideration the collective security arrangements of CENTO and assumed a forward strategy, relying on the mountain barriers on the northern border. The five-year program supplied the means to modernize Iranian forces and included the following:

3.5 inch rocket launchers
submarine guns
200 60mm mortars
ammunition requird for training and for a 30-day reserve
additional communications equipment
100 M-133 armored personnel carrriers
5,000 jeeps
1,500 3/4 to 1 ton trucks
3,500 2 1/2 ton trucks
250 5 ton trucks
combat support equipment
2 minesweepers (inshore)
2 patrol frigates
20 helicopters (H43B)
civic action program support
45 CESSNA 180 or 185 aircraft
4 C-130 aircraft
12 C-47 aircraft
52 F-5A aircraft (4 squadrons)
completion of Hamadan airfield as a main opoerating base
construction of Mashed airfield as a forward base
construction of aircraft control and warning radar stations at Hamadan and Dezful

The Shah accepted this program the following day, 20 September 1962.[9]

(S) After coordination with appropriate Executive departments and agencies, including the Office of the Secretary of Defense and the Joint Chiefs of Staff, the Department of State issued "Guidelines" for US policy and operations in Iran in September 1962.[10] These Guidelines made no changes in US policy toward Iran. The goal remained the prevention of communist domination of this strategically located country. The Guidelines recognized that, while the external threat from the Soviet Union was "unrelenting," Iran's security was still seriously threatened by internal political discontent and disunity. With respect to military "lines of action," the Guidelines called for maintenance and improvement of the Iranian armed forces, through the military assistance program, and expansion of the civic action, counter-guerrilla, vocational training, and public relations sectors of the Iranian military program. Simultaneously, the United States should obtain a reduction in Iranian forces to a level of 150,000.[11]

9. (~~S~~) Memo for Shah, 19 Sep 62; (S) Ltr, Min of the Court to US Amb, 20 Sep 62; both Atts to Encl to JCS 1714/179-2, 26 Jan 66, JMF 9181 (17 Jan 66) sec 1. (U) Ltr, USCINCEUR to ASD(ISA), 28 Sep 62, Att to JCS 1714/161, 2 Oct 62, JMF 9181/2100 (21 Apr 62) sec 5. (S) Memo of Conversation, "Five-Year Military Program for Iran," 19 Sep 62, CJCS File 091 Iran.

10. During the Kennedy Administration, these Guidelines Papers replaced the NSC policy statements issued during the Truman and Eisenhower Administrations as the official source for US policy towards various countries.

11. (~~S~~) Dept of State, Draft Guidelines for Policy and Operations, Iran, Apr 62, Encl to JCS 1714/149, 26 Apr 62; (~~S~~) J-5M 273-62 to ASD(ISA), 7 May 72, Att to 1st N/H of JCS 1714/149, 15 May 62; JMF 9181/9105 (21 Apr 62) sec 1. (~~S~~) Dept of State, Guidelines for Policy and Operations, Iran, Sep 62, Att to JCS 1714/163, 13 Dec 62, same file, sec 2.

(U) In the early 1960s, the Shah finally began to address the internal problems confronting his country. In 1961, he appointed a new, liberal Prime Minister, Ali Amini, who instituted measures to remove corruption in the civil service, to decentralize the government administration, to limit luxury imports, and to initiate land reform. Then, in January 1963, the Shah announced a sweeping program of reforms. Known as the "Revolution of the Shah and the People" or, more commonly, the "White Revolution," the program included six major aspects: abolition of the feudal landlord-peasant system, breakup of large estates, and land redistribution; nationalization of forests and pastures; compensation of former landlords with capital shares in government industry; profit sharing in all productive enterprises; a new elections law that provided votes for women; and creation of a national literacy corps, employing educated youths in government service to teach the illiterate. Despite the opposition of the Shiite religious leaders, large landowners, and some tribal chiefs, who saw their privileged positions threatened, the Shah's program was endorsed overwhelmingly by a national referendum. In September 1963, elections were held under the new law with women voting for the first time. By the end of the year, both the Shah and the Prime Minister had distributed their estates.[12]

(S) At the same time that the Shah was launching internal reforms, he remained concerned about external threats. In 1963 he was worrying more about Egypt than about the Soviet Union. In June of that year, he had advised President Kennedy that Arab agents had begun subversive activities in Iran's southern provinces and argued that pre-positioning of equipment for two to three US divisions was "a matter of necessity."

12. Smith et al., Area Handbook, Iran, pp. 73-74.

Nothing was done; Iran's internal security situation struck US policy makers as critical but controllable.[13]

The Johnson Administration: More of the Same

(U) The assassination of President Kennedy and the succession of Lyndon Johnson to the Presidency in November 1963 brought no changes in US policy toward Iran. The United States pressed on with the five-year program approved in 1962 despite the Shah's increasing desires for additional assistance to meet threats from the radical Arab states.

(S) In January 1964, the Shah sent the United States another warning about the growing danger of Nasserite aggression. He told President Johnson that the five-year plan, approved in 1962, was inadequate for the changing situation and warned that, if the United States was unwilling to meet additional needs, Iran might have to look elsewhere. The President replied that, while he was willing to talk about the full range of problems, he did not believe that basic factors behind the five-year plan had changed significantly.[14]

(S) The Shah scheduled a Washington visit for June 1964. His most pressing demand was for modern M-60 tanks and M-551 Sheridan armored reconnaissance vehicles to replace 414 obsolescent M-47 tanks. The Joint Chiefs of Staff advised the Secretary of Defense on 15 May 1964 that they saw "military justification" for

13. (S) Ltr, Shah to Pres, 1 Jun 63; (S) SACSA-M 349-63 to CJCS, 13 Jun 63; CJCS File 091 Iran.

14. (S) Ltr, Shah to Pres, 7 Jan 64; (U) Ltr, ASD(ISA) to CINCSTRIKE/USCINCMEAFSA, 24 Mar 64; JMF 9181 (22 Apr 64). On 1 December 1963, the Joint Chiefs of Staff had designated CINCSTRIKE as the commander responsible for the Middle East (including Iran), Africa south of the Sahara, and South Asia (MEAFSA) under the concurrent title of USCINCMEAFSA. At the same time, CINCNELM, the commander responsible for the Middle East area since World War II, was disestablished. See (S) JCS Hist. Div., History of the Unified Command Plan, Dec 77, p. 23.

armor modernization and military and economic reasons why the United States should remain Iran's principal source of arms. They were willing to supply M-60s, provided production was expanded so that the Iranian order did not impinge upon other needs. The Sheridan, however, "should not be considered for MAP at this time because it is still in the development stage and is operationally untested." Subsequently, the Secretary of Defense approved a sale of M-60s, to be accomplished without any expansion of production.[15]

(S) Final agreement between the United States and Iran on the increased assistance was reached in a Memorandum of Understanding of 4 July 1964. This Memorandum extended and reoriented the modernization begun in 1962 into a program of combined grant aid and credit assistance. The United States agreed to provide additional grant military assistance during the period FY 1967-1969 for delivery by the end of 1970 to include: 39 F-4 aircraft to replace outmoded aircraft, 110 105mm howitzers, 28 8-inch howitzers, 1,000 vehicles, 1 airborne battalion, 4 twin-engine command-type aircraft, and a 30-day reserve of ammunition. This was additional equipment above that contained in the September 1962 commitment. Moreover, the United States would assist Iran in financing the purchase of an additional $250 million worth of equipment between FY 1965 and FY 1969. Of this total, $50 million would be cash purchases, principally for spare parts for equipment furnished under the grant aid programs. The remaining $200 million would be through credits and would include 460 M-60 tanks, 8 C-130 aircraft,

15. (S) Msg, CINCSTRIKE/USCINCMEAFSA to JCS, 221823Z Apr 64; (U) JCSM-421-64 to SecDef, 16 May 64 (derived from JCS 1714/170-1); (U) Memo, DASD(ISA) to SecDef, 3 Jul 64, Att to Memo, DASD(ISA) to DJS, 15 Jul 64, Att to JCS 1714/170-2, 24 Jul 64; JMF 9181 (22 Apr 64).

163 M-113 armored personnel carriers, 1 HAWK battalion, 26 F-5 aircraft and 1,610 M-1919 A6 machine guns.[16]

(S) The increased US commitment to Iran in 1964 did not satisfy the Shah for long. During 1965, he made known his desire for still more hardware, citing the threat posed to Iran and the Persian Gulf by Iraq, the United Arab Republic, and Syria. The Shah wanted antiaircraft weapons, naval vessels, Sheridan armored reconnaissance vehicles, and aircraft that were superior to the F-5 interceptor. The Joint Chiefs of Staff supported sales of (1) 26 F-4 aircraft, with delivery delayed perhaps until FY 1973, and (2) a second HAWK surface-to-air missile battalion, to become operatinal in 1970.[17]

(S) Rather than accept the JCS recommendations, the Johnson Administration offered in early 1966 to send a survey team to Iran to assess the "full range" of military requirements. This proved acceptable, and the Joint Chiefs of Staff directed the dispatch of a tri-service Military Survey Team. The Team was instructed to "center on the objective of maintaining the primacy of the U.S. military presence in Iran at a moderate cost to Iranian resources." A basic purpose was to keep Iranian procurement "at a level consistent with legitimate military requirements . . . while minimizing the impact . . . on Iranian economic development."[18]

16. (S) US-Iranian Memorandum of Understanding, 4 Jul 64, Att to Encl to JCS 1714/179-2, 26 Jan 66, JMF 9181 (17 Jan 66) sec 1.

17. (S) Memo, DASD(ISA) to CJCS, 24 Aug 65, Encl to JCS 2315/367-1, 26 Aug 65; (S) JCSM-712-65 to SecDef, 23 Sep 65 (derived from JCS 2315/367-2); JMF 4060 (12 Aug 65) sec 1.

18. (S) Msg, CINCSTRIKE/USCINCMEAFSA to JCS, 14 Jan 66, JCS IN 52646. (S) Msg, DEF 1848 to Tehran, 17 Jan 66; (S) Memo, DASD(ISA) to CJCS, 18 Jan 66, Att to JCS 1714/179, 19 Jan 66; (S) JCSM-67-66 to SecDef, 1 Feb 66 and Msg, JCS 2865 to CINCSTRIKE/USCINCMEAFSA, 012000Z Feb 66 (both derived from JCS 1714/179-2); JMF 9181 (17 Jan 66) sec 1.

(TS) After touring Iran between 16 February and 3 March, the Survey Team, headed by Brigadier General C.G. Paterson, USAF, recommended approval of "minimum" additional requirements:

Army - 209 M-60 tanks,[19] 130 Sheridans, 2 Vulcan air defense battalions, and a 90-day level of war reserve materiel
Navy - 8 patrol boats, 1 destroyer, and a 30-day level of war reserve materiel
Air Force - 16 F-4s (one squadron), 2 mobile radars, 2 HAWK battalions, and a 90-day level of war reserve materiel

Costs for the five-year period FY 1967-1971 would come to $192 million. The Team urged that these requirements be accepted as "a basis for discussion" during a review of Iranian military assistance.'' Also, since such acquisition would generate further training and support needs, a planned $10 million MAP reduction should be studied; perhaps the funds withheld from warring India and Pakistan should be shifted to Iran. The Joint Chiefs of Staff concurred with these conclusions.[20]

(TS) On 23 May 1966, President Johnson approved a $200 million credit sales package, with certain caveats. As relayed to the Joint Chiefs of Staff by the White House Staff, the President was:

> deeply concerned over Iran's worrisome economic prospects. He wants each slice of this new program submitted to him for approval only after searching review of Iran's economic position. He regards the new $200 million as a planning figure subject to annual review. He asks that Ambassador (Armin) Myer tell the Shah of

19. The 209 M-60 tanks were the number remaining of the 460 the United States agreed to sell Iran in the 1964 Memorandum of Understanding.

20. (S) "Report of the United States Military Survey Team to Iran, 16 Feb-3 Mar 66," JMF 9181 (17 Jan 66) sec 1A. (TS) JCSM-240-66 to SecDef, 15 Apr 66 (derived from JCS 1714/179-4), same file, sec 1.

his concern, while reassuring him of the President's full respect for his judgment.[21]

(S) Subsequently, however, the Shah began expressing his dissatisfaction with some of the numbers, costs, and delivery dates offered. He wanted, for example, 32 rather than 16 F-4 aircraft. In fact, allegedly because of high US costs, he approached the Soviets about equipment purchases and professed interest in acquiring their surface-to-air missiles. This development was worrisome, because Soviet SAMs would be sited at bases from which F-4 and F-5 aircraft would be operating. Communications tie-ins involving all elements of the air defense system, could allow the Soviets to gain extensive knowledge about US equipment.[22]

(S) How far should the Administration move toward meeting the Shah's demands? The Department of State saw no need to accede completely. Yet, since the Shah had publicly committed himself to an independent procurement policy, he could not retract without some face-saving gesture. "In light of all this," the Deputy Under Secretary of State advised the Deputy Secretary of Defense, "we have concluded that present political hazards are great enough to call for a little 'give' in our military proposal." On 8 July, President Johnson offered to "consider" selling 32 F-4 aircraft;

21. (TS) Memo, ExecSecy, NSC to B.H. Read, 10 Jun 66, Att to JCS 1714/179-5, 20 Jun 66, JMF 9181 (17 Jan 66) sec 1.

22. (S) JCS 1714/182, 29 Jul 66; (U) Msg, CINCSTRIKE/USCINCMEAFSA to JCS, 251911Z Jul 66, JCS IN 15275, JMF 9181 (17 Jan 66) sec 2. (U) Ltr, Dep USecState to DepSecDef, 6 Jul 66, Att to JCS 1714/179-6, 8 Jul 66, same file, sec 1.

the Shah replied that he could not reverse his Moscow initiative without being labelled a "U.S. puppet."[23]

(S) The Department of State and some officials in the Office of the Secretary of Defense wanted to offer the Shah 32 F-4C aircraft at a reduced price of $70 million rather than new F-4D aircraft costing $100 million. Secretary of Defense McNamara opposed a larger F-4 sale, apparently because the Air Force would need additional appropriations to replace its F-4Cs with F-4E aircraft. But on 28 July, the US Ambassador in Tehran appealed directly to President Johnson, asking for a generous offer in order to forestall a "triumph for Soviet policy in the Mideast and serious setback for our interests in this area." It was "erroneous," he added, "to think Persians will not cut off their noses to spite their face." On 1 August the Joint Chiefs of Staff addressed the Secretary of Defense in order to

> reaffirm their judgment that it is essential to maintain the primacy of U.S. military interest in Iran and that every effort should be made to prevent the Soviets from gaining a foothold through the introduction of military equipment and technicians into Iran.

They recommended (1) that research and development costs be waived on all items sold and (2) that the Shah be offered 32 F-4C aircraft at reduced prices, with deliveries beginning in 1968.[24]

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23. (U) Ltr, Dep USecState to DepSecDef, 6 Jul 66, Att to JCS 1714/179-6, 8 Jul 66, JMF 9181 (17 Jan 66) sec 1. (S) JCS 1714/182, 29 Jul 66, same file, sec 2.

24. (S) JCS 1714/182, 29 Jul 66; (S) DJSM-966-66 to CJCS, 29 Jul 66; (S) JCSM-498-66 to SecDef, 1 Aug 66, App to JCS 1714/182, 29 Jul 66; JMF 9181 (17 Jan 66) sec 2. (U) Memo, SecAF to DepSecDef, 12 Jul 66, Att to JCS 1714/181, 15 Jul 66, JMF 9181 (12 Jul 66). (C) Msg, Tehran 451 to Pres, 29 Jul 66, CJCS File 091 Iran. (The Department of State received this message at 1045 on 28 July.)

(S) At a Tuesday Luncheon[25] on 2 August, President Johnson decided to:

(1) Waive research and development costs for two HAWK battalions and, perhaps, do the same for other systems.

(2) Offer the Shah 32 F-4D aircraft at full cost with deliveries commencing in 1968.

(3) If necessary, take some items out of inventory to speed delivery.

A Deputy Assistant Secretary of Defense (ISA) conveyed these decisions to the Shah, cautioning that F-4 aircraft and other "sensitive" items might be withheld if Iran acquired "sophisticated" Soviet equipment.[26]

(S) In February 1967, the Shah concluded an arrangement with the Soviet Union whereby Iran exchanged quantities of natural gas for $110 million worth of Soviet-made antiaircraft guns, trucks, and armored personnel carriers. United States pressure, apparently, persuaded the Shah to refrain from buying Soviet SAMs, and he had, in fact, already assured the United States that Iran would not acquire sophisticated equipment from the Soviet Union.[27]

(S) A Department of State National Policy Paper[28] on Iran completed at this same time took note, at the specific request of the Joint Chiefs of Staff, of the Shah's disillusionment with the United States

25. The Tuesday Luncheon was an informal meeting of advisers that President Johnson relied upon, in lieu of formal NSC meetings, in reaching policy decisions.

26. (S) DJSM-1000-66 to CJCS, 4 Aug 66; (S) Memo, DepSecDef to CJCS, 23 Aug 66, Att to JCS 1714/182-1, JMF 9181 (17 Jan 66) sec 1. (S) Draft Admin History of the DOD: 1963-1969, Vol I, p. 95.

27. (S) Dept of State, National Policy Paper, Iran, 2 Feb 67, Att to JCS 1714/183-3, 13 Mar 67, JMF 9181 (23 Aug 66).

28. The National Policy Papers replaced the Guidelines Papers in the Johnson Administration as official US policy statements towards various countries.

because of what he considered a lack of adequate responsiveness to his requests for assistance. For that reason, the Shah seemed determined to become more independent of US military assistance, ordering arms from other countries, including the Soviet Union. The final version of the Paper also incorporate a JCS suggestion for recognition of the relationship between Iran's political and economic problems with the questions of security and the source and quality of military assistance. The Paper provided for maintenance of the United States as the primary military influence in Iran together with continued US advisory services and assistance, shifting to credit sales of military equipment "on fairly hard terms." The Paper noted, however, that:

> The Shah is now more firmly in personal control of his nation's affairs than ever before. . . . Unless the booming economy takes a turn for the worse or the political dissidents display unaccustomed effectiveness, the Shah's confidence in his own ability to rule and manage his nation is not likely to be shaken by advice and admonition from even the friendliest of critics.

(S) The Department of State Policy Paper contained no changes in US policy toward Iran. It acknowledged Iran's importance because of its strategic location and the defense facilities and privileges extended to the United States both bilaterally and through cooperation in the CENTO framework. It called for continued US support of CENTO and the bilateral security agreement with Iran of 1959 to provide "a security umbrella" for Iran against Soviet aggression. It also included a JCS observation of the Shah's concern with radical Arab expansion, Iraq's support

of the Kurds, and Soviet penetration into the Middle East.[29]

(S) The Shah came to Washington in August 1967, and President Johnson promised him that "we would do everything possible to meet [his] needs" within the limits set by Congressional action. The Shah, however, did not remain convinced for long and would soon be asking the United States for further assistance.[30]

(S) In the spring of 1968, the Shah planned another visit to the United States and had indicated a desire for an additional $500 million in credits for FYs 1969-1973. He was concerned about the protection of the Persian Gulf in light of the British decision to remove their forces from that area by 1971.

(S) The Secretaries of State and Defense opposed a $500 million five-year commitment to the Shah. They recommended instead an offer for a FY 1968 sales program of $75-$100 million and a promise to seek from the Congress the annual credit authorization and appropriations to permit orderly achievement of a modernization program during the next five years (FY 1969-1973). President Johnson accepted this advice. When the President met with the Shah on 12 June 1968, he agreed to provide $100 million for credit purchases in FY 1968 and "made it plain in general terms that, within the limits of our world-wide arms sales programs, . . . Iran should enjoy high priority and be able to buy high quality modern equipment from us."

29. (S) Dept of State, National Policy Paper, Iran, 2 Feb 67, Att to JCS 1714/183-3, 13 Mar 67, JMF 9181 (23 Aug 66). (S) JCSM-588-66 to SecDef, 15 Sep 66 (derived from JCS 1714/183-1); (S) Ltr, DASD(ISA) to Mr. J.A. Yager, 23 Nov 66, Att to JCS 1714/183-2, 30 Nov 66; same file.

30. (S) Memo, W. W. Rostow to SecDef and SecState, 29 Aug 67, Att to JCS 1714/186, 31 Aug 67, JMF 887 (CY 1967).

As for the Shah's long-term procurement program, President Johnson pledged that each year, subject to satisfactory annual economic and military reviews, he would ask the Congress for appropriate credit authorizations and appropriations. The Shah, as indicated in subsequent statements, considered the President's pledge as a commitment for $100 million per year for the period FY 1969-1973.[31]

(S) During his discussion with President Johnson, the Shah raised the questions of how the Persian Gulf could be protected after the British departed and suggested that US surface-to-surface missiles, under Iranian control, be stationed on islands in the Strait of Hormuz. The Joint Staff thought that either F-4 aircraft or missile boats would be more suitable, but advised the Assistant Secretary of Defense (ISA) that Iranian control of the Strait would neither keep peace in the Persian Gulf nor assure its pro-Western orientation. After all, if the Soviets decided to move into the Gulf, the presence of Iranian missiles would not deter them from doing so.[32]

(S) On 26 July 1968, President Johnson informed the Shah that preliminary assessment indicated that a land-based missile defense of the Strait of Hormuz was not feasible. The President offered, however, a comprehensive study of this matter, and the Shah accepted. Now, once again, the Joint Chiefs of Staff organized

31. (S) Memo, SecState to Pres, 19 Apr 68, Att to JCS 1714/188, 3 May 68; (S) Memo, J.P. Walsh to COL A.C. Greenleaf, 2 May 68, Att to JCS 1714/188, 3 May 68; JMF 887/499 (CY 1968). (S) Memo for Record by W.W. Rostow, 14 Jun 68, Att to JCS 1714/190, 19 Jun 68; (U) Tab C to J-5 BP 64-68 for CJCS, 18 Dec 68; JMF 887/081 (CY 1968).

32. (S) JCS 1867/754-1, 19 Aug 68, JMF 887/520 (9 Aug 68) sec 1. (U) DJSM-790-68 to ASD(ISA), 25 Jun 68, JMF 887/081 (CY 1968).

a Military Survey Team. This one was headed by Major General L. H. Richmond, USAF, CINCSTRIKE/USCINCMEAFSA's Director of Plans. The Team was to examine the sea-borne threat to Iran through the Persian Gulf and the Strait of Hormuz, the most feasible arrangement for defense of this area, and any necessary military equipment augmentation. Also included in the guidance for this Team, as had been the case in the previous teams, was the US objective to restrict the Shah's appetite for military weapons to that consistent with legitimate requirements in order to minimize the impact of military procurement on Iranian economic development.[33]

~~(S)~~ The Military Survey Team submitted its report on 30 Sepember 1968. It proposed a strategy for the Persian Gulf that insured coordinated and rapid response by Iranian forces by providing overall command direction in a single commander. The Team believed that the Iranian armed forces already had significant military capabilities to be used for this purpose although some additional equipment would be required. Specifically, the Team recommended the following: two fast, missile-equipped patrol ships; four shipboard ASW sonars; three shorebased radars; aircraft identification systems aboard four ships; berthing facilitions at Lavan Island; and a modest amount of communications materiel. Aerial surveillance, the Team believed, could be accomplished effectively and economically with C-130s, which Iran already possessed. The Team lacked sufficient data to estimate precisely the cost of its proposals, but did offer a figure of $6.75 million for equipment, not including the land-based radars and

33. (U) Memo, SecDef to CJCS, 9 Aug 68, Att to JCS 1887/754, 12 Aug 68; ~~(S)~~ JCS 1887/754-1, 19 Aug 68; (C) JCSM-513-68 to SecDef, 21 Aug 68, and ~~(S)~~ SM-581-68 to CINCSTRIKE/USCINCMEAFSA, 21 Aug 68 (both derived from JCS 1887/754-1); JMF 887/520 (9 Aug 68) sec 1.

assuming use of the already possessed C-130 aircraft. The Joint Chiefs of Staff endorsed the Team findings, noting that the proposals involved little or no additional cost to the "Five Year Program" for Iran. Subsequently, in January 1969, the Team proposals were forwarded to the Shah.[34]

(U) Late in 1968, the Iranian Prime Minister asked that the FY 1969 ceiling on credit sales be raised from the $100 million limit, agreed upon earlier by the Shah and President Johnson, to $191.2 million. The increase would cover, among other things, 32 additional F-4 aircraft (raising the total supplied by the United States to 64) and 100 more Sheridans. The Department of Defense opposed such an increase, feeling that the Iranians had overstated foreign threats and lacked the technical personnel needed to service additional F-4 aircraft and Sheridans.[35]

34. ~~(S)~~ Report of the U.S. Military Survey Team to Iran, 30 Sep 68, JMF 887/520 (9 Aug 68) sec 1A. ~~(S)~~ Ltr, CINCSTRIKE/USCINCMEAFSA to JCS, 30 Sep 68, Att to JCS 1887/754-2, 1 Oct 68; ~~(S)~~ JCSM-615-68 to SecDef, 18 Oct 68 (derived from JCS 1887/754-3); ~~(S)~~ Memo, CAPT R. D. Pace to DJS et al., 16 Jan 69; same file, sec 1.

35. (U) Tab C to J-5 BP 64-68 for CJCS, 18 Dec 68, JMF 887/081 (CY 1968).

4
POLICEMAN OF THE GULF
1969-1974

The Nixon Administration and Policy Changes toward Iran

(U) The years 1968 and 1969 saw two developments that had significance for US policy toward Iran. In 1968, the British announced the decision to withdraw their forces from the Persian Gulf by the end of 1971. The Shah, always concerned with security and external threats, now became even more so. Consequently, he decided that Iran would, possibly with Saudi Arabia as a junior partner, create a military presence to protect the oil lifeline of Japan and the Western nations that lay through the Persian Gulf and the Strait of Hormuz. Iran would become the military protector of the Trucial States along the southern rim of the Gulf and the Arabian Sea, with or without their request or consent. To do this Iran must obtain much larger quantities of modern weapons to counter Iraq, Syria and the more radical Arab states, all seen by the Shah as potential enemy aggressors. These nations were being armed with modern weapons, including aircraft, by the Soviet Union, itself the ultimate, if not the most likely threat to Iran and the Persian Gulf area.

(U) In January 1969, Richard Nixon became President of the United States and, in July 1969, he announced a policy that subsequently received the name "Nixon Doctrine." In essence, the new doctrine held that while the United States would continue to provide economic and materiel assistance to allies and friends, it would expect these nations to handle problems of

internal security and military defense, except for the threat from a major power involving nuclear weapons.[1] Thus the Nixon Doctrine coincided with the Shah's determination to build up his forces, and he was, in coming years, to cite it as justification for his burgeoning military equipment requests to the United States.

(S) Even before the announcement of the Nixon Doctrine, the Shah had foreshadowed its rationale in talks with US officials. While in Washington in April 1969 to attend the funeral of former President Eisenhower, he had told Secretary of Defense Melvin Laird that Japan was sharing too small a part of the Free World defense load. Later, in October 1969, the Shah again visited Washington where he talked with President Nixon, Secretary of State Rogers and Secretary of Defense Laird. He expressed great concern over the growing strength and truculence of his Iraqi neighbors. He was convinced that Iran must develop and maintain security forces sufficiently strong and impressive to discourage any potential aggressors. He specifically asked that the 54 USAF technicians who were presently in Iran to assist with training and maintenance in the F-4 program be kept in Iran for at least another year. Secretary Laird agreed to this request.[2]

(S) Much greater requests were in the offing. In a conversation with US Ambassador Douglas MacArthur II on 18 March 1970 the Shah expressed his determination

1. (U) Papers of the Presidents of the United States, Richard Nixon, 1969 (1971), pp. 544-549. Papers of the Presidents of the United States, Richard Nixon, 1970, (1971), pp. 118-119.

2. (S) Ltr, SecState to SecDef, 19 Nov 70, Att to JCS 1714/195, 23 Nov 70, JMF 887/460 (19 Nov 70). (S) Ltr, ActgSecState to ActgSecDef, 14 Feb 70, Att to JCS 1714/193, JMF 887/460 (CY 1970).

to build up his military forces over the next five years to a level that would cost far more than the United States had agreed to support. The cost of this build-up would reach almost $900 million, whereas the United States was willing at this point to offer Iran credit under the Foreign Military Sales Act of only $100 million per year for the next five years. Because of Iran's growing affluence, grant aid to Iran had been stopped in the previous year. Now the Shah wanted to buy four F-4 squadrons in FY 1973 and an additional squadron each year until FY 1976 for a total of 14 squadrons. He also wanted C-130 transports, M-60 tanks, CH-47 helicopters, 175mm artillery and radar. The Shah asked for $800 million credit over the next five years, or an arrangement whereby the United States would buy more of his oil. He would use every cent of proceeds from these oil sales to pay cash for US arms. The Shah was particularly disturbed because the United States was charging him almost nine percent interest for credit whereas France and Great Britain would grant him more favorable terms. The Soviet Union would grant him credit over a long term for as low as two and a half percent interest. He said that he could not understand why the United States refused to help him build up his forces when he was offering to help implement the Nixon Doctrine in an area where US interests and the interests of US allies were threatened. The US Ambassador sought to persuade the Shah to reexamine his requirements and priorities and promised to see what could be done about special oil purchases and the "onerous" credit arrangements.[3]

3. (S) Msg, Tehran 1019 to State, 19 Mar 70, Encl B to CM-5030-70 to Spec Asst to Pres for NSA, 10 Apr 70, CJCS File 091 Iran.

(S) Ambassador MacArthur cabled Washington that unless the deadlock on military aid to Iran was broken "we are on our way to a crisis with the Shah." The Iranian monarch had an absolute conviction that unless he strengthened his military posture substantially, the Arab side of the Gulf would fall before a massive radical Arab campaign, sponsored and supported by the Soviet Union. "Iran," he said, "is the key to whether the Gulf remains in friendly hands, and I need not spell out again its importance to the most basic financial, economic and security requirements of ourselves, West Europe and Japan."

(S) The Shah was very "prickly," Ambassador MacArthur reported, on the subject of Iran's minimum military requirements and did not like to be second-guessed on the matter by US officials. The Ambassador said that unless the United States agreed to amplify and extend the 1968 agreement, there would be a major crisis and "an end to the special relationship that the Shah feels for us" which had resulted in special privileges and facilities. "We will only infuriate the Shah if we try to tell him bluntly what he does or does not need but if we obtain a stretchout we may be able to do something about magnitude."[4]

(S) The Chairman of the Joint Chiefs of Staff, General Wheeler, visited the Shah in Tehran on 8 April 1970 and heard essentially the same requests and arguments as had the Ambassador several weeks earlier. In reporting this meeting to the President, the Chairman said, "My overall impression is this: His Imperial Majesty is determined to create the military forces which he is convinced the security of Iran requires.

4. (S) Msg, Tehran 1247 to State, 1 Apr 70, Tab D to CM-5038-70 to Spec Asst to Pres for NSA, 10 Apr 70, CJCS File 091 Iran.

He wants to buy the necessary equipment from the US, but he will get it elsewhere reluctantly, if he has to do so."[5]

(S) Meantime, the revamped NSC organization established by President Nixon had been reviewing US policy toward the Persian Gulf in light of the pending British withdrawal. Dr. Henry Kissinger, the President's Assistant for National Security Affairs, initiated the review in July 1969, and a final draft was submitted to the NSC Review Group in March 1970. Included were the following six options for US action: (1) US assumption of the former British role, maintaining a "meaningful naval presence" in the Gulf area and establishing a position of special influence; (2) political support for Iran to make it responsible for preserving security and stability in the area; (3) promotion of Saudi-Iranian cooperation in the hope of insulating the Gulf states from outside pressures; (4) development of significant bilateral US contacts and presence in the new Arab states of the lower Gulf without taking on the specific responsibilities of which the British were divesting themselves; (5) continuation of the status quo with respect to the small Arab states; (6) sponsorship of a regional security pact in which Iran, Saudi Arabia, Kuwait and the Trucial States collectively or singly would become responsible for regional security.[6]

(S) After studying these options, President Nixon, on 7 November 1970, decided that the United States

5. (S) CM-5037-70 to Pres, 10 Apr 70, CJCS File 091 Iran.

6. (S) NSSM 66, 16 Jul 69, Att to JCS 1887/768, 15 Jul 69; (S) Memo, NSC Staff Secy to Dir, J-5 et al., 12 Mar 70, Att to JCS 1887/768-1, 17 Mar 70; JMF 989/532 (12 Jul 69). Although the Joint Chiefs of Staff did not comment on the study, a JCS representative participated in the interdepartmental group that conducted the review, and the CJCS, as a member of the NSC Review Group, had an opportunity to comment on the study when it was considered by that Group.

response to the withdrawal of British forces from the Gulf would be to follow "a general strategy of promoting cooperation between Iran and Saudi Arabia" and "recognizing the preponderance of Iranian power and developing a direct U.S. relationship with the special political entities of the area." There would be no reduction of US Naval presence in the Gulf, the MIDEASTFOR, consisting of a converted seaplane tender and two destroyers, homeported in the Bahrein Islands. He instructed the NSC Under Secretaries Committee to review plans "consistent with the strategy of promoting orderly development of local responsibility for maintaining stability." This decision, of course, was the logical application of the Nixon Doctrine and fitted well with the Shah's plans and philosophy.[7]

(S) At about the time this new policy toward Iran was being promulgated, the Secretary of State cautioned Secretary of Defense Laird that the United States, while concerned about the magnitude of the Shah's requests and how "costly" his present plans were, must not give the impression that it was a better judge of Iran's military needs than were the Iranians themselves. To do so might lead the Shah to make "a direct linkage between the amount of assistance he expects from us in the future and the very valuable, and in some instances, unique intelligence and security facilities Iran now provides us, a notion the Shah has scrupulously avoided heretofore."[8]

(U) Another key factor in the US relationship with Iran, and one that enabled the Shah to realize his ambitions to build up his forces, was the dramatic change in Iran's financial fortunes in the early 1970s.

7. (S) NSDM 92, 7 Nov 70, JMF 001 NSDMs (CY 1970).
8. (S) Ltr, SecState to SecDef, 19 Nov 70, Att to JCS 1714/195, 23 Nov 70, JMF 887/460 (19 Nov 70).

Whereas in 1970 Iran had been judged too poor to afford the $6 million annual costs of the US military missions, by 1972 Iran was well on its way to becoming an extremely wealthy country. All of this was owing, of course, to the spiralling price of oil and to the acquiescence of major oil countries in the area to the growing demands of OPEC nations, including Iran. In 1969 Iran had received $1 billion from nine major Western oil companies known as Iranian Oil Participants. This figure had increased to approximately $2 billion by 1971 and increased still further in 1972, allowing the Shah to pay for almost anything he felt his military forces required.[9]

(U) A watershed in US policy toward Iran occurred in 1972. Going beyond his 1970 decision to foster regional cooperation in the Persian Gulf area to replace the strength of the departing British, President Nixon decided to rely on a strong Iran as the main stabilizing influence in the Gulf area. To carry out this policy, the United States would sell Iran large quantities of its most modern and sophisticated weapons. Dr. Kissinger explained President Nixon's rationale in his memoirs:

> The real issue in 1972 was that the required balance within an area essential for the security, and even more the prosperity, of all industrial democracies appeared in grave jeopardy. More than 15,000 Soviet troops were still in Egypt, with which we had as yet no diplomatic relations and which was tied to the Soviet Union by a Friendship Treaty signed a year earlier. Just seven weeks before, on April 9, the Soviet Union had concluded a similar Friendship Treaty with Iraq, followed by massive deliveries of the most advanced weapons. Syria had long since been a major recipient of Soviet arms--and had

9. Keesings, Contemporary Archives, 1972, p. 25453.

> invaded moderate Jordan twelve months earlier. Britain at the end of 1971 had just completed the historic withdrawal of its forces and military protection from the Persian Gulf at the precise moment when radical Iraq was being put into a position by Soviet arms to assert traditional hegemonic aims. Our friends--Saudi Arabia, Jordan, and the Emirates--were being encircled.
>
> It was imperative for our interests and those of the Western world that the regional balance of power be maintained so that moderate forces would not be engulfed nor Europe's and Japan's (and as it later turned out, our) economic lifeline fall into hostile hands. We could either provide the balancing force ourselves or enable a regional power to do so. There was no possibility of assigning any American military forces to the Indian Ocean in the midst of the Vietnam war and its attendant trauma. Congress would have tolerated no such commitment; the public would not have supported it. Fortunately, Iran was willing to play the role. The vacuum left by British withdrawal, now menaced by Soviet intrusion and radical momentum, would be filled by a local power friendly to us. Iraq would be discouraged from adventures against the Emirates in the lower Gulf, and against Jordan and Saudi Arabia. A strong Iran could help damp India's temptations to conclude its conquest of Pakistan. And all of this was achievable without any American resources, since the Shah was willing to pay for the equipment out of his oil revenues.[10]

(U) President Nixon implemented this new policy during a visit to Iran in mid-1972. Returning from the Moscow summit conference, he arrived in Tehran on 30 May. In conversations with the Shah, President Nixon responded to requests for continued US support

10. Henry Kissinger, The White House Years (1979), pp. 1263-1264.

of Iran's military equipment needs by: (1) promising the Shah that as soon as the United States was satisfied with the operational effectiveness of the F-14 and F-15 aircraft it would be willing "in principle" to sell them to Iran; (2) agreeing that, if desired, Iran could buy laser-guided bombs from the United States; (3) deciding that the United States would assign uniformed military technicians from the various services to Iran to provide assistance to the Iranian services. The commitment for F-14 and F-15 aircraft and laser-guided bombs was made despite the reluctance of the Department of Defense to part with advance technology and Department of State fears that these sales might be provocative to neighboring countries. According to Dr. Kissinger, the President not only overrode these objections but added a proviso that in the future the Iranians were not to be second guessed on their arms requests.[11]

(S) On the heels of his significant decisions with respect to the sale of military weapons and services to Iran and, perhaps, in implementation of it, the President promulgated a further significant US policy towards the states of the Lower Persian Gulf and Oman. On 18 August 1972, he decided that the primary responsibility for the stability of that region should fall upon the states of the region and that the United

11. Kissinger, White House Years, pp. 1262-1265. According to a congressional report on this decision, President Nixon's actions "effectively exempted Iran from arms sales review processes in the State and Defense Departments. This lack of policy review on individual sales requests inhibited any inclinations in the Embassy, the U.S. military mission in Iran . . . or desk officers in State and DOD to assert control over day-to-day events; it created a bonanza for U.S. weapons manufacturers, the procurement branches of the three Services and the Defense Security Assistance Agency." "U.S. Military Sales in Iran," Staff Report to Subcom on Foreign Assistance of S. Com on Foreign Relations, 1976, 94th Cong, 2d sess.

States should encourage cooperation among them to that end. A continuing British role would be encouraged and the United States, within that context, would play an "imaginative and active direct role." To maintain such a US posture would call for continuing consultation with the British and the friendly states that were primarily involved in promoting the stability of the Gulf area. President Nixon avoided any direct mention of Iran in this decision.

(S) At the same time, the President directed that private American companies would be supported in selling reasonable amounts of weapons and services to these states. If commercial sales were inadequate, these states should be made eligible to receive US military equipment and services under the FMS Act, if this action were consistent with the objective of furthering cooperation ~~among~~ the regional states. While US companies should not be discouraged from operating in the region, "every effort should be made not to undermine the ongoing British advisory role there."[12]

JCS Influence on the Nixon Policy

(S) The Joint Chiefs of Staff had little apparent influence during the Nixon Administration with regard to policy toward Iran. Although they participated in the NSC review resulting in the President's decision in 1970 to rely on Iran as the guardian of the Persian Gulf, there is no evidence that the President consulted them on the decision to sell Iran large quantities of sophisticated weapons. Nor did the President ask them, prior to his visit to Iran in May 1972, for recommendations on the specific types or numbers of weapons to be offered the Shah. Nevertheless, in "pro forma" and

12. (S) NSDM 186, 18 Aug 72, JMF 001 NSDMs (CY 1972).

routine annual appraisals of Iran's military status and requirements contained in the Joint Strategic Objectives Plan (JSOP), the Joint Chiefs of Staff did forward recommendations to the Secretary of Defense. Examination of these recommendations against the background of policy decisions made by the President would indicate that the Joint Chiefs of Staff were influenced by the decisions rather than the decisions being influenced by their recommendations. On one occasion in 1970 the Assistant Secretary of Defense (ISA) called for comments by the Joint Staff on the requirements and capabilities of the Iranian armed forces for use in evaluating the Foreign Military Sales program for Iran. These were prepared and furnished by the Joint Staff based on the current JSOP but were not formally considered by the Joint Chiefs of Staff.[13]

(S) In late 1969 the Joint Chiefs of Staff, in JSOP FY 1972-1979, had assessed the strategic importance of Iran as lying in the capabilities of its armed forces, its location, the defense facilities and privileges allowed the United States, and the "increasing importance" of its oil production to the Western World. Iranian armed forces consisted of Ground Forces numbering 151,900, a Navy of 9,300 whose largest vessel was a patrol boat, and an Air Force of 21,700 equipped with one squadron of F-86s, four squadrons of F-5s and one squadron of F-4s. The JCS guidelines for Iranian forces for the mid-range period, FY 1972-FY 1979, called for Ground Forces numbering 188,000; a Navy of 15,000 possessing one destroyer, 8 hovercraft and four corvettes; and an Air Force of 29,000 having six squadrons of F-5s and four squadrons of F-4s.[14]

13. (S) DJSM-1314-70 to ASD(ISA), 12 Sep 70, Att to N/H of JCS 1714/194, 23 Sep 70, JMF 887/460 (13 Aug 70).

14. (S) Vol III, Book II, JSOP BY 1972-FY 1979, JMF 511 (10 Dec 69), sec 1C. 97

(S) The Joint Chiefs of Staff recommended that Iran be allowed to purchase in FY 1972 the following: 2 GCA; 12 transport aircraft; 12 special operations aircraft; 4 PGM/missile systems; 4 PG 84 missiles; 200 106mm-recoilless rifles with vehicles; 12 troop transport helicopters; 6 8-inch SP howitzers; 84 tracked recovery vehicles; 98 M-578 vehicles; 68 CP carrier, M577A1; plus some port equipment and an oil tanker.[15]

(S) By late 1972, against the background of the new policies that had evolved on Iran, the Joint Chiefs of Staff had reworded their evaluation of the strategic importance of Iran to include "its key location bordering on the Soviet Union, its emerging role of leadership in the Persian Gulf area, the strength of its armed forces, and its position as one of the major world oil producers." They also noted that Iran was "stable and Western-oriented," that it extended military rights and facility arrangements to the United States, and that Iranian oil would be of increasing importance to the Free World in the mid-range period.

(S) At that time, the Iranian Ground Forces totaled 162,000, the Navy 11,500 and the Iranian Air Force 36,000. The Joint Chiefs of Staff recommended increasing the strength of these forces in the period FY 1975-1982, to a Ground Force of 195,000, a Navy of 21,000 and an Air Force of 58,000.[16]

(S) Obviously influenced by the President's decisions in mid-year, the Joint Chiefs of Staff recommended that Iran be authorized to purchase the following: three 707/320C aircraft; three improved HAWK battalions; 41 F-4E aircraft; 27 F-15 aircraft; 68 attack helicopters; 84 utility helicopters; 39

15 (S) Vol III, Book I, JSOP FY 1972-FY 1979, JMF 511 (10 Dec 69), sec 1A

16. (S) Vol II, Book VII, JSOP 1975-1982, Sec 2; JMF 511 (24 Nov 72) sec 1A.

observation helicopters; 200 155mm SP howitzers; 200 M-548 cargo carriers; 176 M-88 recovery vehicles; 400 laser-guided bombs; and six P-3C aircraft. The Joint Chiefs of Staff readily admitted that they had no control, or even forewarning, of Iran's purchase of military equipment. Because of its special status and great wealth, Iran could choose to buy through FMS or commercial sources and to pay cash or use credit, either through the US Export-Import Bank or through private sources.[17]

(S) In the matter of the US advisory support for Iran, the Joint Chiefs of Staff recommendations did have some effect. Consisting of 272 US personnel and 153 foreign nationals, the ARMISH/MAAG, Iran cost $6,000,000 annually to maintain. The Assistant Secretary of Defense (ISA) asked the Joint Staff on 29 July 1970 for plans to reduce the advisory groups, eliminating non-MAP and non-FMS functions, and reducing by July 1973 to 115 US and 65 foreign personnel. The Joint Chiefs of Staff informed the Secretary of Defense on 10 November 1970 that such a reduction would damage US relations with the Shah and have a "debilitating" effect on modernization of Iran's forces. They suggested a reorganization to separate the advisory role from the DOD support role, with a separate element performing the latter function. On 18 December, the Deputy Secretary of Defense approved a JTD for ARMISH/MAAG, Iran providing for 187 US and 24 foreign personnel as of FY 1973. An interim, separate "support element" was authorized effective 1 July 1971. He also approved a JCS suggestion for a study of administrative and support requirements of DOD activities in Iran

17. Ibid., Part I, same file, sec 1A. No time frame was prescribed for these purchases.

and a plan to reduce manpower substantially by 1 July 1972[18]

(S) Early in 1972, Iran had asked the United States to determine the feasibility of a naval base and air facilities at Chah Bahar on the Gulf of Oman. In response, the Joint Chiefs of Staff directed USCINCEUR to send experts to Iran and to forward the resulting report to them. USCINCEUR furnished the report to the Joint Chiefs of Staff on 19 June 1972. The study showed that a naval base with full support facilities and repair capabilities would cost $77 million. An air base complex, HAWK installations, and a radar installation would require an additional $95 million. Facilities for an armored brigade, 2,800 men and officers, would add another $48 million. The complex could be built in three years.[19]

(S) The Joint Chiefs of Staff sent the study to the Secretary of Defense on 2 August 1972, recommending that it go to the Chief, ARMISH/MAAG for further transmittal to the Government of Iran. Subsequently, the Assistant Secretary of Defense (ISA) approved the study, notifying the Joint Chiefs of Staff on 15 August that it would be forwarded as requested by them.[20]

(S) The Shah had, on several occasions, asked for US military personnel to furnish much-needed technical support to his growing air forces. Following

18. (S) Memo, ASD(ISA) to DJS, 29 Jul 70, Att to JCS 2315/498, 4 Aug 70; (S) JCSM-525-70 to SecDef, 10 Nov 70, Encl A to JCS 2315/498-2, 30 Oct 70; (S) Memo, SecDef to CJCS, 18 Dec 70, Att to JCS 2315/498-3, 22 Dec 70; JMF 037 (29 Jul 70) sec 1.

19. (S) Memo, ASD(ISA) to CJCS, 17 Mar 72, Att to JCS 1714/200; JCS 1714/200-2, 25 Jul 72; (S) Study, "Iran Naval Air Facilities," App A to JCSM-359-72 to SecDef, 2 Aug 72 (derived from JCS 1714/200-2); JMF 887/052 (17 Mar 72).

20. (S) JCSM-359-72 to SecDef, 2 Aug 72 (derived from JCS 1714/200-2); (S) Memo, DASD(ISA) to DJS, 15 Aug 72, Att to JCS 1714/200-3, 16 Aug 72; JMF 887/052 (17 Mar 72).

President Nixon's assurances of almost unlimited support in mid-1972, he called for even greater numbers of these US personnel. On 13 August 1972, the Chief ARMISH/MAAG passed on a request for 873 technicians to support the F-4, the F-5, the C-130, a logistics command, and a communications/electronics program. This did not include 59 US military technicians already in Iran.[21]

(S) The Assistant Secretary of Defense (ISA) asked for preliminary views on this request. In reply, the Joint Staff made several observations that militated against such action. Not only did the Foreign Assistance Act of 1971 place a strict ceiling on the number of US military personel assigned to MAAGs, Missions, and Military Groups around the world, the Joint Staff said, but meeting the Iranian request would result in adverse impacts on current Service programs and cause personnel management problems. As an alternative, the Staff suggested that civilian technicians be sent to Iran, noting that many former military technicians were currently working in Iran for civilian contractors.[22]

(U) In the end, US military technicians were sent to Iran, but not in the numbers requested by the Shah. By the beginning of 1975, there were some 550 of these technicians in Iran organized in "Technical Assistance Field Teams" paid for by the Iranian Government.[23]

The Problems of Partnership, 1973-1974

(U) The US decision in May 1972 to sell Iran advanced weapons, combined with the rapidly expanding Iranian oil revenues, enabled the Shah to proceed full-speed with

21. (S) Msg, ARMISH/MAAG Iran 1375 to JCS and SecDef, 13 Aug 72, JMF 887/145 (15 Sep 72).
22. (S) MJCS 311-72 to ASD(ISA), 15 Sep 72, Att to JCS 1714/202, 20 Sep 72, JMF 887/145 (15 Sep 72).
23. NY Times, 2 Jan 75, 18.

the modernization and expansion of his forces. Even his purchases of older weapons systems rose sharply. During the last months of 1972 and the first of 1973, Iran contracted to buy almost $2 billion worth of helicopters, F-4 fighter-bombers, F-4 interceptors, and C-120 cargo aircraft, in what US officials described as "the biggest single arms deal ever arranged by the Department of Defense."[24] Significantly, the Joint Chiefs of Staff played little role in these sales to Iran. Their advice was limited solely to yearly recommendations contained in the JSOP and, once Administration decisions were reached, implementation was supervised by the Defense Security Assistance Agency in the Office of the Secretary of Defense.

(U) With the great expansion of Iranian forces, came a change in Iran's relationship with the United States, evolving from one of dependence to more nearly a partnership. The Shah grew increasingly more independent and self-reliant. In addition, the United States now had to address such new questions as the interoperability of US and Iranian forces and equipment, increased Iranian participation in Persian Gulf exercises, and Iranian production of sophisticated weapons.

(S) In view of the changing situation, President Nixon, in May 1973, requested another review of US policy toward the Arabian Peninsula and the Persian Gulf states. He was also concerned with the growing US dependence on Persian Gulf oil; Iran, for example, provided 10 percent of America's oil and might be supplying as much as 25 percent by 1980.[25] In the

24. DSAA, "DSAA Fiscal Year Series: Iran." NY Times, 22 Feb 73, 2.
25. NY Times, 20 May 73, 3.

ensuing considerations, the Department of State observed that seeking closer relations with Tehran at this time seemed unrealistic, because doing so would require: more binding security commitments; a "special relationship" over sales of Iranian oil; a "virtual blank check" for Iranian military purchases; and support for the Shah's hegemonic ambitions, which "could unhinge" US relations with Saudi Arabia. Yet, on the other hand, to loosen ties with the Shah presupposed that the US relationship with Iran was losing its importance. The Department of State discerned two broad policy options that did not involve any drastic changes:

(a) Urging Iran to give "highest priority" to coordinating its efforts with those of Saudi Arabia and other friendly Arab states.

(b) Supportng the Shah as the regional arbiter of power, since Iran alone possessed enough military strength to perform this task.

In the end, the President took no action to change the US policy.[26]

(S) In August, the Joint Chiefs of Staff sought permission to expand exercises involving the US MIDEASTFOR and the Imperial Iranian Navy. Guidelines issued in 1970 forbade local commanders from scheduling exercises involving more than one ship, and then only under restrictive conditions, because the Department of State believed the political situation in the Persian Gulf to be extremely sensitive. But, the Joint Chiefs of Staff now argued that the diplomats' concern about exacerbating the political climate remained unjustified. Since US arms were flowing to Iran, Kuwait, and Saudi Arabia, those nations presumably would be seeking joint training exercises. They

26. (S) NSSM 181, 10 May 73, Att to JCS 1887/798, 14 May 73; (S) Dept of State Draft, Tab A to "NSSM 181" TP, n.d. [Jul 73]; JMF 898/530 (10 May 73).

therefore proposed new guidelines allowing a wider scope (e.g., an upper limit of 5 ships and/or 12 aircraft in one exercise) for bilateral exercises that could be coordinated directly between COMMIDEASTFOR and the Iranian Navy. The Department of State and the Assistant Secretary of Defense (ISA) agreed, provided that one week's advance notice was given.[27]

~~(S)~~ In October 1973, during the Arab-Israeli War, the Shah's actions were unmistakeably pro-Western. He secretly supplied Israel with ammunition, rejected Soviet requests to overfly Iranian territory, and refused to join the Arab oil embargo. Early in November, as an American carrier task group temporarily took up station in the Arabian Sea, the US Government sought the Shah's permission to use Bandar Abbas airfield, by the Strait of Hormuz, for anti-submarine patrols and logistic support flights. The Shah approved P-3 ASW and C-130/C-141 transport operations, under cover of a story that the planes had come (1) to familiarize Iranians with the aircraft and (2) to participate in joint naval exercises. Flights occurred at a rate of 3 to 4 per week. In August 1974, when the Assistant Secretary of Defense (ISA) asked whether the P-3 operations should continue, the Joint Chiefs of Staff replied that they were of "high military value" in collecting acoustic and oceanographic data, and in developing accurate shipping and environmental forecasts.[28]

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27. NY Times, 26 Jul 73, 13. (S) JCSM-376-73 to SecDef, 23 Aug 73, Encl to JCS 1714/203-1, 13 Aug 73; ~~(S)~~ Memo, ASD(ISA) to DJS, 4 Oct 73, Att to JCS 1714/203-2, 9 Oct 73; JMF 887/385 (29 May 73).

28. ~~(S)~~ Memo, Dir CIA to SecDef, "Special Relationship Between Iran and Israel," 5 Mar 74; (S) Msg, CINCPACFLT to CINCPAC, 032114Z Nov 73, JCS IN 92445; (S) Msg, Tehran 7860 to SecState, 8 Nov 73, JCS IN 10666; CJCS File 091 Iran. ~~(S)~~ JCSM-363-74 to SecDef, 29 Aug 74 (derived from JCS 2294/87-1), JMF 982/332 (8 Jul 74).

(U) But the Shah also was instrumental in bringing about a sharp rise in oil prices. Late in December 1973, ministers from the six Persian Gulf states, including Iran, that supplied almost half of the non-communist world's oil, decided to double their prices.[29]

~~(C)~~ As the Shah's coffers swelled, so did his ambition. In January 1974, for example, Iran contracted for 30 F-14s; in June, the number rose to 80. Early in August, Assistant Secretary of Defense (ISA) Robert Ellsworth asked for military advice on how, organizationally, Iran might best meet its naval air needs. The Chief, ARMISH/MAAG advised that, although a naval air arm could be created by careful deliberate steps, the Iranian Navy's manpower and infrastructure already were overtaxed. He added, too, that the Shah would not be dissuaded from moving forward rapidly. General Andrew Goodpaster, USCINCEUR,[30] gave his opinion that the Iranian Air Force should continue to exercise operational control over all fixed-wing aircraft. The Joint Chiefs of Staff, finally, presented Secretary of Defense James Schlesinger with four organizational options: continuing the Iranian Air Force's control of fixed-wing aircraft; placing all rotary-wing aircraft under the Navy; expanding naval air organization to include direction of naval air operations, command and control, aircraft inventory, and planned procurements; and assigning all naval air matters to the Air Force. The Joint Chiefs of Staff did not try to evaluate these options,

29. NY Times, 24 Dec 73, 1.

30. On 1 January 1972, the Joint Chiefs of Staff reassigned command responsibility for the Middle East, including Iran, from CINCSTRIKE/USCINCMEAFSA to USCINCEUR. At that time, CINCSTRIKE became Commander in Chief, US Readiness Command (USCINCRED) and the titles CINCSTRIKE/USCINCMEAFSA lapsed. See ~~(C)~~ JCS Hist Div, History of the Unified Command Plan, 1977, pp. 29-30.

because they did not know enough about the Shah's long-range plans. They did, however, agree with USCINCEUR that no organizational changes should be made at this time, and with ARMISH/MAAG that a deliberate approach to the problem appeared best. They proposed forwarding their four alternatives to the Iranian Government, together with the caution that any changes should be made in a prudent, "phased" manner.[31]

(S) The Shah's interest in acquiring sophisticated weaponry did not slacken. In July 1974, Iran contracted for six SPRUANCE-class destroyers. In October, the Iranian Government wanted to purchase 36 more F-4Es; in December, it proposed to pay for reopening Lockheed's C-5A production line and to buy ten cargo planes. The utility of these advanced weapons systems depended upon computers and rapid communication. That, in turn, raised the problems of interoperability among Iranian units and between US and Iranian forces. The Assistant Secretary of Defense (ISA) requested JCS advice in formulating an appropriate policy. In reply, the Joint Chiefs of Staff characterized US-Iranian compatibility and interoperability as "fundamental" to enhancing the security of both countries against communist or communist-inspired aggression. Consequently, whatever equipment was sold to Iran "should be inherently compatible and interoperable." The Secretary of Defense concurred, but added that attainment of this objective should be limited to "the extent reasonable," and did not justify broadening the current exchanges of intelligence.[32]

31. NY Times, 11 Jan 74, 1, 6. ~~(C)~~ Memo, ASD(ISA) to DJS, 9 Aug 74, Att to JCS 1714/208, 14 Aug 74; (C) JCS 1714/208-2, 7 Oct 74; ~~(C)~~ JCSM-410-74 to SecDef, 11 Oct 74, Encl to JCS 1714/208-2, 7 Oct 74; JMF 887/495 (9 Aug 74).

32. NY Times, 3 Oct 74, 68; 2 Dec 74, 1. ~~(S)~~ Memo, Actg DASD(ISA) to DJS, 1 May 74, Att to

(S) In June 1974, the Chairman of the Joint Chiefs of Staff, Admiral Moorer, suggested and the Secretary of Defense agreed that the Shah and senior Iranian officials should be briefed on intelligence derived from satellite photography. The Chairman believed that this would create closer US-Iranian military ties, expand military intelligence exchange agreements, and help develop a common base of knowledge about the threats to Iran. Additionally, periodic updates might dampen the Shah's enthusiasm for obtaining SR-71 reconnaissance aircraft, which Admiral Moorer thought were "too rich for his blood."[33]

(S) Iran, by virtue of its location, played a critical part in US intelligence and communications activities. There were two electronic intelligence sites near the Soviet border, an Atomic Energy Detection System station near Tehran, and a special communications site within the US Embassy compound.[34] In 1974, US Ambassador Richard Helms--who significantly, had been CIA Director from 1967 until 1973--expressed concern about the increasing US presence, and sought some measure of consolidation. Consequently, the Joint Chiefs of Staff were asked by the Office of the Secretary of Defense on 3 May 1974 to prepare a plan outlining the requirements for communications facilities. The Joint Chiefs of Staff labeled Tehran "the most economically and politically desirable

JCS 1714/204, 6 May 74; (S) JCSM-278-74 to SecDef, 5 Jul 74, Encl A to JCS 1714/204-1, 1 Jul 74; (S) Memo, SecDef to CJCS, 18 Jan 75, Att to JCS 1714/204-2, 21 Jan 75; JMF 887/499 (1 May 74).

33. (S) Msg, CJCS to AMB Helms, 2414102 Jun 74, CJCS File 091 Iran. The Director, CIA, noted that the Shah alone already had received some briefings of this sort. (TS) Memo, Dir CIA to Dir DIA, 12 Jun 74, same file.

34. (S) Memo, ASD(PA&E) to SecDef, "The Growing US Involvement in Iran," 23 Jan 75, CJCS File 820 Iran, 1 Jul 74-31 Jul 76.

location which at the same time provides technically acceptable radio coverage for the entire area." This, then, should be the site for a communications-electronics complex serving the Middle East, East Africa, and South Asia. They worried that repercussions from the Arab-Israeli war, the Greek-Turkish conflict over Cyprus, and Haile Selassie's ouster in Ethiopia would immobilize or seriously degrade US telecommunications south of the Alps and east of Italy. Consequently, the Joint Chiefs of Staff recommended rapid approval of their plan and an early approach to the Iranian Government. But, in April 1975, the Secretary of Defense decided to defer action until the latest Middle East policy review had been completed. The Joint Chiefs of Staff had also urged adoption of a more forthcoming policy for providing Iran with electronic warfare (EW) capability. But Assistant Secretary Ellsworth ruled against the drafting of a separate policy for Iran alone, saying that Iranian requests must continue to be considered on a case-by-case basis. Neither did he believe that the Department of Defense was obligated to develop a comprehensive EW assistance program; technology, he asserted, should not dictate policy decisions in such a sensitive area.[35]

(S) The Shah wanted to build as well as buy advance weapons. During 1973-1974, he pressed for permission to assemble or co-produce utility and attack helicopters, air-to-ground rockets and missiles, anti-tank

35. (S) Memo, Dir, Tele Com Systems, OSD to DJS et al., 3 May 74, Att to JCS 1714/205, 7 May 74; (S) JCSM-459-74 to SecDef, 3 Dec 74, Encl A to JCS 1714/205-1, 20 Nov 74; (S) Memo, DepDir, Tele Com Systems OSD to DJS, 15 Apr 75, Att to JCS 1714/205-2, 17 Apr 75; JMF 887/630 (3 May 74). (S) JCSM-67-75 to SecDef, 20 Feb 75, Encl A to JCS 2010/496-1, 6 Feb 75; (S) Memo, ASD(ISA) to DJS, 7 Nov 75, Att to JCS 2010/496-2, 12 Nov 75; JMF 806/652 (19 Nov 74). In May 1975, the Iranian Government contracted with Rockwell International to build and man an intelligence communications facility. NY Times, 1 Jun 75, 1.

missile systems, and a lightweight fighter. On 8 October 1974, Dr. Kissinger ordered the NSC Under Secretaries Committee to study the long-range implications of large-scale co-production. The Committee reported, in November 1974, that co-production could bolster US "pre-eminence" in Iranian security affairs and "give us increased influence--and potentially longer-term leverage--should the Shah or his successors embark on policies contrary to U.S. interests." A "forthcoming" policy on limited co-production would be "politically advantageous in the near term," although technical and managerial problems on the Iranian side would have to be resolved. Beyond that time, issues seemed more complex and benefits less clear. The Committee proposed (1) approving a limited number of projects for the next 1-3 years and (2) considering requests that would stretch over the next 4-10 years on a case-by-case basis.[36]

(S) The new Chairman of the Joint Chiefs of Staff, General George S. Brown, and the Secretary of Defense endorsed the recommendations of the Under Secretaries Committee. Dr. Kissinger, however, directed that the study be revised (1) to show the relationship of co-production to overall US-Iranian dealings, (2) to estimate the potential growth of co-production projects, and (3) to devise guidelines for assessing co-production proposals. The Committee did draft more detailed guidelines, and recommended that written US approval be required for Iranian sales of co-produced items to third countries. But it decided not to address (1) whether the United States should use arms supply as

36. (S) Memo, Asst to Pres for NSA to Chm, NSC USecys Cmte, 8 Oct 74, Att to JCS 1714/210, 10 Oct 74; (S) Memo, Staff Dir, USecys Cmte to CJCS et al., 7 Nov 74, Att to JCS 1714/210-3, 8 Nov 74; (S) Memo, SecDef to Chm, USecys Cmte, 3 Dec 74, Att to JCS 1714/210-4, 6 Dec 74; (S) Memo, Staff Dir, USecys Cmte to CJCS et al., 3 Jan 75, Att to JCS 1714/210-5, 10 Jan 75; JMF 887/415 (10 Oct 74) sec 1.

a lever to change Iran's oil pricing policy and (2) whether creation of an arms industry would foster Iranian adventurism. General Brown and Secretary Schlesinger accepted these slightly revised conclusions and recommendations; President Gerald Ford approved them in May 1975.[37]

(S) In April 1974, meanwhile, the US Government proposed to "broaden and deepen" relations with Iran. The Shah reacted favorably. Secretary Kissinger thereupon told Ambassador Helms to set the stage for discussions that would be "very much an equal partnership exchange." On political and security matters, he stated, "we are prepared to continue and expand the consultations and close ties which already mark our relations and which we value greatly. . . . We contemplate remaining in the closest touch," the Secretary continued, "on the Shah's concerns regarding Iran's security and on how we can continue to cooperate through our sales and training programs in helping to build up Iran's defensive capability." In the economic field, the Secretary suggested establishment of a joint cabinet level commission, in which the first working group might deal with ways of developing energy production. The Atomic Energy Commission wanted to negotiate an agreement, similar to those concluded with Egypt and Israel, for supplying Iran with enriched uranium and nuclear reactors. The Joint Chiefs of Staff agreed on 29 June 1974 to a negotiating effort, but

37. (S) Memo, Asst to Pres for NSA to Chm, USecys Cmte, 8 Feb 75, Att to JCS 1714/210-6, 13 Feb 75; (S) Memo, Staff Dir, USecys Cmte to CJCS et al., 6 Mar 75, Att to JCS 1714/210-7, 7 Mar 75; (S) Memo, ASD(ISA) to SecDef, 13 Mar 75, Att to JCS 1714/210-8, 20 Mar 75; (S) Memo, Chm, USecys Cmte to Pres, 22 Mar 75, Att to JCS 1714/210-9, 26 Mar 75; JMF 887/415 (10 Oct 74) sec 2. (S) Memo, Asst to Pres for NSA to Chm, USecys Cmte, 2 May 75, Att to JCS 1714/210-10, 8 May 75; same file, sec 1.

asked for an opportunity to review the resulting safeguard provisions. The Chief of Naval Operations, Admiral Elmo Zumwalt, after initial opposition because of the risk he saw in the introduction of nuclear reactors and fuels into the Middle East, acquiesced solely because of the Egypt-Israel precedent.[38]

(S) In March 1975, President Ford requested a review of the issues involved in reaching a US-Iranian nuclear sales agreement. By this time, negotiations revolved around the issue of reprocessing weapons-grade plutonium. The United States sought to retain a right to determine where plutonium could be reprocessed, fabricated, and stored. This was stricter than past agreements, in which reprocessing had been subject only to a US determination that the facility was adequately safeguarded, but more liberal than the recent Israeli-Egyptian formulation. General Brown and Secretary Schlesinger wanted to delay reprocessing as long as possible and, in particular, to avoid any stockpiling of plutonium in such sensitive regions as the Middle East until adequate bilateral or international control measures existed. They urged that US negotiators (1) insist upon multinational participation in any Iranian reprocessing facility but (2) allow that reprocessing probably would be approved when needed in the mid-1980s. In April, President Ford selected a negotiating stance that would either require American approval for

38. (S) Msg, SecState 48689 to Tehran, 11 Apr 74, JCS IN 50659; (C) DASD(ISA) to CJCS et al., 21 Jun 74, Att to JCS 1714/207, 24 Jun 74; (S) JCSM-270-74 to SecDef, 29 Jun 74, Encl to JCS 1714/207-1, 29 Jun 74; JMF 887/704 (21 Jun 74). (S) JSM-375-75 to CJCS, 10 Mar 75, CJCS File 820 Iran, 1 Jul 74-31 Jul 76. In June 1974 France agreed to sell Iran five 1,000-megawatt reactors. NY Times, 28 Jun 74, 1.

reprocessing US-supplied fuel or, as a fallback position, accept reprocessing in a multinational plant.[39]

(S) Iranians strongly criticized the US desire to retain a veto over reprocessing. When new negotiating options came under consideration, the Chairman of the Joint Chiefs of Staff and the new Secretary of Defense, Donald Rumsfeld, opposed making any concessions at this point about US control over reprocessing. Early in 1976, President Ford sent Energy Research and Development Administration (ERDA) Administrator Robert Seamans and Under Secretary of State Carlyle Maw to Tehran for the purpose of clarifying Iran's position. They reported that the Shah would never accept a US veto, and suggested that US negotiators might (if strenuous efforts to create a bi- or multinational facility failed) allow reprocessing in an Iranian facility under International Atomic Energy Agency standards. The Chairman and the Secretary disagreed, insisting that the reprocessing center must be multinational.[40] Here the negotiations stuck. When President Ford left office, no agreement had been achieved.

39. (S) NSSM 219, 14 Mar 75, Att to JCS 1714/213, 17 Mar 75; (S) Memo, Staff Secy, NSC to SecDef et al., 15 Apr 75, Att to JCS 1714/213-3, 16 Apr 75; (S) Memo, SecDef to Asst to Pres for NSA, 25 Apr 75, Att to JCS 1714/213-4, 30 Apr 75; JMF 887/704 (14 Mar 75). (S) NSDM 292, 22 Apr 75, JMF 001 NSDMs (CY 1975).

40. (S) Memo, Staff Secy, NSC to SecDef et al., 20 Nov 75, Att to JCS 1714/216, 21 Nov 75; (S) Memo, SecDef to Asst to Pres for NSA, 4 Dec 75, Att to JCS 1714/216-1, 10 Dec 75; (S) Memo, Asst to Pres for NSA to SecDef et al., 4 Feb 76, Att to JCS 1714/216-2, 24 Mar 76; (S) Memo, Admin, ERDA to Pres, 15 Mar 76, Att to JCS 1714/216-2, 24 Mar 76; (S) Memo, SecDef to Asst to Pres for NSA, 7 Apr 76, Att to JCS 1714/216-3, 8 Apr 76; JMF 887/704 (20 Nov 75).

5
THE END OF AN EMPIRE
1975-1979

Doubts Begin to Arise

(S) By early 1975, the spreading US involvement with Iran was beginning to cause some apprehension among US policymakers. Military sales agreements, for example, had snowballed from $458 million in FY 1972 to $2.158 billion in FY 1973 and to $3.966 billion during FY 1974.[1] The American community in Iran numbered about 17,000 of whom 11,400 worked in defense-related jobs. In January 1975, Assistant Secretary of Defense (PA&E) saw fit to warn the Secretary of Defense of the risks thus raised: that the United States might become enmeshed in "Iranian military adventures"; that the US influx would create serious social, legal, and political problems, making Americans the target for expressions of xenophobic feeling or political dissent; and that Iran's failure to meet its modernization goals would lead to a mutual loss of confidence that could seriously undermine US influence.[2]

(S) Concurrently, the Joint Staff prepared a briefing paper for the Chairman that noted how the Shah, who hoped to make Iran a great economic power, had become "extremely protective" about the Strait of Hormuz, "a highly vulnerable choke point" and one through which Iran's oil exports must pass. For this reason, and in view of the British withdrawal from the Persian Gulf,

1. (U) DSAA, "DSAA Fiscal Year Series: Iran." Delivery schedules for major items ran as follow: 491 helicopters during 1974-1977; 169 F-5s and 176 F-4s over 1973-1977; 80 F-14s in 1976-1978; and 32 HAWK batteries during 1974-1978.

2. (S) Memo, ASD(PA&E) to SecDef, "The Growing US Involvement in Iran," 23 Jan 75, CJCS File 820 Iran, 1 Jul 74-31 Jul 76.

the Shah had reoriented his forces away from the Soviet border and toward the Gulf and was intent upon creating "an overwhelming Iranian military superiority" there. "On balance," the paper stated, "Iranian actions over the near term should contribute to regional stability"; its support of conservative regimes and isolation of radical ones was "compatible with US interests." But the long-range implications of Iranian ambitions were harder to fathom; the Shah would not hesitate to oppose US efforts when he deemed it necessary.[3]

(U) General Brown apparently saw the Shah in a similar light. During a 1976 interview with a free-lance reporter, the Chairman raised

> the puzzling question of why [Iran] is building such a tremendous military force.[4] She couldn't with her population do anything that would provide protection from the Soviet Union. . . . She's got adequate power now to handle Afghanistan and Pakistan. . . . She's a little better than a match for Iraq now.

3. [redacted] J-5 BP 8-75, 22 Jan 75, CJCS File 820 Iran, 1 Jul 74-31 Jul 76.

4. (U) Iran's armed forces in 1976 totaled approximately 300,000 personnel consisting of: an Army of 200,000, including 3 armored divisions, 4 infantry divisions, 4 brigades (2 infantry, 1 airborne, and 1 special forces), and 1 HAWK battalion; a Navy of 18,500, comprising 3 destroyers, 4 frigates, 4 corvettes, 25 patrol boats, 5 minesweepers, 2 landing ships, 2 landing craft, 2 logistic support ships, 1 maritime reconnaissance squadron with 6 P-3F aircraft, 1 antisubmarine warfare helicopter squadron with 6 helicopters, 1 transport battalion with 35 helicopters, and 3 Marine battalions; and an Air Force of 81,500 men and 317 combat aircraft, including 10 fighter-bomber squadrons, 11 fighter squadrons, 1 reconnaissance squadron, 1 tanker squadron, 4 medical transport squadrons, and 4 light transport squadrons. Int'l Institute of Strategic Studies, The Military Balance, 1976-1977 (1976), pp. 33-34.

> And, my gosh, the programs the Shah has coming up. It makes you wonder whether he doesn't some day have visions of the Persian Empire. They don't call that the Persian Gulf for nothing.[5]

(S) Despite the reservations of both the Assistant Secretary of Defense and the Chairman of the Joint Chiefs of Staff, the buildup of Iranian forces continued. The Shah visited the United States again in May 1975 and showed particular interest in Boeing 707s equipped with airborne warning and control systems (AWACS). In June, Iran arranged to buy three diesel-powered submarines--further evidence that the Shah's interest extended into the Indian Ocean. By September 1975, the problems of contracting and co-production had grown as great and gone so far beyond the MAAG's scope that the Secretary of Defense appointed a special US Defense Representative, Iran. Mr. Eric von Marbod received a one-year appointment as the new representative and would work in Tehran under the US Ambassador to: supervise and coordinate defense activities (excluding the Defense Attache Office), implement and coordinate DOD positions in Iran within "the framework of overall US Government policy, and monitor arms sales and related activities.[6]

5. US News and World Report, 1 Nov 76, p. 63. After these remarks became public, GEN Brown issued a clarifying statement: "I have no reason to believe that [Shah] has any aspirations beyond continuing to ably lead his nation and contribute to stability in that part of the world."

6. NY Times, 17 May 75, 2; 10 Jun 75, 1. (S) Msg, JCS 9747 to USCINCEUR, 051926Z Sep 75; (S) Msg, JCS 10347 to Dep USCINCEUR, 221637Z Sep 75. In JCS 9747, GEN Brown told USCINCEUR that he had "talked with von Marbod at length and his view of his role and responsibilities I found completely acceptable."

(S) In November 1975, the Assistant Secretary of Defense (ISA) circulated a study suggesting that the Administration carefully review its "virtually open-ended commitment" to Iran's military build-up. He listed a number of potentially serious problems: lack of trained (or even trainable) Iranian manpower; the growing number of DOD and civilian contractor personnel in Iran on defense-related projects; delays in the construction of supporting facilities; suspicions among Iran's neighbors about the Shah's intentions; Iran's inclination to transfer its older arms to third countries; Congressional criticism that the United States was fueling a destabilizing arms race; and a prospect of differing perceptions between Washington and Tehran in the years ahead. Just such a problem arose in January 1976 when the Iranian Vice Minister of War warned the Secretary of Defense that reduced oil revenues combined with "the unreasonable increase in US military equipment prices" and the flourishing "profiteering and agent fees" allowed under the DOD Foreign Military Sales program might compel Iran to reconsider certain programs. Specifically, he mentioned cancellation of plans to purchase 6 AWACS aircraft, 300 F-16 aircraft, and 6 SPRUANCE-class destroyers as well as reduction of the HAWK program and restriction of construction at Chah Bahar. Iran might, he said, "shrink toward the defense of only our geographical boundaries."[7]

(S) Soon afterward, on 24 February 1976, the Deputy Secretary of Defense issued new guidance concerning DOD activities and interests in Iran. After outlining the problem, he wrote:

7. (S) Memo, ASD(ISA) to CJCS et al., 7 Nov 75, Att to JCS 1714/215, 12 Nov 75, JMF 887/534 (7 Nov 75). (S) Memo, Dir, DSAA to SecDef, "General Toufanian's Comments," 20 Jan 76, CJCS File 820 Iran, 1 Jul 74-31 Jul 76.

> Under these circumstances, it is absolutely essential that Iranian requests, and the scope and character of our own potential involvement, be rigorously examined to make sure that we and the Iranians both understand the ramifications of any given case or project. . . . In particular, while the potential sale by some other country is sometimes argued as a relevant factor in considering an Iranian request, it should not be permitted to short-circuit or skew a complete deliberation of the merits of any case by the Washington bureaucracy and the Country Team.

Nothing in this new guidance was intended to suggest a shift in the basic US or DOD policy toward Iran, the Deputy Secretary said, and "Iran continues to be viewed as a valued friend with whom the U.S. shares many common interests and with whom we wish to maintain relations and strong ties."[8]

(S) Late in 1975, Secretary of Defense Rumsfeld recommended a review of US-Iranian defense relations. President Ford, however, deferred initiation of this effort until February 1976, after American-Israeli ties had been reassessed, and broadened its scope to embrace US goals and alternatives toward the Persian Gulf area over the near and medium term. An Interdepartmental Political-Military Group undertook this task, completing a draft response in May, but no further action was taken at that time.[9]

8. (S) Memo, DepSecDef to CJCS et al., 24 Feb 76, Att to JCS 1714/215-1, 2 Mar 76, JMF 887/534 (7 Nov 75).

9. (S) Memo, Asst to Pres for NSA to SecDef, 10 Oct 75, Att to JCS 1714/214, 14 Oct 74, JMF 887/532 (10 Oct 75). (S) NSSM 238, 13 Feb 76, Att to JCS 1887/828, 17 Feb 76; (S) "Response to NSSM 238: US Policy Toward the Persian Gulf," May 76, Att to Memo, Chm, InterDept Pol-Mil Group to Asst to Pres for NSA, 21 May 76; JMF 898/532 (13 Feb 76) sec 1.

(U) Subsequently, early in August 1976, Secretary of State Kissinger visited Tehran. During the visit, the United States and Iran concluded a wide-ranging series of agreements, one of which projected $10-15 billion worth of Iranian military purchases during the next five years. The United States agreed to sell 160 F-16 lightweight fighters, deliveries of which would occur over 1979-1983.[10]

(S) In November 1976, the Interdepartmental Group's paper on the Persian Gulf was circulated to the Senior Review Group. An "Executive Summary" noted that, since the end of 1973, the Persian Gulf's importance had been "greatly increased" by the Free World's growing need for its oil (10 percent of US, 61 percent of Western European, and 75 percent of Japanese consumption) and the economic impact of quadrupled oil prices. The Administration's objectives, evolved over the last two years included:

(a) maintaining access to adequate oil supplies at reasonable prices;

(b) sustaining a "vigorous" level of exports to and imports from the Gulf states;

(c) satisfying requirements for military communications and intelligence facilities, landing and overflight rights, port facilities, and unobstructed sea lanes;

(d) denying the USSR a predominant regional role;

(e) obtaining Iranian and Saudi support on such key political issues as Arab-Israeli negotiations. These policies, said the Summary, had proved "quite successful." Nevertheless, the accelerating pace of change compelled a "fresh look." In the area of security assistance, for instance, it was becoming

10. Dept of State Bulletin, 6 Sep 76, pp. 503-510. NY Times, 28 Aug 76, 1.

clear that programs which overtaxed the capacities of recipients would weaken their relations with the United States and "eventually" could undermine their internal stability. These problems were "real," but not so great as to require a "fundamental shift" in US policy. Still, systematic guidelines were needed to insure that forthcoming arms decisions reflected recent lessons, and that programs were managed so as to hold to a minimum the difficulties inherent in any extensive and complex relationship. The Summary also observed that a policy decision about the US military presence in the Gulf area soon would be necessary. Basically, there seemed to be two options:

(1) Maintain a modest presence (which meant, primarily, periodic naval and air deployments).

(2) Put greater emphasis on preparations for contingency support and seek Iranian approval for all proposed projects, recognizing that a substantial quid pro quo might be requested. If Iran refused US requests, consider placing some or all of these facilities on Masirah Island, Oman.

The Joint Staff pronounced this Summary acceptable, subject to minor revisions.[11]

(S) Ultimately, on 17 January 1977, General Scowcroft approved a Summary of the Persian Gulf Study. The section treating access to Iranian facilities had been somewhat sharpened, so that it read as follows:

Option I: Attempt to maintain existing facilities.

Option II: Concomitant with a reduction in regional arms sales, retain access to intelligence facilities, recognizing that arms sales restrictions may affect Iran's continued willingness to host them.

11. (S) Memo, Staff Secy, NSC to CJCS et al., 19 Nov 76, Att to JCS 1887/828-1, 22 Nov 76; (S) DJSM-2098-76 to ASD(ISA), 14 Dec 76; JMF 889/532 (13 Feb 76) sec 1.

Option III: Augment communications and intelligence capabilities, "recognizing that these requests would render restrictions on arms sales to Iran exceedingly difficult if not impossible to apply . . . ."[12] The Joint Staff again endorsed the Summary, but suggested that it be retitled and passed to the Carter Administration as a "synoposis" of current policy and a "vehicle" for identifying broad postures and immediate issues.[13]

(S) In the years 1973 through 1976, the Joint Chiefs of Staff continued to emphasize the strategic importance of Iran, and the statements of this importance in the Joint Strategic Objectives Plans (JSOPs) remained virtually unchanged from earlier years.[14] The JSOPs involved gave Iran a "General Strategic Priority" rating of "2," except for JSOP FY 1977-1984, published in December 1974, where Iran received a rating of "1," like Western Europe and Japan. Moreover, the JSOPs in this period now cited Iran's arms purchases from the United States as a reason for its strategic importance, and comparison of pertinent portions of the JSOPs in 1973 and 1976 shows how Iranian force goals grew along with the Shah's oil revenues. JSOP FY 1976-1983, appearing in December 1973, recommended the following major mid-range objectives: 2 infantry and 4 armored divisions, 3 destroyers, and 21 tactical fighter squadrons (8 F-5, 10 F-4, and 3 F-14/F-15). Three years later, in December 1976, JSOP FY 1979-1986 described objectives of 4 armored and 4 infantry divisions, 7 destroyers (4 of them SPRUANCE-class), 3 submarines, and 37 tactical fighter squadrons (8 F-14, 16 F-16, and 13 F-18L).[15]

12. Pending or anticipated requests included 7 AWACS, 140 F-16, and 250 F-18 aircraft.

13. (S) "Executive Summary, NSSM 238: US Policy Toward the Persian Gulf," pp. 38-39, 17 Jan 77, Att to JCS 1887/828-3, 10 Feb 77; (S) DJSM-101-77 to ASD(ISA), 17 Jan 77; same file, sec 2.

14. See above, pp. 97-99.

15. (S) JSOP FY 1976-1983, Vol II, Bk VII, pt II, sec 2, JMF 511 (11 Dec 73) sec 1C. (S) JSOP FY 1977-

The Carter Administration and a New Approach to Arms Sales

~~(S)~~ In the period FY 1973 through FY 1977, the United States agreed to sell Iran $12.263 billion in weapons and actually delivered equipment in the amount of $6.250 billion.[16] President Jimmy Carter, however, had a vastly different view of arms sales from that of his two predecessors. On 13 May 1977, the new President declared that arms transfers were "an exceptional policy instrument, to be used only in instances where it can be clearly demonstrated that the transfers contribute to our national interests." So, save in extraordinary circumstances and in instances where friendly countries needed advanced weapons in order to maintain a regional balance,

(a) the dollar volume of new commitments in FY 1978 would be reduced from that of FY 1977, and cut again if possible in each succeeding year;

(b) commitments to sell or co-produce new advanced weapons systems would be prohibited until these were operationally deployed with US forces. Additionally, Secretary of State Cyrus Vance would develop more extensive guidelines by which to assess requests for advanced weapons, including requirements (1) that they must uniquely strengthen recipients' ability to perform the desired functions, (2) that less advanced alternatives were not available, and (3) that providing advanced weapons would not generate requirements for a prolonged US presence in recipient countries.[17]

1984, Vol II, Bk VII, pt II, sec 2, JMF 511 (5 Dec 74) sec 2A. (S) JSOP FY 1978-1985, Vol II, Bk III, Pt II, sec 2, JMF 511 (4 Dec 75) sec 1A. ~~(S)~~ JSOP FY 1979-1986, Vol II, Bk III, sec 3, JMF 511 (3 Dec 76).

16. DSAA, "DSAA Fiscal Year Series: Iran."

17. ~~(S)~~ PD/NSC-13, 13 May 77, JMF 001 (CY 1977).

(U) Thereafter, US sales agreements with Iran dropped accordingly. They fell from $3.236 billion in FY 1977 to $764 million in FY 1978, the first full year of the Carter Administration; the following year, FY 1979, they amounted to only $42 million.[18]

(S) In actual practice, as will appear, this new policy proved less restrictive than the above figures would suggest. The President had already made his first Iranian decisions in March 1977, approving the annual Air Force supply agreement as well as personnel support for F-14s but "holding" decisions about selling 5 RF-4Es and 7 E-3 AWACS aricraft.[19] Iran would be receiving 160 F-16 fighters during 1980-1983; the Shah wanted as replacements for his F-4s, another 140 F-16s and 250 F-18s during 1982-1986. In November 1976, the Assistant Secretary of Defense (ISA) had asked the Joint Chiefs of Staff to assess the Iranian fighter force's capability over the next fifteen years. Their reply, sent to Secretary of Defense Harold Brown in May 1977 in JCSM-218-77, predicted that the Imperial Iranian Air Force (IIAF) could not absorb so many F-16s and F-18s without implementing planned personnel, training, logistic, and facility-building programs. These, in turn, would require "substantial" contractor and "some" increased technical military assistance. Although the IIAF would be only "marginally prepared" for sustained combat during the next five years, its capability should increase "substantially" during the following ten. The Joint Chiefs' projection of the IIAF inventory read as follows:

18. DSAA, "DSAA Fiscal Year Series: Iran."
19. (S) Memo, Asst to Pres for NSA to SecDef, 29 Mar 77, Att to JCS 2315/626, 8 Apr 77, JMF 499 (29 Mar 77)

	1977	1982	1992
F-4	195	175	-
F-5	163	148	119
F-14	56	71	61
F-16	-	113	246
F-18	-	-	215
Total	414	507	641[20]

In summary, they urged that the United States "continue to support modernization of the IIAF fighter force through the provision of advanced fighter aircraft."[21]

(S) The Administration ordered an Ad Hoc Group (of which the Director, J-5 was a member) to study the Shah's request for 250 F-18L light-weight fighters.[22] The Group saw several options: provide F-18Ls, beginning in 1982 and 1983; offer F-18As instead of F-18Ls; make available F-16s rather than F-18s; disapprove an F-18L sale and offer no substitutes. Assistant Secretary of Defense (ISA) David McGiffert argued that, since replacements for Iranian F-4s would not be needed until the mid-1980s, a decision could be postponed until 1979-1980. The Joint Chiefs of Staff urged an earlier, favorable response; the Navy, in particular, believed that delay would preclude the attainment of objectives set forth in JSOP FY 1979-1986 and JCSM-218-77. But President Carter decided not to

20. As for potential adversaries, Iraq at this point possessed 405 combat planes while the USSR deployed 1,076 aircraft near Iran.

21. (S) Memo, ASD(ISA) to CJCS, 5 Nov 76, Att to JCS 1714/221, 8 Nov 76; (S) JCSM-218-77 to SecDef, 16 May 77, Encl to JCS 1714/221-1, 14 Dec 76; JMF 887/534 (5 Nov 76) sec 1. J-5's draft specifically recommended "provision of the F-16 and F-18L fighter aircraft." (S) JCS 1714/221-1, 14 Dec 76, same file. The Deputy USCINCEUR (General Robert Huyser, USAF) visited Iran in July and reported that the IIAF "has made some very real progress, particularly in tactical air operations." (S) Rpt, Dep USCINCEUR to CJCS, "Report on 5-19 July 1977 Trip to Iran," 2 Aug 77; CJCS File 820 Iran.

22. The F-18L would be a land-based version of the Navy's F-18A.

approve the sale, because policy now required that advanced weapons systems be operationally deployed with US forces prior to any sales commitment.[23]

(S) The Shah in 1974, had approved an ambitious program, SEEK SENTRY, for placing several dozen radars on mountain-top locations. Later, with US encouragement, Iranian military men began looking to AWACS aircraft as substitutes. On 22 April 1977, President Carter approved the sale of 5 E-3s. Here he was making an exception to his arms tansfer policy, since AWACS aircraft (like the F-18) still had not entered into service with US forces. On 24 April, the Shah cancelled SEEK SENTRY, thereby reducing his ground radar requirements from 44 to 20. Three days later, he asked the President for four more AWACS aircraft. General Brown and Secretary Brown supported a sale of nine E-3s, noting in justification that the planes and their support would cost only one-fifth as much as the ground radars ($2.6 versus $10-15 billion) and require 2,500 rather than 62,500 personnel. On 26 May, President Carter agreed to sell a total of seven E-3s. One month later, the Joint Chiefs of Staff endorsed a nine-plane sale, but advised Secretary Brown that questions concerning the releasability of cryptographic devices first required resolution. Crytographic capability, they said, would be needed to protect data transmitted between E-3s and other ships and aircraft.[24]

23. (S) DASD(ISA) to F-18L Ad Hoc Group, 3 May 77, Att to JCS 1714/224, 10 May 77; (S) Memo, ASD(ISA) to Actg Dir, J-5, 7 Jun 77, Att to JCS 1714/224-1, same date; (S) MJCS-172-77 to ASD(ISA), 9 Jun 77, Att to N/H of JCS 1714/224, 16 Jun 77; Memo, Asst to Pres for NSA to SecDef, 20 Jun 77, Att to JCS 1714/224-2, 22 Jun 77; JMF 887/460 (3 May 77).

24. (S) Memo, SecDef to Asst to Pres for NSA, 3 May 77, Att to JCS 1714/225, 19 May 77; (S) JCSM-275-77 to SecDef, 27 Jun 77, Encl A to JCS 1714/225-1, 27 May 77; JMF 887/653 (3 May 77).

On 7 July, President Carter notified Congress of the $1.2 billion, seven-plane sale. Congressional opposition against selling Iran such sophisticated, sensitive equipment forced the President to delay his offer until September. But, finally, in early October, the arrangement cleared Congress.[25]

(TS) In mid-October 1977 President Carter reiterated his determination to reduce world-wide arms sales. If Secretary Vance did not "hold down" such recommendations, he promised to do so himself. But the Shah's hopes remained high. When the Chief of Naval Operations, Admiral James Holloway, visited him in October, the Shah asked about the possibility of acquiring six PERRY-class frigates and said that, because the F-14 had proved so successful, he was interested in buying the Navy F-18A. In mid-November, the Shah came to the White House. President Carter related how he had to "go to the mat" with the Congress to get the AWACS sale approved, and predicted that the problem would become easier if Iranian requests were moderate and more predictable. What, he asked, would be Iran's needs over the next 5-6 years? The Shah cited air defense as his primary concern. He wanted a total of 150 F-14s and 300 F-16s, which would mean additional purchases of 70 F-14s and 140 F-16s.[26]

(S) Early in December 1977, the Iranian Government formally requested: 11 RF-4Es, 31 F-4Gs with WILD WEASEL SAM radiation suppression equipment; 70 F-14s, 140 F-16s, 648 howitzers, and six minesweepers. The Joint Chiefs of Staff concurred "in principle," but added that availability and releasability "must be

25. NY Times, 29 Jul 77, 1; 8 Oct 77, 6.

26. (S) Memo, Asst to Pres for NSA to SecDef, 20 Oct 77, Att to JCS 2315/644, 26 Oct 77, JMF 499 (29 Mar 77). (S) "CNO Audience with the Shah of Iran, 1 Oct 77," 12 Oct 77; (TS) MemoCon , "President's Meeting with the Shah of Iran, Nov 16, 1977"; CJCS File 820 Iran.

addressed on an item-by-item basis at the actual time of request." When the Department of State sought a more detailed justification of the howitzer request, they characterized it as "militarily reasonable and justified," and stated that Iran could absorb the artillery over a period of "about 10 years"--and even less time, if the personnel situation improved.[27]

(S) Iran also intended to buy twelve Dutch and West German frigates, but wanted to arm them with US weapons systems so as to allow interoperability with American ships. Assistant Secretary McGiffert asked for JCS views. Answering on 10 July 1978, they described the Imperial Iranian Navy's mission as being development of a force that could defend the sea lanes to the Persian Gulf, assist in assuring the oil flow, and (in cooperation with air and ground forces) counter invasion attempts by any potential adversary. Such a force, containing four guided-missile cruisers, nine diesel submarines, and twelve frigates, would serve US strategic interests. The Joint Chiefs of Staff considered compatibility and interoperability among Iranian ships and with the US Navy, to be "fundamental." Sales of US weapons and electronics would bestow "significant" advantages upon the Iranian Navy by permitting interchangeability of personnel among American, Dutch, and West German warships. Conversely,

27. (C) Ltr, Vice Min of War to AMB Sullivan, 7 Dec 77, Att to JCS 1714/231, 12 Jan 78; Memo, Dir, DSAA to CJCS, 3 Jan 78, Att to JCS 1714/231, 12 Jan 78; (S) JCSM-39-78 to SecDef, 3 Feb 78, Encl to JCS 1714/231-1, 30 Jan 78; (S) Memo, Actg Dir, DSAA to CJCS, 20 Apr 78, Att to JCS 1714/231-2, 24 Apr 78; (S) JCSM-193-78 to SecDef, 30 May 78, Encl to JCS 1714/231-3, 23 May 78; JMF 887/499 (7 Dec 77). In mid-1978, the Iranians reduced their howitzer request to 298. (S) Memo, Staff Secy, NSC to CJCS et al., 27 Jun 78, Att to JCS 1714/233, 18 Jun 78, JMF 887/499 (27 Jun 78).

if the Iranians had to buy European systems, men and resources must be diverted to training, supply, and maintenance, thereby lowering operational effectiveness.[28]

(S) At mid-year, the NSC Policy Review Committee decided to discuss which Iranian requests should be submitted for Congressional approval during the 1978 session. A talking paper approved by the Director, Joint Staff asserted that, save for "certain exceptions having to do with releasability policy," Iranian requests were "in consonance with the US military objectives for Iran." A greater capability for force projection seemed worthy of support. In justification, the paper noted: that Iran faced several threats from different directions; that there was "a broad mutuality of interests" between Washington and Tehran; that Iranian ability to use US equipment was "improving markedly"; and that prospects for Iranian military adventurism or expansionism were "not high" (because, among other reasons, her logistical dependency upon the United States could be cast aside "for more than a week or two at most"). Furthermore, the paper argued in favor of the United States remaining Iran's "primary source" of military equipment in order to: maintain political leverage; promote standarization of equipment; and benefit the US economy. Specifically, therefore, sales of 31 F-4Es (in lieu of F-4Gs), 70 F-14s, 298 howitzers, and combat systems for European-built frigates should be approved.[29]

28. (S) Memo, ASD(ISA) to CJCS, 29 Jun 78, Att to JCS 1714/234, same date; (S) MJCS-198-78 to ASD(ISA), 10 Jul 78, Att to N/H of JCS 1714/234, 11 Jul 78; JMF 887/475 (29 Jun 78).

29. (S) Memo, Staff Secy, NSC to CJCS et al., 27 Jun 78; (S) Memo, Leslie Gelb to Dir, J-5 et al., 29 Jun 78, Att to JCS 1714/233-1, 3 Jul 78; (S) TP for CJCS and SecDef at PRC Mtg, 5 Jul 78, Att to JCS 1714/233-2, 11 Jul 78; JMF 887/499 (27 Jun 78). Principals used this TP at the PRC meeting, according to (S) Memo, COL Raines to Action Man. Div., "PRC Meeting, 5 July 1978," 6 Jul 78, same file.

(S) Soon afterward, the Assistant Secretary of Defense (ISA) asked the Joint Chiefs of Staff to appraise Iranian military forces and capabilities, the threats they faced, and the force structure appropriate from the mid-1980s through the early 1990s. On 5 September 1978, the Joint Chiefs of Staff advised that the forces projected for 1980-1985 would be adequate for every situation except a Soviet attack. Road and railway systems were inadequate, however, and airlift capacities could rapidly become overtaxed. Thus Iranian efforts to build repair and maintenance facilities and to establish an effective logistics system appeared "paramount" in creating a sound military force. Moreover, Iran would continue to need US technical and training assistance for anything other than a "short, low-intensity operation." Consequently, US aid beyond 1980 should "continue to concentrate on the clear deficiencies in command and control of Iranian forces, air defense, anti-submarine warfare, and SAM suppression capability."[30]

(S) In August 1978, President Carter had disapproved the sale of 31 F-4Gs as recommended earlier by the Joint Staff. In mid-September, the Department of State requested Defense views on whether to sell the 70 additional F-14s sought by the Shah. The Joint Chiefs of Staff characterized such a sale as being "prudent and in the best interest of the United States." Their calculation of Iran's requirements took account of forces needed to maintain air superiority over Iraq. Since her oil fields and facilities lay so near to

30. (S) Memo, Actg ASD(ISA) to DJS, 24 Jul 78, Att to JCS 1714/236, 26 Jul 78; (S) MJCS 243-78 to ASD(ISA), 5 Sep 78, Att to N/H of JCS 1714/236, 8 Sep 78; JMF 887/292 (24 Jul 78). The Joint Staff and the Services, in consultation with USCINCEUR and the Chief, ARMISH/MAAG, prepared a lengthy analysis from which the Joint Chiefs' conclusions were drawn.

the Iraqi border, Iran probably could not build a defensive force large enough to prevent those facilities from suffering extensive damage. For that reason, Iran needed a formidable offensive force that would strengthen its deterrent. In the judgment of the Joint Chiefs of Staff, a "reasonable" force level for 1981-1988 would include 174 F-4s, 148 F-14s, and 275 F-16s.[31]

The Unraveling

(U) At this point, a flood of internal unrest began to overwhelm the Shah. Conservative clergy always had opposed his westernizing reforms; liberals disliked his authoritarianism; businessmen resented the corruption that centered around the Pahlevi family; and Iranians of all persuasions feared and detested his secret police, or SAVAK. During 1978, these factions coalesced to create a nationwide revolt. On 8 September, in the face of growing disorders, the Shah imposed martial law upon major cities; next day, bloody riots convulsed Tehran.[32]

(~~S~~) In October, amid spreading strikes and economic dislocations, the Shah cancelled requests for 70 F-14s and 140 F-16s. At this point, the Defense Intelligence Agency (DIA) did not deem the Shah's predicament hopeless. Late in October, DIA forecast that the Iranian military "almost certainly" would remain loyal if the Shah exerted strong leadership. So, if he made proper gestures toward Islamic conservatives and began to share power, "the Shah should survive the political ferment." On 31 October, J-5 drafted a Chairman's Memorandum recommending that the Administration express its support for the Shah through (1) a personal letter from the President and (2) public statements by

31. NY Times, 18 Aug 78, 48. (~~S~~) Memo, Dir DSAA to DJS, 15 Sep 78, Att to JCS 1714/238, same date; (~~S~~) MJCS 266-78 to Dir, DSAA, 26 Sep 78, Att to N/H of JCS 1714/238, 4 Oct 78; JMF 887/460 (15 Sep 78).

32. Washington Post, 9 Sep 78, 1.

either the Chief Executive or high officials. General Jones never signed this draft because, on 1 November, President Carter publicly did defend the Shah.[33]

(S) On 6 November, with US backing, the Shah put Iran under military rule, but disorders grew even greater. Early in December, the US Ambassador forwarded a request for assistance in moving five water-cannon trucks from Europe to Tehran; Secretary Brown approved using US military aircraft for this purpose. On 7 December, the Administration authorized evacuation of DOD dependents. Four days later, several million anti-Shah demonstrators marched through major cities and towns.[34]

(S) A denouement began on 27 December, "a day of wild lawlessness and shooting in the capital and a strike that effectively shut down the oil industry."[35] On that same day, Admiral Holloway informed the Joint Chiefs of Staff that the Soviets' Indian Ocean task group was about to be relieved by a slightly larger force that included a KRESTA-class guided missile cruiser. "More than ever," he told his JCS colleagues,

> It is crucial that any government of Iran continue its security co-operation with the U.S. The U.S. therefore needs to provide clear signals that it appreciates the new situation in Iran, retains a firm interest in the region, and intends to support its friends.

33. (S) Memo, Dir, DIA to CJCS, "Appraisal on the Current Situation in Iran," n.d. [received by JCS on 25 Oct 78]; (S) J5M-1718-78 thru DJS to CJCS, "Support for the Shah of Iran," 31 Oct 78; Memo, DJS to CJCS, 1 Nov 78; CJCS File 820 Iran. Washington Post, 1 Nov 78, 1.

34. (S) Msg, JCS 3096 to USCINCEUR, 5 Dec 78; (S) Memo, SecState to SecDef, 7 Dec 78; CJCS File 820 Iran. NY Times, 7 Nov 78, 1; 12 Dec 78, 1.

35. NY Times, 28 Dec 78, 1.

Accordingly, he recommended sending a Carrier Battle Group to the Indian Ocean "in the immediate future," so that it could reach the Arabian Sea sometime after mid-January. On 28 December, with Secretary Brown's approval, the Joint Chiefs of Staff ordered CINC~~LANT~~PAC to position a carrier force near Singapore, and to prepare for a possible mission in the Arabian Sea.[36]

(U) By this time, the Shah's nerve had cracked. Some of his generals, apparently, planned to seize power and resort to harsh repression. On 2-3 January 1979, Deputy USCINCEUR, General Robert Huyser, USAF, arrived in Tehran. His mission, reportedly, was two-fold: to make the Shah depart Iran immediately, and to forestall any pro-Shah generals' coup by threatening a complete cut-off of US aid. The generals were tamed and the Shah was persuaded. On 16 January, the Shah put himself in the pilot's seat of his Boeing 707 and flew into exile.[37]

(U) The departure of the Shah marked the complete failure of US policy toward Iran. The United States had backed the Iranian ruler for 33 years in hopes of creating a stabilizing influence in the Middle East and a bulwark against Soviet expansion there. Tremendous amounts of military assistance had been both given and sold to him to that end. Now he was gone, leaving behind near chaos and great popular resentment of and hatred for the United States.

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36. ~~(S)~~ CNOM 166-78 to JCS, 27 Dec 78, Att to JCS 1714/240, same date; (S) Msg, JCS 768 to CINCPAC, 28 Dec 78; JMF 898/378 (19 Dec 78). This movement was made public on 29 December. NY Times, 30 Dec 78, 1.

37. Washington Post, 13 Jan 80, B1. NY Times, 17 Jan 79, 1.

APPENDIX 1

US MILITARY ASSISTANCE TO IRAN

(Dollars in Thousands)

YEAR	FMS AGREEMENTS	FMS DELIVERIES	FMS FINANCING WAIVED	FMS FINANCING DIRECT	FMS FINANCING GUARANTY	COMMERCIAL EXPORTS DELIVERIES	MAP PROGRAM	MAP DELIVERIES	MASF PROGRAM	MASF DELIVERIES
50	-	-	-	-	-	-	11,690	-	-	-
51	-	-	-	-	-	-	25,482	10,654	-	-
52	-	-	-	-	-	-	28,843	5,367	-	-
53	-	-	-	-	-	-	19,135	26,417	-	-
54	-	-	-	-	-	-	13,685	25,434	-	-
55	-	-	-	-	-	-	10,821	16,974	-	-
56	-	-	-	-	-	-	21,189	22,401	-	-
57	-	-	-	-	-	-	75,622	36,843	-	-
58	-	-	-	-	-	-	95,210	69,276	-	-
59	94	6	-	-	-	-	72,281	89,772	-	-
60	779	82	-	-	-	-	76,052	83,658	-	-
61	116	187	-	-	-	-	46,829	41,469	-	-
62	122	680	-	-	-	-	33,634	27,011	-	-
63	150	65	-	-	-	-	50,059	63,958	-	-
64	24	191	-	-	-	-	30,326	22,931	-	-
65	68,858	12,896	-	-	48,774	-	28,638	45,608	-	-
66	137,949	33,185	-	23,167	66,825	-	57,439	36,353	-	-
67	145,933	38,666	-	36,084	124,475	-	31,621	37,124	-	-
68	66,984	56,717	-	41,454	58,127	-	18,990	33,968	-	-
69	235,813	94,881	-	75,000	22,500	-	18,847	45,343	-	-
70	133,703	127,717	-	-	-	-	-	12,791	-	-
71	355,174	78,566	-	-	-	28,304	-	4,290	-	-
72	457,888	214,807	-	-	-	42,415	-	6,277	-	-
73	2,158,402	245,293	-	-	-	19,466	339	2,621	-	-
74	3,966,322	648,641	-	-	-	35,322	2	191	-	-
75	1,313,812	1,006,131	-	-	-	49,410	-	2	-	-
76	1,588,970	1,924,884	-	-	-	107,943	-	-	-	-
77	3,236,145	2,424,669	-	-	-	138,432	-	-	-	-
78	763,590	1,907,362	-	-	-	132,651	-	-	-	-
79	41,520	924,511	-	-	-	82,248	-	-	-	-
TOTAL	14,672,347	9,740,337	-	175,705	320,701	636,192	766,733	766,733	-	-

APPENDIX 2
STRENGTH OF THE IRANIAN ARMED FORCES, 1961-1978

1961

Army	196,000
12 divisions	
6 independent (indep) brigades (bdes)	
Navy	6,000
2 corvettes	
3 minesweepers	
5 small ships	
Air Force	8,000
fighters (F-84, F-86)	
transports (C-47)	
TOTAL ARMED FORCES	210,000

1965

Army	164,000
7 inf divisions (12,00 men each)	
1 armored division	
1 indep armored bde	
Navy	6,000
4 escort vessels	
6 minesweepers	
24 small patrol craft	
2 landing craft	
5 other ships	
Air Force (130 acft)	10,000
4 fighter sqns (F-86F Sabres)	
1 fighter sqn (F-5)	
1 tactical recce sqn (RT-33)	
2 transport sqns (C-130B)	
TOTAL ARMED FORCES	180,000

STRENGTH OF THE IRANIAN ARMED FORCES, 1961-1978 (CONTINUED)

1970

Army	135,000
2 armored divisions	
1 indep armored bde	
5 inf divisions	
1 indep inf bde	
1 SAM bn (HAWK)	
Navy	9,000
1 destroyer	
5 frigates (4 with SAMs)	
5 corvettes	
4 patrol boats	
6 minesweepers	
8 SRN-6 hovercraft	
4 landing craft	
12 patrol vessels	
Air Force (175 combat aircraft)	17,000
2 sqns (32 acft) all-weather fighter-bomber (F-4D)	
5 sqns tactical fighter-bomber (F-5)	
20 F-86 all-weather interceptors	
16 RT-33 tactical recce acft	
33 transport acft	
helicopters	
TOTAL ARMED FORCES	161,000

STRENGTH OF THE IRANIAN ARMED FORCES, 1961-1978 (CONTINUED)

1975

Army	175,000
3 armored divisions	
4 inf divisions	
2 indep bdes (1 airborne, 1 special forces)	
1 SAM bn (HAWK)	
Navy	15,000
3 destroyers	
4 frigates	
4 corvettes	
25 patrol boats	
6 minesweepers	
2 landing craft	
10 hovercraft	
3 Marine bns	
Air Force (238 combat acft)	60,000
6 fighter-bomber sqns (32 F-4D, 64 F-4E)	
10 fighter-bomber sqns (80 F-5A, 45 F-5E)	
1 recce sqn	
4 medium transport sqns	
2 light transport sqns	
1 tanker sqn	
helicopters	
TOTAL ARMED FORCES	250,000

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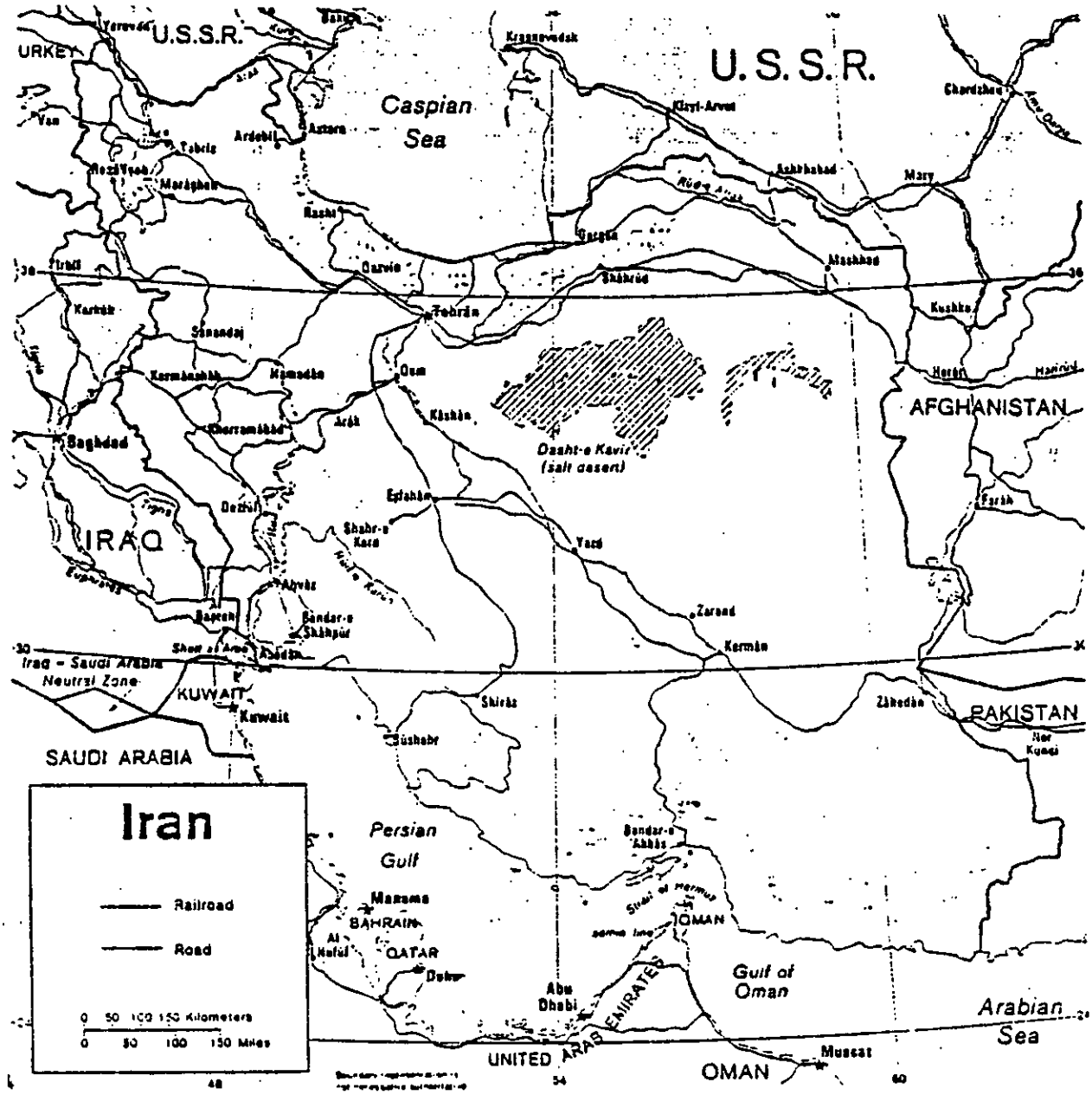
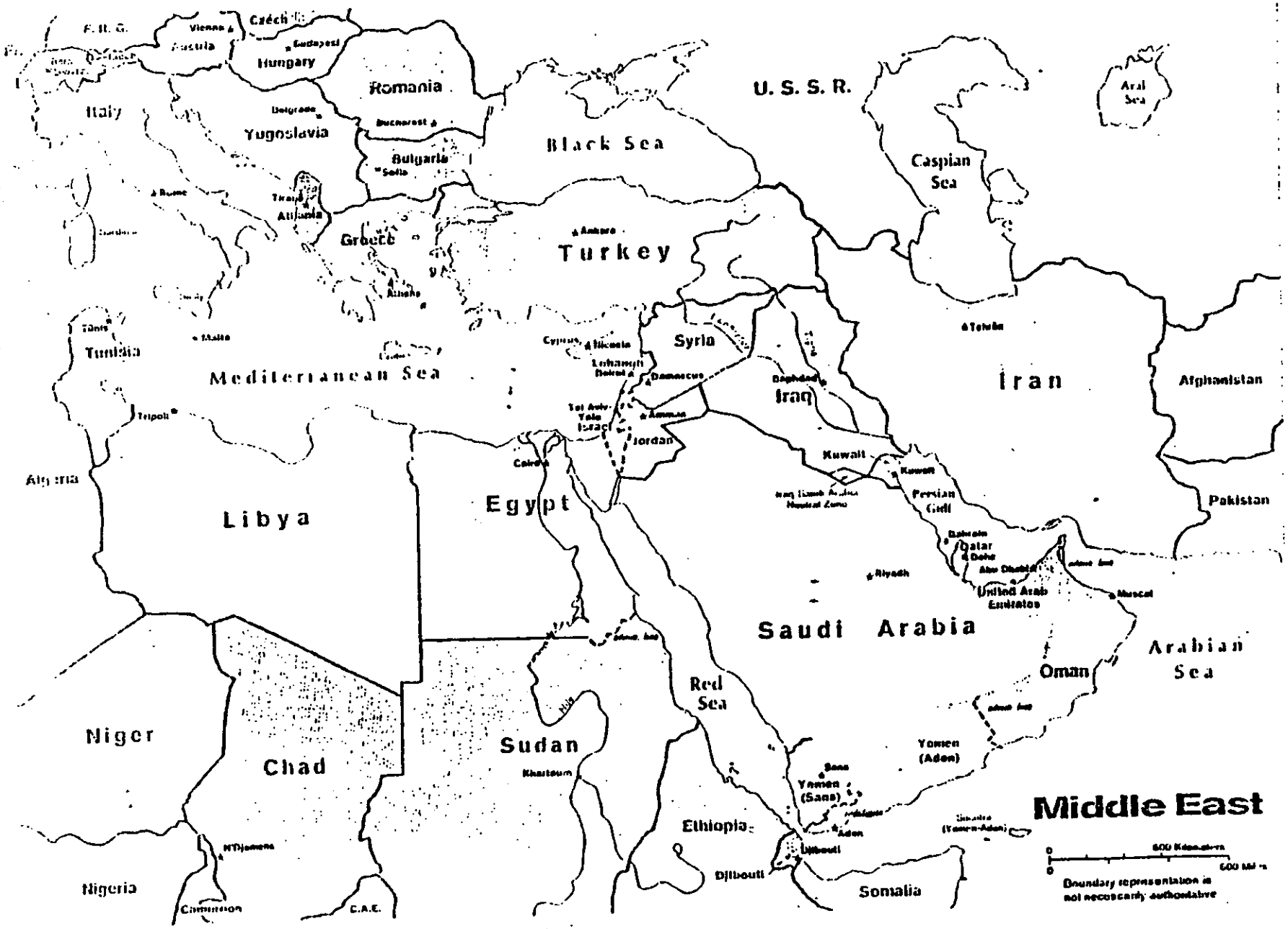
STRENGTH OF THE IRANIAN ARMED FORCES, 1961-1978 (CONTINUED)

1978

Army	285,000
3 armored divisions	
3 inf divisions	
4 indep bdes (1 airborne, 1 inf, 1 airborne,1 special forces)	
4 SAM bn (HAWK)	
Navy	28,000
3 destroyers	
4 frigates	
4 corvettes	
7 large patrol craft	
5 fast patrol craft, guided missile	
2 landing ships logistic	
2 landing craft utility	
2 logistic support ships	
14 hovercraft	
Naval Air	
1 maritime recce sqn (6 P-3F Orion)	
1 ASW sqn (12 SH-3D)	
1 transport sqn	
helicopters	
3 Marine bns	
Air Force (459 combat acft)	100,000
10 fighter-bomber sqns (32 F-4D, 177 F-4E)	
10 fighter, ground attack sqns, 12 F-5A, 140 F-5E)	
3 fighter sqns (56 F-14A tomcat)	
1 recce sqn (16 RF-4E)	
1 tanker sqn (13 Boeing 707-320L)	
4 medium transport sqns	
4 light transport sqns	
helicopters	
5 SAM sqns	
TOTAL ARMED FORCES	413,000

All information in this Appendix is from the London Institute for Strategic Studies, Military Balance, 1961-962, 1965-1966, 1970-1971, 1976-1977, and 1978-1979.


Iran
Railroad
Road
0 50 100 150 Kilometers
0 50 100 150 Miles
U.S.S.R.
U.S.S.R.
Caspian Sea
Persian Gulf
Gulf of Oman
Arabian Sea
AFGHANISTAN
PAKISTAN
IRAQ
KUWAIT
SAUDI ARABIA
Iraq - Saudi Arabia Neutral Zone
BAHRAIN
QATAR
UNITED ARAB EMIRATES
OMAN
Tehrān
Mashhad
Esfahān
Shīrāz
Kermān
Yazd
Zāhedān
Bandar-e Abbās
Tabrīz
Arak
Qom
Kāshān
Dasht-e Kavir (salt desert)
Baghdad
Basrah
Abadan
Kuwait
Manama
Muscat
Abu Dhabi
Dubai
Tehran



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JOINT CHIEFS OF STAFF
SPECIAL HISTORICAL STUDY

THE JOINT CHIEFS OF STAFF AND THE DEVELOPMENT OF US POLICY TOWARD IRAN 1946 - 1978

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THE JOINT CHIEFS OF STAFF AND THE DEVELOPMENT OF US POLICY TOWARD IRAN 1946-1978

HISTORICAL DIVISION
JOINT SECRETARIAT
JOINT CHIEFS OF STAFF
31 MARCH 1980

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THE JOINT CHIEFS OF STAFF AND THE DEVELOPMENT OF US POLICY TOWARD IRAN

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OVERVIEW

(U) Located at the crossroads between East and West, Iran has always occupied a strategic position in the world. Situated on the border of the Soviet Union and including vast quantities of oil, Iran's geographical location became even more important in the post-World War II era.

(U) The United States first became involved in Iran during World War II when it stationed troops there to assist in moving military equipment and materiel to the Soviet Union. Immediately following the war, Iran was caught up in one of the first Cold War confrontations between the United States and the Soviet Union. At that time, Soviet troops refused to evacuate the northernmost Iranian province of Azerbaijan as previously agreed and the United States pressured the Soviet Union to remove its forces. The US efforts succeeded and the Soviets did withdraw. This experience, however, demonstrated to the United States the importance of Iran and the need for a stable, friendly regime there. To that end, the United States began to provide the Shah and his government military aid. Limited at first to the sale of military equipment, a formal program of grant assistance was initiated in 1949.

(U) Rising nationalism in Iran and growing resentment of the British oil concession brought Dr. Mohammed Mossadegh, a rabid patriot, to the forefront of Iranian politics in 1950. He became prime minister in 1951 and proceeded to nationalize the Anglo-Iranian Oil Company. The accompanying public fervor and the ensuing economic chaos threatened Iran, for a time, with anarchy and the possibility of an internal communist takeover. Once again, the United States saw the need for a strong and stable Iran.

(U) Following the overthrow of Dr. Mossadegh and the return of the Shah to full power, the United States stepped up its military assistance to Iran. This aid was designed to build a modern armed force capable of maintaining internal security and providing some defense against external aggression. Simultaneously, the United States sought to create a collective defense arrangement in the Middle East, including Iran, to block Soviet expansion into the area. The US efforts culminated with the establishment of the Baghdad Pact, which subsequently evolved into CENTO, in 1955 with Iran as a member. Although the United States did not join this new organization, it did participate in the Pact's military planning. Throughout the remainder of the 1950s, the United States supplied military aid to the Shah to enable Iran to contribute to the Pact's defense efforts.

(U) By the early 1960s, the Iranian armed forces seemed launched on the way to becoming a modern fighting force. Moreover, during this period, the Shah finally began to address the nagging internal problems that had long plagued his country. He instituted a wide ranging program of reform, known as the "White Revolution," including land reform and distribution, economic modernization, and political enfranchisement. Therefore Presidents Kennedy and Johnson gave the Shah their full backing. They continued and expanded military assistance in a further effort to strengthen the Iranian forces. It was in this period that the US military assistance program was converted from one of grant aid to credit sales. Simultaneously, with its increasing strength, Iran had become more independent, pursuing its own ambitions.

(U) After assuming the Presidency in 1969, Richard Nixon fitted Iran into his new "Nixon Doctrine"--a

policy whereby the United States, while continuing economic and military assistance, would look to friends and allies to handle their own internal security and military defense. In the case of Iran, the United States turned to a willing Shah and his armed forces to assume the defense of the Persian Gulf area in place of the departing British presence. The vastly expanding Iranian revenues resulting from spiralling increases in the price of oil would allow Iran to build the military establishment necessary for this task. Accordingly, the United States began to sell Iran large quantities of its newest and most sophisticated weapons, and US arms sales to Iran rose from $458 million in FY 1972 to approximately $4 billion by FY 1974.

(S) President Carter, while convinced of the importance of Iran to the Western powers, did not believe such massive arms sales to the Shah were necessary. Therefore he reduced the volume of new commitments and prohibited the sale of new weapons until they were operationally deployed with US forces. As a result, US arms sales to Iran fell from $3.2 billion in FY 1977 to $763 million in FY 1978.

(U) Meanwhile, opposition to the Shah in Iran, which had gradually developed over the years but remained relatively quiescent and divided, now coalesced. Opposing the Shah were all elements of the political spectrum in Iran. Conservatives, both clergy and lay, feared the loss of privileged positions in the Shah's modernization programs while the liberals, the expanding middle class, and the working people disliked the Shah's authoritarian methods and the corruption surrounding his regime. The result was growing revolution and spreading anarchy during the latter part of 1978. After several months of indecision, the Shah abdicated

on 16 January 1979 and left the country. The US policy, now over 30 years old, of support for the Shah had failed and Iran teetered on the brink of chaos.

(U) Throughout the United States involvement in Iran, the Joint Chiefs of Staff have participated in the development of the national policy toward that country. Their role, however, had been largely one of supporting the government-wide consensus rather than launching new intitiatives. In October 1946, during the Azerbaijan crisis, the Joint Chiefs of Staff provided the Department of State their first appraisal of Iran. Both oil resources and a strategic location, affording a base for both defensive and counteroffensive operations against the Soviet Union, gave Iran a major strategic importance. The Joint Chiefs of Staff have consistently and repeatedly maintained this position since that time.

(U) From 1946 through 1978, the Joint Chiefs of Staff urged and supported military assistance for the Shah and his forces in order to insure a stable, Western-oriented Iran. In the 1950s, JCS recommendations for increased support for the Iranian forces to enable them to contribute to Middle East defense and JCS support for a Middle East collective defense arrangement, which included Iran, became US policy. During the 1960s, the Joint Chiefs of Staff continued to advocate military support of Iran. They sent several special missions there to survey the requirements. They carefully reviewed the resulting findings and submitted detailed recommendations to the Secretary of Defense. These JCS recommendations formed the basis for expanded US programs for Iran. Presidents Nixon and Ford did not rely on the Joint Chiefs of Staff as closely as their predecessors for advice on Iran.

Decisions were made to sell vast amounts of new and sophisticated military equipment to Iran without any formal review by the Joint Chiefs of Staff. Still, the Joint Chiefs of Staff did supply recommendations on Iran and its armed forces in the annual Joint Strategic Objectives Plan (JSOP) submissions, but these recommendations usually merely reflected Presidential decisions. President Carter cut back military sales to Iran and once again turned to the Joint Chiefs of Staff for advice on provision of new weapons systems to the Shah. Yet neither the Joint Chiefs of Staff nor most of the President's civilian advisers foresaw the deteriorating internal situation in Iran, that culminated in the fall of the Shah.

1
WHICH WAY IRAN?
1946-1953

Historical Background

(U) Iran is one of the oldest countries in the world today. Its national history dates back 2,500 years to the consolidated empire of the Medes and Persians, which at its height encompassed all the territories between what is today India and the Mediterranean Sea. The Persian Empire was the greatest power the world had known to that time.

(U) Succeeding centuries witnessed alternating periods of foreign conquest and native rule. Then, in the period A.D. 637-650, Arab Moslems from the Arabian Peninsula subdued all the territory that is modern Iran. Gradually the conquered inhabitants were converted to Islam, embracing the Shiite branch while the majority of the Moslem world adhered to the Sunni branch. Other conquerors followed the Arabs--the Seljuk Turks, the Mongols, and Tammerlane. The arise of the Safavid dynasty in 1502 returned native rulers for the first time in 600 years.

(U) In 1795, a Qajar prince subdued all rivals and established a dynasty that ruled Iran, or Persia as it was then known, until 1925. Throughout the 19th Century, Iran was subjected to increasing pressures by the European powers, especially Russia and Britain, for economic and territorial concessions. Over the same period, growing nationalist sentiment led to a strengthening and modernization of Iranian institutions, culminating in a series of reforms in the years 1906-1908, including adoption of a constitution and establishment of a parliament, the Majlis. These events,

coupled with the discovery of oil in large amounts in 1908, brought Iran into the modern age. By Western standards, however, Iran remained an extremely backward country.

(U) Even though Iran declared its neutrality in World War I, both Russia and Britain placed troops there. Following the eruption of the revolution at home in 1917, the Russians withdrew, and Britain became the dominant foreign power in Iran. Thereupon, the British attempted to force a treaty upon Iran officially recognizing this influence, but the Majlis refused to accept the treaty. Subsequently, Iran became a member of the League of Nations in 1920 and Britain began withdrawal of its troops in 1921. That same year, Iran and the Soviet Union signed a treaty of friendship. Among other provisions, Iran agreed not to permit its territory to be used by anti-Soviet groups.

(U) That same year a little known Iranian officer, Brigadier General Reza Khan, Commander of the Persian Cossack Brigade, staged a coup and took control of Tehran. He forced the Shah to appoint him both commander in chief of the armed forces and war minister. From these positions, he consolidated and expanded his power. In 1923 he became Premier and, in 1925, the Majlis ended the Qajar rule, proclaiming Reza Khan the new ruler as Reza Shah Pahlevi.

(U) Reza Shah, who ruled Iran as a military dictator, was determined to rid Iran of foreign influence and centralize the government. He launched a vigorous program of modernization, instituting a universal conscription law, organizing a standing army drawn from the peasantry, and establishing his authority throughout the country. He encouraged industrialization and renegotiated the Anglo-Iranian oil concession agreement of 1919 to obtain more favorable terms for Iran. He

outlawed the veil, introduced civil marriage and divorce, expropriated the property of the Islamic clergy, and organized secular schools. In 1935, the name of the country was changed from Persia to Iran.

(U) When World War II broke out, Iran again tried to remain neutral. Reza Shah, however, held some pro-German views and, in June 1941, refused a joint British-Soviet request to permit transit of war supplies across Iran. Consequently, both Britain and the Soviet Union moved troops into Iran. The Soviets occupied five northern provinces, including Gilan, Mazandaran, and traditionally dissident Azerbaijan, while the British took over the southwestern part of the country and the Persian Gulf in order to protect Allied oil supplies. This occupation was regularized by the Tripartite Treaty of Alliance signed by Britain, the Soviet Union, and Iran in January 1942. The treaty not only gave formal sanction to the occupying forces, but also guaranteed their respect for the territorial integrity, sovereignty, and political independence of Iran and provided for withdrawal of the occupying troops within six months of the end of hostilities. Later in 1942, US forces entered Iran to assist in the movement of materiel and supplies to the Soviet Union, but their presence was never recognized by a treaty.

(U) With the entry of the British and Soviet troops, Reza Shah had abdicated in favor of his 22-year old son, Mohammed Reza Pahlevi and, subsequently, on 1 September 1943, Iran declared war on Germany. During the course of a conference of the Allied leaders in Tehran in late November and early December 1943, Franklin Roosevelt, Winston Churchill, and Joseph Stalin issued the "Declaration on Iran," in which they

acknowledged Iran's assistance in the war, reaffirmed the commitment to Iran's independence, and pledged economic assistance at the close of the hostilities.[1]

The Azerbaijan Crisis

(U) In the years following World War II, Iran was confronted with two major crises that threatened its existence as an independent, Western-oriented nation. In the first, the Azerbaijan crisis, the Soviet Union not only refused to evacuate the Province, as provided in the terms of the Tripartite Treaty, but also pressured Iran for oil rights. The United States opposed these moves and the resulting dispute vitiated much of the good-will remaining among the wartime allies.

(U) Even during World War II, the Soviet Union had closed its zone of occupation to all foreign travelers, thereby preventing allied diplomats and newsmen from reporting on conditions in northern Iran. A ban was imposed on the export of staple foodstuffs from the Soviet zone, one of the major food producing areas of Iran. As a result, famine occurred in other parts of the country, including Tehran. As one authority has noted, "The Iron Curtain was thus hung in Iran long before the English speaking democracies learned of its existence."[2]

(U) The Soviet Union had also demanded that Iran grant it oil concessions that would cover the five provinces bordering on Russia. Iran, however, flatly

1. For the historical background on Iran prior to 1946, see Harvey H. Smith et al., Area Handbook for Iran (1971), pp. 39-64.
2. George Lenczowski, Russia and the West in Iran, 1918-1948 (1949), pp. 193-215.

rejected all oil concessions, not only to the Soviet Union but to the United Kingdom and the United States. On 19 May 1945, following Germany's surrender, Iran demanded that both of the occupying nations withdraw their forces. In reply both the United Kingdom and the USSR made it clear that they would not withdraw before the agreed deadline of six months after the end of hostilities. In August 1945, both nations removed their uniformed forces, mainly service troops, from the area of Tehran, but the Soviet Union left thousands of men in plain clothes in the area. These included members of the Soviet secret police, the NKVD.[3]

(U) Perhaps the most serious of the transgressions during Soviet occupation occurred in late 1945. Against the will of the Iranian Government, the Soviet Union aided and abetted a change in the form of government in Azerbaijan Province. Soviet forces supported a seizure of government power in Azerbaijan by the communist "Tudeh" party. When the Iranian Government attempted to send military forces to reinforce their garrison in Azerbaijan, Soviet military authorities prevented Iranian troops from entering the province. The Iranian Government was effectively prevented by the Soviet Union from applying Iranian laws in the area. As a result of an uprising of Kurdish tribesmen in the northern area, an uprising openly encouraged by the Soviet Union in December 1945, the entire province of Azerbaijan was separated from the control of the Iranian Government.[4]

(U) With the support of the United States, Iran appealed to the newly established United Nations

3. Lenczowski, Russian and the West in Iran, 1918-1948, pp. 216-220.
4. Ibid., pp. 284-289.

Security Council on 19 January 1946, asking that it investigate the situation and recommend appropriate action. The Soviet Union denounced Iran's action and denied all its allegations. The Security Council, in its first real test, was unable to act, since the Soviet Union took the position that the Council was not competent to handle the dispute. The Security Council then agreed to let the two countries try to settle their differences by direct negotiations.[5]

(U) Meanwhile the situation in Iran had grown more tense. Soviet activities there "threatened the peace of the world" as President Truman described the crisis. In a speech obviously intended as a warning to the Soviet Union over Iran, Secretary of State James F. Byrnes in late February pointed out that the United States had "approved many adjustments" and "resolved many disputes" in favor of the Soviet Union. He said the United States welcomed the Soviet Union as a member of the United Nations. He pointed out that great powers as well as small ones had "agreed under the United Nations Charter not to use force or the threat of force except in defense of law and in the purposes of the Charter." He emphasized that the United States "will not and cannot stand aloof if force is used contrary to the purposes and principles of the Charter."[6]

(U) Admiral Willian D. Leahy, USN, the Chief of Staff to the Commander in Chief and the presiding member of the Joint Chiefs of Staff, found Secretary Byrnes' speech "of superlative value." He only regretted that it had not been delivered earlier.[7]

5. Harry S. Truman, Years of Trial and Hope (1956), p. 94.
6. State Dept Bulletin, 10 Mar 46, p. 358.
7. ADM William D. Leahy, Diary, 3 Mar 46, copy in National Archives.

(U) British forces withdrew from Iran on 2 March 1946, six months after the Japanese surrender as agreed in the Anglo-Iranian-Soviet treaty. US forces had already been evacuated by the end of 1945. The Soviet Union, however, gave no sign of keeping its pledge of withdrawal. Three days after the deadline date, Secretary of State Byrnes addressed a note to Soviet Foreign Minister Molotov asking that Soviet forces be withdrawn as agreed and warning that the United States could not remain "indifferent" to the situation. Intelligence indicated that Soviet tanks were moving into Iran, deploying toward the Turkish border and the Iraqi frontier and the US Air Attache personnally observed Soviet tanks only 25 miles from Tehran. Secretary Byrnes' reaction upon learning of this was to observe that the Soviet forces were adding military invasion to political subversion. Reportedly he reacted with some heat and stated "Now we'll give it to them with both barrels."[8]

(U) "Both barrels" took the form of a second note to Foreign Minister Molotov on 8 March saying that it appeared Soviet forces in Iran were being reinforced and asking for an explanation if that were the case. No official Soviet reply was received to either of Mr. Brynes' notes, but on 15 March the Soviet news agency, Tass, denied that any reinforcement or redeployment was taking place in Iran.[9]

8. Msgs, State 385 to Moscow, 5 Mar 46, Moscow 682 to State, 6 Mar 46, Foreign Relations of the United States, 1946, vol. VII (1969), pp. 340-342, 348. Herbert Feis, From Trust to Terror (1970), p. 81-87. Truman, Years of Trial and Hope, pp. 94-96. Lenczowski, Russia and the West in Iran, pp. 296-302. Smith et al., Area Handbook, Iran, p. 65.

9. Msg, State 425 to Moscow, 8 Mar 46, Foreign Relatins of the United States, 1946, vol. VII, p. 348.

(U) When Iran again went to the Security Council, accusing the Soviet Union of failure to withdraw from its territory, Soviet diplomats protested sharply. At one point during a Security Council meeting on the subject, Soviet Ambassador Andrei Gromyko stalked out of the meeting. On the other hand, the United States supported Iran more strongly than on the first occasion, with Secretary of State Byrnes personally appearing before the Council. It was apparent that the Soviet Union was bothered by the unfavorable publicity emanating from these meetings, and on 26 March the Soviet representative announced suddenly that the Soviet forces would be removed from Iran within six weeks after March 24, 1946 "if no unforeseen circumstances occur." On 4 April Iran announced that an agreement had been reached with the Soviet Union confirming the Soviet withdrawal and establishing an Iranian-Soviet oil company, to be ratified by the Iranian Parliament (Majlis) within seven months of that date. The Soviet Government would hold 51 percent of the stock and the Iranian Government the remaining 49 percent. The Soviet Union subsequently evacuated its forces on schedule, leaving behind a strong communist revolutionary regime in Azerbaijan.[10]

(U) To this point in the crisis, the Joint Chiefs of Staff had not been asked to provide opinions on military options with respect to the situation in Iran or to prepare any plans for military actions. Rather US actions remained within the diplomatic realm. The US strategy appeared to be to leave the matter within the purview of the UN Security Council as long as it was safe to do so.

10. Lenczowski, Russia and the West in Iran, pp. 298-299. Nosrollah Fatemi, "Oil Diplomacy" (1954), pp. 315-316. The agreement establishing an Iranian-Soviet oil company never took effect, since the Iranian Parliament refused to ratify it.

(U) By the fall of 1946, the Shah and his government had begun plans to reassert control over Azerbaijan, raising the possibility of a confrontation with the Soviet Union, and now the advice of the Joint Chiefs of Staff was sought. In September, the Department of State asked the Joint Chiefs of Staff for their views on the strategic importance of Iran to the United States. The Joint Chiefs of Staff were also asked in what ways US interest in Iran was linked to the Near and Middle East as a whole and how that interest would be affected by Soviet domination of all or part of Iran. Finally, the Department of State asked: ". . . does the JCS consider that a program of assistance by the US to the Iranian military establishment would contribute to the defense of United States strategic interest in the Near and Middle Eastern area?"[11]

(U) The Joint Chiefs of Staff, in their reply of 11 October, began by observing that the Department of State's questions were based on an assumption of possible war between the United States and the Soviet Union and that their answer relied on the same assumption. Iran, as a major source of oil supply, was militarily of "major strategic interest" to the United States. Moreover, "from the standpoint of defensive purposes," the area offered "opportunities to conduct delaying operations and/or operations to protect United States-controlled oil resources in Saudi Arabia." In addition, Iran offered, as did all the Middle East, a base for counteroffensive operations againt the Soviet Union.

(U) The Joint Chiefs of Staff then evaluated four possibilities that had been put forth by the Department of State: (1) division of Iran into British and Soviet spheres of influence would advance the Soviet Union's

11. Foreign Relations of the United States, 1946, vol. VII, pp. 515-516.

political and strategic objectives, contribute to the encirclement of Turkey, and destroy British ability to defend the Iraqi oil fields; (2) control of the northern province of Azerbaijan by the USSR, although undesirable, would be the least objectionable of the situations listed; (3) creation of a Soviet-dominated autonomous Kurdish state would probably cause the dissolution of the present Iraqi Government and possibly lead to the installation of a Soviet-oriented regime there; (4) domination of all Iran by the USSR would greatly intensify all the adverse effects listed above.[12]

(U) The Joint Chiefs of Staff made clear their support for military aid to Iran. Token assistance to Iran's military forces, they said, could treate confidence and good will toward the United States within the Iranian Government and thus contribute to the US strategic posture in the area. To assist Iran in preventing civil disturbances, which could attract intervention by "powerful neighbors" and involve the United States, the Joint Chiefs of Staff favored giving Iran reasonable amounts of military material to be used only for internal security. They considered "such non-aggression items" as small arms, light artillery, ammunition, small tanks, transportation and communication equipment, quartermaster supplies, and possibly short range aircraft and naval patrol craft to be appropriate for Iran in reasonable quantities if requested. The United States must be satisfied, of course, that Iran wanted to maintain its independence within the "community of nations."

(U) The Joint Chiefs of Staff also believed it would be appropriate for the United States to give technical advice, but it must be done without fanfare and upon request only. Such a step would contribute to

12. (U) SM-6874-46 to SWNCC, 11 Oct 46 (derived from JCS 1714/3), CCS 092 (8-22-46) sec 1. Printed in Memo, SWNCC to MGEN J. N. Hilldring, 12 Oct 46, SWN-4818, Foreign Relations of the United States, 1946, vol. VII, pp. 529-532.

"the defense of United States strategic interest in Iran and the Near and Midle East area." In 1943 the United States had, as a matter of course, established two small military missions in Iran. One of these missions advised the Iranian Army, the second advised the Imperial Gendarmerie.[13] The Joint Chiefs of Staff recommended that these missions not be removed but that, conversely, no new missions be established at this time.

(U) Subsequently, on 29 October 1946, the Secretary of State made a decision that marked the beginning of an aid program for Iran. He decided to support a program under which the United States would sell Iran armaments worth not more than $10 million.[14]

(U) In Iran, meantime, the crisis had worsened. According to diplomatic reports from Tehran, Prime Minister Qavam was retreating before Soviet pressure and Iran was daily losing what remained of its independence. Mr. Loy Henderson, Director of the Office of Near Eastern and African Affairs, in the Department of State considered the situation to be so critical that swift action by the United States might be required. An Iranian military mission in Washington to purchase the already approved $10 million worth of military equipment was running into a stone wall. Mr. Henderson warned that the United States could no longer delay and

13. (U) JCS 557,30 Oct 43, CCS 530 Persia (9-2-42) sec 2. For further informatin of the US wartime missions to Iran see T. H. Motter, The Persian Corridor and Aid to Russia (1952), pp. 473-477. The US mission to the Gendarmerie, subsequently known as GENMISH, was sanctioned by an agreement between the United States and Iran on 27 November 1943. The mission to the Iranian Army, subsequently known as ARMISH, was not recognized by a formal agreement until 6 October 1947. See EAS no. 361, 27 Nov 43 and TIAS 1666,16 Oct 47, both in Treaties and Other Int'l Agreements of the USA, 1776-1949, vol 8, pp. 1285-1290, 1295-1301.

14. (U) Memo, AsstSecState for Occupied Areas to USecState, 29 Oct 46, printed in Foreign Relations of the United States, 1946, vol. VII, p. 255.

should sell this "nonaggression" equipment to Iran quickly. He quoted the JCS statements of 11 October in support of his position. He also favored increasing the strengths of the military missions in Iran and keeping them there so long as they were needed. Secretary of State Byrnes approved Mr. Henderson's recommendations.[15]

(U) The immediate crisis in Iran subsided as 1946 drew to a close. On 24 November, the Iranian Government ordered its forces to march into Azerbaijan to supervise parliamentary elections. The Soviet Government protested this move, warning of possible "disturbances" should Iranian troops enter Azerbaijan. The US Ambassador to Iran, George V. Allen, lauded the move, publicly announcing that it was "quite normal and appropriate." In this statement, he was backed up by Under Secretary of State Dean Acheson in Washington. The Iranian Army marched into Azerbaijan with only a few minor skirmishes taking place. On 4 December the rebel regime collapsed.[16]

The Mossadegh Crisis

(U) The second threat to Iran's independence and Western orientation in the years following World War II was the "Mossadegh crisis" of 1951-1953. In this instance the danger came not from external sources but, rather, from internal dissension. Dr. Mohammed Mossadegh, a determined nationalist, led a vigorous movement to gain complete control of Iranian oil resources. The resulting unrest and chaos in Iran seemed for some months to be opening the way for the communist-controlled Tudeh Party to seize control of the government.

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15. (U) Memo, Dir. Office of Near Eastern and Afircan Affairs (Henderson) to USecState, 18 Oct 46, w/att Memo, "Implementation of United States Policy toward Iran," same date, Foreign Relations of the United States, 1946, vol. VII, pp. 533-536, and fn 1, p. 535.

16. Lenczowski, Russia and the West in Iran, p. 302.

(U) The crisis arose over the status of the British oil concession. Under the agreement negotiated between Reza Shah and the British in 1933, the Anglo-Iranian Oil Company extracted and marketed Iranian oil, giving the Iranian Government 25-30 percent of the net profits. More nationalistic members of the Majlis, however, wanted a larger and more equitable share of the revenue. Dr. Mossadegh, the most vocal of these members, became chairman of the Majlis oil committee in 1950 and formed a coalition, the United Front, to press for nationalization of the Anglo-Iranian Oil Company. The more moderate Premier, General Ali Razmara, attempted to obtain more favorable terms from the Company, but was not successful. Meantime, in Saudi Arabia, the Arabian-American Oil Company accepted an arrangement that gave the government there 50 percent of its profits, and this development increased Iran's demands for a larger share of the profits of the Anglo-Iranian.[17]

(~~TS~~) Against this background, the Truman Administration began drafting a formal statement of US objectives and policy for Iran in March 1951. Adapting a Department of State study, the NSC Staff drafted and circulated a policy paper (NSC 107) for the Council's consideration. According to this statement, Iran's absorption within the communist orbit would damage oil-dependent Western European economies, impair US prestige, and "seriously weaken, if not destroy" resolution among adjacent Middle Eastern countries. For these reasons, the United States should take "all feasible steps" to insure that Iran escaped Soviet domination. Although the initiative for any military action in support of Iran rested with Great Britain, the United States and United Kingdom jointly should "give early consideration to measures designed to

17. Smith et al., Area Handbook, Iran, pp. 66-67.

strengthen the general area." Also, the United States should (1) strengthen its current assistance programs (especially economic aid) as much as possible and (2) press the British to "effect an early and equitable settlement" of the oil dispute. If an Iranian government took actions that foreshadowed communist control, the United States should be prepared to undertake "special political operations" to reverse this trend. Finally, in the event of an overt attack by the Soviet Union against Iran, the United States "in common prudence would have to proceed on the assumption that global war is probably imminent."[18]

(TS) The Joint Chiefs of Staff advised the Secretary of Defense that they considered NSC 107 acceptable as "an interim working guide." They asked, however, that this policy paper be reviewed as soon as the situation had clarified. When the National Security Council discussed NSC 107 on 21 March, the Service Secretaries recommended that it be rejected in toto. In their opinion, the courses of action designed to meet either internal subversion of external aggression "are safe innocuous statements of generalities which do not indicate anything except watchful waiting . . . . If we cannot do anything we should say so. If we can take concrete steps in either contingency we should so state." Overruling these objections, the Council adopted NSC 107; President Truman approved it on 24 March.[19]

18. (TS) NSC 107, 14 Mar 51, CCS 092 Iran (4-23-48) sec 2. The Joint Intelligence Committee reported that, under current circumstances, "It is not considered probable" that the Soviets could achieve total domination of Iran without overt use of their armed forces. However, "it is becoming increasingly evident" that they might win control of northern segments through economic and political pressure, possibly accompanied by subversive activities. The JCS noted these conclusions on 9 March. (TS) Rpt, JIC to JCS, "Intelligence Estimates on the Situation in Iran," 1 Mar 51, Encl to JCS 1924/51, 1 Mar 51, same file.

19. (TS) Memo, JCS to SecDef, 19 Mar 51 (derived from JCS 1714/17), same file. (TS) NSC Action No. 451,

(U) The tempo of events in Iran suddenly accelerated. General Razmara was assassinated on 7 March 1951; Dr. Mossadegh assumed the Premiership; and nationalization was promulgated on 2 May. Thereafter, the focal point of crisis centered on Dr. Mossadegh, who now roused popular emotions to fever pitch.[20]

(U) The British, as was to be expected, reacted with considerable concern, fearing that acquiesence in the nationalization could jeopardize all their overseas investments. Accordingly, Britain reinforced its Middle Eastern garrisons and dispatched warships to Abadan, the site of the Anglo-Iranian refinery. The United States, however, opposed the use of force to resolve the matter, and Secretary of State Acheson advised the British Ambassador in Washington on 17 May 1951 that the United States could support a resort to force only under one of the following conditions: Iranian Government invitation; Soviet military intervention; a communist coup in Tehran; or evacuation of endangered British nationals. A wide Anglo-American policy cleavage now ensued.[21]

(TS) Since the inadequacies of NSC 107 now were manifest, the NSC Staff circulated a revised policy paper (NSC 107/1) on 6 June 1951. The immediate situation in Iran, according to this statement, made that country's loss to the free world through internal communist uprising "a distinct possibility." The United States should therefore (1) continue to extend political support, primarily to the Shah as the only source of continuity of leadership; (2) accelerate and expand military, economic and technical

Mar 51. (TS) N/H of JCS 1714/16, 28 Mar 51, same file. As the JCS wished, Mr. Truman ordered the State Department to submit monthly progress reports until conditions were further clarified.

20. Dean Acheson, Present at the Creation (1969), pp. 503-504.

21. Ibid., p. 506.

assistance; and (3) attempt an early settlement of the oil controversy, recognizing both the rights of sovereign states and the importance of international contractual relationships. Considerable attention was devoted to contingency planning. If the central government requested dispatch of British troops to southern Iran in order to defeat a communist coup, the United States should offer the United Kingdom full political and perhaps military support. However, entry of British troops without Iranian consent could only be justified if necessary to save the lives of British subjects. Under any other circumstances, intervention would sunder the free world, create chaos in Iran, and possibly cause Tehran to request Soviet assistance. Should the United Kingdom resort to military action against US advice, therefore, "the situation would be so critical that the position of the United States would have to be determined in the light of the situation at that time."[22]

(~~TS~~) The Joint Strategic Survey Committee, the senior policy review element of the Joint Staff, adjudged NSC 107/1 acceptable as written. The Chief of Naval Operations, Admiral Forrest Sherman, however, felt the paper failed to reflect (1) growing petroleum needs of NATO nations, (2) declining British ability to provide military power and political leadership in the Middle East, and (3) increasing US capabilities and requirements in that area. He recommended several revisions along these lines, but the Joint Chiefs of Staff accepted only one, which stated that "increasing US influence in the Middle East" should be a governing factor in the continuing policy review. After approving other editorial modifications, they transmitted comments to Secretary of Defense Robert Lovett on 19 June 1951. Eight days later, the National Security

22. (TS) NSC 107/1, 6 Jun 51, CCS 092 Iran (4-23-48) sec 3.

Council slightly amended this paper and then adopted it as NSC 107/2; the final paper incorporated Admiral Sherman's addition. On 28 June, President Truman accorded NSC 107/2 his approval.[23]

(U) Meanwhile, matters grew steadily worse. Attempting to adjudicate the controversy, the International Court of Justice recommended reversion to the status quo ante and joint British-Iranian operation of the oil industry; Dr. Mossadegh categorically rejected this ruling. Iran and the United Kingdom seemed on the brink of hostilities; it was understood in Washington that the British Chiefs of Staff had recommended, and the Attlee Government rejected, military intervention.[24] At this point, President Truman dispatched Ambassador Averell Harriman to London and then to Tehran to urge resumption of negotiations. Neither side would make major concessions and, after initial progress, the talks collapsed later in August.[25]

(TS) Secretary of State Acheson and British Foreign Secretary Morrison discussed the Iranian situation during a Washington Foreign Ministers' Meeting in September 1951. The United States still could not support employment of British troops in connection with the oil controversy, except for the purpose of evacuating endangered nations, and no consensus was achieved.[26]

23. (TS) Memo, SecDef to JCS, 7 Jun 51, Encl to JCS 1714/20, 7 Jun 51; (TS) JCS 1714/22, 18 Jun 51; (TS) Memo, JCS to SecDef, 19 Jun 51 (derived from Dec On JCS 1714/21); (TS) Memo, ExecSecy to NSC, 28 Jun 51, Encl to JCS 1714/23, 2 Jul 51; CCS 092 Iran (4-23-48) sec 3.

24. (TS) Memo, Dep USecState to ExecSecy, NSC, 6 Aug 51, Encl to JCS 1714/24, 13 Aug 51, same file, sec 4.

25. Acheson, Present at the Creation, pp. 507-509.

26. (TS) WFM B-2/2a, "Iran," 22 Aug 51, Encl to JCS 1714/25, 24 Aug 51; (TS) WFM B-2/2b, "Iran," 24 Aug 51, Encl to JCS 1714/27, 29 Aug 51; CCS 092 Iran (4-23-48) sec 4. For DOD concurrence, see (TS) Memo, JCS to SecDef, 29 Aug 51 (derived from JCS 1714/26); (TS) Ltr, SecDef to SecState, 4 Sep 51, same file. Acheson, Present at the Creation, p. 510.

(U) Unhappily, the Anglo-Iranian controversy escalated further in the following weeks. Iran seized the Abadan refinery and expelled British technicians. Since the Iranians lacked technical skills needed to operate the facility, Abadan ceased operation and Iran lost its chief source of income. The British, meanwhile, reinforced their Persian Gulf squadron to 14 warships and filed a condemnatory resolution in the UN Security Council. In October 1951, Dr. Mossadegh arrived in New York to plead his country's case before the United Nations. Thinking that the opportunity for an offer of "good offices" might arise, the Secretary of Defense felt it would be "of the greatest importance" to possess an estimate of the increase in Soviet military potential that would occur if Iran and her oil fell under communist control. He therefore directed the Joint Chiefs of Staff quickly to survey this question.

(~~TS~~) Replying on 10 October, the Joint Chiefs of Staff predicted the following consequences:

> Economic--Probable eventual loss of all Middle Eastern oil, creating a possibly intolerable deficiency in oil resources.
> Political--Major threat of communist domination during peacetime of Iraq, Saudi Arabia, Pakistan, and India.
> Military--Prior development by the USSR of bases, facilities and stockpiles, greatly increasing the chances of Soviet success in operations against the Middle East and/or Pakistan-India.

If the Soviet Union achieved control of Iran during peacetime, they contended, her power position "would be so improved that, in all probability, an increase in the level of the military establishments of the Western World would be required." Under such circumstances,

the Joint Chiefs of Staff would be compelled "immediately to re-examine their global strategy . . . ." Therefore, from a strictly military standpoint, preservation of Iran's orientation toward the United States and protection of the United Kingdom's general position in the Middle East "now transcend in importance the desirability of supporting British oil interests in Iran." In reply to a specific Secretary of Defense question about the effect of Soviet acquisition of Iranian oil resources, the Joint Chiefs of Staff predicted that such a development would enhance Soviet capabilities and require "a longer effort" by the Western powers to defeat the Soviet Union and its satellites.[27]

(~~TS~~) The Administration did offer its "good offices" during Dr. Mossadegh's visit--but achieved nothing. When Winston Churchill succeeded Clement Attlee as Prime Minister on 25 October 1951, British distaste for Mossadegh did not abate. Early in November, Secretary Acheson gave the new British Foreign Secretary, Anthony Eden, the substance of the JCS memorandum of 10 October. The British Chiefs of Staff promptly challenged the JCS conclusion regarding the accretion of war potential if the Soviets acquired Iranian oil. They said that Soviet petroleum production already was sufficient for both civilian and military requirements, that importation of Iranian oil would exceed Soviet transport capacity, and that refineries and transport would be highly vulnerable to air attack.[28] In

27. (~~TS~~) Memo, SecDef to JCS, 8 Oct 51, Encl to JCS 1714/28, 8 Oct 51; (~~TS~~) Memo, JCS to SecDef, 10 Oct 51 (derived from Dec On JCS 1714/29); CCS 092 Iran (4-23-48) sec 4. Although this memorandum was submitted to the NSC, records do not indicate whether it was actually considered by the Council. (TS) N/H of JCS 1714/29, 23 Oct 51, same file.

28. (~~TS~~) Ltr, BJSM to SJCS, 28 Nov 51, Encl to JCS 1714/33, 30 Nov 71, same file, sec 5.

further Acheson-Eden discussions, the Secrtary of State argued that, if Dr. Mossadegh was not financially supported, Iran would fall into chaos and communism. The Foreign Secretary retorted that the Iranian economy was too primitive and too flexible to collapse, and contended that noncommunist alternatives to Mossadegh could be found.[29]

(~~TS~~) In succeeding months, the United States and Britain remained divided on the question of Iran. In anticipation of a meeting between President Truman and Prime Minister Churchill, the Joint Chiefs of Staff told the Secretary of Defense on 2 January 1952 that the "military urgency" of the situation in Iran, with its "explosive implications," was such that the US position should be expressed "in more concrete terms." Precision of expression, they believed, would avoid possible pre-commitment to courses of action not encompassed within NSC 107/2. In particular, US opposition to the use of force by Britain should be plainly stated. The President and Prime Minister met on 5 January 1952 and continued their talks for several days but, again, no agreement on Iran was reached.[30]

(U) The United States continued to furnish Iran with a marginal amount of economic aid. The World Bank attempted to negotiate an oil settlement but finally failed. Iran itself remained relatively quiescent until July 1952, when the Shah tried to appoint, a a new Premier. At once, riots convulsed Tehran;

29. Anthony Eden, Full Circle (1960), p. 222.
30. (~~TS~~) TCT D-4/46, "Iran," 30 Dec 51, Encl B to JCS 1714/35, 31 Dec 51; (TS) Memo, JCS to SecDef, 2 Jan 52 (derived from JCS 1714/35); (~~TS~~) N/H of JCS 1714/35, 16 Jan 52; CCS 092 Iran (4-23-48) sec 5. The JCS Memorandum was transmitted informally prior to the Truman-Churchill talks. Acheson, Present at the Creation, pp. 599-600. For discussions on 8 and 9 January, see (~~TS~~) TCT Min-3, "Truman-Churchill Talks," 9 Jan 52 and (~~TS~~) TCT Conv-10, ". . . Iran," 11 Jan 52, CCS 337 (4-19-50) sec 9.

supported by street mobs, Dr. Mossadegh remained supreme. Alarmed by these events, the United States pressed the United Kingdom to accept "simple, temporary, and easily understood proposals to get oil flowing to the British and funds flowing to Iran without prejudice to the bargaining position of either side." On 30 August, President Truman and Prime Minister Churchill jointly proposed that, if Iran agreed to refer all claims and counter-claims to the International Court of Justice, the Anglo-Iranian Oil Company would pay for and market oil stored at Abadan, the United Kingdom would relax export restrictions, and the United States would make an immediate grant of $10 million to the Iranian Government. Dr. Mossadegh spurned this offer, presented extreme counterproposals, and finally severed diplomatic relations with the United Kingdom on 22 October 1952.[31]

(~~TS~~) As a corollary to its diplomatic efforts, the Department of State asked what military courses of action would be feasible in the event of a successful communist coup. The Deputy Secretary of Defense requested a response from the Joint Chiefs of Staff. On 5 September, they replied that appropriate plans were under preparation. However, they noted that, since current global commitments precluded dispatch of substantial US forces, intervention would require "political decisions of great import." This being so, they recommended that an all encompassing review of the situation be undertaken.[32]

(~~TS~~) On 31 October 1952, the Joint Chiefs of Staff submitted "tentative conclusions" concerning feasible military responses to rebellion or invasion. Unless current deployments were to be upset, they said, an

31. Acheson, Present at the Creation, p. 680. Richard P. Stebbins, The United States in World Affairs, 1952 (1953), pp. 233-235.

32. (~~TS~~) Memo, DepSecDef to JCS, 28 Aug 52, Encl to JCS 1714/40, 29 Aug 52; (~~TS~~) Memo, JCS to SecDef, 5 Sep 52 (derived from JCS 1714/41); CCS 092 Iran (4-23-48) sec 6.

appeal by Tehran for direct assistance could only be answered by (1) conducting a show of force by periodic aircraft flights over key centers and (2) providing the loyal Iranian Army with logistical support. They then described various conditions under which US forces might be committed under conditions short of war. If overt communist aggression occurred, however, the Joint Chiefs of Staff warned that "the resultant situation would be not unlike that [which] we face in Korea." The Secretary of Defense passed this paper to Secretary Acheson and to the Director of Central Intelligence.[33]

(~~TS~~) In their memorandum of 5 September, the Joint Chiefs of Staff expressed the view that NSC 107/2 had been overtaken by events. Accepting this conclusion, the NSC Staff now reexamined NSC 107/2. The Defense member, Mr. Frank Nash, proposed two major modifications. First, the United States should offer to extend "substantial immediate economic assistance" if Iran provided reasonable assurances of satisfactory compensation to Anglo-Iranian. Essentially, this repeated the joint proposal of 30 August. Second, in light of "the failure of British policy," declining UK capabilities, and increasing American strength and influence, "the United States should take action necessary to prevent Iran from falling to communism, even if this involves acting independently of the UK and the risk of damaging our close relations with the UK." Concomitantly, the United States also should be prepared to take the military initiative in support of Iran. The Department of State submitted a much milder revision, softening the first of Mr. Nash's proposals and discarding the second. After lengthy discussions,

33. (~~TS~~) Memo, JCS to SecDef, 31 Oct 52 (derived from JCS 1714/42); (~~TS~~) Ltr, SecDef to SecState, 10 Nov 52; CCS 092 Iran (4-23-48) sec 7.

the NSC Staff approved this State submission (now designated NSC 136) as "a short-term policy."[34]

(TS) The Staff debate reflected opposing views of the respective Department heads. While NSC 136 was under preparation, the Secretaries of State and Defense debated the efficacy of continued close US-UK cooperation. Writing to Mr. Acheson on 24 October, Secretary Lovett contended that the rupture of diplomatic relations between London and Tehran "has brought us to the end of the road we have been travelling." Because British policy had failed, the United States must chart a new course:

> The strategic necessities of the situation, in my opinion, require that we accept our responsibilities and act promptly and, if necessary, independently of the British in an effort to save Iran . . . . [This] will involve the provision of immediate economic assistance, and measures to help Iran start up her oil industry and secure markets for her oil. It will also involve additional political, economic and probably military commitments . . . . The actions now open to us to save Iran may appear painful, costly and dangerous, but they involve, in my judgment, only a small fraction of the money, material, manpower and anguish that will have to expended to hold Iran by military action or to hold the remainder of the Middle East if Iran should be seized and consolidated by the Communists.[35]

(TS) On 4 November 1952, Secretary Acheson answered that the objective on US policy "must be to save Iran without unnecessarily damaging our relations with the United Kingdom." The British believed that extensive concessions on their part had only encouraged Dr. Mossadegh to become increasingly unreasonable. In

34. (TS) Memo, ExecSecy to Senior NSC Staff, 1 Oct 52; (TS) Memo, ExecSecy to Senior NSC Staff, 7 Oct 52; same file, sec 6. (TS) Memo, ExecSecy to Senior NSC Staff, 5 Nov 52; (TS) NSC 136, 6 Nov 52, Encl B to JCS 1714/43, 23 Oct 52; same file, sec 7.

35. (TS) Ltr, SecDef to SecState, 24 Oct 52, CCS 092 Iran (4-23-48) sec 7.

these circumstances, Mr. Acheson argued that unilateral and uncoordinated action could inflict "deep and lasting harm upon the Anglo-American alliance."[36]

(~~TS~~) Submitted to the National Security Council on 6 November 1952, NSC 136 generally reflected Secretary Acheson's philosophy. Replying to Mr. Lovett's request for comment and recommendation, the Joint Chiefs of Staff proposed addition of the following admonition: "If for overriding political reasons it is found necessary for the United States to provide military forces in this area, implementation will require either a substantial augmentation of over-all US forces or a reduction of present US military commitments elsewhere." Meeting on 19 November, the National Security Council "noted" the JCS views and then, with slight amendments, adopted NSC 136. On the following day, President Truman directed its implementation under the coordination of Secretary Acheson. Crucial paragraphs of this paper read as follows:

> 3. It is now estimated that Communist forces probably will not gain control of the Iranian Government during 1953 nevertheless, . . . if present trends continue unchecked, Iran could be effectively lost to the free world before an actual take-over of the Iranian Government . . . .
>
> 4. If light of the present situation the United States should adopt and pursue the following policies:
>
> a. Continue to assist in every practicable way to effect an early and equitable liquidation of the oil controversy.

36. (~~TS~~) Ltr, SecState to SecDef, 4 Nov 52, App to JCS 1714/44, 12 Nov 52, CCS 092 Iran (4-23-48) sec 7. However, it should be noted that Present at the Creation is liberally sprinkled with pungent criticisms of British obduracy.

> b. Be prepared to take the necessary measures to help Iran start up her oil industry and to secure markets for her oil . . . .
>
> c. Be prepared to provide prompt United States budgetary aid to Iran.
>
> In carrying out the above, the United States should (1) maintain full consultation with the UK, (2) avoid unnecessarily sacrificing legitimate UK interests or unnecessarily impairing US-UK relations, (3) not permit the UK to veto any US actions which the United States considers essential . . . .

(~~TS~~) The new NSC policy statement also addressed the possibility of a communist seizure of power in Iran. To avoid such an eventuality, the United States would exert all possible influence to keep Iran from falling under communist control, assisting a noncommunist government with military support if necessary. In this regard, plans were to be prepared, in concert with Britain and perhaps others, for specific measures to meet such a development.[37]

(U) Thereafter, the Joint Chiefs of Staff proceeded with preparation of the required plans. Completed during the following spring, these plans provided for shows of force, using SAC aircraft from Britain or North Africa, or carrier aircraft from the Mediterranean.[38]

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37. (~~TS~~) NSC 136, 6 Nov 52, Encl B to JCS 1714/43, 23 Oct 52, CCS 092 Iran (4-23-48) sec 7. (~~TS~~) NSC 136/1, 20 Nov 52, same file, sec 8. (~~TS~~) Memo, JCS to SecDef, "NSC 136 - The Present Situation in Iran," 18 Nov 52 (derived from JCS 1714/45), same file (adapted from a somewhat stronger memo by GEN Collins). (~~TS~~) N/H of JCS 1714/43, 5 Dec 52, same file. (~~TS~~) NSC Action No. 680, 19 Nov 52.

38. (U) JCS 1714/46, 6 Apr 53; JCS 1714/48, 16 Apr 53; Memo, JCS to SecDef, 19 Jun 53 (derived from JCS 1714/49); CCS 092 Iran (4-23-48) sec 8.

(U) Meanwhile, the Truman Administration mounted a final diplomatic offensive during November-December 1952 to resolve the Iranian-British dispute. On 7 November, the President accepted Secretary Acheson's plan to advance the Iranian Government up to $100 million against future oil deliveries. Also, he approved a voluntary program under which US oil companies, either alone or in conjunction with the Anglo-Iranian, would purchase and market Iranian oil. If Dr. Mossadegh agreed to arbitrate compensation, therefore, the United States immediately would extend assistance and oil shipments would resume.[39]

(U) During the early months of 1953, Dr. Mossadegh still refused any compromise. President Dwight Eisenhower, upon entry into office in January, continued both technical and military assistance to Iran in hopes of encouraging a British-Iranian settlement. Soon, however, it was obvious that no settlement was possible and, on 29 June 1953, President Eisenhower notified the Iranian Premier that the United States would supply no further aid or purchase Iranian oil.[40]

(U) Dr. Mossadegh's support within Iran came from widely divergent groups, united only on the issues of nationalization and elimination of British influence. With the oil refineries idle and the resulting loss of income and employment, Dr. Mossadegh's popular support began to fall away in 1953. Moreover, although fiercely anti-communist himself, the Premier relied increasingly on the support of the communist Tudeh Party. Simultaneously, he began to adopt more dictatorial methods. In so doing, he brought about a crisis and showdown with the Shah.[41]

39. Acheson, Present at the Creation, pp. 681-685.
40. Dept of State Bulletin, 20 Jul 53, pp. 74-75.
41. Smith et al., Area Handbook, Iran, pp. 68-69.

(U) Early in August 1953, Dr. Mossadegh announced his intention to dissolve the Majlis and held a referendum to endorse this decision. The Shah responded by dismissing Dr. Mossadegh and appointing General Fazlollah Zahedi in his stead. Dr. Mossadegh defied his order and announced the deposition of the Shah. Rioting erupted in Tehran and the Shah fled the country. On 19 August 1953, after four days of anarchy, General Zahedi rallied the Army behind the Shah, arrested Dr. Mossadegh, and assumed the premiership. Three days later, on 22 August, the Shah returned to Tehran to a tumultuous public welcome.[42]

(~~TS~~) JCS action during the crisis was restricted to preparation of a list of forces that might be dispatched to Iran or the Persian Gulf for periods of time ranging from a few days to two months. Subsequently, at JCS direction, CINCNELM readied a "U.S. Joint Plan for Operations in the Middle East." It provided for US Air Force and Marine units from Europe and the Mediterranean to seize and secure Abadan and Tehran followed by the airlifting of ground forces to assist in the maintenance of law and order.[43]

(U) In subsequent years, a number of accounts have indicated clandestine US encouragement, support, and direction of the overthrow of Dr. Mossadegh. Official files, however, reveal no indication of JCS involvement in these activities.[44]

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42. Smith et al., Area Handbook, Iran, p. 69.

43. (U) CM-20-53 to CSAF et al., 20 Aug 53; SM-1539-53 to JSPC, 21 Aug 53; CCS 092 Iran (4-23-48) sec 9. (~~TS~~) Dec On JCS 1714/55, 9 Dec 55, same file, sec 10. (TS-NOFORN) CINCNELM OPLAN 207-54, 1 Feb 54, same file, BP Pt 2.

44. See Kermit Roosevelt, Countercoup, The Struggle for the Control of Iran (1979). Roosevelt recounts a meeting on 25 June 1953 where the Secretary of State approved US support for an effort to overthrow Mossadegh. Among those listed as attending were

(U) With the removal of Dr. Mossadegh events in Iran resumed an even keel. Accordingly, the United States resumed economic and military assistance to Iran in September 1953. Thereafter, on 5 December 1953, Britain and Iran reestablished diplomatic relations and the two countries resolved their oil dispute the following summer. As provided in an agreement of 5 August 1954, an international consortium of US, British, and Dutch companies would extract, refine, and distribute Iranian oil with Iran receiving 50 percent of all profits. In addition, compensation would be paid to the Anglo-Iranian Oil Company. This agreement, which was to last for 25 years, was ratified by the Majlis in October 1954.[45]

The Beginning of US Military Assistance to Iran

(U) In the period immediately after World War II, the United States began to give military aid to Iran. Initially, this support was for internal security purposes, provided in the hope of improving Iranian stability. As already mentioned,[46] the Secretary of State approved the first military assistance for Iran in October 1946, deciding that the United States would sell Iran $10 milllion worth of equipment. The following year, the program was continued through an agreement, signed on 20 June 1947, extending Iran

Secretary of Defense Charles Wilson and a military aide, but no member of the Joint Chiefs of Staff. Roosevelt also reports a briefing to President Eisenhower after the successful completion of the operation where Admiral Arthur Radford, Chairman of the Joint Chiefs of Staff, was present.

For a further discussion of reports of US involvement in the Mossadegh overthrow, see Rouhollah K. Ramazani, Iran's Foreign Policy, 1941-1973 (1975), pp. 249-250.

45. Smith et al., Area Handbook, Iran, pp. 70-71.
46. See above p. 17.

credit to purchase $25 million worth of surplus US arms.[47]

(U) In 1949, the United States decided to continue military aid to Iran and to place this assistance on a grant basis, incorporating Iran into the newly consolidated US military assistance program for FY 1950. The Foreign Assistance Coordinating Committee, an interdepartmental group that oversaw the preparation of the US assistant program, placed Iran in the second of three priority groups and proposed that it be granted "token" military assistance, defined as aid sufficient to insure the political orientation of the recipient towards the United States. The Joint Chiefs of Staff reviewed the overall aid program in February 1949 and found it "generally sound" without commenting on the Iranian portion.[48]

(U) Several weeks later, however, on 14 March 1949, the Joint Chiefs of Staff did provide the Secretary of Defense specific comments with respect to Iran. They pointed out that Iran, because of its geographical position, would be of strategic importance to the United States in the event of war with the Soviet Union, and that the United States should maintain friendly relations with Iran, so as to stabilize the Iranian Government as a means of preventing communist encroachment. The long-range security objective of the United States should therefore be to supply the Iranian Army with such equipment and support "as would reasonably insure maintenance of internal security, a stabilized government, and prevention of interference from

47. Editorial Note, Foreign Relations of the United States, 1947, vol V, p. 916.

48. (U) FACCD-3/1, 7 Feb 49, App B to JCS 1868/57, 9 Feb 49; (U) Memo, JCS to SecDef, 21 Feb 49 (derived from JCS 1868/59); CCS 092 (8-22-46) sec 19. Prior to this time, assistance programs to individual countries and regions had been the subject of separate legislation; now all were to be consolidated into a single law.

outside forces, other than direct invasion." To this end, the Joint Chiefs of Staff recommended the appropriation of $12.3 million for military assistance to Iran, divided among the services as follows: Army, $10 million; Air Force, $2.3 million.[49]

(U) The Foreign Assistance Coordinating Committee increased the amount for Iran to $15.2 million in the consolidated $1.45 billion aid program that was approved by the Truman Administration in April 1949. The Congress, however, reduced the overall figure somewhat, and the final program included only $27.6 million to be shared by Iran along with Korea and the Philippines. Of that total, the Joint Chiefs of Staff recommended an allocation of $10.45 million for Iran. The Administration, however, raised this figure to $11.7 million.[50]

(U) Subsequently, on 23 May 1950, the United States and Iran agreed that the United States would provide Iran "on a grant basis" equipment, materials, and services for security and self-defense purposes. Also included was provision for US technical personnel in Iran to implement the terms of the agreement. Accordingly, the United States established in 1950 the Military Assistance Advisory Group (MAAG) Iran. Besides the MAAG, there already existed in Iran,[51] two small US military advisory elements--the US

49. (U) Memo, JCS to SecDef, 14 Mar 49 (derived from JCS 1868/62), CCS 092 (8-22-46) sec 21.

50. (U) Memo, SpecAsst to SecDef for MilAsst to DJS et al., 27 Apr 49, Encl to JCS 1868/72, 29 Apr 49, CCS 092 (8-22-46) sec 21. (U) Memo, JCS to SecDef, 23 Sep 49 (derived from JCS 1868/111), same file, sec 29. Spec Msg to Congress, 25 Jul 49, Public Papers of the Presidents of the United States, Harry S. Truman, 1949 (1964), pp. 395-400. PL 324 (The Mutual Defense Assistance Act), 6 Oct 49. PL 430, 28 Oct 49. Defense Security Assistance Agency (DSAA), "DSAA Fiscal Year Series: Iran."

51. See p. 17.

Military Mission with the Imperial Iranian Gendarmerie (GENMISH), and the US Military Mission to the Iranian Army (ARMISH).[52]

(U) The United States continued to grant military assistance to Iran on a modest scale during the Mossadegh period, except for a three-month period, July-September 1953. In all, from 1 July 1951 through 30 June 1953, $66 million were programmed and equipment valued at $42.4 million was actually delivered to the Iranian armed forces. The Joint Chiefs of Staff played an important role in the program, recommending both the amount to be programmed and the way it was to be spent.[53]

(U) President Truman, on 9 January 1950, had asked the Congress to appropriate $1.1 billion for military assistance for FY 1951, to be allocated among the NATO countries, Greece, Turkey, Iran, Korea, and the Philippines. Acting at the direction of the Secretary of Defense, the Joint Chiefs of Staff recommended the amounts to be allocated to each country. They proposed $11.5 million for Iran. After the outbreak of the Korean War, however, the Congress acceded to the President's request for a substantial increase in military assistance funds. In the finally approved program, Iran received a much larger share, amounting to $25.5 million.[54]

(U) During the period 1950-1952, Iran held a low priority among MAP recipients. British and US military planners felt that they lacked the forces to defend

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52. 1 UST 420. (U) USSTRICOM/USAF, "DOD Advisory/Support Study - Iran, n.d., Encl to Att to JCS 2315/498-5, 1 Oct 71, JMF 037 (29 Jul 70) sec 2.

53. (U) DSAA, "DSAA Fiscal Year Series: Iran."

54. (U) Public Papers, Truman, 1950, pp. 59-60, 547, 564-566. (U) Memo, SecDef to CJCS and Chm, Munitions Brd, 30 Jan 50, Encl to JCS 2099, 31 Jan 50, CCS 092 (8-22-46) sec 33. (U) Memo, JCS to SecDef, 11 May 50 (derived from JCS 2099/6), same file, sec 36. (U) Memo, SecDef to CJCS, 8 Jun 50, Encl to JCS 2099/18, 10 Jun 50, same file, sec 39. (U) DSAA, "DSAA Fiscal Year Series: Iran."

Iran. In case of general war, they hoped only to hold an "Inner Ring" comprising Lebanon, Jordan, and Israel. Nonetheless, on 5 Februsry 1951, the Joint Chiefs of Staff did recommend a modest increase in the FY 1952 military assistance for Iran: $34.9 million, of which $31.9 million was for the Army. These funds were primarily for maintaining existing equipment; only a "limited amount" of additional equipment was recommended to "improve the efficiency of the Army and Gendarmerie." Ultimately, the Congress appropriated $372 million (as Title II of PL 249) for Greece, Turkey, and Iran. Thereupon, the Joint Chiefs of Staff "refined" these Title II funds, recommending an allocation for Iran of $30.6 million ($28.2 million for the Army and $2.4 million for the Air Force). The Secretary of Defense approved these recommendations on 13 February 1952, but subsequent revisions reduced the final amount to $28.4 million.[55]

(U) JCS responsibility for preparing Military Assistance programs was broadened under new procedures adopted by the Department of Defense in August 1951. The Joint Chiefs of Staff were now to send "program objectives" and "screening criteria" to Military Advisory and Assistance Groups (MAAGs) as guidance for preparing detailed "force bases" for their respective countries. After approval by the Joint Chiefs of Staff, these force bases would be used by the MAAGs to estimate requirements. The MAAG requirements, in turn, would allow the Joint Chiefs of Staff to make recommendations to the Secretary of Defense for allocating funds among recipient countries. He then would submit recommendations to the Bureau of

55. (U) Memos, SecDef to JCS, 9 Nov 50, Encl to JCS 2099/63, 10 Nov 50, CCS 092 (8-22-46) sec 45; SecDef to JCS, 27 Dec 50, Encl to JCS 2099/72, 27 Dec 50, same file, sec 47; JCS to SecDef, 5 Feb 51 (derived from JCS 2099/77), same file, sec 49. (U) Memo, JCS to SecDef, 16 Jan 52 (derived from JCS 2099/158); (~~TS~~) Memo, SecDef to JCS, 13 Feb 52, Encl to JCS 2099/171, 13 Feb 52, same file, sec 65. (U) PL 249, 31 Oct 51. DSAA "DSAA Fiscal Year Series: Iran."

the Budget as the basis for the President's request to the Congress for Military Assistance Appropriations.[56]

(U) Under this program, the Joint Chiefs of Staff issued their "program objectives" on 4 September 1951. Their expectations for Iran were very modest: "Consistent with Iran's ability to absorb it, accelerate and expand military assistance provided such assistance will help restore stability and increase internal security." On 26 October 1951, they approved the following force bases for Iran:

Army
- 7 infantry divisions
- 1 mechanized combat command

Navy
- 5 gun boats
- 3 patrol craft

Air Force
- 3 fighter-bomber squadrons (U/E 25 a/c)
- 1 reconnaissance squadron (U/E 20 a/c)
- 1 transport squadron (U/E 12 a/c)

Personnel Strength

Army	127,000
Navy	2,617
Air Force	5,200
	134,817[57]

(~~TS~~) Based on the above requirements, the Joint Chiefs Chiefs of Staff made FY 1953 MAP recommendations for Iran on 1 February 1952. They sought $20 million for the Iranian Army for maintenance, training, modest amounts of new motor transport, and medical and signal equipment. They recommended $40 million for all the Title II navies (Greece, Turkey, Iran, and Yugoslavia) without breaking down the amount among the countries.

56. (U) JCS 2099/115, 7 Jul 51; Dec On JCS 2099/115, 9 Jul 51; N/H to JCS 2099/118, 6 Aug 51; CCS 092 (8-22-46) sec 56.

57. (U) JCS 2099/121, 24 Aug 51, CCS 092 (8-22-46) sec 57. (U) JCS 2099/154, 26 Oct 51, same file, sec 64.

They did the same for air forces, but reported split views: The Air Force Chief of Staff favored $512.46 million; the other Chiefs recommended only $397.14 million. The Secretary of Defense decided in favor of the majority, but later adjustments resulted in a final DOD recommendation for Iran as follows:

Material		$21,185,898
Army	(19,400,000)	
Navy	(902,536)	
Air Force	(883,362)	
Training		1,500,000
Total		$22,685,898[58]

(~~TS~~) The Preident requested $606 million of the Congress for the Near and Middle East without breakdown by individual country; final appropriations, however, amounted only to $499 million. As a result, the Joint Chiefs of Staff recommended and the Secretary of Defense approved an allocation for Iran of $21 million (Army $19.2 million, Navy $.9 million, and Air Force $.9 million). Subsequent adjustments reduced the final program to $19.1 million.[59]

58. (U) Memo, JCS to SecDef, 1 Feb 52 (derived from JCS 2099/169); (TS) Memo, SecDef to JCS, 9 Feb 52, Encl to JCS 2099/70, 11 Feb 52; CCS 092 (8-22-46) sec 67. (~~TS~~) Memo, SecDef to JCS, 13 Mar 52, Encl to JCS 2099/180, 17 Mar 52, same file, sec 70.

59. (U) Special Message to Congress on the Mutual Security Program, Public Papers, Truman, 1952-1953, p. 182. (U) Digest of Appropriations, 1953, pp. 40-41. (TS) Memo, DepSecDef to JCS, 21 Jun 52, Encl to JCS 2099/209, 25 Jun 52; (TS) N/H of JCS 2099/209, 10 Jul 52; CCS 092 (8-22-46) sec 76. (U) Memo, JCS to SecDef, 18 Jul 52 (derived from JCS 2099/216); (U) N/H of JCS 2099/216, 29 Jul 52; same file, sec 77. DSAA, "DSAA Fiscal Year Series: Iran."

BUILDING THE ANTI-SOVIET BARRIER
1953-1960

(U) Following the removal of Dr. Mossadegh, the United States became even more committed to the maintenance of a stable and pro-Western Iran. Not only did Iran possess grant quantities of oil needed by the Western nations, but its strategic location had taken on added significance in light of the US policy of containment of the Soviet Union. Situated along the northern rim of the Middle East, Iran was viewed as a principal link in a barrier against Soviet expansion into the Middle East and the Persian Gulf. Accordingly, from 1953 and throughout the remainder of the 1950s, the United States pursued several parallel objectives with regard to Iran. These included bringing Iran into a collective defense for the Middle East, strengthening the Iranian armed forces, and assuring internal order within the country.

CENTO: Iran and Collective Defense in the Middle East

(U) The return of a friendly government in Tehran allowed the United States to give serious consideration to the incorporation of Iran into a collective defense arrangement in the Middle East. Such an idea was not new. The Truman Administration had entertained the hope of establishing a "Middle East Defense Organization" (MEDO), beginning with a framework of the United States, Britain, France, and Turkey, into which other Middle Eastern countries would be fitted. But political instability in many of these countries, combined with Arab hostility toward the Western powers because of their support of Israel, precluded any positive steps toward a MEDO at that time.[1]

1. (U) NSC 129/1, 24 Apr 52, CCS 092 Palestine (5-3-46) BP pt 1.

(U) Soon after the Eisenhower Administration took office, Secretary of State John Foster Dulles made a three-week tour of the Middle East. Upon his return, he gave a public report in a television address on 1 June 1953. It was "high time," he said that the United States paid greater attention to that area of the world. On the subject of collective defense, Secretary Dulles made the following remarks:

> A Middle East Defense Organization is a future rather than an immediate possibility. Many of the Arab League countries are so engrossed with their quarrels with Israel or with Great Britain or France that they pay little heed to the menace of Soviet communism. However, there is more concern where the Soviet Union is near. In general, the northern tier of nations shows awareness of the danger.[2]

The Secretary did not indicate what nations he regarded as the "northern tier," but in a report to the National Security Council, he identified them as Pakistan, Iran, Iraq, Syria, and Turkey.[3]

(U) Following the overthrow of Dr. Mossadegh, the NSC Planning Board[4] prepared a new policy statement (NSC 175) toward Iran in December 1953. Among other things, the Planning Board foresaw that Iran might be willing to enter into a regional defense arrangement within a year or two if the oil controversy were settled soon and a pro-Western government continued in power. A "long-range program" of improving Iran's armed forces was recommended, "related to the progress made toward effective regional defense plans."

2. Dept of State Bulletin, 15 Jun 53, pp. 831-835.
3. (~~TS~~) NSC Action No. 801, 1 Jun 53.
4. During the Eisenhower Administration, this Board prepared studies and policy recommendations for consideration by the National Security Council.

(U) In an appended staff study, the Planning Board discussed Iran's security and other problems facing the country. It was noted that Iran constituted a "blocking position" from which to oppose any Soviet move toward Turkey, Pakistan, the Persian Gulf, or the Suez Canal, and that it would provide valuable bases for attacks against the Soviet Union in case of war. The Board cited the judgment of the US Ambassador in Tehran that cooperation of Iran and Iraq in regional defense would depend upon the receipt of "firm commitments" from the United States to supply military aid.[5]

(~~TS~~) The Joint Chiefs of Staff considered NSC 175 acceptable subject to several changes. They pointed out that the authors of the study had underemphasized the difficulty involved in defending Iran. That nation's own forces were not strong enough alone to block a Soviet move against Turkey or Pakistan, and the mountainous terrain and lack of communications in the Middle East would make it extremely difficult to support Iran. As for the prospects for regional association, political and religious differences might make it difficult for Turkey, Pakistan, and Iran to cooperate, while Iraq would probably maintain a position of "benevolent neutrality." Turkey's commitments to NATO, moreover, would inhibit the diversion of her forces to assist Iran.[6]

(~~TS~~) The National Security Council approved NSC 175 on 30 December 1953 with minor changes, including most of those recommended by the Joint Chiefs of Staff. The Council instructed the Joint Chiefs of Staff, however,

5. (U) NSC 175, 21 Dec 53, CCS 091 Iran (4-23-48) sec 11.

6. (TS) Memo, JCS to SecDef, 29 Dec 53 (derived from JCS 1714/57), CCS 092 Iran (4-23-48) sec 11.

to reconsider their comments on the difficulties of regional defense cooperation, apparently believing them somewhat exaggerated. Following approval by the President, NSC 175 was issued in January as NSC 5402.[7]

(~~TS~~) Meantime, during the fall of 1953, the Joint Chiefs of Staff had addressed the issues of a strategic concept for the Middle East and regional security arrangements for that area. With regard to the former, the Joint Chiefs of Staff examined three possible strategies:

1. To defend along the high ground in northwestern Iran from a point on the Turkish-Iranian border just north of Lake Urmia eastward along the southern shore of the Caspian Sea (the Elburz Mountains), then curving southward to the Great Salt Desert in north Central Iran. This was the northernmost line of defense that could be considered practicable.

2. To defend along the line of the Zagros Mountains, extending from a point near the junction of Turkey, Iraq, and Iran to the head of the Persian Gulf. This line constituted the southernmost natural boundary that would provide protection for all the Middle Eastern oil region.

3. To concentrate forces around Mosul-Kirkuk, Baghdad, and Basra, maximizing the enemy's difficulties in crossing the Zagros Mountains by ground delaying action and air interdiction, and undertaking mobile operations to destroy Soviet forces debouching into the Tigris-Euphrates valley.

(~~TS~~) The Joint Chiefs of Staff considered the second concept, the Zagros line, the best. They favored retention of the third as a possible alternative, but rejected the first as unfeasible because of

7. (~~TS~~) NSC Action No. 998, 30 Dec 53. (~~TS~~) NSC 5402, 2 Jan 54, CCS 092 Iran (4-23-48) sec 11.

political complications and the difficulties of providing logistic support. The Joint Chiefs of Staff estimated force requirements for the second concept at four divisions and 1,100 aircraft on D-day, rising to 10 divisions and 1,250 aircraft by D+60 days. Naval requirements were one destroyer squadron, 20 escort vessels, 25 minesweepers, one antisubmarine patrol squadron, and various auxiliaries. Before making final recommendation on this matter, the Joint Chiefs of Staff wanted further study, including the views of the concerned commanders on the indigenous military potential of the Middle East and the cost to the United States of developing the forces of the countries of that region.[8]

(TS) With regard to regional security arrangements, the Joint Chiefs of Staff told the Secretary of Defense on 13 November 1953 that "the time might be propitious" for encouraging an association among Turkey, Iraq, Iran, and Pakistan. Such an arrangement, they continued,

> would visualize an association of indigenous forces under an indigenous command advantageously located with relation to the current threat. It would also provide for the evolutionary growth of a defense organization which could logically develop in time to include other Middle East countries. . . .[9]

(TS) After receipt of the views of both CINCNELM and USCINCEUR, the Joint Chiefs of Staff approved on 6

8. (TS) JCS 1887/70, 13 Oct 53, CCS 381 EMMEA (11-19-47) BP pt 1A. (TS) SM-1765-53 to CINCNELM, 2 Nov 53; SM-1767-53 to JSPC, 2 Nov 53; same file, sec 16.

9. (TS) Memo, JCS to SecDef, 14 Nov 53 (derived from JCS 1887/73), same file, sec 17.

April 1953 the Zagros line defense concept for the Middle East. They then approached the British Chiefs of Staff on this matter in June 1954, proposing combined US-British-Turkish discussion to determine a concept of operations, to include force estimates, for this defense line.[10]

(TS) Another encouraging development took place in December 1954, when the Shah paid a state visit to President Eisenhower. On this occasion, the Shah announced that Iran had decided to abandon its traditional neutrality and to cooperate with the nations of the free world. US officials replied by expressing a hope that Iran would join Turkey, Pakistan, and Iraq in a defense association, and by promising to assist in the defense of the Zagros line.[11]

(TS) Following the Shah's visit, the NSC Planning Board drew up a revised statement of policy toward Iran that was approved by the President and the Council in January 1955 (NSC 5504). This paper recommended that the United States assist in developing Iran's armed forces to enable them to "make a useful contribution to Middle East defense"--an objective that would admittedly "require a long-term program involving U.S. expenditures substantially in excess of present levels." The Joint Chiefs of Staff had endorsed NSC 5504, but had warned that any increase in the Iranian program must be carefully weighed against other claims for the limited funds available and should await a more careful

10. (TS) JCS 1887/75, 18 Mar 54; Dec On JCS 1887/75, 6 Apr 54; CCS 381 EMMEA (11-19-47) sec 17. (TS) SM-571-54 to BCOS, 21 Jun 54 (derived from JCS 1887/80), same file, sec 18.

11. (TS) NSC 5504, 15 Jan 55, CCS 092 Iran (4-23-48) sec 15.

definition of Iran's military role pending developments in Middle East regional security arrangements.[12]

(TS) In April 1954, military representatives of the United States, Britain, and Turkey had begun meeting in London to draw up a defense concept for the Middle East. JCS guidance for the US representative encompassed the Zagros line strategy discussed above. The Joint Chiefs of Staff did not contemplate "stationing or committing any significant U.S. forces in defense of the Middle East at this time," but they assumed that nuclear weapons would be available to deny the Zagros passes to the Soviets.[13]

(TS) The tripartite military representatives met for many months and, on 22 February 1955, issued their report. They concluded that the Middle East countries could provide the ground forces needed to defend the Zagros line, but would require outside assistance to bring them up to the necessary readiness as well as air and naval support. The representatives assumed the use of nuclear weapons by both sides. The most important military action that could be taken, they believed, would be to deploy to the area a small, highly mobile air force with nuclear weapons immediately available. The tripartite planners also set out in detail the forces required, finding a deficit in those currently available in the area.[14]

12. Ibid. (TS) Memo, JCS to SecDef, 7 Jan 55 (derived from JCS 1714/78), CCS 092 Iran (4-23-48) sec 15.

13. (TS) JCS 1887/75, 18 Mar 54, CCS 381 EMMEA (11-19-47) sec 18. (TS) SM-997-54 to CINCNELM, 17 Nov 54 (derived from JCS 1887/93), same file, sec 19.

14. (TS) Rpt, Dep Chief of Turkish Staff, Vice Chief of UK Air Staff, and CINCNELM, "Combined Turkey-UK-US Middle East Defense Study," 22 Feb 55, CCS 381 EMMEA (11-19-47) BP pt 2.

(U) On 24 February 1955, just two days after the US, British, and Turkish military planners had completed their report, Turkey and Iraq signed a Pact of Mutual Cooperation in Baghadad, establishing an organization for collective defense in the Middle East under the northern tier concept. This "Baghdad Pact" committed the contracting parties to "cooperate for their security and defense." Detailed means for this cooperation remained to be worked out later. The Pact was open to acession by other interested states and it provided for the establishment of a permanent council at the ministerial level when "at least four Powers" had become members. Three other adherences followed shortly: British accession was deposited on 5 April, Pakistan followed on 23 September, and on 25 October the Shah signed the Pact, authorizing Iranian membership.[15]

~~(TS)~~ The Joint Chiefs of Staff supported and urged US adherence to the Baghdad Pact. In their consideration of this matter, they observed that Iran's contribution could be strengthened by increasing US support to the Iranian forces. The advice of the Joint Chiefs of Staff was not accepted, and on 11 July 1955, the Under Secretary of State recommended to President Eisenhower against accession to the Pact. As the reason, the Under Secretary cited the adverse affect on "our influence in bringing about a reduction in Arab-Israeli tensions." The Under Secretary of State did recommend that the United States establish close liaison with the Pact organization in order to coordinate US plans and aid programs with those of the member

15. (U) Paul E. Zinner (ed.), Documents on American Foreign Relations, 1955 (1956), pp. 342-344. Hollis W. Barber, The United States in World Affairs, 1955 (1957), pp. 154-155.

states. He also recommended increased US military assistance as an inducement to Iran, which, at this point, had not yet joined the Pact.[16]

(~~TS~~) The President accepted the advice of the Under Secretary of State, and the United States did not accede to the Baghdad Pact. At JCS recommendation, however, the US Army Attache in Iraq was designated as the US military observer with the Baghdad Pact organization.[17]

(TS) The signatories of the Pact held their first meeting in Baghdad on 21-22 November 1955. There they established a formal organization, including a council at the ministerial level with permanent deputies of ambassadorial rank, a secretariat, and economic and military committees. A counter-subversion committee was added later. Thereafter planning proceeded on the definition of the threat to the Pact area and on a defense concept. The latter called for holding the mountain barrier made up of the Elburz and Hindu Kush ranges extending across northern Iran from Turkey to Afghanistan--a line that would provide maximum security to the region by containing the potential enemy within his own territory and denying him access to allied air bases, oil areas, and lines of communication. The Iranian delegate took the lead in advocating defense along the Elburz range, a position that was politically

16. (~~TS~~) Memo, JCS to SecDef, 16 Jun 55 (derived from JCS 1887/104), CCS 381 EMMEA (11-19-47) sec 21. (~~TS~~) Memo, USecState to Pres, 11 Jul 55, App A to JCS 1887/108, 19 Jul 55; Memo, Dep ASD(ISA) to JCS, 14 Jul 55, Encl to JCS 1887/108, 19 Jul 55; same file, sec 22.

17. (~~TS~~) Memo, Dep ASD(ISA) to JCS, 14 Jul 55, Encl to JCS 1887/108, 19 Jul 55, CCS 381 EMMEA (11-19-47) sec 22. (U) Memo, JCS to SecDef, 30 Sep 55 (derived from JCS 1887/117); N/H of JCS 1887/117, 2 Nov 55; same file, sec 23.

imperative for him in view of the fact that the Elburz provided the only strong natural barrier from which to defend Iranian territory. The Elburz concept, while politically essential to Iran and preferred by Pakistan, represented a much more ambitious undertaking than the Zagros defense concept approved earlier by the US, British, and Turkey military representatives.[18]

(~~TS~~) During 1956, the Joint Chiefs of Staff made several further formal recommendations to the Secretary of Defense for US adherence to the Baghdad Pact, but no such action resulted. Nonetheless, the United States did take various actions to increase cooperation with the Pact organization. With Secretary of Defense approval, the Joint Chiefs of Staff agreed in March 1956 to comment on studies prepared by the Military Committee. Then, in April 1956, a permanent US military liaison office with the Pact was established and, a month later, the US military observer to the Pact was authorized to express US views on Middle East defense matters on an informal basis. In addition, the United States began to participate in the Economic and Counter-subversion Committees.[19]

18. (U) "Communique," Baghdad Pact Council Meeting, 22 Nov 55, Dept of State Bulletin, 2 Jan 56, pp. 16-18. (TS) US Army Attache, Iraq, "Observations and Impressions of the First Meeting, Council of the Baghdad Pact Military Deputies' Committee, 21-28 January 1956," 6 Feb 56, CCS 381 EMMEA (11-19-47) sec 27.

19. (~~TS~~) Memo, JCS to SecDef, 4 Jan 56 (derived from JCS 1887/135), CCS 381 EMMEA (11-19-47) sec 25. (U) Memo, JCS to SecDef, Encl to JCS 1887/156, 23 Mar 56, same file, sec 28. (~~TS~~) Memo, JCS to SecDef, 30 Nov 56 (derived from JCS 1887/313), same file, sec 51. (U) Dec On JCS 1887/149, 3 Mar 56; (U) Msg, JCS 998294 to USARMA Iraq, 3 Mar 56 (derived from JCS 1887/149); same file, sec 27. (~~TS~~) JCS 1887/167, 5 Apr 56, same file, sec 29. (~~TS~~) Memo, JCS to CINCNELM, 11 Apr 56 (derived from JCS 1887/167), same file, sec 30. (U) SM-428-56to USARMA Iraq, 24 May 56 (derived from JCS 1887/184); N/H of JCS 1887/184, 28 May 56; same file, sec 34. Richard P. Stebbins, United States in World Affairs, 1956 (1957), pp. 94-95.

(~~TS~~) Following the Suez crisis in the fall of 1956, the Joint Chiefs of Staff again urged US adherence to the Baghdad Pact. They were concerned with the power vacuum resulting from the failure of Britain and France to overturn Gamal Abdel Nasser'S seizure of the Canal as well as the growing Egyptian influence in the Middle East, which had full Soviet backing. They told the Secretary of Defense on 30 November 1957 that "continuation of the Baghdad Pact as a regional defense organization against Soviet aggression in the Middle East is vital to the security of this area and to the attainment of U.S. military objectives." Joining the Pact, they believed, would provide the United States with an opportunity to establish a military position in the area if it should be needed.[20]

(U) President Eisenhower recognized the gravity of the situation, but preferred other measures to adherence to the Baghdad Pact. His policy, which became known as the Eisenhower Doctrine, was presented to the Congress on 5 January 1957, in the form of a request for a joint resolution authorizing him to offer military aid to any country in the Middle East requesting it. The objective was to help those countries maintain their independence from communist domination. President Eisenhower also requested authority to use US armed forces as he deemed necessary to protect the territorial integrity and political independence of any Middle Eastern state requesting help when faced with overt armed aggression from a country controlled by international communism. The Congress granted the President's request by a joint resolution which the President signed on 9 March 1957.[21]

20. (~~TS~~) Memo, JCS to SecDef, 30 Nov 56 (derived from JCS 1887/313), CCS 381 EMMEA (11-19-47) sec 51.

21. (U) Public Papers of the Presidents, Dwight D. Eisenhower, 1957 (1958), pp. 6-16. Richard P. Stebbins, The United States in World Affairs, 1957 (1958), pp. 154-155.

(U) Even though the United States did not join the Baghdad Pact, it continued to look to this collective security arrangement to provide stability in the Middle East. To this end, the United States strengthened its cooperation with the Pact, becoming a member of its Military Committee in June 1957. Since the Joint Chiefs of Staff reviewed the studies of the Committee, this action, in fact, only made formal what was already occurring on an informal basis.[22]

(U) The US hope that the Baghdad Pact would prove a stablilizing influence in the Middle East received a severe setback in 1958. On 14 July, a leftist revolution in Iraq overthrew the pro-Western monarchy and substituted a new "Republican Government." This new regime subsequently disassociated Iraq from the Pact, which then moved its headquarters to Turkey and became known as the Central Treaty Organization (CENTO). Although Turkey and Iran formed a continuous block along the Soviet border, the withdrawal of Iraq from the organization weakened the northern tier defense, and the susceptibility of the Iraqi Government to anti-Western influences exposed both Iran and Turkey to possible danger from the rear.[23]

(U) To bolster support for CENTO and enhance the security of the Middle East, the United States signed bilateral agreements in 1959 with three CENTO members, Iran, Turkey, and Pakistan. In the Agreement of Cooperation, signed on 5 March 1959, the United States and Iran undertook to cooperate for their security and defense in the interest of world peace. The Agreement provided that: "In case of aggression against

22. (U) "Communique," Baghdad Pact Council Meeting, 6 Jun 57, in Paul E. Zinner (ed.), Documents on American Foreign Relations, 1957 (1958), pp. 253-257.

23. (U) Richard P. Stebbins, The United States in World Affairs, 1958 (1959), pp. 201-203. Richard P. Stebbins, The United States in World Affairs, 1959 (1960), p. 230. Smith et al., Area Handbook, Iran, p. 71.

Iran . . . the United States of America, in accordance with the Constitution of the United States of America, will take such appropriate action, including the use of armed forces, as may be mutually agreed upon . . . ." The United States also promised to continue both economic and military assistance, and Iran, for its part, pledged to use this aid for the purposes intended, preservation of its independence and integrity.[24]

Beginning to Build: Iran's Armed Forces, 1955-1960

(S) To play their assigned role in defense of the Baghdad Pact area, Iran's armed forces would have to be improved through training and acquisition of necessary equipment. The US Military Assistance Program (MAP) was the primary means by which these improvements were sought. Removal of Dr. Mossadegh from power and the increasing assumption of control over Iran's affairs by the Shah provided an opportunity for US military aid to bring about improvements in Iran's armed forces. As early as May 1954, the Joint Chiefs of Staff expressed confidence in the results expected of MAP by recommending a broadening of military objectives for Iran, which the Secretary of Defense approved, to include provision of "some resistance to external aggression."[25]

(U) Seeking to accelerate progress towards this goal, Brigadier General Robert A. McClure, USA, Chief of the MAAG in Iran, proposed on 2 September 1954 a three-year program for giving the Iranian armed forces defensive capabilities at a cost of $360 million. The Joint Chiefs of Staff agreed with the need for such a

24. (U) 10 UST 314.
25. (S) Memo, JCS to SecDef, 19 May 54 (derived from JCS 2099/374), CCS 092 (8-22-46) sec 111. (S) Memo SecDef to JCS, 15 Jul 54, Encl to JCS 2099/398, 21 Jul 54, same file, sec 113.

build-up, but they doubted the ability of Iran's armed forces to absorb such a large increase in equipment so fast. They also feared similar claims for increased aid from neighboring Middle Eastern countries. Accordingly they opposed large increases in military grant aid, a position that was upheld by the Administration.

(U) General McClure also proposed, and the Joint Chiefs of Staff approved, a change in the force basis of the Iranian Army in order to make it conform more nearly to the actual organization. The new force basis consisted of 8 light infantry divisions, 4 light armored divisions, and 5 independent infantry brigades. To make the switch to the new organization would require the activation of one infantry brigade and the conversion of one division from infantry to armored. Provision of Patton tanks for one armored battalion would be required.[26]

(~~TS~~) Acting under the stimulus of General McClure's proposal, the Joint Chiefs of Staff ordered a reexamination of interim military objectives for Iran. As a result, on 3 October 1955, the Joint Chiefs of Staff accepted the conclusion that the Zagros line must be held indefinitely if the United States was to attain its military objectives in the Middle East. However, existing Iranian forces would not hold the line against Soviet attack for more than a month; they could probably never be sufficiently strengthened to hold indefinitely. An appropriate interim objective would be to hold the key passes for six months with outside operational and logistical help. To attain this capability would require expenditures of approximately

26. (U) Memo, CHMAAG, Iran to ACOS G-3, DA, 2 Sep 54, Encl to JCS 1714/67; (U) Memo, JCS to SecDef, 24 Sep 54 (derived from JCS 1714/68); CCS 092 Iran (4-23-48) sec 13. (~~S~~) N/H of JCS 1714/80, 27 Apr 55, same file, sec 16.

$191.8 million for military training and equipment during the period FY 1955-1958.[27]

(TS) Adherence of Iran to the Baghdad Pact, however, led the Joint Chiefs of Staff to adopt a more optimistic view of Middle East defense. On 12 July 1956 they told the Secretary of Defense that they considered the Elburz Mountain line along Iran's northern border to be a "sound goal on which to base long-range planning for force requirements." Defense along this line became a practical goal because of "the effects of U.S. atomic operations." The "general order of magnitude" of forces required to defend the Elburz line was (in U.S. equivalents) 7 infantry and 3 armored divisions, 6 medium surface-to-surface missile battalions, 6 atomic demolition teams, 3 fighter and fighter-bomber wings and miscellaneous light naval vessels.[28]

(S) A few days later, Major General J.F.R. Seitz, USA, Chief of US ARMISH/MAAG, recommended a program for preparing the Iranian forces for a role in Baghdad Pact defense. His defensive concept, while calling for a stand on foreward positions, differed in significant details from the JCS concept. Instead of a defense all along the Elburz Mountains, General Seitz called for holding only the westernmost sector lying in the province of Azerbaijan, backed up by a second force holding the northern passes in the Zagros Mountains leading to Iraq.

(S) The Iranian armed forces, however, as presently organized, equipped and deployed had only a very limited capability for defense against Soviet

27. (TS) Memo, JCS to SecDef, 3 Oct 55 (derived from JCS 1714/83), CCS 092 Iran (4-23-48) sec 17.
28. (TS) Memo, JCS to SecDef, 12 Jul 56 (derived from JCS 1887/220), CCS 381 EMMEA (11-19-47) sec 39.

attack. To rectify this condition, General Seitz recommended a reorganization of the Army into 12 infantry divisions, of which 6 would be at half strength, and 5 reduced-strength independent brigades. Tanks of the 4 existing light armored brigades would be distributed among the infantry divisions, thereby enhancing their defensive capabilities. Three full-strength divisions would man the forward line, three would deploy on the secondary Zagros position, while the understrength divisions and the independent brigades would be stationed throughout the country to maintain internal order. In case of invasion, they would withdraw into the Zagros to reinforce its defenses.[29]

(~~TS~~) The Joint Chiefs of Staff found this reorganization plan acceptable both operationally and as a basis for future programming of military assistance funds for Iran. They reserved judgment, however, on the defensive concept, which was, of course, not in accord with their own concept for defending the Elburz line. They recommended, and the Secretary of Defense approved, adoption of General Seitz's program as the major combat force objectives for the Iranian Army.[30]

(TS) The concept of defending the Elburz line, at least initially, gained official approval at the highest levels of the US Government a year later, when the President, on 9 August 1957, approved NSC 5703/1. It called for the United States to provide Iran the military assistance to maintain armed forces capable, with outside air and logistic support, of

29. (~~S~~) Memo, USARMISH/MAAG Iran to USCINCEUR, "Force Base Program for Iran," 24 Jul 56, Encl to JCS 1714/91, 29 Aug 56, CCS 092 Iran (4-23-48) sec 18.

30. (~~TS~~) Memo, JCS to SecDef, 19 Sep 56 (derived from JCS 1714/92); (~~TS~~) N/H of JCS 1714/92, 4 Oct 56; CCS 092 Iran (4-23-48) sec 18.

"fighting delaying actions initially from positions in northern Iran against Soviet forces."[31]

(U) Programs for military aid to Iran showed a marked increase during these years: $10.8 million in FY 1955; $21.2 million in FY 1956; and $75.3 million in FY 1957. The Joint Chiefs of Staff were asked to comment on these programs, but since their response was addressed to the Middle East area as a whole, their views on the level of funding for the Iranian program cannot be determined.[32]

(~~TS~~) At first, the Shah had acquiesced in the levels of military aid offered his government by the United States and in the plans developed by USARMISH/MAAG for the forces to be supported by it. But when the Baghdad Pact Combined Military Planning Staff produced a plan calling for 16 full-strength divisions for the defense of Iran, the Iranian monarch insisted that he must have armed forces of this magnitude in order to fulfill his treaty obligations. To show its continued interest in the area, the United States in January 1958 offered additional military assistance in the amount of $14 million.

(~~TS~~) The Shah, however, continued to press for even larger amounts of aid. He scheduled a trip to Washington in order to argue his case in person. The Joint Chiefs of Staff, in a position paper preparatory to this visit, opposed an increase in military assistance for Iran on military grounds. They recommended that, if an offer of military equipment became politically desirable to bolster the Shah's morale,

31. (~~TS~~) NSC 5703/1, 9 Aug 57, CCS 092 Iran (4-23-48) sec 19.
32. DSAA, "DSAA Fiscal Year Series: Iran."

deliveries of materiel already programmed be speeded up.[33]

(S) President Eisenhower met with the Shah on 1 July 1958. No increase in military aid to Iran resulted from the discussion. Two weeks later, however, the overthrow of the monarchy in Iraq by leftist forces changed the strategic balance in the Middle East. As a result, President Eisenhower called General Nathan S. Twining, USAF, the Chairman of the Joint Chiefs of Staff, to the White House and asked him what could be done to "strengthen the military position of Iran and Turkey." General Twining replied that the Iranian forces were supplied almost entirely with US equipment and that deliveries, scheduled to keep pace with Iran's ability to absorb the equipment, had not met all requirements. He gave the President a list of these equipment deficiencies, from which certain items were selected for priority delivery, while the remaining were referred back to the Department of Defense for further study. One option offered by General Twining, to bring the six undermanned Iranian divisions to full strength, was rejected because of the cost and the time required to accomplish it. The major items to be supplied included 272 M-47 tanks, 58 artillery pieces, 1,359 trucks, and two small naval vessels. Military assistance for the following years ($95.5 million in FY 1958, $72.4 million in FY 1959) reflected these stepped up deliveries. Significantly, the figure for FY 1959 included for the first time, sales in the amount of $94,000.[34]

33. (TS) Memo, JCS to SecDef, 9 Jun 58 (derived from JCS 1714/100), CCS 092 Iran (4-23-48) sec 21.
34. (S) Memo, SpecAsst to CJCS to CJCS, 16 Jul 58, Encl to JCS 1887/477, same date; (TS) JCS 1887/478, 22 Jul 58; CCS 381 (8-23-47) sec 6. DSAA, "DSAA Fiscal Year Series: Iran."

(S) In 1958, the United States considered supplying Iran with nuclear capable battlefield weapons. Following a trip to the CENTO states, the Chief of Staff of the Army, General Maxwell D. Taylor, had requested the Joint Chiefs of Staff on 28 May 1958 to consider delivery of an HONEST JOHN battalion to Iran with the nuclear components of the weapon system stored in acceptable sites outside of the country. The Joint Chiefs of Staff, however, deferred to an evaluation of the political feasibility of this proposal, and the Department of State decided in August 1958 that provision of these weapons at that time would be politically disadvantageous. The Department feared an adverse effect on nearby countries. Moreover, it doubted that US assurances of rapid delivery of the nuclear warheads in case of emergency would convince the Shah that provision of this weapon system would constitute a net increase in Iran's defensive capability.[35]

(TS) The US commitments in 1958 for increased military assistance did not allay the Shah's apprehensions. He raised the question of Iranian security with President Eisenhower, when the latter visited Tehran in December 1959 during a trip to Europe, Africa, and Asia. The Shah cited the threat from both Iraq and Afghanistan and sought increased US support to modernize his forces. The Joint Chiefs of Staff reviewed both the assessment of the threat and the specific requirements that the Shah had given the President. They found the Iranian version of the threat "considerably overstated" and estimated the cost of the items on the list of requirements at $600 million. They judged

35. (TS) JCS 1887/464, 16 Jun 58; N/H of JCS 1887/464, 27 Aug 58; CCS 381 EMMEA (11-19-47) sec 71.

the present and projected level of US military assistance to Iran to be sound, representing as much as could be effectively absorbed by the Iranian armed forces. Consequently, the Shah received no new commitments although the United States did assure him that his desire for modernization would be born in mind in developing future programs.[36]

(~~TS~~) By the end of the Eisenhower Administration, the United States had been furnishing military assistance to Iran for over 10 years and had delivered equipment valued at $386.8 million. The results, however, were not encouraging. The Iranian Army, according to an NSC policy review (NSC 6010), was capable only of "offering very limited resistence to aggression by a major power." The Air Force and Navy were "weak and ineffective." Still, Iran remained critically important to the United States because of its strategic location between the Soviet Union and the Persian Gulf and because of its great oil reserves. Military assistance must therefore continue. As in the past, it should be directed toward providing Iran a capability for internal security and for a limited contribution towards regional defense.[37]

Iran's Internal Affairs, 1953-1960

(U) The key to the success of all the military plans for Iran lay in continued internal order and

36. (~~TS~~) Memo, SecDef to CJCS, 4 Jan 60, Encl to JCS 1714/111, 12 Jan 60; (~~S~~) Ltr, Shah to Pres, 12 Jan 60, Att to JCS 1714/113, 29 Jan 60; (~~TS~~) JCSM-61-60 to SecDef, 19 Feb 60 (derived from JCS 1714/114); JMF 9181/4060 (24 Dec 59). (~~S~~) NSC 6010, 8 Jun 60, JMF 9181/9105 (8 Jun 60).

37. DSAA, "DSAA Fiscal Year Series: Iran." (~~TS~~) NSC 6010, 8 Jun 60, JMF 9181/9105 (8 Jun 60). NSC 6010 was adopted by the NSC on 30 June 1960 and approved by the President on 6 July 1960. See (~~TS~~) N/H of JCS 1714/118, 20 Jul 60, same file.

orientation towards the West. A period of relative calm and stability had followed the overthrow of Dr. Mossadegh in 1953. Assisted by the Army, the Shah returned to power and internal order was restored. In the following several years, the political importance of the Majlis declined while, simultaneously, the influence of the Shah, his family, and close associates at court and in the armed forces increased.[38]

(TS) Beneath the surface calm and stability, however, a number of internal problems had begun to fester in Iran. A new NSC statement of policy on Iran (NSC 5703/1) in 1957, to which the Joint Chiefs of Staff had given their concurrence, first pointed out these problems and the possible negative impact for the achievement of US objectives in Iran. While still calling for a free and independent Iran with armed forces capable of maintaining internal security and contributing to Middle East defense, the new policy statement added the following objective:

> A government that can and will make maximum balanced use of all available resources in order to provide early and visible progress toward economic improvements that will meet rising popular expectations.[39]

(TS) A report to the National Security Council on Iran in October 1958 spelled out in considerably more detail the internal problems that were endangering political stability there. Listed were: the restiveness of the middle class, intellectuals, and junior military officers; the restriction on political activity; the police methods of the Shah and his government;

38. Smith et al., Area Handbook, Iran, pp. 70-72.
39. (TS) NSC 5703/1, 8 Feb 57, CCS 092 Iran (4-23-48) sec 19. (U) Memo, JCS to SecDef, 5 Feb 57 (derived from JCS 1714/94), same file.

corruption in the military and civil service; and involvement of the Imperial family and high court officials in large financial and business operations. The report also observed that the necessity of working closely with the Shah raised "a problem of possible over-identification of the U.S. with the Shah's policies at a time when opposition to his policies is an important factor in the growing political instability."[40]

(TS) Another potential Iranian trouble spot mentioned in the report to the National Security Council was the Kurdish problem. The Kurds, a distinct ethnic group in the Middle East, inhabited contiguous areas of Turkey, the Soviet Union, Iran, Iraq, and Syria. About one third of these people lived in Iran along the western border in extreme poverty and neglected by the Government. During the summer of 1958, both the Soviet Union and the United Arab Republic began to beam broadcasts to the Kurds in Iran promoting the establishment of a Free Kurdistan, and the resulting unrest posed a further internal threat to the Shah.[41]

(TS) As a result of the NSC report in October 1958, the United States adopted a new policy statement toward Iran on 15 November 1958 that called for pressure on the Shah to institute political, social, and economic reforms. The new policy, NSC 5821/1, drafted by the NSC Planning Board and concurred in by the Joint Chiefs of Staff, retained previous US objectives for Iran, but noted that threats to US interest lay in Iran's vulnerability to Soviet influence and "the widespread dissatisfaction of many Iranians with domestic conditions.

40. (TS) OCB Report, 9 Oct 58, Att to JCS 1714/101, 10 Oct 58, CCS 092 Iran (4-23-48) sec 21.
41. Ibid.

The latter, the statement said, was "more immediately pressing." The key issue was the extent to which "the largely personal regime of the Shah," with which the United States was closely identified, could cope with Iran's growing internal problems. A major question was whether the Shah could or would take "sufficiently dramatic and effective steps" to insure his position and siphon off growing discontent. To do so the Shah would have the difficult task of satisfying popular demands without alienating the conservative elements that provided the traditional support for his regime.

(~~TS~~) Despite the weaknesses of the Shah, NSC 5821/1 found no "constructive, pro-Western" alternative in Iran and saw no recourse but continued support for him. Hence the United States must influence the Shah to make "meaningful" reforms. Specific goals included: appointment of honest and competent government leaders and delegation of administrative responsibilities to them; liberalization of legislative and judicial practices; elimination of graft, corruption, and conflicts of interest in government circles and the Imperial family; improvement of the economic development program; and the adoption of administrative, tax, and financial reforms.[42]

(~~TS~~) Two years later, the United States reviewed but made no changes in its policy towards Iran. Once again, there appeared to be no satisfactory alternative to the Shah in spite of continuing and serious internal unrest. The United States should, therefore, continue to try to convince the Shah that internal instability was the most immediate threat to his regime.[43]

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42. (~~TS~~) NSC 5821/1, 15 Nov 58, CCS 092 Iran (4-23-48)

43. (~~TS~~) NSC 6010, 8 Jun 60, JMF 9181/9105 (8 Jun 60).

3

STRENGTHENING THE ANTI-SOVIET BARRIER
1961-1968

(U) In 1960, the United States seemed well on the way toward obtaining its policy goals for Iran. As a member of CENTO, Iran was actively involved in the collective defense of the Middle East, and US military assistance was giving Iran growing strength to participate in that defense. Yet, Iranian forces were still judged far from what was required, especially if called upon to meet a direct Soviet attack. Consequently, the 1960s would witness expanding US military aid for Iran in an effort to strengthen further the barrier against Soviet expansion into the Middle East. In addition, internal problems persisted in Iran which, if not resolved, could weaken Iran's ability to contribute to Middle East defense.

The Kennedy Adminstration: Growing Assistance for Iran

(~~TS~~) One aspect of the Iranian internal problems was among the first matters raised by the Joint Chiefs of Staff with the new Kennedy Administration. On 26 January 1961, they told Secretary of Defense Robert McNamara that existing contingency plans for Iran were insufficiently wide-ranging to deal with the many possible politically-inspired crises that might require US military action. They particularly wanted plans to assure that the Shah's successor would be pro-Western. The Assistant Secretary of Defense (ISA) agreed that "a careful review of our national policy . . . should be undertaken" and asked the Department of State to collaborate.[1]

1. (~~TS~~) JCSM-27-61 to SecDef, 26 Jan 61 (derived from JCS 1714/123); (~~TS~~) 1st N/H of JCS 1714/123, 1 Mar 61; JMF 9181/9105 (1 Dec 60).

(S) A Presidential Task Force, chaired by the Assistant Secretary of State for Near Eastern and South Asian Affairs, accomplished the desired review and carried out a far broader study than originally envisioned by the Joint Chiefs of Staff. The Task Force submitted its report to the National Security Council on 15 May 1961, stating that "the continuing trend toward revolution and chaos in Iran has reached the point where the U.S. must take vigorous action." As the Shah's popular support dwindled, "the spectres of a recrudescence of irresponsible anti-Western Mossadeqism or [a] brittle military dictatorship have loomed constantly larger." Obviously, therefore, the United States must make a "major effort" to support the Shah and his regime and encourage far-reaching political and economic reforms.[2]

(S) After consideration of the Task Force report, the National Security Council adopted, as a replacement for NSC 6010, a set of economic, political, and military recommendations that addressed not only internal insecurity but attempted to deal with Iran's long range problems. To respond to the immediate problem the National Security Council agreed to support the existing regime as the best attainable, to encourage the Shah to make political and social reforms, and to oppose military plots against him. The Council also sought to provide Iran more substantial assurance of US support against Soviet attack and to head off demands for ever increasing military aid. Specific proposals included:

a. Urgently examining the desirability of (1) moving earmarked forces to locations where they

2. (S) Presidential Task Force Study, "A Review of Problems in Iran and Recommendations for the National Security Council," 15 May 61, Att to JCS 1714/129, 15 May 61, JMF 9181/9105 (9 May 61) sec 1.

could assist Iran more rapidly and (2) giving Iran more information about US plans.

b. Continuing MAP support for the Iranian armed forces up to a level of about 200,000 men.

c. Helping to identify the key considerations in deciding how to react against a Soviet attack, developing plans for (1) the introduction of up to two divisions and (2) the deployment of nuclear forces so that they could be "brought to bear" near the Soviet border.[3]

(S) The Acting Assistant Secretary of Defense (ISA) asked the Joint Chiefs of Staff for their views on the recommendations described in (a) and (c) above. Their answer, although it acknowledged that Iran's importance "cannot be over-emphasized," stated that the United States lacked enough strength-in-being permanently to station sufficient forces in or near Iran. Pre-positioning of equipment and temporary "show of force" or "token" deployments were possible but the delays inherent in obtaining transit and base clearances might restrict immediate responses to the movement of naval forces into adjacent waters. The Joint Chiefs of Staff described periodic dispatching of units for maneuvers or exercises as "feasible and desirable." but they opposed the earmarking of units as "impractical" and the imparting of more information about US plans as "undesirable." And, since existing plans already provided for possible employment of more than two divisions, additional planning efforts appeared unnecessary. In conclusion, the Joint Chiefs of Staff believed that a commitment of substantial forces to oppose Soviet aggression might well spark a general

3. (S) Memo, DepSecDef to CJCS et al., 29 May 61, Encl to JCS 1714/131, 1 Jun 61, JMF 9181/9105 (9 May 60) sec 1.

war, in which case no sizeable US units were slated for early deployment to the Middle East.[4]

(TS) A few months later, the Joint Chiefs of Staff raised additional doubts about defending Iran against Soviet attack. They gave their views in response to inquiries by President Kennedy who feared that Soviet-instigated pressures on Berlin and Laos might presage diversionary pressure on Iran. Since no plans dealt specifically with a limited war confined to Iran, and involving US and Soviet forces, the Deputy Secretary of Defense asked the Joint Chiefs of Staff on 7 October 1961 to assess US capacity for fighting a limited war in Iran, with and without nuclear weapons. The JCS answer of 20 October was decidedly pessimistic. They held out hope of resisting "limited Soviet intervention and probing aggression," but not of opposing a "substantial and determined" incursion. In northeast Iran, scanty road and rail facilities would limit US forces to two divisions plus two battle groups. That force, together with Iranian units, was simply too small to stop a sizeable Soviet attack. Any commitment of US forces, they continued, must be preceded by a decision to do whatever was necessary to achieve national objectives. In order to assure "any chance of success," there would have to be immediate attacks against air bases in the Soviet Union using conventional or nuclear weapons as appropriate.[5]

4. (S) Memo, Actg ASD(ISA) to CJCS, 2 Jun 61, Encl to JCS 1714/132, 7 Jun 61, JMF 9181/9105 (9 May 61) sec 1. (TS) JCSM-443-61 to SecDef, 28 Jun 61 (derived from JCS 1714/133), same file, sec 2.

5. (TS) Memo, DepSecDef to CJCS, 7 Oct 61, Att to JCS 1714/134, 9 Oct 61, JMF 9181/9105 (9 May 61) sec 2. (TS) JCSM-741-61 to SecDef, 20 Oct 61 (derived from JCS 1714/135), same file, sec 3. For subsequent discussions, see (TS) Memo, Actg ASD(ISA) to CJCS, 20 Oct 61, Att to JCS 1714/136, 23 Oct 61; (TS) JCSM-780-61 to SecDef, 9 Nov 61 (derived from JCS 1714/137); same file.

(TS) Moreover, the Joint Chiefs of Staff doubted that the Iranian forces, by themselves, could repel a Soviet attack. They made this observation in briefing papers for the Assistant Secretary of Defense (ISA) in March 1962 in preparation for a visit of the Shah to Washington. At that time, they expressed the view that the Iranians could stop an Iraqi or Afghan invasion, but lacked "any significant capability" against the Soviets. Concurrently, the Joint Chiefs of Staff supplied Secretary McNamara with appraisals of Department of State suggestions to: send a military planning group to Tehran; divulge US plans for waging limited war to the Iranians; and pre-position some equipment in Iran. They were willing to outline a defense concept in general terms and to send, "under cover of the MAAG," a planning group that would assist in developing detailed plans. But they were opposed to pre-positioning equipment for a battle group, on grounds that the Soviets would find such a step provocative and that the small amount of equipment sent would lessen US creditability.[6]

(S) While in Washington, the Shah met with Secretary McNamara and the Chairman of the Joint Chiefs of Staff on 12 April 1962. Mr. McNamara expressed US willingness to send a planning team to Iran, and to make a "firm undertaking" on MAP deliveries during FYs 1963-1967. This five-year program for modernization of the Iranian armed forces would include: more than 10,000

6. (S) Memo, ASD(ISA) to CJCS, 21 Mar 62, Att to JCS 1714/141, 28 Mar 62; (TS) JCSM-233-62 to SecDef, 29 Mar 62 (derived from JCS 1714/143); (U) Memo, DASD(ISA) to Actg CJCS, 23 Mar 62, Encl to JCS 1714/142, 28 Mar 72; (TS) JCSM-241-62 to SecDef, 31 Mar 62 (derived from JCS 1714/144); JMF 9181/5420 (21 Mar 62).

vehicles; two minesweepers; 16 transport aircraft; 26-52 supersonic fighter-bombers (2-4 squadrons); airfield construction; and an early warning radar system. He asserted, however, that the Iranians "basic force level" ought to be 150,000 men. The Shah countered by citing CENTO studies that recommended substantial increases rather than force reductions. Mr. McNamara proposed, and the Shah quickly agreed, that the US planning team should study deployments and force levels.[7]

(S) Accordingly, the Joint Chiefs of Staff dispatched a Military Planning Team, headed by Brigadier Genral H. S. Twitchell, USA, to Iran. The Team presented and the Joint Chiefs of Staff endorsed five measures. First, support a force level of about 160,000 men. Second, assist in completion of a main air base and construction of a forward airfield. Third, approve an aircraft control and warning (AC&W) system and related communications plan that included construction of four radar stations and seek British cooperation in building two additional stations. Fourth, consider the reinsertion of two frigates in the five-year program. Fifth, resolve within the CENTO framework Iranian-US differences over force goals. The Deputy Secretary of Defense approved everything except action on the two frigates.[8]

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7. (S) Annexes B and C to SM-514-62 to JCS, 2 May 62, JMF 9181/3100 (21 Apr 62) sec 2. (S) Aide Memoire, 12 Apr 62, Encl 2 to Report of US Military Planning Team, Iran, 20 Jul 62, Encl to JCS 1714/154, 21 Jul 62, JMF 9181/3100 (21 Apr 62) sec 4A.

8. (S) SM-538-62 to BG Twitchell, 10 May 62 (derived from JCS 1714/152), JMF 9181/3100 (21 Apr 62) sec 1. (TS) Report of U.S. Military Planning Team, Iran, 20 Jul 62, Encl to JCS 1714/154, 21 Jul 62, same file, secs 4 and 4A. (TS) JCSM-579-62 to SecDef, 3 Aug 62 (derived from JCS 1714/156); Memo, DepSecDef to CJCS, 31 Aug 62, Att to JCS 1714/158, 6 Sep 62, same file, sec 5.

(S) On 19 September 1962, the United States presented the Shah a five-year program of military assistance for FYs 1963-1967, revised in light of the findings of the Military Planning Team. The program was based on a concept of defense for Iran against all contingencies, both internal and external, recognizing that assistance from the United States and its allies would be required to deter and defeat Soviet aggression. This concept also took into consideration the collective security arrangements of CENTO and assumed a forward strategy, relying on the mountain barriers on the northern border. The five-year program supplied the means to modernize Iranian forces and included the following:

- 3.5 inch rocket launchers
- submarine guns
- 200 60mm mortars
- ammunition requird for training and for a 30-day reserve
- additional communications equipment
- 100 M-133 armored personnel carrriers
- 5,000 jeeps
- 1,500 3/4 to 1 ton trucks
- 3,500 2 1/2 ton trucks
- 250 5 ton trucks
- combat support equipment
- 2 minesweepers (inshore)
- 2 patrol frigates
- 20 helicopters (H43B)
- civic action program support
- 45 CESSNA 180 or 185 aircraft
- 4 C-130 aircraft
- 12 C-47 aircraft
- 52 F-5A aircraft (4 squadrons)
- completion of Hamadan airfield as a main opoerating base
- construction of Mashed airfield as a forward base
- construction of aircraft control and warning radar stations at Hamadan and Dezful

The Shah accepted this program the following day, 20 September 1962.[9]

(S) After coordination with appropriate Executive departments and agencies, including the Office of the Secretary of Defense and the Joint Chiefs of Staff, the Department of State issued "Guidelines" for US policy and operations in Iran in September 1962.[10] These Guidelines made no changes in US policy toward Iran. The goal remained the prevention of communist domination of this strategically located country. The Guidelines recognized that, while the external threat from the Soviet Union was "unrelenting," Iran's security was still seriously threatened by internal political discontent and disunity. With respect to military "lines of action," the Guidelines called for maintenance and improvement of the Iranian armed forces, through the military assistance program, and expansion of the civic action, counter-guerrilla, vocational training, and public relations sectors of the Iranian military program. Simultaneously, the United States should obtain a reduction in Iranian forces to a level of 150,000.[11]

9. (S) Memo for Shah, 19 Sep 62; (S) Ltr, Min of the Court to US Amb, 20 Sep 62; both Atts to Encl to JCS 1714/179-2, 26 Jan 66, JMF 9181 (17 Jan 66) sec 1. (U) Ltr, USCINCEUR to ASD(ISA), 28 Sep 62, Att to JCS 1714/161, 2 Oct 62, JMF 9181/2100 (21 Apr 62) sec 5. (S) Memo of Conversation, "Five-Year Military Program for Iran," 19 Sep 62, CJCS File 091 Iran.

10. During the Kennedy Administration, these Guidelines Papers replaced the NSC policy statements issued during the Truman and Eisenhower Administrations as the official source for US policy towards various countries.

11. (S) Dept of State, Draft Guidelines for Policy and Operations, Iran, Apr 62, Encl to JCS 1714/149, 26 Apr 62; (S) J-5M 273-62 to ASD(ISA), 7 May 72, Att to 1st N/H of JCS 1714/149, 15 May 62; JMF 9181/9105 (21 Apr 62) sec 1. (S) Dept of State, Guidelines for Policy and Operations, Iran, Sep 62, Att to JCS 1714/163, 13 Dec 62, same file, sec 2.

(U) In the early 1960s, the Shah finally began to address the internal problems confronting his country. In 1961, he appointed a new, liberal Prime Minister, Ali Amini, who instituted measures to remove corruption in the civil service, to decentralize the government administration, to limit luxury imports, and to initiate land reform. Then, in January 1963, the Shah announced a sweeping program of reforms. Known as the "Revolution of the Shah and the People" or, more commonly, the "White Revolution," the program included six major aspects: abolition of the feudal landlord-peasant system, breakup of large estates, and land redistribution; nationalization of forests and pastures; compensation of former landlords with capital shares in government industry; profit sharing in all productive enterprises; a new elections law that provided votes for women; and creation of a national literacy corps, employing educated youths in government service to teach the illiterate. Despite the opposition of the Shiite religious leaders, large landowners, and some tribal chiefs, who saw their privileged positions threatened, the Shah's program was endorsed overwhelmingly by a national referendum. In September 1963, elections were held under the new law with women voting for the first time. By the end of the year, both the Shah and the Prime Minister had distributed their estates.[12]

(S) At the same time that the Shah was launching internal reforms, he remained concerned about external threats. In 1963 he was worrying more about Egypt than about the Soviet Union. In June of that year, he had advised President Kennedy that Arab agents had begun subversive activities in Iran's southern provinces and argued that pre-positioning of equipment for two to three US divisions was "a matter of necessity."

12. Smith et al., Area Handbook, Iran, pp. 73-74.

Nothing was done; Iran's internal security situation struck US policy makers as critical but controllable.[13]

The Johnson Administration: More of the Same

(U) The assassination of President Kennedy and the succession of Lyndon Johnson to the Presidency in November 1963 brought no changes in US policy toward Iran. The United States pressed on with the five-year program approved in 1962 despite the Shah's increasing desires for additional assistance to meet threats from the radical Arab states.

(S) In January 1964, the Shah sent the United States another warning about the growing danger of Nasserite aggression. He told President Johnson that the five-year plan, approved in 1962, was inadequate for the changing situation and warned that, if the United States was unwilling to meet additional needs, Iran might have to look elsewhere. The President replied that, while he was willing to talk about the full range of problems, he did not believe that basic factors behind the five-year plan had changed significantly.[14]

(S) The Shah scheduled a Washington visit for June 1964. His most pressing demand was for modern M-60 tanks and M-551 Sheridan armored reconnaissance vehicles to replace 414 obsolescent M-47 tanks. The Joint Chiefs of Staff advised the Secretary of Defense on 15 May 1964 that they saw "military justification" for

13. (S) Ltr, Shah to Pres, 1 Jun 63; (S) SACSA-M 349-63 to CJCS, 13 Jun 63; CJCS File 091 Iran.

14. (S) Ltr, Shah to Pres, 7 Jan 64; (U) Ltr, ASD(ISA) to CINCSTRIKE/USCINCMEAFSA, 24 Mar 64; JMF 9181 (22 Apr 64). On 1 December 1963, the Joint Chiefs of Staff had designated CINCSTRIKE as the commander responsible for the Middle East (including Iran), Africa south of the Sahara, and South Asia (MEAFSA) under the concurrent title of USCINCMEAFSA. At the same time, CINCNELM, the commander responsible for the Middle East area since World War II, was disestablished. See (S) JCS Hist. Div., History of the Unified Command Plan, Dec 77, p. 23.

armor modernization and military and economic reasons why the United States should remain Iran's principal source of arms. They were willing to supply M-60s, provided production was expanded so that the Iranian order did not impinge upon other needs. The Sheridan, however, "should not be considered for MAP at this time because it is still in the development stage and is operationally untested." Subsequently, the Secretary of Defense approved a sale of M-60s, to be accomplished without any expansion of production.[15]

(S) Final agreement between the United States and Iran on the increased assistance was reached in a Memorandum of Understanding of 4 July 1964. This Memorandum extended and reoriented the modernization begun in 1962 into a program of combined grant aid and credit assistance. The United States agreed to provide additional grant military assistance during the period FY 1967-1969 for delivery by the end of 1970 to include: 39 F-4 aircraft to replace outmoded aircraft, 110 105mm howitzers, 28 8-inch howitzers, 1,000 vehicles, 1 airborne battalion, 4 twin-engine command-type aircraft, and a 30-day reserve of ammunition. This was additional equipment above that contained in the September 1962 commitment. Moreover, the United States would assist Iran in financing the purchase of an additional $250 million worth of equipment between FY 1965 and FY 1969. Of this total, $50 million would be cash purchases, principally for spare parts for equipment furnished under the grant aid programs. The remaining $200 million would be through credits and would include 460 M-60 tanks, 8 C-130 aircraft,

15. (S) Msg, CINCSTRIKE/USCINCMEAFSA to JCS, 221823Z Apr 64; (U) JCSM-421-64 to SecDef, 16 May 64 (derived from JCS 1714/170-1); (U) Memo, DASD(ISA) to SecDef, 3 Jul 64, Att to Memo, DASD(ISA) to DJS, 15 Jul 64, Att to JCS 1714/170-2, 24 Jul 64; JMF 9181 (22 Apr 64).

163 M-113 armored personnel carriers, 1 HAWK battalion, 26 F-5 aircraft and 1,610 M-1919 A6 machine guns.[16]

(S) The increased US commitment to Iran in 1964 did not satisfy the Shah for long. During 1965, he made known his desire for still more hardware, citing the threat posed to Iran and the Persian Gulf by Iraq, the United Arab Republic, and Syria. The Shah wanted antiaircraft weapons, naval vessels, Sheridan armored reconnaissance vehicles, and aircraft that were superior to the F-5 interceptor. The Joint Chiefs of Staff supported sales of (1) 26 F-4 aircraft, with delivery delayed perhaps until FY 1973, and (2) a second HAWK surface-to-air missile battalion, to become operational in 1970.[17]

(S) Rather than accept the JCS recommendations, the Johnson Administration offered in early 1966 to send a survey team to Iran to assess the "full range" of military requirements. This proved acceptable, and the Joint Chiefs of Staff directed the dispatch of a tri-service Military Survey Team. The Team was instructed to "center on the objective of maintaining the primacy of the U.S. military presence in Iran at a moderate cost to Iranian resources." A basic purpose was to keep Iranian procurement "at a level consistent with legitimate military requirements . . . while minimizing the impact . . . on Iranian economic development."[18]

16. (S) US-Iranian Memorandum of Understanding, 4 Jul 64, Att to Encl to JCS 1714/179-2, 26 Jan 66, JMF 9181 (17 Jan 66) sec 1.

17. (S) Memo, DASD(ISA) to CJCS, 24 Aug 65, Encl to JCS 2315/367-1, 26 Aug 65; (S) JCSM-712-65 to SecDef, 23 Sep 65 (derived from JCS 2315/367-2); JMF 4060 (12 Aug 65) sec 1.

18. (S) Msg, CINCSTRIKE/USCINCMEAFSA to JCS, 14 Jan 66, JCS IN 52646. (S) Msg, DEF 1848 to Tehran, 17 Jan 66; (S) Memo, DASD(ISA) to CJCS, 18 Jan 66, Att to JCS 1714/179, 19 Jan 66; (S) JCSM-67-66 to SecDef, 1 Feb 66 and Msg, JCS 2865 to CINCSTRIKE/USCINCMEAFSA, 012000Z Feb 66 (both derived from JCS 1714/179-2); JMF 9181 (17 Jan 66) sec 1.

(TS) After touring Iran between 16 February and 3 March, the Survey Team, headed by Brigadier General C.G. Paterson, USAF, recommended approval of "minimum" additional requirements:

Army - 209 M-60 tanks,[19] 130 Sheridans, 2 Vulcan air defense battalions, and a 90-day level of war reserve materiel
Navy - 8 patrol boats, 1 destroyer, and a 30-day level of war reserve materiel
Air Force - 16 F-4s (one squadron), 2 mobile radars, 2 HAWK battalions, and a 90-day level of war reserve materiel

Costs for the five-year period FY 1967-1971 would come to $192 million. The Team urged that these requirements be accepted as "a basis for discussion" during a review of Iranian military assistance.[20] Also, since such acquisition would generate further training and support needs, a planned $10 million MAP reduction should be studied; perhaps the funds withheld from warring India and Pakistan should be shifted to Iran. The Joint Chiefs of Staff concurred with these conclusions.[20]

(TS) On 23 May 1966, President Johnson approved a $200 million credit sales package, with certain caveats. As relayed to the Joint Chiefs of Staff by the White House Staff, the President was:

> deeply concerned over Iran's worrisome economic prospects. He wants each slice of this new program submitted to him for approval only after searching review of Iran's economic position. He regards the new $200 million as a planning figure subject to annual review. He asks that Ambassador (Armin) Myer tell the Shah of

19. The 209 M-60 tanks were the number remaining of the 460 the United States agreed to sell Iran in the 1964 Memorandum of Understanding.

20. (S) "Report of the United States Military Survey Team to Iran, 16 Feb-3 Mar 66," JMF 9181 (17 Jan 66) sec 1A. (TS) JCSM-240-66 to SecDef, 15 Apr 66 (derived from JCS 1714/179-4), same file, sec 1.

his concern, while reassuring him of the President's full respect for his judgment.[21]

(S) Subsequently, however, the Shah began expressing his dissatisfaction with some of the numbers, costs, and delivery dates offered. He wanted, for example, 32 rather than 16 F-4 aircraft. In fact, allegedly because of high US costs, he approached the Soviets about equipment purchases and professed interest in acquiring their surface-to-air missiles. This development was worrisome, because Soviet SAMs would be sited at bases from which F-4 and F-5 aircraft would be operating. Communications tie-ins involving all elements of the air defense system, could allow the Soviets to gain extensive knowledge about US equipment.[22]

(S) How far should the Administration move toward meeting the Shah's demands? The Department of State saw no need to accede completely. Yet, since the Shah had publicly committed himself to an independent procurement policy, he could not retract without some face-saving gesture. "In light of all this," the Deputy Under Secretary of State advised the Deputy Secretary of Defense, "we have concluded that present political hazards are great enough to call for a little 'give' in our military proposal." On 8 July, President Johnson offered to "consider" selling 32 F-4 aircraft;

21. (TS) Memo, ExecSecy, NSC to B.H. Read, 10 Jun 66, Att to JCS 1714/179-5, 20 Jun 66, JMF 9181 (17 Jan 66) sec 1.

22. (S) JCS 1714/182, 29 Jul 66; (U) Msg, CINCSTRIKE/USCINCMEAFSA to JCS, 251911Z Jul 66, JCS IN 15275, JMF 9181 (17 Jan 66) sec 2. (U) Ltr, Dep USecState to DepSecDef, 6 Jul 66, Att to JCS 1714/179-6, 8 Jul 66, same file, sec 1.

the Shah replied that he could not reverse his Moscow initiative without being labelled a "U.S. puppet."[23]

(S) The Department of State and some officials in the Office of the Secretary of Defense wanted to offer the Shah 32 F-4C aircraft at a reduced price of $70 million rather than new F-4D aircraft costing $100 million. Secretary of Defense McNamara opposed a larger F-4 sale, apparently because the Air Force would need additional appropriations to replace its F-4Cs with F-4E aircraft. But on 28 July, the US Ambassador in Tehran appealed directly to President Johnson, asking for a generous offer in order to forestall a "triumph for Soviet policy in the Mideast and serious setback for our interests in this area." It was "erroneous," he added, "to think Persians will not cut off their noses to spite their face." On 1 August the Joint Chiefs of Staff addressed the Secretary of Defense in order to

> reaffirm their judgment that it is essential to maintain the primacy of U.S. military interest in Iran and that every effort should be made to prevent the Soviets from gaining a foothold through the introduction of military equipment and technicians into Iran.

They recommended (1) that research and development costs be waived on all items sold and (2) that the Shah be offered 32 F-4C aircraft at reduced prices, with deliveries beginning in 1968.[24]

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23. (U) Ltr, Dep USecState to DepSecDef, 6 Jul 66, Att to JCS 1714/179-6, 8 Jul 66, JMF 9181 (17 Jan 66) sec 1. (S) JCS 1714/182, 29 Jul 66, same file, sec 2.

24. (S) JCS 1714/182, 29 Jul 66; (S) DJSM-966-66 to CJCS, 29 Jul 66; (S) JCSM-498-66 to SecDef, 1 Aug 66, App to JCS 1714/182, 29 Jul 66; JMF 9181 (17 Jan 66) sec 2. (U) Memo, SecAF to DepSecDef, 12 Jul 66, Att to JCS 1714/181, 15 Jul 66, JMF 9181 (12 Jul 66). (S) Msg, Tehran 451 to Pres, 29 Jul 66, CJCS File 091 Iran. (The Department of State received this message at 1045 on 28 July.)

(S) At a Tuesday Luncheon[25] on 2 August, President Johnson decided to:

(1) Waive research and development costs for two HAWK battalions and, perhaps, do the same for other systems.

(2) Offer the Shah 32 F-4D aircraft at full cost with deliveries commencing in 1968.

(3) If necessary, take some items out of inventory to speed delivery.

A Deputy Assistant Secretary of Defense (ISA) conveyed these decisions to the Shah, cautioning that F-4 aircraft and other "sensitive" items might be withheld if Iran acquired "sophisticated" Soviet equipment.[26]

(S) In February 1967, the Shah concluded an arrangement with the Soviet Union whereby Iran exchanged quantities of natural gas for $110 million worth of Soviet-made antiaircraft guns, trucks, and armored personnel carriers. United States pressure, apparently, persuaded the Shah to refrain from buying Soviet SAMs, and he had, in fact, already assured the United States that Iran would not acquire sophisticated equipment from the Soviet Union.[27]

(S) A Department of State National Policy Paper[28] on Iran completed at this same time took note, at the specific request of the Joint Chiefs of Staff, of the Shah's disillusionment with the United States

25. The Tuesday Luncheon was an informal meeting of advisers that President Johnson relied upon, in lieu of formal NSC meetings, in reaching policy decisions.

26. (S) DJSM-1000-66 to CJCS, 4 Aug 66; (S) Memo, DepSecDef to CJCS, 23 Aug 66, Att to JCS 1714/182-1, JMF 9181 (17 Jan 66) sec 1. (S) Draft Admin History of the DOD: 1963-1969, Vol I, p. 95.

27. (S) Dept of State, National Policy Paper, Iran, 2 Feb 67, Att to JCS 1714/183-3, 13 Mar 67, JMF 9181 (23 Aug 66).

28. The National Policy Papers replaced the Guidelines Papers in the Johnson Administration as official US policy statements towards various countries.

because of what he considered a lack of adequate responsiveness to his requests for assistance. For that reason, the Shah seemed determined to become more independent of US military assistance, ordering arms from other countries, including the Soviet Union. The final version of the Paper also incorporate a JCS suggestion for recognition of the relationship between Iran's political and economic problems with the questions of security and the source and quality of military assistance. The Paper provided for maintenance of the United States as the primary military influence in Iran together with continued US advisory services and assistance, shifting to credit sales of military equipment "on fairly hard terms." The Paper noted, however, that:

> The Shah is now more firmly in personal control of his nation's affairs than ever before. . . . Unless the booming economy takes a turn for the worse or the political dissidents display unaccustomed effectiveness, the Shah's confidence in his own ability to rule and manage his nation is not likely to be shaken by advice and admonition from even the friendliest of critics.

(S) The Department of State Policy Paper contained no changes in US policy toward Iran. It acknowledged Iran's importance because of its strategic location and the defense facilities and privileges extended to the United States both bilaterally and through cooperation in the CENTO framework. It called for continued US support of CENTO and the bilateral security agreement with Iran of 1959 to provide "a security umbrella" for Iran against Soviet aggression. It also included a JCS observation of the Shah's concern with radical Arab expansion, Iraq's support

of the Kurds, and Soviet penetration into the Middle East.[29]

(S) The Shah came to Washington in August 1967, and President Johnson promised him that "we would do everything possible to meet [his] needs" within the limits set by Congressional action. The Shah, however, did not remain convinced for long and would soon be asking the United States for further assistance.[30]

(S) In the spring of 1968, the Shah planned another visit to the United States and had indicated a desire for an additional $500 million in credits for FYs 1969-1973. He was concerned about the protection of the Persian Gulf in light of the British decision to remove their forces from that area by 1971.

(S) The Secretaries of State and Defense opposed a $500 million five-year commitment to the Shah. They recommended instead an offer for a FY 1968 sales program of $75-$100 million and a promise to seek from the Congress the annual credit authorization and appropriations to permit orderly achievement of a modernization program during the next five years (FY 1969-1973). President Johnson accepted this advice. When the President met with the Shah on 12 June 1968, he agreed to provide $100 million for credit purchases in FY 1968 and "made it plain in general terms that, within the limits of our world-wide arms sales programs, . . . Iran should enjoy high priority and be able to buy high quality modern equipment from us."

29. (S) Dept of State, National Policy Paper, Iran, 2 Feb 67, Att to JCS 1714/183-3, 13 Mar 67, JMF 9181 (23 Aug 66). (S) JCSM-588-66 to SecDef, 15 Sep 66 (derived from JCS 1714/183-1); (S) Ltr, DASD(ISA) to Mr. J.A. Yager, 23 Nov 66, Att to JCS 1714/183-2, 30 Nov 66; same file.

30. (S) Memo, W. W. Rostow to SecDef and SecState, 29 Aug 67, Att to JCS 1714/186, 31 Aug 67, JMF 887 (CY 1967).

As for the Shah's long-term procurement program, President Johnson pledged that each year, subject to satisfactory annual economic and military reviews, he would ask the Congress for appropriate credit authorizations and appropriations. The Shah, as indicated in subsequent statements, considered the President's pledge as a commitment for $100 million per year for the period FY 1969-1973.[31]

(~~S~~) During his discussion with President Johnson, the Shah raised the questions of how the Persian Gulf could be protected after the British departed and suggested that US surface-to-surface missiles, under Iranian control, be stationed on islands in the Strait of Hormuz. The Joint Staff thought that either F-4 aircraft or missile boats would be more suitable, but advised the Assistant Secretary of Defense (ISA) that Iranian control of the Strait would neither keep peace in the Persian Gulf nor assure its pro-Western orientation. After all, if the Soviets decided to move into the Gulf, the presence of Iranian missiles would not deter them from doing so.[32]

(~~S~~) On 26 July 1968, President Johnson informed the Shah that preliminary assessment indicated that a land-based missile defense of the Strait of Hormuz was not feasible. The President offered, however, a comprehensive study of this matter, and the Shah accepted. Now, once again, the Joint Chiefs of Staff organized

31. (~~S~~) Memo, SecState to Pres, 19 Apr 68, Att to JCS 1714/188, 3 May 68; (~~S~~) Memo, J.P. Walsh to COL A.C. Greenleaf, 2 May 68, Att to JCS 1714/188, 3 May 68; JMF 887/499 (CY 1968). (~~S~~) Memo for Record by W.W. Rostow, 14 Jun 68, Att to JCS 1714/190, 19 Jun 68; (U) Tab C to J-5 BP 64-68 for CJCS, 18 Dec 68; JMF 887/081 (CY 1968).

32. (~~S~~) JCS 1887/754-1, 19 Aug 68, JMF 887/520 (9 Aug 68) sec 1. (U) DJSM-790-68 to ASD(ISA), 25 Jun 68, JMF 887/081 (CY 1968).

a Military Survey Team. This one was headed by Major General L. H. Richmond, USAF, CINCSTRIKE/USCINCMEAFSA's Director of Plans. The Team was to examine the seaborne threat to Iran through the Persian Gulf and the Strait of Hormuz, the most feasible arrangement for defense of this area, and any necessary military equipment augmentation. Also included in the guidance for this Team, as had been the case in the previous teams, was the US objective to restrict the Shah's appetite for military weapons to that consistent with legitimate requirements in order to minimize the impact of military procurement on Iranian economic development.[33]

~~(S)~~ The Military Survey Team submitted its report on 30 Sepember 1968. It proposed a strategy for the Persian Gulf that insured coordinated and rapid response by Iranian forces by providing overall command direction in a single commander. The Team believed that the Iranian armed forces already had significant military capabilities to be used for this purpose although some additional equipment would be required. Specifically, the Team recommended the following: two fast, missile-equipped patrol ships; four shipboard ASW sonars; three shorebased radars; aircraft identification systems aboard four ships; berthing facilitions at Lavan Island; and a modest amount of communications materiel. Aerial surveillance, the Team believed, could be accomplished effectively and economically with C-130s, which Iran already possessed. The Team lacked sufficient data to estimate precisely the cost of its proposals, but did offer a figure of $6.75 million for equipment, not including the land-based radars and

33. (U) Memo, SecDef to CJCS, 9 Aug 68, Att to JCS 1887/754, 12 Aug 68; ~~(S)~~ JCS 1887/754-1, 19 Aug 68; (C) JCSM-513-68 to SecDef, 21 Aug 68, and ~~(S)~~ SM-581-68 to CINCSTRIKE/USCINCMEAFSA, 21 Aug 68 (both derived from JCS 1887/754-1); JMF 887/520 (9 Aug 68) sec 1.

assuming use of the already possessed C-130 aircraft. The Joint Chiefs of Staff endorsed the Team findings, noting that the proposals involved little or no additional cost to the "Five Year Program" for Iran. Subsequently, in January 1969, the Team proposals were forwarded to the Shah.[34]

(U) Late in 1968, the Iranian Prime Minister asked that the FY 1969 ceiling on credit sales be raised from the $100 million limit, agreed upon earlier by the Shah and President Johnson, to $191.2 million. The increase would cover, among other things, 32 additional F-4 aircraft (raising the total supplied by the United States to 64) and 100 more Sheridans. The Department of Defense opposed such an increase, feeling that the Iranians had overstated foreign threats and lacked the technical personnel needed to service additional F-4 aircraft and Sheridans.[35]

34. ~~(C)~~ Report of the U.S. Military Survey Team to Iran, 30 Sep 68, JMF 887/520 (9 Aug 68) sec 1A. ~~(C)~~ Ltr, CINCSTRIKE/USCINCMEAFSA to JCS, 30 Sep 68, Att to JCS 1887/754-2, 1 Oct 68; ~~(C)~~ JCSM-615-68 to SecDef, 18 Oct 68 (derived from JCS 1887/754-3); ~~(C)~~ Memo, CAPT R. D. Pace to DJS et al., 16 Jan 69; same file, sec 1.

35. (U) Tab C to J-5 BP 64-68 for CJCS, 18 Dec 68, JMF 887/081 (CY 1968).

4
POLICEMAN OF THE GULF
1969-1974

The Nixon Administration and Policy Changes toward Iran

(U) The years 1968 and 1969 saw two developments that had significance for US policy toward Iran. In 1968, the British announced the decision to withdraw their forces from the Persian Gulf by the end of 1971. The Shah, always concerned with security and external threats, now became even more so. Consequently, he decided that Iran would, possibly with Saudi Arabia as a junior partner, create a military presence to protect the oil lifeline of Japan and the Western nations that lay through the Persian Gulf and the Strait of Hormuz. Iran would become the military protector of the Trucial States along the southern rim of the Gulf and the Arabian Sea, with or without their request or consent. To do this Iran must obtain much larger quantities of modern weapons to counter Iraq, Syria and the more radical Arab states, all seen by the Shah as potential enemy aggressors. These nations were being armed with modern weapons, including aircraft, by the Soviet Union, itself the ultimate, if not the most likely threat to Iran and the Persian Gulf area.

(U) In January 1969, Richard Nixon became President of the United States and, in July 1969, he announced a policy that subsequently received the name "Nixon Doctrine." In essence, the new doctrine held that while the United States would continue to provide economic and materiel assistance to allies and friends, it would expect these nations to handle problems of

internal security and military defense, except for the threat from a major power involving nuclear weapons.[1] Thus the Nixon Doctrine coincided with the Shah's determination to build up his forces, and he was, in coming years, to cite it as justification for his burgeoning military equipment requests to the United States.

(S) Even before the announcement of the Nixon Doctrine, the Shah had foreshadowed its rationale in talks with US officials. While in Washington in April 1969 to attend the funeral of former President Eisenhower, he had told Secretary of Defense Melvin Laird that Japan was sharing too small a part of the Free World defense load. Later, in October 1969, the Shah again visited Washington where he talked with President Nixon, Secretary of State Rogers and Secretary of Defense Laird. He expressed great concern over the growing strength and truculence of his Iraqi neighbors. He was convinced that Iran must develop and maintain security forces sufficiently strong and impressive to discourage any potential aggressors. He specifically asked that the 54 USAF technicians who were presently in Iran to assist with training and maintenance in the F-4 program be kept in Iran for at least another year. Secretary Laird agreed to this request.[2]

(S) Much greater requests were in the offing. In a conversation with US Ambassador Douglas MacArthur II on 18 March 1970 the Shah expressed his determination

1. (U) Papers of the Presidents of the United States, Richard Nixon, 1969 (1971), pp. 544-549. Papers of the Presidents of the United States, Richard Nixon, 1970, (1971), pp. 118-119.

2. (S) Ltr, SecState to SecDef, 19 Nov 70, Att to JCS 1714/195, 23 Nov 70, JMF 887/460 (19 Nov 70). (S) Ltr, ActgSecState to ActgSecDef, 14 Feb 70, Att to JCS 1714/193, JMF 887/460 (CY 1970).

to build up his military forces over the next five years to a level that would cost far more than the United States had agreed to support. The cost of this build-up would reach almost $900 million, whereas the United States was willing at this point to offer Iran credit under the Foreign Military Sales Act of only $100 million per year for the next five years. Because of Iran's growing affluence, grant aid to Iran had been stopped in the previous year. Now the Shah wanted to buy four F-4 squadrons in FY 1973 and an additional squadron each year until FY 1976 for a total of 14 squadrons. He also wanted C-130 transports, M-60 tanks, CH-47 helicopters, 175mm artillery and radar. The Shah asked for $800 million credit over the next five years, or an arrangement whereby the United States would buy more of his oil. He would use every cent of proceeds from these oil sales to pay cash for US arms. The Shah was particularly disturbed because the United States was charging him almost nine percent interest for credit whereas France and Great Britain would grant him more favorable terms. The Soviet Union would grant him credit over a long term for as low as two and a half percent interest. He said that he could not understand why the United States refused to help him build up his forces when he was offering to help implement the Nixon Doctrine in an area where US interests and the interests of US allies were threatened. The US Ambassador sought to persuade the Shah to reexamine his requirements and priorities and promised to see what could be done about special oil purchases and the "onerous" credit arrangements.[3]

3. (S) Msg, Tehran 1019 to State, 19 Mar 70, Encl B to CM-5030-70 to Spec Asst to Pres for NSA, 10 Apr 70, CJCS File 091 Iran.

(S) Ambassador MacArthur cabled Washington that unless the deadlock on military aid to Iran was broken "we are on our way to a crisis with the Shah." The Iranian monarch had an absolute conviction that unless he strengthened his military posture substantially, the Arab side of the Gulf would fall before a massive radical Arab campaign, sponsored and supported by the Soviet Union. "Iran," he said, "is the key to whether the Gulf remains in friendly hands, and I need not spell out again its importance to the most basic financial, economic and security requirements of ourselves, West Europe and Japan."

(S) The Shah was very "prickly," Ambassador MacArthur reported, on the subject of Iran's minimum military requirements and did not like to be second-guessed on the matter by US officials. The Ambassador said that unless the United States agreed to amplify and extend the 1968 agreement, there would be a major crisis and "an end to the special relationship that the Shah feels for us" which had resulted in special privileges and facilities. "We will only infuriate the Shah if we try to tell him bluntly what he does or does not need but if we obtain a stretchout we may be able to do something about magnitude."[4]

(S) The Chairman of the Joint Chiefs of Staff, General Wheeler, visited the Shah in Tehran on 8 April 1970 and heard essentially the same requests and arguments as had the Ambassador several weeks earlier. In reporting this meeting to the President, the Chairman said, "My overall impression is this: His Imperial Majesty is determined to create the military forces which he is convinced the security of Iran requires.

4. (S) Msg, Tehran 1247 to State, 1 Apr 70, Tab D to CM-5038-70 to Spec Asst to Pres for NSA, 10 Apr 70, CJCS File 091 Iran.

He wants to buy the necessary equipment from the US, but he will get it elsewhere reluctantly, if he has to do so."[5]

(S) Meantime, the revamped NSC organization established by President Nixon had been reviewing US policy toward the Persian Gulf in light of the pending British withdrawal. Dr. Henry Kissinger, the President's Assistant for National Security Affairs, initiated the review in July 1969, and a final draft was submitted to the NSC Review Group in March 1970. Included were the following six options for US action: (1) US assumption of the former British role, maintaining a "meaningful naval presence" in the Gulf area and establishing a position of special influence; (2) political support for Iran to make it responsible for preserving security and stability in the area; (3) promotion of Saudi-Iranian cooperation in the hope of insulating the Gulf states from outside pressures; (4) development of significant bilateral US contacts and presence in the new Arab states of the lower Gulf without taking on the specific responsibilities of which the British were divesting themselves; (5) continuation of the status quo with respect to the small Arab states; (6) sponsorship of a regional security pact in which Iran, Saudi Arabia, Kuwait and the Trucial States collectively or singly would become responsible for regional security.[6]

(S) After studying these options, President Nixon, on 7 November 1970, decided that the United States

5. (S) CM-5037-70 to Pres, 10 Apr 70, CJCS File 091 Iran.

6. (S) NSSM 66, 16 Jul 69, Att to JCS 1887/768, 15 Jul 69; (S) Memo, NSC Staff Secy to Dir, J-5 et al., 12 Mar 70, Att to JCS 1887/768-1, 17 Mar 70; JMF 989/532 (12 Jul 69). Although the Joint Chiefs of Staff did not comment on the study, a JCS representative participated in the interdepartmental group that conducted the review, and the CJCS, as a member of the NSC Review Group, had an opportunity to comment on the study when it was considered by that Group.

response to the withdrawal of British forces from the Gulf would be to follow "a general strategy of promoting cooperation between Iran and Saudi Arabia" and "recognizing the preponderance of Iranian power and developing a direct U.S. relationship with the special political entities of the area." There would be no reduction of US Naval presence in the Gulf, the MIDEASTFOR, consisting of a converted seaplane tender and two destroyers, homeported in the Bahrein Islands. He instructed the NSC Under Secretaries Committee to review plans "consistent with the strategy of promoting orderly development of local responsibility for maintaining stability." This decision, of course, was the logical application of the Nixon Doctrine and fitted well with the Shah's plans and philosophy.[7]

(S) At about the time this new policy toward Iran was being promulgated, the Secretary of State cautioned Secretary of Defense Laird that the United States, while concerned about the magnitude of the Shah's requests and how "costly" his present plans were, must not give the impression that it was a better judge of Iran's military needs than were the Iranians themselves. To do so might lead the Shah to make "a direct linkage between the amount of assistance he expects from us in the future and the very valuable, and in some instances, unique intelligence and security facilities Iran now provides us, a notion the Shah has scrupulously avoided heretofore."[8]

(U) Another key factor in the US relationship with Iran, and one that enabled the Shah to realize his ambitions to build up his forces, was the dramatic change in Iran's financial fortunes in the early 1970s.

7. (S) NSDM 92, 7 Nov 70, JMF 001 NSDMs (CY 1970).
8. (S) Ltr, SecState to SecDef, 19 Nov 70, Att to JCS 1714/195, 23 Nov 70, JMF 887/460 (19 Nov 70).

Whereas in 1970 Iran had been judged too poor to afford the $6 million annual costs of the US military missions, by 1972 Iran was well on its way to becoming an extremely wealthy country. All of this was owing, of course, to the spiralling price of oil and to the acquiescence of major oil countries in the area to the growing demands of OPEC nations, including Iran. In 1969 Iran had received $1 billion from nine major Western oil companies known as Iranian Oil Participants. This figure had increased to approximately $2 billion by 1971 and increased still further in 1972, allowing the Shah to pay for almost anything he felt his military forces required.[9]

(U) A watershed in US policy toward Iran occurred in 1972. Going beyond his 1970 decision to foster regional cooperation in the Persian Gulf area to replace the strength of the departing British, President Nixon decided to rely on a strong Iran as the main stabilizing influence in the Gulf area. To carry out this policy, the United States would sell Iran large quantities of its most modern and sophisticated weapons. Dr. Kissinger explained President Nixon's rationale in his memoirs:

> The real issue in 1972 was that the required balance within an area essential for the security, and even more the prosperity, of all industrial democracies appeared in grave jeopardy. More than 15,000 Soviet troops were still in Egypt, with which we had as yet no diplomatic relations and which was tied to the Soviet Union by a Friendship Treaty signed a year earlier. Just seven weeks before, on April 9, the Soviet Union had concluded a similar Friendship Treaty with Iraq, followed by massive deliveries of the most advanced weapons. Syria had long since been a major recipient of Soviet arms--and had

9. Keesings, Contemporary Archives, 1972, p. 25453.

> invaded moderate Jordan twelve months earlier. Britain at the end of 1971 had just completed the historic withdrawal of its forces and military protection from the Persian Gulf at the precise moment when radical Iraq was being put into a position by Soviet arms to assert traditional hegemonic aims. Our friends--Saudi Arabia, Jordan, and the Emirates--were being encircled.
>
> It was imperative for our interests and those of the Western world that the regional balance of power be maintained so that moderate forces would not be engulfed nor Europe's and Japan's (and as it later turned out, our) economic lifeline fall into hostile hands. We could either provide the balancing force ourselves or enable a regional power to do so. There was no possibility of assigning any American military forces to the Indian Ocean in the midst of the Vietnam war and its attendant trauma. Congress would have tolerated no such commitment; the public would not have supported it. Fortunately, Iran was willing to play the role. The vacuum left by British withdrawal, now menaced by Soviet intrusion and radical momentum, would be filled by a local power friendly to us. Iraq would be discouraged from adventures against the Emirates in the lower Gulf, and against Jordan and Saudi Arabia. A strong Iran could help damp India's temptations to conclude its conquest of Pakistan. And all of this was achievable without any American resources, since the Shah was willing to pay for the equipment out of his oil revenues.[10]

(U) President Nixon implemented this new policy during a visit to Iran in mid-1972. Returning from the Moscow summit conference, he arrived in Tehran on 30 May. In conversations with the Shah, President Nixon responded to requests for continued US support

10. Henry Kissinger, The White House Years (1979), pp. 1263-1264.

of Iran's military equipment needs by: (1) promising the Shah that as soon as the United States was satisfied with the operational effectiveness of the F-14 and F-15 aircraft it would be willing "in principle" to sell them to Iran; (2) agreeing that, if desired, Iran could buy laser-guided bombs from the United States; (3) deciding that the United States would assign uniformed military technicians from the various services to Iran to provide assistance to the Iranian services. The commitment for F-14 and F-15 aircraft and laser-guided bombs was made despite the reluctance of the Department of Defense to part with advance technology and Department of State fears that these sales might be provocative to neighboring countries. According to Dr. Kissinger, the President not only overrode these objections but added a proviso that in the future the Iranians were not to be second guessed on their arms requests.[11]

(S) On the heels of his significant decisions with respect to the sale of military weapons and services to Iran and, perhaps, in implementation of it, the President promulgated a further significant US policy towards the states of the Lower Persian Gulf and Oman. On 18 August 1972, he decided that the primary responsibility for the stability of that region should fall upon the states of the region and that the United

11. Kissinger, White House Years, pp. 1262-1265. According to a congressional report on this decision, President Nixon's actions "effectively exempted Iran from arms sales review processes in the State and Defense Departments. This lack of policy review on individual sales requests inhibited any inclinations in the Embassy, the U.S. military mission in Iran . . . or desk officers in State and DOD to assert control over day-to-day events; it created a bonanza for U.S. weapons manufacturers, the procurement branches of the three Services and the Defense Security Assistance Agency." "U.S. Military Sales in Iran," Staff Report to Subcom on Foreign Assistance of S. Com on Foreign Relations, 1976, 94th Cong, 2d sess.

States should encourage cooperation among them to that end. A continuing British role would be encouraged and the United States, within that context, would play an "imaginative and active direct role." To maintain such a US posture would call for continuing consultation with the British and the friendly states that were primarily involved in promoting the stability of the Gulf area. President Nixon avoided any direct mention of Iran in this decision.

(S) At the same time, the President directed that private American companies would be supported in selling reasonable amounts of weapons and services to these states. If commercial sales were inadequate, these states should be made eligible to receive US military equipment and services under the FMS Act, if this action were consistent with the objective of furthering cooperation among the regional states. While US companies should not be discouraged from operating in the region, "every effort should be made not to undermine the ongoing British advisory role there."[12]

JCS Influence on the Nixon Policy

(S) The Joint Chiefs of Staff had little apparent influence during the Nixon Administration with regard to policy toward Iran. Although they participated in the NSC review resulting in the President's decision in 1970 to rely on Iran as the guardian of the Persian Gulf, there is no evidence that the President consulted them on the decision to sell Iran large quantities of sophisticated weapons. Nor did the President ask them, prior to his visit to Iran in May 1972, for recommendations on the specific types or numbers of weapons to be offered the Shah. Nevertheless, in "pro forma" and

12. (S) NSDM 186, 18 Aug 72, JMF 001 NSDMs (CY 1972).

routine annual appraisals of Iran's military status and requirements contained in the Joint Strategic Objectives Plan (JSOP), the Joint Chiefs of Staff did forward recommendations to the Secretary of Defense. Examination of these recommendations against the background of policy decisions made by the President would indicate that the Joint Chiefs of Staff were influenced by the decisions rather than the decisions being influenced by their recommendations. On one occasion in 1970 the Assistant Secretary of Defense (ISA) called for comments by the Joint Staff on the requirements and capabilities of the Iranian armed forces for use in evaluating the Foreign Military Sales program for Iran. These were prepared and furnished by the Joint Staff based on the current JSOP but were not formally considered by the Joint Chiefs of Staff.[13]

(S) In late 1969 the Joint Chiefs of Staff, in JSOP FY 1972-1979, had assessed the strategic importance of Iran as lying in the capabilities of its armed forces, its location, the defense facilities and privileges allowed the United States, and the "increasing importance" of its oil production to the Western World. Iranian armed forces consisted of Ground Forces numbering 151,900, a Navy of 9,300 whose largest vessel was a patrol boat, and an Air Force of 21,700 equipped with one squadron of F-86s, four squadrons of F-5s and one squadron of F-4s. The JCS guidelines for Iranian forces for the mid-range period, FY 1972-FY 1979, called for Ground Forces numbering 188,000; a Navy of 15,000 possessing one destroyer, 8 hovercraft and four corvettes; and an Air Force of 29,000 having six squadrons of F-5s and four squadrons of F-4s.[14]

13. (S) DJSM-1314-70 to ASD(ISA), 12 Sep 70, Att to N/H of JCS 1714/194, 23 Sep 70, JMF 887/460 (13 Aug 70).

14. (S) Vol III, Book II, JSOP BY 1972-FY 1979, JMF 511 (10 Dec 69), sec 1C. 97

(S) The Joint Chiefs of Staff recommended that Iran be allowed to purchase in FY 1972 the following: 2 GCA; 12 transport aircraft; 12 special operations aircraft; 4 PGM/missile systems; 4 PG 84 missiles; 200 106mm-recoilless rifles with vehicles; 12 troop transport helicopters; 6 8-inch SP howitzers; 84 tracked recovery vehicles; 98 M-578 vehicles; 68 CP carrier, M577A1; plus some port equipment and an oil tanker.[15]

(S) By late 1972, against the background of the new policies that had evolved on Iran, the Joint Chiefs of Staff had reworded their evaluation of the strategic importance of Iran to include "its key location bordering on the Soviet Union, its emerging role of leadership in the Persian Gulf area, the strength of its armed forces, and its position as one of the major world oil producers." They also noted that Iran was "stable and Western-oriented," that it extended military rights and facility arrangements to the United States, and that Iranian oil would be of increasing importance to the Free World in the mid-range period.

(S) At that time, the Iranian Ground Forces totaled 162,000, the Navy 11,500 and the Iranian Air Force 36,000. The Joint Chiefs of Staff recommended increasing the strength of these forces in the period FY 1975-1982, to a Ground Force of 195,000, a Navy of 21,000 and an Air Force of 58,000.[16]

(S) Obviously influenced by the President's decisions in mid-year, the Joint Chiefs of Staff recommended that Iran be authorized to purchase the following: three 707/320C aircraft; three improved HAWK battalions; 41 F-4E aircraft; 27 F-15 aircraft; 68 attack helicopters; 84 utility helicopters; 39

15 (S) Vol III, Book I, JSOP FY 1972-FY 1979, JMF 511 (10 Dec 69), sec 1A

16. (S) Vol II, Book VII, JSOP 1975-1982, Sec 2; JMF 511 (24 Nov 72) sec 1A.

observation helicopters; 200 155mm SP howitzers; 200 M-548 cargo carriers; 176 M-88 recovery vehicles; 400 laser-guided bombs; and six P-3C aircraft. The Joint Chiefs of Staff readily admitted that they had no control, or even forewarning, of Iran's purchase of military equipment. Because of its special status and great wealth, Iran could choose to buy through FMS or commercial sources and to pay cash or use credit, either through the US Export-Import Bank or through private sources.[17]

(S) In the matter of the US advisory support for Iran, the Joint Chiefs of Staff recommendations did have some effect. Consisting of 272 US personnel and 153 foreign nationals, the ARMISH/MAAG, Iran cost $6,000,000 annually to maintain. The Assistant Secretary of Defense (ISA) asked the Joint Staff on 29 July 1970 for plans to reduce the advisory groups, eliminating non-MAP and non-FMS functions, and reducing by July 1973 to 115 US and 65 foreign personnel. The Joint Chiefs of Staff informed the Secretary of Defense on 10 November 1970 that such a reduction would damage US relations with the Shah and have a "debilitating" effect on modernization of Iran's forces. They suggested a reorganization to separate the advisory role from the DOD support role, with a separate element performing the latter function. On 18 December, the Deputy Secretary of Defense approved a JTD for ARMISH/MAAG, Iran providing for 187 US and 24 foreign personnel as of FY 1973. An interim, separate "support element" was authorized effective 1 July 1971. He also approved a JCS suggestion for a study of administrative and support requirements of DOD activities in Iran

17. Ibid., Part I, same file, sec 1A. No time frame was prescribed for these purchases.

and a plan to reduce manpower substantially by 1 July 1972[18]

(S) Early in 1972, Iran had asked the United States to determine the feasibility of a naval base and air facilities at Chah Bahar on the Gulf of Oman. In response, the Joint Chiefs of Staff directed USCINCEUR to send experts to Iran and to forward the resulting report to them. USCINCEUR furnished the report to the Joint Chiefs of Staff on 19 June 1972. The study showed that a naval base with full support facilities and repair capabilities would cost $77 million. An air base complex, HAWK installations, and a radar installation would require an additional $95 million. Facilities for an armored brigade, 2,800 men and officers, would add another $48 million. The complex could be built in three years.[19]

(S) The Joint Chiefs of Staff sent the study to the Secretary of Defense on 2 August 1972, recommending that it go to the Chief, ARMISH/MAAG for further transmittal to the Government of Iran. Subsequently, the Assistant Secretary of Defense (ISA) approved the study, notifying the Joint Chiefs of Staff on 15 August that it would be forwarded as requested by them.[20]

(S) The Shah had, on several occasions, asked for US military personnel to furnish much-needed technical support to his growing air forces. Following

18. (S) Memo, ASD(ISA) to DJS, 29 Jul 70, Att to JCS 2315/498, 4 Aug 70; (S) JCSM-525-70 to SecDef, 10 Nov 70, Encl A to JCS 2315/498-2, 30 Oct 70; (S) Memo, SecDef to CJCS, 18 Dec 70, Att to JCS 2315/498-3, 22 Dec 70; JMF 037 (29 Jul 70) sec 1.

19. (S) Memo, ASD(ISA) to CJCS, 17 Mar 72, Att to JCS 1714/200; JCS 1714/200-2, 25 Jul 72; (S) Study, "Iran Naval Air Facilities," App A to JCSM-359-72 to SecDef, 2 Aug 72 (derived from JCS 1714/200-2); JMF 887/052 (17 Mar 72).

20. (S) JCSM-359-72 to SecDef, 2 Aug 72 (derived from JCS 1714/200-2); (S) Memo, DASD(ISA) to DJS, 15 Aug 72, Att to JCS 1714/200-3, 16 Aug 72; JMF 887/052 (17 Mar 72).

President Nixon's assurances of almost unlimited support in mid-1972, he called for even greater numbers of these US personnel. On 13 August 1972, the Chief ARMISH/MAAG passed on a request for 873 technicians to support the F-4, the F-5, the C-130, a logistics command, and a communications/electronics program. This did not include 59 US military technicians already in Iran.[21]

(S) The Assistant Secretary of Defense (ISA) asked for preliminary views on this request. In reply, the Joint Staff made several observations that militated against such action. Not only did the Foreign Assistance Act of 1971 place a strict ceiling on the number of US military personel assigned to MAAGs, Missions, and Military Groups around the world, the Joint Staff said, but meeting the Iranian request would result in adverse impacts on current Service programs and cause personnel management problems. As an alternative, the Staff suggested that civilian technicians be sent to Iran, noting that many former military technicians were currently working in Iran for civilian contractors.[22]

(U) In the end, US military technicians were sent to Iran, but not in the numbers requested by the Shah. By the beginning of 1975, there were some 550 of these technicians in Iran organized in "Technical Assistance Field Teams" paid for by the Iranian Government.[23]

The Problems of Partnership, 1973-1974

(U) The US decision in May 1972 to sell Iran advanced weapons, combined with the rapidly expanding Iranian oil revenues, enabled the Shah to proceed full-speed with

21. (S) Msg, ARMISH/MAAG Iran 1375 to JCS and SecDef, 13 Aug 72, JMF 887/145 (15 Sep 72).
22. (S) MJCS 311-72 to ASD(ISA), 15 Sep 72, Att to JCS 1714/202, 20 Sep 72, JMF 887/145 (15 Sep 72).
23. NY Times, 2 Jan 75, 18.

the modernization and expansion of his forces. Even his purchases of older weapons systems rose sharply. During the last months of 1972 and the first of 1973, Iran contracted to buy almost $2 billion worth of helicopters, F-4 fighter-bombers, F-4 interceptors, and C-120 cargo aircraft, in what US officials described as "the biggest single arms deal ever arranged by the Department of Defense."[24] Significantly, the Joint Chiefs of Staff played little role in these sales to Iran. Their advice was limited solely to yearly recommendations contained in the JSOP and, once Administration decisions were reached, implementation was supervised by the Defense Security Assistance Agency in the Office of the Secretary of Defense.

(U) With the great expansion of Iranian forces, came a change in Iran's relationship with the United States, evolving from one of dependence to more nearly a partnership. The Shah grew increasingly more independent and self-reliant. In addition, the United States now had to address such new questions as the interoperability of US and Iranian forces and equipment, increased Iranian participation in Persian Gulf exercises, and Iranian production of sophisticated weapons.

(S) In view of the changing situation, President Nixon, in May 1973, requested another review of US policy toward the Arabian Peninsula and the Persian Gulf states. He was also concerned with the growing US dependence on Persian Gulf oil; Iran, for example, provided 10 percent of America's oil and might be supplying as much as 25 percent by 1980.[25] In the

24. DSAA, "DSAA Fiscal Year Series: Iran." NY Times, 22 Feb 73, 2.
25. NY Times, 20 May 73, 3.

ensuing considerations, the Department of State observed that seeking closer relations with Tehran at this time seemed unrealistic, because doing so would require: more binding security commitments; a "special relationship" over sales of Iranian oil; a "virtual blank check" for Iranian military purchases; and support for the Shah's hegemonic ambitions, which "could unhinge" US relations with Saudi Arabia. Yet, on the other hand, to loosen ties with the Shah presupposed that the US relationship with Iran was losing its importance. The Department of State discerned two broad policy options that did not involve any drastic changes:

(a) Urging Iran to give "highest priority" to coordinating its efforts with those of Saudi Arabia and other friendly Arab states.

(b) Supportng the Shah as the regional arbiter of power, since Iran alone possessed enough military strength to perform this task.

In the end, the President took no action to change the US policy.[26]

(S) In August, the Joint Chiefs of Staff sought permission to expand exercises involving the US MIDEASTFOR and the Imperial Iranian Navy. Guidelines issued in 1970 forbade local commanders from scheduling exercises involving more than one ship, and then only under restrictive conditions, because the Department of State believed the political situation in the Persian Gulf to be extremely sensitive. But, the Joint Chiefs of Staff now argued that the diplomats' concern about exacerbating the political climate remained unjustified. Since US arms were flowing to Iran, Kuwait, and Saudi Arabia, those nations presumably would be seeking joint training exercises. They

26. (S) NSSM 181, 10 May 73, Att to JCS 1887/798, 14 May 73; (S) Dept of State Draft, Tab A to "NSSM 181" TP, n.d. [Jul 73]; JMF 898/530 (10 May 73).

therefore proposed new guidelines allowing a wider scope (e.g., an upper limit of 5 ships and/or 12 aircraft in one exercise) for bilateral exercises that could be coordinated directly between COMMIDEASTFOR and the Iranian Navy. The Department of State and the Assistant Secretary of Defense (ISA) agreed, provided that one week's advance notice was given.[27]

(S) In October 1973, during the Arab-Israeli War, the Shah's actions were unmistakeably pro-Western. He secretly supplied Israel with ammunition, rejected Soviet requests to overfly Iranian territory, and refused to join the Arab oil embargo. Early in November, as an American carrier task group temporarily took up station in the Arabian Sea, the US Government sought the Shah's permission to use Bandar Abbas airfield, by the Strait of Hormuz, for anti-submarine patrols and logistic support flights. The Shah approved P-3 ASW and C-130/C-141 transport operations, under cover of a story that the planes had come (1) to familiarize Iranians with the aircraft and (2) to participate in joint naval exercises. Flights occurred at a rate of 3 to 4 per week. In August 1974, when the Assistant Secretary of Defense (ISA) asked whether the P-3 operations should continue, the Joint Chiefs of Staff replied that they were of "high military value" in collecting acoustic and oceanographic data, and in developing accurate shipping and environmental forecasts.[28]

27. NY Times, 26 Jul 73, 13. (S) JCSM-376-73 to SecDef, 23 Aug 73, Encl to JCS 1714/203-1, 13 Aug 73; (S) Memo, ASD(ISA) to DJS, 4 Oct 73, Att to JCS 1714/203-2, 9 Oct 73; JMF 887/385 (29 May 73).

28. (S) Memo, Dir CIA to SecDef, "Special Relationship Between Iran and Israel," 5 Mar 74; (S) Msg, CINCPACFLT to CINCPAC, 032114Z Nov 73, JCS IN 92445; (S) Msg, Tehran 7860 to SecState, 8 Nov 73, JCS IN 10666; CJCS File 091 Iran. (S) JCSM-363-74 to SecDef, 29 Aug 74 (derived from JCS 2294/87-1), JMF 982/332 (8 Jul 74).

(U) But the Shah also was instrumental in bringing about a sharp rise in oil prices. Late in December 1973, ministers from the six Persian Gulf states, including Iran, that supplied almost half of the non-communist world's oil, decided to double their prices.[29]

(~~C~~) As the Shah's coffers swelled, so did his ambition. In January 1974, for example, Iran contracted for 30 F-14s; in June, the number rose to 80. Early in August, Assistant Secretary of Defense (ISA) Robert Ellsworth asked for military advice on how, organizationally, Iran might best meet its naval air needs. The Chief, ARMISH/MAAG advised that, although a naval air arm could be created by careful deliberate steps, the Iranian Navy's manpower and infrastructure already were overtaxed. He added, too, that the Shah would not be dissuaded from moving forward rapidly. General Andrew Goodpaster, USCINCEUR,[30] gave his opinion that the Iranian Air Force should continue to exercise operational control over all fixed-wing aircraft. The Joint Chiefs of Staff, finally, presented Secretary of Defense James Schlesinger with four organizational options: continuing the Iranian Air Force's control of fixed-wing aircraft; placing all rotary-wing aircraft under the Navy; expanding naval air organization to include direction of naval air operations, command and control, aircraft inventory, and planned procurements; and assigning all naval air matters to the Air Force. The Joint Chiefs of Staff did not try to evaluate these options,

29. NY Times, 24 Dec 73, 1.

30. On 1 January 1972, the Joint Chiefs of Staff reassigned command responsibility for the Middle East, including Iran, from CINCSTRIKE/USCINCMEAFSA to USCINCEUR. At that time, CINCSTRIKE became Commander in Chief, US Readiness Command (USCINCRED) and the titles CINCSTRIKE/USCINCMEAFSA lapsed. See (~~C~~) JCS Hist Div, History of the Unified Command Plan, 1977, pp. 29-30.

because they did not know enough about the Shah's long-range plans. They did, however, agree with USCINCEUR that no organizational changes should be made at this time, and with ARMISH/MAAG that a deliberate approach to the problem appeared best. They proposed forwarding their four alternatives to the Iranian Government, together with the caution that any changes should be made in a prudent, "phased" manner.[31]

(S) The Shah's interest in acquiring sophisticated weaponry did not slacken. In July 1974, Iran contracted for six SPRUANCE-class destroyers. In October, the Iranian Government wanted to purchase 36 more F-4Es; in December, it proposed to pay for reopening Lockheed's C-5A production line and to buy ten cargo planes. The utility of these advanced weapons systems depended upon computers and rapid communication. That, in turn, raised the problems of interoperability among Iranian units and between US and Iranian forces. The Assistant Secretary of Defense (ISA) requested JCS advice in formulating an appropriate policy. In reply, the Joint Chiefs of Staff characterized US-Iranian compatibility and interoperability as "fundamental" to enhancing the security of both countries against communist or communist-inspired aggression. Consequently, whatever equipment was sold to Iran "should be inherently compatible and interoperable." [The Secretary of Defense concurred, but added that attainment of this objective should be limited to "the extent reasonable," and did not justify broadening the current exchanges of intelligence.[32]]

31. NY Times, 11 Jan 74, 1, 6. ~~(C)~~ Memo, ASD(ISA) to DJS, 9 Aug 74, Att to JCS 1714/208, 14 Aug 74; (C) JCS 1714/208-2, 7 Oct 74; ~~(C)~~ JCSM-410-74 to SecDef, 11 Oct 74, Encl to JCS 1714/208-2, 7 Oct 74; JMF 887/495 (9 Aug 74).

32. NY Times, 3 Oct 74, 68; 2 Dec 74, 1. ~~(S)~~ Memo, Actg DASD(ISA) to DJS, 1 May 74, Att to

(S) In June 1974, the Chairman of the Joint Chiefs of Staff, Admiral Moorer, suggested and the Secretary of Defense agreed that the Shah and senior Iranian officials should be briefed on intelligence derived from satellite photography. The Chairman believed that this would create closer US-Iranian military ties, expand military intelligence exchange agreements, and help develop a common base of knowledge about the threats to Iran. Additionally, periodic updates might dampen the Shah's enthusiasm for obtaining SR-71 reconnaissance aircraft, which Admiral Moorer thought were "too rich for his blood."[33]

(S) Iran, by virtue of its location, played a critical part in US intelligence and communications activities. There were two electronic intelligence sites near the Soviet border, an Atomic Energy Detection System station near Tehran, and a special communications site within the US Embassy compound.[34] In 1974, US Ambassador Richard Helms--who significantly, had been CIA Director from 1967 until 1973--expressed concern about the increasing US presence, and sought some measure of consolidation. Consequently, the Joint Chiefs of Staff were asked by the Office of the Secretary of Defense on 3 May 1974 to prepare a plan outlining the requirements for communications facilities. The Joint Chiefs of Staff labeled Tehran "the most economically and politically desirable

JCS 1714/204, 6 May 74; (S) JCSM-278-74 to SecDef, 5 Jul 74, Encl A to JCS 1714/204-1, 1 Jul 74; (S) Memo, SecDef to CJCS, 18 Jan 75, Att to JCS 1714/204-2, 21 Jan 75; JMF 887/499 (1 May 74).

33. (S) Msg, CJCS to AMB Helms, 2414102 Jun 74, CJCS File 091 Iran. The Director, CIA, noted that the Shah alone already had received some briefings of this sort. (S) Memo, Dir CIA to Dir DIA, 12 Jun 74, same file.

34. (S) Memo, ASD(PA&E) to SecDef, "The Growing US Involvement in Iran," 23 Jan 75, CJCS File 820 Iran, 1 Jul 74-31 Jul 76.

location which at the same time provides technically acceptable radio coverage for the entire area." This, then, should be the site for a communications-electronics complex serving the Middle East, East Africa, and South Asia. They worried that repercussions from the Arab-Israeli war, the Greek-Turkish conflict over Cyprus, and Haile Selassie's ouster in Ethiopia would immobilize or seriously degrade US telecommunications south of the Alps and east of Italy. Consequently, the Joint Chiefs of Staff recommended rapid approval of their plan and an early approach to the Iranian Government. But, in April 1975, the Secretary of Defense decided to defer action until the latest Middle East policy review had been completed. The Joint Chiefs of Staff had also urged adoption of a more forthcoming policy for providing Iran with electronic warfare (EW) capability. But Assistant Secretary Ellsworth ruled against the drafting of a separate policy for Iran alone, saying that Iranian requests must continue to be considered on a case-by-case basis. Neither did he believe that the Department of Defense was obligated to develop a comprehensive EW assistance program; technology, he asserted, should not dictate policy decisions in such a sensitive area.[35]

~~(S)~~ The Shah wanted to build as well as buy advance weapons. During 1973-1974, he pressed for permission to assemble or co-produce utility and attack helicopters, air-to-ground rockets and missiles, anti-tank

35. ~~(S)~~ Memo, Dir, Tele Com Systems, OSD to DJS et al., 3 May 74, Att to JCS 1714/205, 7 May 74; ~~(S)~~ JCSM-459-74 to SecDef, 3 Dec 74, Encl A to JCS 1714/205-1, 20 Nov 74; ~~(S)~~ Memo, DepDir, Tele Com Systems OSD to DJS, 15 Apr 75, Att to JCS 1714/205-2, 17 Apr 75; JMF 887/630 (3 May 74). ~~(S)~~ JCSM-67-75 to SecDef, 20 Feb 75, Encl A to JCS 2010/496-1, 6 Feb 75; ~~(S)~~ Memo, ASD(ISA) to DJS, 7 Nov 75, Att to JCS 2010/496-2, 12 Nov 75; JMF 806/652 (19 Nov 74). In May 1975, the Iranian Government contracted with Rockwell International to build and man an intelligence communications facility. NY Times, 1 Jun 75, 1.

missile systems, and a lightweight fighter. On 8 October 1974, Dr. Kissinger ordered the NSC Under Secretaries Committee to study the long-range implications of large-scale co-production. The Committee reported, in November 1974, that co-production could bolster US "pre-eminence" in Iranian security affairs and "give us increased influence--and potentially longer-term leverage--should the Shah or his successors embark on policies contrary to U.S. interests." A "forthcoming" policy on limited co-production would be "politically advantageous in the near term," although technical and managerial problems on the Iranian side would have to be resolved. Beyond that time, issues seemed more complex and benefits less clear. The Committee proposed (1) approving a limited number of projects for the next 1-3 years and (2) considering requests that would stretch over the next 4-10 years on a case-by-case basis.[36]

(S) The new Chairman of the Joint Chiefs of Staff, General George S. Brown, and the Secretary of Defense endorsed the recommendations of the Under Secretaries Committee. Dr. Kissinger, however, directed that the study be revised (1) to show the relationship of co-production to overall US-Iranian dealings, (2) to estimate the potential growth of co-production projects, and (3) to devise guidelines for assessing co-production proposals. The Committee did draft more detailed guidelines, and recommended that written US approval be required for Iranian sales of co-produced items to third countries. But it decided not to address (1) whether the United States should use arms supply as

36. (S) Memo, Asst to Pres for NSA to Chm, NSC USecys Cmte, 8 Oct 74, Att to JCS 1714/210, 10 Oct 74; (S) Memo, Staff Dir, USecys Cmte to CJCS et al., 7 Nov 74, Att to JCS 1714/210-3, 8 Nov 74; (S) Memo, SecDef to Chm, USecys Cmte, 3 Dec 74, Att to JCS 1714/210-4, 6 Dec 74; (S) Memo, Staff Dir, USecys Cmte to CJCS et al., 3 Jan 75, Att to JCS 1714/210-5, 10 Jan 75; JMF 887/415 (10 Oct 74) sec 1.

a lever to change Iran's oil pricing policy and (2) whether creation of an arms industry would foster Iranian adventurism. General Brown and Secretary Schlesinger accepted these slightly revised conclusions and recommendations; President Gerald Ford approved them in May 1975.[37]

(S) In April 1974, meanwhile, the US Government proposed to "broaden and deepen" relations with Iran. The Shah reacted favorably. Secretary Kissinger thereupon told Ambassador Helms to set the stage for discussions that would be "very much an equal partnership exchange." On political and security matters, he stated, "we are prepared to continue and expand the consultations and close ties which already mark our relations and which we value greatly. . . . We contemplate remaining in the closest touch," the Secretary continued, "on the Shah's concerns regarding Iran's security and on how we can continue to cooperate through our sales and training programs in helping to build up Iran's defensive capability." In the economic field, the Secretary suggested establishment of a joint cabinet level commission, in which the first working group might deal with ways of developing energy production. The Atomic Energy Commission wanted to negotiate an agreement, similar to those concluded with Egypt and Israel, for supplying Iran with enriched uranium and nuclear reactors. The Joint Chiefs of Staff agreed on 29 June 1974 to a negotiating effort, but

37. (S) Memo, Asst to Pres for NSA to Chm, USecys Cmte, 8 Feb 75, Att to JCS 1714/210-6, 13 Feb 75; (S) Memo, Staff Dir, USecys Cmte to CJCS et al., 6 Mar 75, Att to JCS 1714/210-7, 7 Mar 75; (S) Memo, ASD(ISA) to SecDef, 13 Mar 75, Att to JCS 1714/210-8, 20 Mar 75; (S) Memo, Chm, USecys Cmte to Pres, 22 Mar 75, Att to JCS 1714/210-9, 26 Mar 75; JMF 887/415 (10 Oct 74) sec 2. (S) Memo, Asst to Pres for NSA to Chm, USecys Cmte, 2 May 75, Att to JCS 1714/210-10, 8 May 75; same file, sec 1.

asked for an opportunity to review the resulting safeguard provisions. The Chief of Naval Operations, Admiral Elmo Zumwalt, after initial opposition because of the risk he saw in the introduction of nuclear reactors and fuels into the Middle East, acquiesced solely because of the Egypt-Israel precedent.[38]

(S) In March 1975, President Ford requested a review of the issues involved in reaching a US-Iranian nuclear sales agreement. By this time, negotiations revolved around the issue of reprocessing weapons-grade plutonium. The United States sought to retain a right to determine where plutonium could be reprocessed, fabricated, and stored. This was stricter than past agreements, in which reprocessing had been subject only to a US determination that the facility was adequately safeguarded, but more liberal than the recent Israeli-Egyptian formulation. General Brown and Secretary Schlesinger wanted to delay reprocessing as long as possible and, in particular, to avoid any stockpiling of plutonium in such sensitive regions as the Middle East until adequate bilateral or international control measures existed. They urged that US negotiators (1) insist upon multinational participation in any Iranian reprocessing facility but (2) allow that reprocessing probably would be approved when needed in the mid-1980s. In April, President Ford selected a negotiating stance that would either require American approval for

38. (S) Msg, SecState 48689 to Tehran, 11 Apr 74, JCS IN 50659; (C) DASD(ISA) to CJCS et al., 21 Jun 74, Att to JCS 1714/207, 24 Jun 74; (S) JCSM-270-74 to SecDef, 29 Jun 74, Encl to JCS 1714/207-1, 29 Jun 74; JMF 887/704 (21 Jun 74). (S) J5M-375-75 to CJCS, 10 Mar 75, CJCS File 820 Iran, 1 Jul 74-31 Jul 76. In June 1974 France agreed to sell Iran five 1,000-megawatt reactors. NY Times, 28 Jun 74, 1.

reprocessing US-supplied fuel or, as a fallback position, accept reprocessing in a multinational plant.[39]

(S) Iranians strongly criticized the US desire to retain a veto over reprocessing. When new negotiating options came under consideration, the Chairman of the Joint Chiefs of Staff and the new Secretary of Defense, Donald Rumsfeld, opposed making any concessions at this point about US control over reprocessing. Early in 1976, President Ford sent Energy Research and Development Administration (ERDA) Administrator Robert Seamans and Under Secretary of State Carlyle Maw to Tehran for the purpose of clarifying Iran's position. They reported that the Shah would never accept a US veto, and suggested that US negotiators might (if strenuous efforts to create a bi- or multinational facility failed) allow reprocessing in an Iranian facility under International Atomic Energy Agency standards. The Chairman and the Secretary disagreed, insisting that the reprocessing center must be multinational.[40] Here the negotiations stuck. When President Ford left office, no agreement had been achieved.

39. (S) NSSM 219, 14 Mar 75, Att to JCS 1714/213, 17 Mar 75; (S) Memo, Staff Secy, NSC to SecDef et al., 15 Apr 75, Att to JCS 1714/213-3, 16 Apr 75; (S) Memo, SecDef to Asst to Pres for NSA, 25 Apr 75, Att to JCS 1714/213-4, 30 Apr 75; JMF 887/704 (14 Mar 75). (S) NSDM 292, 22 Apr 75, JMF 001 NSDMs (CY 1975).

40. (S) Memo, Staff Secy, NSC to SecDef et al., 20 Nov 75, Att to JCS 1714/216, 21 Nov 75; (S) Memo, SecDef to Asst to Pres for NSA, 4 Dec 75, Att to JCS 1714/216-1, 10 Dec 75; (S) Memo, Asst to Pres for NSA to SecDef et al., 4 Feb 76, Att to JCS 1714/216-2, 24 Mar 76; (S) Memo, Admin, ERDA to Pres, 15 Mar 76, Att to JCS 1714/216-2, 24 Mar 76; (S) Memo, SecDef to Asst to Pres for NSA, 7 Apr 76, Att to JCS 1714/216-3, 8 Apr 76; JMF 887/704 (20 Nov 75).

5

THE END OF AN EMPIRE

1975-1979

Doubts Begin to Arise

~~(S)~~ By early 1975, the spreading US involvement with Iran was beginning to cause some apprehension among US policymakers. Military sales agreements, for example, had snowballed from $458 million in FY 1972 to $2.158 billion in FY 1973 and to $3.966 billion during FY 1974.[1] The American community in Iran numbered about 17,000 of whom 11,400 worked in defense-related jobs. In January 1975, Assistant Secretary of Defense (PA&E) saw fit to warn the Secretary of Defense of the risks thus raised: that the United States might become enmeshed in "Iranian military adventures"; that the US influx would create serious social, legal, and political problems, making Americans the target for expressions of xenophobic feeling or political dissent; and that Iran's failure to meet its modernization goals would lead to a mutual loss of confidence that could seriously undermine US influence.[2]

~~(S)~~ Concurrently, the Joint Staff prepared a briefing paper for the Chairman that noted how the Shah, who hoped to make Iran a great economic power, had become "extremely protective" about the Strait of Hormuz, "a highly vulnerable choke point" and one through which Iran's oil exports must pass. For this reason, and in view of the British withdrawal from the Persian Gulf,

1. (U) DSAA, "DSAA Fiscal Year Series: Iran." Delivery schedules for major items ran as follow: 491 helicopters during 1974-1977; 169 F-5s and 176 F-4s over 1973-1977; 80 F-14s in 1976-1978; and 32 HAWK batteries during 1974-1978.

2. ~~(S)~~ Memo, ASD(PA&E) to SecDef, "The Growing US Involvement in Iran," 23 Jan 75, CJCS File 820 Iran, 1 Jul 74-31 Jul 76.

the Shah had reoriented his forces away from the Soviet border and toward the Gulf and was intent upon creating "an overwhelming Iranian military superiority" there. "On balance," the paper stated, "Iranian actions over the near term should contribute to regional stability"; its support of conservative regimes and isolation of radical ones was "compatible with US interests." But the long-range implications of Iranian ambitions were harder to fathom; the Shah would not hesitate to oppose US efforts when he deemed it necessary.[3]

(U) General Brown apparently saw the Shah in a similar light. During a 1976 interview with a free-lance reporter, the Chairman raised

> the puzzling question of why [Iran] is building such a tremendous military force.[4] She couldn't with her population do anything that would provide protection from the Soviet Union. . . . She's got adequate power now to handle Afghanistan and Pakistan. . . . She's a little better than a match for Iraq now.

3. (S) J-5 BP 8-75, 22 Jan 75, CJCS File 820 Iran, 1 Jul 74-31 Jul 76.

4. (U) Iran's armed forces in 1976 totaled approximately 300,000 personnel consisting of: an Army of 200,000, including 3 armored divisions, 4 infantry divisions, 4 brigades (2 infantry, 1 airborne, and 1 special forces), and 1 HAWK battalion; a Navy of 18,500, comprising 3 destroyers, 4 frigates, 4 corvettes, 25 patrol boats, 5 minesweepers, 2 landing ships, 2 landing craft, 2 logistic support ships, 1 maritime reconnaissance squadron with 6 P-3F aircraft, 1 antisubmarine warfare helicopter squadron with 6 helicopters, 1 transport battalion with 35 helicopters, and 3 Marine battalions; and an Air Force of 81,500 men and 317 combat aircraft, including 10 fighter-bomber squadrons, 11 fighter squadrons, 1 reconnaissance squadron, 1 tanker squadron, 4 medical transport squadrons, and 4 light transport squadrons. Int'l Institute of Strategic Studies, The Military Balance, 1976-1977 (1976), pp. 33-34.

> And, my gosh, the programs the Shah has coming up. It makes you wonder whether he doesn't some day have visions of the Persian Empire. They don't call that the Persian Gulf for nothing.[5]

(S) Despite the reservations of both the Assistant Secretary of Defense and the Chairman of the Joint Chiefs of Staff, the buildup of Iranian forces continued. The Shah visited the United States again in May 1975 and showed particular interest in Boeing 707s equipped with airborne warning and control systems (AWACS). In June, Iran arranged to buy three diesel-powered submarines--further evidence that the Shah's interest extended into the Indian Ocean. By September 1975, the problems of contracting and co-production had grown as great and gone so far beyond the MAAG's scope that the Secretary of Defense appointed a special US Defense Representative, Iran. Mr. Eric von Marbod received a one-year appointment as the new representative and would work in Tehran under the US Ambassador to: supervise and coordinate defense activities (excluding the Defense Attache Office), implement and coordinate DOD positions in Iran within "the framework of overall US Government policy, and monitor arms sales and related activities.[6]

5. US News and World Report, 1 Nov 76, p. 63. After these remarks became public, GEN Brown issued a clarifying statement: "I have no reason to believe that [Shah] has any aspirations beyond continuing to ably lead his nation and contribute to stability in that part of the world."

6. NY Times, 17 May 75, 2; 10 Jun 75, 1. (S) Msg, JCS 9747 to USCINCEUR, 051926Z Sep 75; (S) Msg, JCS 10347 to Dep USCINCEUR, 221637Z Sep 75. In JCS 9747, GEN Brown told USCINCEUR that he had "talked with von Marbod at length and his view of his role and responsibilities I found completely acceptable."

(S) In November 1975, the Assistant Secretary of Defense (ISA) circulated a study suggesting that the Administration carefully review its "virtually open-ended commitment" to Iran's military build-up. He listed a number of potentially serious problems: lack of trained (or even trainable) Iranian manpower; the growing number of DOD and civilian contractor personnel in Iran on defense-related projects; delays in the construction of supporting facilities; suspicions among Iran's neighbors about the Shah's intentions; Iran's inclination to transfer its older arms to third countries; Congressional criticism that the United States was fueling a destabilizing arms race; and a prospect of differing perceptions between Washington and Tehran in the years ahead. Just such a problem arose in January 1976 when the Iranian Vice Minister of War warned the Secretary of Defense that reduced oil revenues combined with "the unreasonable increase in US military equipment prices" and the flourishing "profiteering and agent fees" allowed under the DOD Foreign Military Sales program might compel Iran to reconsider certain programs. Specifically, he mentioned cancellation of plans to purchase 6 AWACS aircraft, 300 F-16 aircraft, and 6 SPRUANCE-class destroyers as well as reduction of the HAWK program and restriction of construction at Chah Bahar. Iran might, he said, "shrink toward the defense of only our geographical boundaries."[7]

(S) Soon afterward, on 24 February 1976, the Deputy Secretary of Defense issued new guidance concerning DOD activities and interests in Iran. After outlining the problem, he wrote:

7. (S) Memo, ASD(ISA) to CJCS et al., 7 Nov 75, Att to JCS 1714/215, 12 Nov 75, JMF 887/534 (7 Nov 75). (S) Memo, Dir, DSAA to SecDef, "General Toufanian's Comments," 20 Jan 76, CJCS File 820 Iran, 1 Jul 74-31 Jul 76.

> Under these circumstances, it is absolutely essential that Iranian requests, and the scope and character of our own potential involvement, be rigorously examined to make sure that we and the Iranians both understand the ramifications of any given case or project. . . . In particular, while the potential sale by some other country is sometimes argued as a relevant factor in considering an Iranian request, it should not be permitted to short-circuit or skew a complete deliberation of the merits of any case by the Washington bureaucracy and the Country Team.

Nothing in this new guidance was intended to suggest a shift in the basic US or DOD policy toward Iran, the Deputy Secretary said, and "Iran continues to be viewed as a valued friend with whom the U.S. shares many common interests and with whom we wish to maintain relations and strong ties."[8]

(S) Late in 1975, Secretary of Defense Rumsfeld recommended a review of US-Iranian defense relations. President Ford, however, deferred initiation of this effort until February 1976, after American-Israeli ties had been reassessed, and broadened its scope to embrace US goals and alternatives toward the Persian Gulf area over the near and medium term. An Interdepartmental Political-Military Group undertook this task, completing a draft response in May, but no further action was taken at that time.[9]

8. (S) Memo, DepSecDef to CJCS et al., 24 Feb 76, Att to JCS 1714/215-1, 2 Mar 76, JMF 887/534 (7 Nov 75).

9. (S) Memo, Asst to Pres for NSA to SecDef, 10 Oct 75, Att to JCS 1714/214, 14 Oct 74, JMF 887/532 (10 Oct 75). (S) NSSM 238, 13 Feb 76, Att to JCS 1887/828, 17 Feb 76; (S) "Response to NSSM 238: US Policy Toward the Persian Gulf," May 76, Att to Memo, Chm, InterDept Pol-Mil Group to Asst to Pres for NSA, 21 May 76; JMF 898/532 (13 Feb 76) sec 1.

(U) Subsequently, early in August 1976, Secretary of State Kissinger visited Tehran. During the visit, the United States and Iran concluded a wide-ranging series of agreements, one of which projected $10-15 billion worth of Iranian military purchases during the next five years. The United States agreed to sell 160 F-16 lightweight fighters, deliveries of which would occur over 1979-1983.[10]

(S) In November 1976, the Interdepartmental Group's paper on the Persian Gulf was circulated to the Senior Review Group. An "Executive Summary" noted that, since the end of 1973, the Persian Gulf's importance had been "greatly increased" by the Free World's growing need for its oil (10 percent of US, 61 percent of Western European, and 75 percent of Japanese consumption) and the economic impact of quadrupled oil prices. The Administration's objectives, evolved over the last two years included:

(a) maintaining access to adequate oil supplies at reasonable prices;

(b) sustaining a "vigorous" level of exports to and imports from the Gulf states;

(c) satisfying requirements for military communications and intelligence facilities, landing and overflight rights, port facilities, and unobstructed sea lanes;

(d) denying the USSR a predominant regional role;

(e) obtaining Iranian and Saudi support on such key political issues as Arab-Israeli negotiations. These policies, said the Summary, had proved "quite successful." Nevertheless, the accelerating pace of change compelled a "fresh look." In the area of security assistance, for instance, it was becoming

10. Dept of State Bulletin, 6 Sep 76, pp. 503-510. NY Times, 28 Aug 76, 1.

clear that programs which overtaxed the capacities of recipients would weaken their relations with the United States and "eventually" could undermine their internal stability. These problems were "real," but not so great as to require a "fundamental shift" in US policy. Still, systematic guidelines were needed to insure that forthcoming arms decisions reflected recent lessons, and that programs were managed so as to hold to a minimum the difficulties inherent in any extensive and complex relationship. The Summary also observed that a policy decision about the US military presence in the Gulf area soon would be necessary. Basically, there seemed to be two options:

(1) Maintain a modest presence (which meant, primarily, periodic naval and air deployments).

(2) Put greater emphasis on preparations for contingency support and seek Iranian approval for all proposed projects, recognizing that a substantial quid pro quo might be requested. If Iran refused US requests, consider placing some or all of these facilities on Masirah Island, Oman.

The Joint Staff pronounced this Summary acceptable, subject to minor revisions.[11]

(S) Ultimately, on 17 January 1977, General Scowcroft approved a Summary of the Persian Gulf Study. The section treating access to Iranian facilities had been somewhat sharpened, so that it read as follows:

Option I: Attempt to maintain existing facilities.

Option II: Concomitant with a reduction in regional arms sales, retain access to intelligence facilities, recognizing that arms sales restrictions may affect Iran's continued willingness to host them.

11. (S) Memo, Staff Secy, NSC to CJCS et al., 19 Nov 76, Att to JCS 1887/828-1, 22 Nov 76; (S) DJSM-2098-76 to ASD(ISA), 14 Dec 76; JMF 889/532 (13 Feb 76) sec 1.

Option III: Augment communications and intelligence capabilities, "recognizing that these requests would render restrictions on arms sales to Iran exceedingly difficult if not impossible to apply . . . ."[12] The Joint Staff again endorsed the Summary, but suggested that it be retitled and passed to the Carter Administration as a "synoposis" of current policy and a "vehicle" for identifying broad postures and immediate issues.[13]

(S) In the years 1973 through 1976, the Joint Chiefs of Staff continued to emphasize the strategic importance of Iran, and the statements of this importance in the Joint Strategic Objectives Plans (JSOPs) remained virtually unchanged from earlier years.[14] The JSOPs involved gave Iran a "General Strategic Priority" rating of "2," except for JSOP FY 1977-1984, published in December 1974, where Iran received a rating of "1," like Western Europe and Japan. Moreover, the JSOPs in this period now cited Iran's arms purchases from the United States as a reason for its strategic importance, and comparison of pertinent portions of the JSOPs in 1973 and 1976 shows how Iranian force goals grew along with the Shah's oil revenues. JSOP FY 1976-1983, appearing in December 1973, recommended the following major mid-range objectives: 2 infantry and 4 armored divisions, 3 destroyers, and 21 tactical fighter squadrons (8 F-5, 10 F-4, and 3 F-14/F-15). Three years later, in December 1976, JSOP FY 1979-1986 described objectives of 4 armored and 4 infantry divisions, 7 destroyers (4 of them SPRUANCE-class), 3 submarines, and 37 tactical fighter squadrons (8 F-14, 16 F-16, and 13 F-18L).[15]

12. Pending or anticipated requests included 7 AWACS, 140 F-16, and 250 F-18 aircraft.

13. (S) "Executive Summary, NSSM 238: US Policy Toward the Persian Gulf," pp. 38-39, 17 Jan 77, Att to JCS 1887/828-3, 10 Feb 77; (S) DJSM-101-77 to ASD(ISA), 17 Jan 77; same file, sec 2.

14. See above, pp. 97-99.

15. (S) JSOP FY 1976-1983, Vol II, Bk VII, pt II, sec 2, JMF 511 (11 Dec 73) sec 1C. (S) JSOP FY 1977-

The Carter Administration and a New Approach to Arms Sales

~~(S)~~ In the period FY 1973 through FY 1977, the United States agreed to sell Iran $12.263 billion in weapons and actually delivered equipment in the amount of $6.250 billion.[16] President Jimmy Carter, however, had a vastly different view of arms sales from that of his two predecessors. On 13 May 1977, the new President declared that arms transfers were "an exceptional policy instrument, to be used only in instances where it can be clearly demonstrated that the transfers contribute to our national interests." So, save in extraordinary circumstances and in instances where friendly countries needed advanced weapons in order to maintain a regional balance,

(a) the dollar volume of new commitments in FY 1978 would be reduced from that of FY 1977, and cut again if possible in each succeeding year;

(b) commitments to sell or co-produce new advanced weapons systems would be prohibited until these were operationally deployed with US forces. Additionally, Secretary of State Cyrus Vance would develop more extensive guidelines by which to assess requests for advanced weapons, including requirements (1) that they must uniquely strengthen recipients' ability to perform the desired functions, (2) that less advanced alternatives were not available, and (3) that providing advanced weapons would not generate requirements for a prolonged US presence in recipient countries.[17]

1984, Vol II, Bk VII, pt II, sec 2, JMF 511 (5 Dec 74) sec 2A. (S) JSOP FY 1978-1985, Vol II, Bk III, Pt II, sec 2, JMF 511 (4 Dec 75) sec 1A. ~~(S)~~ JSOP FY 1979-1986, Vol II, Bk III, sec 3, JMF 511 (3 Dec 76).

16. DSAA, "DSAA Fiscal Year Series: Iran."

17. ~~(S)~~ PD/NSC-13, 13 May 77, JMF 001 (CY 1977).

(U) Thereafter, US sales agreements with Iran dropped accordingly. They fell from $3.236 billion in FY 1977 to $764 million in FY 1978, the first full year of the Carter Administration; the following year, FY 1979, they amounted to only $42 million.[18]

(S) In actual practice, as will appear, this new policy proved less restrictive than the above figures would suggest. The President had already made his first Iranian decisions in March 1977, approving the annual Air Force supply agreement as well as personnel support for F-14s but "holding" decisions about selling 5 RF-4Es and 7 E-3 AWACS aricraft.[19] Iran would be receiving 160 F-16 fighters during 1980-1983; the Shah wanted as replacements for his F-4s, another 140 F-16s and 250 F-18s during 1982-1986. In November 1976, the Assistant Secretary of Defense (ISA) had asked the Joint Chiefs of Staff to assess the Iranian fighter force's capability over the next fifteen years. Their reply, sent to Secretary of Defense Harold Brown in May 1977 in JCSM-218-77, predicted that the Imperial Iranian Air Force (IIAF) could not absorb so many F-16s and F-18s without implementing planned personnel, training, logistic, and facility-building programs. These, in turn, would require "substantial" contractor and "some" increased technical military assistance. Although the IIAF would be only "marginally prepared" for sustained combat during the next five years, its capability should increase "substantially" during the following ten. The Joint Chiefs' projection of the IIAF inventory read as follows:

18. DSAA, "DSAA Fiscal Year Series: Iran."
19. (S) Memo, Asst to Pres for NSA to SecDef, 29 Mar 77, Att to JCS 2315/626, 8 Apr 77, JMF 499 (29 Mar 77)

	1977	1982	1992
F-4	195	175	-
F-5	163	148	119
F-14	56	71	61
F-16	-	113	246
F-18	-	-	215
Total	414	507	641[20]

In summary, they urged that the United States "continue to support modernization of the IIAF fighter force through the provision of advanced fighter aircraft."[21]

(S) The Administration ordered an Ad Hoc Group (of which the Director, J-5 was a member) to study the Shah's request for 250 F-18L light-weight fighters.[22] The Group saw several options: provide F-18Ls, beginning in 1982 and 1983; offer F-18As instead of F-18Ls; make available F-16s rather than F-18s; disapprove an F-18L sale and offer no substitutes. Assistant Secretary of Defense (ISA) David McGiffert argued that, since replacements for Iranian F-4s would not be needed until the mid-1980s, a decision could be postponed until 1979-1980. The Joint Chiefs of Staff urged an earlier, favorable response; the Navy, in particular, believed that delay would preclude the attainment of objectives set forth in JSOP FY 1979-1986 and JCSM-218-77. But President Carter decided not to

20. As for potential adversaries, Iraq at this point possessed 405 combat planes while the USSR deployed 1,076 aircraft near Iran.

21. (S) Memo, ASD(ISA) to CJCS, 5 Nov 76, Att to JCS 1714/221, 8 Nov 76; (S) JCSM-218-77 to SecDef, 16 May 77, Encl to JCS 1714/221-1, 14 Dec 76; JMF 887/534 (5 Nov 76) sec 1. J-5's draft specifically recommended "provision of the F-16 and F-18L fighter aircraft." (S) JCS 1714/221-1, 14 Dec 76, same file. The Deputy USCINCEUR (General Robert Huyser, USAF) visited Iran in July and reported that the IIAF "has made some very real progress, particularly in tactical air operations." (S) Rpt, Dep USCINCEUR to CJCS, "Report on 5-19 July 1977 Trip to Iran," 2 Aug 77; CJCS File 820 Iran.

22. The F-18L would be a land-based version of the Navy's F-18A.

approve the sale, because policy now required that advanced weapons systems be operationally deployed with US forces prior to any sales commitment.[23]

(S) The Shah in 1974, had approved an ambitious program, SEEK SENTRY, for placing several dozen radars on mountain-top locations. Later, with US encouragement, Iranian military men began looking to AWACS aircraft as substitutes. On 22 April 1977, President Carter approved the sale of 5 E-3s. Here he was making an exception to his arms tansfer policy, since AWACS aircraft (like the F-18) still had not entered into service with US forces. On 24 April, the Shah cancelled SEEK SENTRY, thereby reducing his ground radar requirements from 44 to 20. Three days later, he asked the President for four more AWACS aircraft. General Brown and Secretary Brown supported a sale of nine E-3s, noting in justification that the planes and their support would cost only one-fifth as much as the ground radars ($2.6 versus $10-15 billion) and require 2,500 rather than 62,500 personnel. On 26 May, President Carter agreed to sell a total of seven E-3s. One month later, the Joint Chiefs of Staff endorsed a nine-plane sale, but advised Secretary Brown that questions concerning the releasability of cryptographic devices first required resolution. Crytographic capability, they said, would be needed to protect data transmitted between E-3s and other ships and aircraft.[24]

23. (S) DASD(ISA) to F-18L Ad Hoc Group, 3 May 77, Att to JCS 1714/224, 10 May 77; (S) Memo, ASD(ISA) to Actg Dir, J-5, 7 Jun 77, Att to JCS 1714/224-1, same date; (S) MJCS-172-77 to ASD(ISA), 9 Jun 77, Att to N/H of JCS 1714/224, 16 Jun 77; Memo, Asst to Pres for NSA to SecDef, 20 Jun 77, Att to JCS 1714/224-2, 22 Jun 77; JMF 887/460 (3 May 77).

24. (S) Memo, SecDef to Asst to Pres for NSA, 3 May 77, Att to JCS 1714/225, 19 May 77; (S) JCSM-275-77 to SecDef, 27 Jun 77, Encl A to JCS 1714/225-1, 27 May 77; JMF 887/653 (3 May 77).

On 7 July, President Carter notified Congress of the $1.2 billion, seven-plane sale. Congressional opposition against selling Iran such sophisticated, sensitive equipment forced the President to delay his offer until September. But, finally, in early October, the arrangement cleared Congress.[25]

(TS) In mid-October 1977 President Carter reiterated his determination to reduce world-wide arms sales. If Secretary Vance did not "hold down" such recommendations, he promised to do so himself. But the Shah's hopes remained high. When the Chief of Naval Operations, Admiral James Holloway, visited him in October, the Shah asked about the possibility of acquiring six PERRY-class frigates and said that, because the F-14 had proved so successful, he was interested in buying the Navy F-18A. In mid-November, the Shah came to the White House. President Carter related how he had to "go to the mat" with the Congress to get the AWACS sale approved, and predicted that the problem would become easier if Iranian requests were moderate and more predictable. What, he asked, would be Iran's needs over the next 5-6 years? The Shah cited air defense as his primary concern. He wanted a total of 150 F-14s and 300 F-16s, which would mean additional purchases of 70 F-14s and 140 F-16s.[26]

(S) Early in December 1977, the Iranian Government formally requested: 11 RF-4Es, 31 F-4Gs with WILD WEASEL SAM radiation suppression equipment; 70 F-14s, 140 F-16s, 648 howitzers, and six minesweepers. The Joint Chiefs of Staff concurred "in principle," but added that availability and releasability "must be

25. NY Times, 29 Jul 77, 1; 8 Oct 77, 6.

26. (S) Memo, Asst to Pres for NSA to SecDef, 20 Oct 77, Att to JCS 2315/644, 26 Oct 77, JMF 499 (29 Mar 77). (S) "CNO Audience with the Shah of Iran, 1 Oct 77," 12 Oct 77; (TS) MemoCon , "President's Meeting with the Shah of Iran, Nov 16, 1977"; CJCS File 820 Iran.

addressed on an item-by-item basis at the actual time of request." When the Department of State sought a more detailed justification of the howitzer request, they characterized it as "militarily reasonable and justified," and stated that Iran could absorb the artillery over a period of "about 10 years"--and even less time, if the personnel situation improved.[27]

(S) Iran also intended to buy twelve Dutch and West German frigates, but wanted to arm them with US weapons systems so as to allow interoperability with American ships. Assistant Secretary McGiffert asked for JCS views. Answering on 10 July 1978, they described the Imperial Iranian Navy's mission as being development of a force that could defend the sea lanes to the Persian Gulf, assist in assuring the oil flow, and (in cooperation with air and ground forces) counter invasion attempts by any potential adversary. Such a force, containing four guided-missile cruisers, nine diesel submarines, and twelve frigates, would serve US strategic interests. The Joint Chiefs of Staff considered compatibility and interoperability among Iranian ships and with the US Navy, to be "fundamental." Sales of US weapons and electronics would bestow "significant" advantages upon the Iranian Navy by permitting interchangeability of personnel among American, Dutch, and West German warships. Conversely,

27. (C) Ltr, Vice Min of War to AMB Sullivan, 7 Dec 77, Att to JCS 1714/231, 12 Jan 78; Memo, Dir, DSAA to CJCS, 3 Jan 78, Att to JCS 1714/231, 12 Jan 78; (S) JCSM-39-78 to SecDef, 3 Feb 78, Encl to JCS 1714/231-1, 30 Jan 78; (S) Memo, Actg Dir, DSAA to CJCS, 20 Apr 78, Att to JCS 1714/231-2, 24 Apr 78; (S) JCSM-193-78 to SecDef, 30 May 78, Encl to JCS 1714/231-3, 23 May 78; JMF 887/499 (7 Dec 77). In mid-1978, the Iranians reduced their howitzer request to 298. (S) Memo, Staff Secy, NSC to CJCS et al., 27 Jun 78, Att to JCS 1714/233, 18 Jun 78, JMF 887/499 (27 Jun 78).

if the Iranians had to buy European systems, men and resources must be diverted to training, supply, and maintenance, thereby lowering operational effectiveness.[28]

(S) At mid-year, the NSC Policy Review Committee decided to discuss which Iranian requests should be submitted for Congressional approval during the 1978 session. A talking paper approved by the Director, Joint Staff asserted that, save for "certain exceptions having to do with releasability policy," Iranian requests were "in consonance with the US military objectives for Iran." A greater capability for force projection seemed worthy of support. In justification, the paper noted: that Iran faced several threats from different directions; that there was "a broad mutuality of interests" between Washington and Tehran; that Iranian ability to use US equipment was "improving markedly"; and that prospects for Iranian military adventurism or expansionism were "not high" (because, among other reasons, her logistical dependency upon the United States could be cast aside "for more than a week or two at most"). Furthermore, the paper argued in favor of the United States remaining Iran's "primary source" of military equipment in order to: maintain political leverage; promote standarization of equipment; and benefit the US economy. Specifically, therefore, sales of 31 F-4Es (in lieu of F-4Gs), 70 F-14s, 298 howitzers, and combat systems for European-built frigates should be approved.[29]

28. (S) Memo, ASD(ISA) to CJCS, 29 Jun 78, Att to JCS 1714/234, same date; (S) MJCS-198-78 to ASD(ISA), 10 Jul 78, Att to N/H of JCS 1714/234, 11 Jul 78; JMF 887/475 (29 Jun 78).

29. (S) Memo, Staff Secy, NSC to CJCS et al., 27 Jun 78; (S) Memo, Leslie Gelb to Dir, J-5 et al., 29 Jun 78, Att to JCS 1714/233-1, 3 Jul 78; (S) TP for CJCS and SecDef at PRC Mtg, 5 Jul 78, Att to JCS 1714/233-2, 11 Jul 78; JMF 887/499 (27 Jun 78). Principals used this TP at the PRC meeting, according to (S) Memo, COL Raines to Action Man. Div., "PRC Meeting, 5 July 1978," 6 Jul 78, same file.

(S) Soon afterward, the Assistant Secretary of Defense (ISA) asked the Joint Chiefs of Staff to appraise Iranian military forces and capabilities, the threats they faced, and the force structure appropriate from the mid-1980s through the early 1990s. On 5 September 1978, the Joint Chiefs of Staff advised that the forces projected for 1980-1985 would be adequate for every situation except a Soviet attack. Road and railway systems were inadequate, however, and airlift capacities could rapidly become overtaxed. Thus Iranian efforts to build repair and maintenance facilities and to establish an effective logistics system appeared "paramount" in creating a sound military force. Moreover, Iran would continue to need US technical and training assistance for anything other than a "short, low-intensity operation." Consequently, US aid beyond 1980 should "continue to concentrate on the clear deficiencies in command and control of Iranian forces, air defense, anti-submarine warfare, and SAM suppression capability."[30]

(S) In August 1978, President Carter had disapproved the sale of 31 F-4Gs as recommended earlier by the Joint Staff. In mid-September, the Department of State requested Defense views on whether to sell the 70 additional F-14s sought by the Shah. The Joint Chiefs of Staff characterized such a sale as being "prudent and in the best interest of the United States." Their calculation of Iran's requirements took account of forces needed to maintain air superiority over Iraq. Since her oil fields and facilities lay so near to

30. (S) Memo, Actg ASD(ISA) to DJS, 24 Jul 78, Att to JCS 1714/236, 26 Jul 78; (S) MJCS 243-78 to ASD(ISA), 5 Sep 78, Att to N/H of JCS 1714/236, 8 Sep 78; JMF 887/292 (24 Jul 78). The Joint Staff and the Services, in consultation with USCINCEUR and the Chief, ARMISH/MAAG, prepared a lengthy analysis from which the Joint Chiefs' conclusions were drawn.

the Iraqi border, Iran probably could not build a defensive force large enough to prevent those facilities from suffering extensive damage. For that reason, Iran needed a formidable offensive force that would strengthen its deterrent. In the judgment of the Joint Chiefs of Staff, a "reasonable" force level for 1981-1988 would include 174 F-4s, 148 F-14s, and 275 F-16s.[31]

The Unraveling

(U) At this point, a flood of internal unrest began to overwhelm the Shah. Conservative clergy always had opposed his westernizing reforms; liberals disliked his authoritarianism; businessmen resented the corruption that centered around the Pahlevi family; and Iranians of all persuasions feared and detested his secret police, or SAVAK. During 1978, these factions coalesced to create a nationwide revolt. On 8 September, in the face of growing disorders, the Shah imposed martial law upon major cities; next day, bloody riots convulsed Tehran.[32]

(S) In October, amid spreading strikes and economic dislocations, the Shah cancelled requests for 70 F-14s and 140 F-16s. At this point, the Defense Intelligence Agency (DIA) did not deem the Shah's predicament hopeless. Late in October, DIA forecast that the Iranian military "almost certainly" would remain loyal if the Shah exerted strong leadership. So, if he made proper gestures toward Islamic conservatives and began to share power, "the Shah should survive the political ferment." On 31 October, J-5 drafted a Chairman's Memorandum recommending that the Administration express its support for the Shah through (1) a personal letter from the President and (2) public statements by

31. NY Times, 18 Aug 78, 48. (S) Memo, Dir DSAA to DJS, 15 Sep 78, Att to JCS 1714/238, same date; (S) MJCS 266-78 to Dir, DSAA, 26 Sep 78, Att to N/H of JCS 1714/238, 4 Oct 78; JMF 887/460 (15 Sep 78).
32. Washington Post, 9 Sep 78, 1.

either the Chief Executive or high officials. General Jones never signed this draft because, on 1 November, President Carter publicly did defend the Shah.[33]

(S) On 6 November, with US backing, the Shah put Iran under military rule, but disorders grew even greater. Early in December, the US Ambassador forwarded a request for assistance in moving five water-cannon trucks from Europe to Tehran; Secretary Brown approved using US military aircraft for this purpose. On 7 December, the Administration authorized evacuation of DOD dependents. Four days later, several million anti-Shah demonstrators marched through major cities and towns.[34]

(S) A denouement began on 27 December, "a day of wild lawlessness and shooting in the capital and a strike that effectively shut down the oil industry."[35] On that same day, Admiral Holloway informed the Joint Chiefs of Staff that the Soviets' Indian Ocean task group was about to be relieved by a slightly larger force that included a KRESTA-class guided missile cruiser. "More than ever," he told his JCS colleagues,

> It is crucial that any government of Iran continue its security co-operation with the U.S. The U.S. therefore needs to provide clear signals that it appreciates the new situation in Iran, retains a firm interest in the region, and intends to support its friends.

33. (S) Memo, Dir, DIA to CJCS, "Appraisal on the Current Situation in Iran," n.d. [received by JCS on 25 Oct 78]; (S) J5M-1718-78 thru DJS to CJCS, "Support for the Shah of Iran," 31 Oct 78; Memo, DJS to CJCS, 1 Nov 78; CJCS File 820 Iran. Washington Post, 1 Nov 78, 1.

34. (S) Msg, JCS 3096 to USCINCEUR, 5 Dec 78; (S) Memo, SecState to SecDef, 7 Dec 78; CJCS File 820 Iran. NY Times, 7 Nov 78, 1; 12 Dec 78, 1.

35. NY Times, 28 Dec 78, 1.

Accordingly, he recommended sending a Carrier Battle Group to the Indian Ocean "in the immediate future," so that it could reach the Arabian Sea sometime after mid-January. On 28 December, with Secretary Brown's approval, the Joint Chiefs of Staff ordered CINC~~LANT~~PAC to position a carrier force near Singapore, and to prepare for a possible mission in the Arabian Sea.[36]

(U) By this time, the Shah's nerve had cracked. Some of his generals, apparently, planned to seize power and resort to harsh repression. On 2-3 January 1979, Deputy USCINCEUR, General Robert Huyser, USAF, arrived in Tehran. His mission, reportedly, was two-fold: to make the Shah depart Iran immediately, and to forestall any pro-Shah generals' coup by threatening a complete cut-off of US aid. The generals were tamed and the Shah was persuaded. On 16 January, the Shah put himself in the pilot's seat of his Boeing 707 and flew into exile.[37]

(U) The departure of the Shah marked the complete failure of US policy toward Iran. The United States had backed the Iranian ruler for 33 years in hopes of creating a stabilizing influence in the Middle East and a bulwark against Soviet expansion there. Tremendous amounts of military assistance had been both given and sold to him to that end. Now he was gone, leaving behind near chaos and great popular resentment of and hatred for the United States.

36. (S) CNOM 166-78 to JCS, 27 Dec 78, Att to JCS 1714/240, same date; (S) Msg, JCS 768 to CINCPAC, 28 Dec 78; JMF 898/378 (19 Dec 78). This movement was made public on 29 December. NY Times, 30 Dec 78, 1.

37. Washington Post, 13 Jan 80, B1. NY Times, 17 Jan 79, 1.

APPENDIX 1

US MILITARY ASSISTANCE TO IRAN

(Dollars in Thousands)

YEAR	FMS AGREEMENTS	FMS DELIVERIES	FMS FINANCING WAIVED	FMS FINANCING DIRECT	FMS FINANCING GUARANTY	COMMERCIAL EXPORTS DELIVERIES	MAP PROGRAM	MAP DELIVERIES	MASF PROGRAM	MASF DELIVERIES
50	-	-	-	-	-	-	11,690	-	-	-
51	-	-	-	-	-	-	25,482	10,654	-	-
52	-	-	-	-	-	-	28,843	5,367	-	-
53	-	-	-	-	-	-	19,135	26,417	-	-
54	-	-	-	-	-	-	13,685	25,434	-	-
55	-	-	-	-	-	-	10,821	16,974	-	-
56	-	-	-	-	-	-	21,189	22,401	-	-
57	-	-	-	-	-	-	75,622	36,843	-	-
58	-	-	-	-	-	-	95,210	69,276	-	-
59	94	6	-	-	-	-	72,281	89,772	-	-
60	779	82	-	-	-	-	76,052	83,658	-	-
61	116	187	-	-	-	-	46,829	41,469	-	-
62	122	680	-	-	-	-	33,634	27,011	-	-
63	150	65	-	-	-	-	50,059	63,958	-	-
64	24	191	-	-	-	-	30,326	22,931	-	-
65	68,858	12,896	-	-	48,774	-	28,638	45,608	-	-
66	137,949	33,185	-	23,167	66,825	-	57,439	36,353	-	-
67	145,933	38,866	-	36,084	124,475	-	31,621	37,124	-	-
68	66,984	56,717	-	41,454	58,127	-	18,990	33,968	-	-
69	235,813	94,881	-	75,000	22,500	-	18,847	45,343	-	-
70	133,703	127,717	-	-	-	-	-	12,791	-	-
71	355,174	78,566	-	-	-	28,304	-	4,290	-	-
72	457,888	214,807	-	-	-	42,415	-	6,277	-	-
73	2,158,402	245,293	-	-	-	19,466	339	2,621	-	-
74	3,966,322	648,641	-	-	-	35,322	2	191	-	-
75	1,313,812	1,006,131	-	-	-	49,410	-	2	-	-
76	1,588,970	1,924,884	-	-	-	107,943	-	-	-	-
77	3,236,145	2,424,669	-	-	-	138,432	-	-	-	-
78	763,590	1,907,362	-	-	-	132,651	-	-	-	-
79	41,520	924,511	-	-	-	82,248	-	-	-	-
TOTAL	14,672,347	9,740,337	-	175,705	320,701	636,192	766,733	766,733	-	-

APPENDIX 2
STRENGTH OF THE IRANIAN ARMED FORCES, 1961-1978

1961

Army	196,000
12 divisions	
6 independent (indep) brigades (bdes)	
Navy	6,000
2 corvettes	
3 minesweepers	
5 small ships	
Air Force	8,000
fighters (F-84, F-86)	
transports (C-47)	
TOTAL ARMED FORCES	210,000

1965

Army	164,000
7 inf divisions (12,00 men each)	
1 armored division	
1 indep armored bde	
Navy	6,000
4 escort vessels	
6 minesweepers	
24 small patrol craft	
2 landing craft	
5 other ships	
Air Force (130 acft)	10,000
4 fighter sqns (F-86F Sabres)	
1 fighter sqn (F-5)	
1 tactical recce sqn (RT-33)	
2 transport sqns (C-130B)	
TOTAL ARMED FORCES	180,000

STRENGTH OF THE IRANIAN ARMED FORCES, 1961-1978 (CONTINUED)

1970

Army	135,000
2 armored divisions	
1 indep armored bde	
5 inf divisions	
1 indep inf bde	
1 SAM bn (HAWK)	
Navy	9,000
1 destroyer	
5 frigates (4 with SAMs)	
5 corvettes	
4 patrol boats	
6 minesweepers	
8 SRN-6 hovercraft	
4 landing craft	
12 patrol vessels	
Air Force (175 combat aircraft)	17,000
2 sqns (32 acft) all-weather fighter-bomber (F-4D)	
5 sqns tactical fighter-bomber (F-5)	
20 F-86 all-weather interceptors	
16 RT-33 tactical recce acft	
33 transport acft	
helicopters	
TOTAL ARMED FORCES	161,000

STRENGTH OF THE IRANIAN ARMED FORCES, 1961-1978 (CONTINUED)

1975

Army	175,000
3 armored divisions	
4 inf divisions	
2 indep bdes (1 airborne, 1 special forces)	
1 SAM bn (HAWK)	
Navy	15,000
3 destroyers	
4 frigates	
4 corvettes	
25 patrol boats	
6 minesweepers	
2 landing craft	
10 hovercraft	
3 Marine bns	
Air Force (238 combat acft)	60,000
6 fighter-bomber sqns (32 F-4D, 64 F-4E)	
10 fighter-bomber sqns (80 F-5A, 45 F-5E)	
1 recce sqn	
4 medium transport sqns	
2 light transport sqns	
1 tanker sqn	
helicopters	
TOTAL ARMED FORCES	250,000

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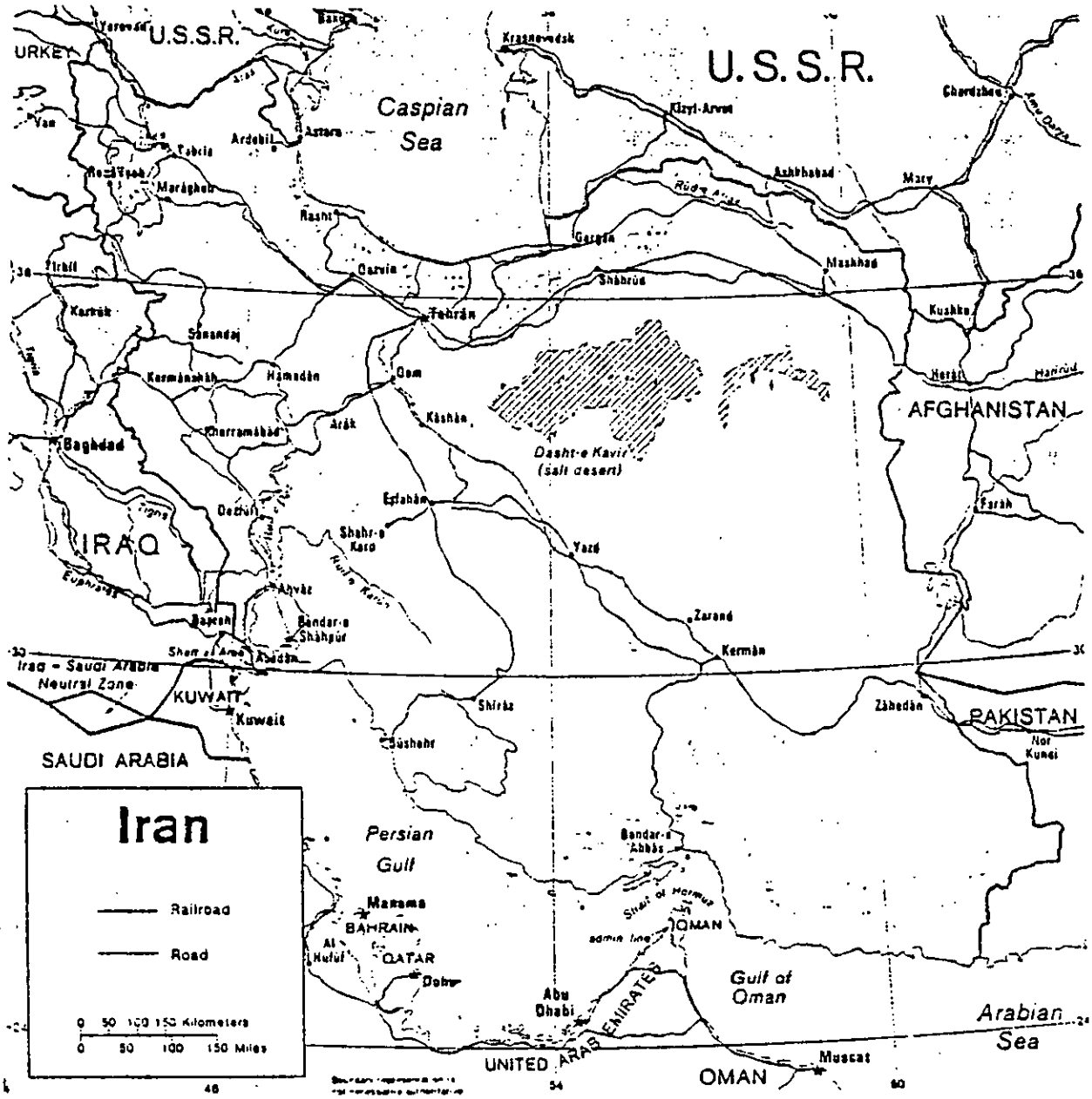
STRENGTH OF THE IRANIAN ARMED FORCES, 1961-1978 (CONTINUED)

1978

Army	285,000
3 armored divisions	
3 inf divisions	
4 indep bdes (1 airborne, 1 inf, 1 airborne,1 special forces)	
4 SAM bn (HAWK)	
Navy	28,000
3 destroyers	
4 frigates	
4 corvettes	
7 large patrol craft	
5 fast patrol craft, guided missile	
2 landing ships logistic	
2 landing craft utility	
2 logistic support ships	
14 hovercraft	
Naval Air	
1 maritime recce sqn (6 P-3F Orion)	
1 ASW sqn (12 SH-3D)	
1 transport sqn	
helicopters	
3 Marine bns	
Air Force (459 combat acft)	100,000
10 fighter-bomber sqns (32 F-4D, 177 F-4E)	
10 fighter, ground attack sqns, 12 F-5A, 140 F-5E)	
3 fighter sqns (56 F-14A tomcat)	
1 recce sqn (16 RF-4E)	
1 tanker sqn (13 Boeing 707-320L)	
4 medium transport sqns	
4 light transport sqns	
helicopters	
5 SAM sqns	
TOTAL ARMED FORCES	413,000

All information in this Appendix is from the London Institute for Strategic Studies, Military Balance, 1961-962, 1965-1966, 1970-1971, 1976-1977, and 1978-1979.


Iran
Railroad
Road
0 50 100 150 Kilometers
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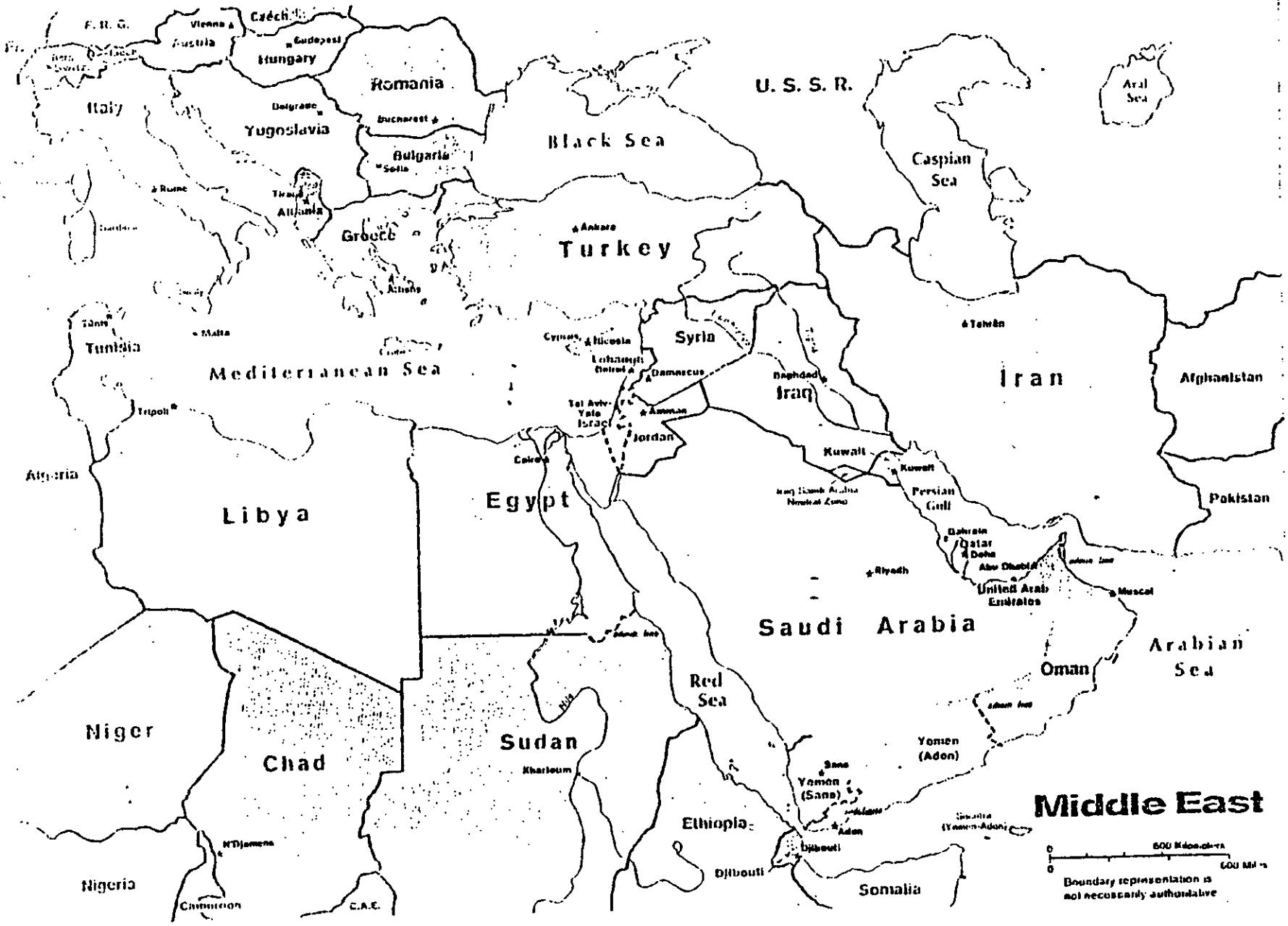
U.S.S.R.
U.S.S.R.
Caspian Sea
Persian Gulf
Gulf of Oman
Arabian Sea
IRAQ
AFGHANISTAN
PAKISTAN
KUWAIT
SAUDI ARABIA
BAHRAIN
QATAR
UNITED ARAB EMIRATES
OMAN
Iraq - Saudi Arabia Neutral Zone
Dasht-e Kavir (salt desert)
Tehrān
Mashhad
Esfahān
Shīrāz
Kermān
Yazd
Zāhedān
Bandar-e Abbās
Tabrīz
Ardabīl
Rasht
Qazvīn
Qom
Kāshān
Arāk
Hamadān
Kermānshāh
Khorramābād
Sanandaj
Baghdad
Basrah
Ahvāz
Bandar-e Shāpūr
Shahr-e Kord
Dezfūl
Kuwait
Manama
Doha
Abu Dhabi
Muscat
Shatt al Arab
Strait of Hormuz
Erevan
Van
Kirkūk
Erbil
Mashhad
Herāt
Farāh
Kushka
Mary
Ashkhabad
Krasnovodsk
Kizyl-Arvat
Chardzhou
Gorgan
Shāhrūd
Sūshahr
Bandar-e Abbās
Nok Kundi



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THE JOINT CHIEFS OF STAFF AND THE DEVELOPMENT OF US POLICY TOWARD IRAN 1946 - 1978

HISTORICAL DIVISION
JOINT SECRETARIAT
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THE JOINT CHIEFS OF STAFF AND THE DEVELOPMENT OF US POLICY TOWARD IRAN 1946-1978

HISTORICAL DIVISION
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JOINT CHIEFS OF STAFF
31 MARCH 1980

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THE JOINT CHIEFS OF STAFF AND THE DEVELOPMENT OF US POLICY TOWARD IRAN

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OVERVIEW

(U) Located at the crossroads between East and West, Iran has always occupied a strategic position in the world. Situated on the border of the Soviet Union and including vast quantities of oil, Iran's geographical location became even more important in the post-World War II era.

(U) The United States first became involved in Iran during World War II when it stationed troops there to assist in moving military equipment and materiel to the Soviet Union. Immediately following the war, Iran was caught up in one of the first Cold War confrontations between the United States and the Soviet Union. At that time, Soviet troops refused to evacuate the northernmost Iranian province of Azerbaijan as previously agreed and the United States pressured the Soviet Union to remove its forces. The US efforts succeeded and the Soviets did withdraw. This experience, however, demonstrated to the United States the importance of Iran and the need for a stable, friendly regime there. To that end, the United States began to provide the Shah and his government military aid. Limited at first to the sale of military equipment, a formal program of grant assistance was initiated in 1949.

(U) Rising nationalism in Iran and growing resentment of the British oil concession brought Dr. Mohammed Mossadegh, a rabid patriot, to the forefront of Iranian politics in 1950. He became prime minister in 1951 and proceeded to nationalize the Anglo-Iranian Oil Company. The accompanying public fervor and the ensuing economic chaos threatened Iran, for a time, with anarchy and the possibility of an internal communist takeover. Once again, the United States saw the need for a strong and stable Iran.

(U) Following the overthrow of Dr. Mossadegh and the return of the Shah to full power, the United States stepped up its military assistance to Iran. This aid was designed to build a modern armed force capable of maintaining internal security and providing some defense against external aggression. Simultaneously, the United States sought to create a collective defense arrangement in the Middle East, including Iran, to block Soviet expansion into the area. The US efforts culminated with the establishment of the Baghdad Pact, which subsequently evolved into CENTO, in 1955 with Iran as a member. Although the United States did not join this new organization, it did participate in the Pact's military planning. Throughout the remainder of the 1950s, the United States supplied military aid to the Shah to enable Iran to contribute to the Pact's defense efforts.

(U) By the early 1960s, the Iranian armed forces seemed launched on the way to becoming a modern fighting force. Moreover, during this period, the Shah finally began to address the nagging internal problems that had long plagued his country. He instituted a wide ranging program of reform, known as the "White Revolution," including land reform and distribution, economic modernization, and political enfranchisement. Therefore Presidents Kennedy and Johnson gave the Shah their full backing. They continued and expanded military assistance in a further effort to strengthen the Iranian forces. It was in this period that the US military assistance program was converted from one of grant aid to credit sales. Simultaneously, with its increasing strength, Iran had become more independent, pursuing its own ambitions.

(U) After assuming the Presidency in 1969, Richard Nixon fitted Iran into his new "Nixon Doctrine"--a

policy whereby the United States, while continuing economic and military assistance, would look to friends and allies to handle their own internal security and military defense. In the case of Iran, the United States turned to a willing Shah and his armed forces to assume the defense of the Persian Gulf area in place of the departing British presence. The vastly expanding Iranian revenues resulting from spiralling increases in the price of oil would allow Iran to build the military establishment necessary for this task. Accordingly, the United States began to sell Iran large quantities of its newest and most sophisticated weapons, and US arms sales to Iran rose from $458 million in FY 1972 to approximately $4 billion by FY 1974.

(~~S~~) President Carter, while convinced of the importance of Iran to the Western powers, did not believe such massive arms sales to the Shah were necessary. Therefore he reduced the volume of new commitments and prohibited the sale of new weapons until they were operationally deployed with US forces. As a result, US arms sales to Iran fell from $3.2 billion in FY 1977 to $763 million in FY 1978.

(U) Meanwhile, opposition to the Shah in Iran, which had gradually developed over the years but remained relatively quiescent and divided, now coalesced. Opposing the Shah were all elements of the political spectrum in Iran. Conservatives, both clergy and lay, feared the loss of privileged positions in the Shah's modernization programs while the liberals, the expanding middle class, and the working people disliked the Shah's authoritarian methods and the corruption surrounding his regime. The result was growing revolution and spreading anarchy during the latter part of 1978. After several months of indecision, the Shah abdicated

on 16 January 1979 and left the country. The US policy, now over 30 years old, of support for the Shah had failed and Iran teetered on the brink of chaos.

(U) Throughout the United States involvement in Iran, the Joint Chiefs of Staff have participated in the development of the national policy toward that country. Their role, however, had been largely one of supporting the government-wide consensus rather than launching new intitiatives. In October 1946, during the Azerbaijan crisis, the Joint Chiefs of Staff provided the Department of State their first appraisal of Iran. Both oil resources and a strategic location, affording a base for both defensive and counteroffensive operations against the Soviet Union, gave Iran a major strategic importance. The Joint Chiefs of Staff have consistently and repeatedly maintained this position since that time.

(U) From 1946 through 1978, the Joint Chiefs of Staff urged and supported military assistance for the Shah and his forces in order to insure a stable, Western-oriented Iran. In the 1950s, JCS recommendations for increased support for the Iranian forces to enable them to contribute to Middle East defense and JCS support for a Middle East collective defense arrangement, which included Iran, became US policy. During the 1960s, the Joint Chiefs of Staff continued to advocate military support of Iran. They sent several special missions there to survey the requirements. They carefully reviewed the resulting findings and submitted detailed recommendations to the Secretary of Defense. These JCS recommendations formed the basis for expanded US programs for Iran. Presidents Nixon and Ford did not rely on the Joint Chiefs of Staff as closely as their predecessors for advice on Iran.

Decisions were made to sell vast amounts of new and sophisticated military equipment to Iran without any formal review by the Joint Chiefs of Staff. Still, the Joint Chiefs of Staff did supply recommendations on Iran and its armed forces in the annual Joint Strategic Objectives Plan (JSOP) submissions, but these recommendations usually merely reflected Presidential decisions. President Carter cut back military sales to Iran and once again turned to the Joint Chiefs of Staff for advice on provision of new weapons systems to the Shah. Yet neither the Joint Chiefs of Staff nor most of the President's civilian advisers foresaw the deteriorating internal situation in Iran that culminated in the fall of the Shah.

1
WHICH WAY IRAN?
1946-1953

Historical Background

(U) Iran is one of the oldest countries in the world today. Its national history dates back 2,500 years to the consolidated empire of the Medes and Persians, which at its height encompassed all the territories between what is today India and the Mediterranean Sea. The Persian Empire was the greatest power the world had known to that time.

(U) Succeeding centuries witnessed alternating periods of foreign conquest and native rule. Then, in the period A.D. 637-650, Arab Moslems from the Arabian Peninsula subdued all the territory that is modern Iran. Gradually the conquered inhabitants were converted to Islam, embracing the Shiite branch while the majority of the Moslem world adhered to the Sunni branch. Other conquerors followed the Arabs--the Seljuk Turks, the Mongols, and Tammerlane. The arise of the Safavid dynasty in 1502 returned native rulers for the first time in 600 years.

(U) In 1795, a Qajar prince subdued all rivals and established a dynasty that ruled Iran, or Persia as it was then known, until 1925. Throughout the 19th Century, Iran was subjected to increasing pressures by the European powers, especially Russia and Britain, for economic and territorial concessions. Over the same period, growing nationalist sentiment led to a strengthening and modernization of Iranian institutions, culminating in a series of reforms in the years 1906-1908, including adoption of a constitution and establishment of a parliament, the Majlis. These events,

coupled with the discovery of oil in large amounts in 1908, brought Iran into the modern age. By Western standards, however, Iran remained an extremely backward country.

(U) Even though Iran declared its neutrality in World War I, both Russia and Britain placed troops there. Following the eruption of the revolution at home in 1917, the Russians withdrew, and Britain became the dominant foreign power in Iran. Thereupon, the British attempted to force a treaty upon Iran officially recognizing this influence, but the Majlis refused to accept the treaty. Subsequently, Iran became a member of the League of Nations in 1920 and Britain began withdrawal of its troops in 1921. That same year, Iran and the Soviet Union signed a treaty of friendship. Among other provisions, Iran agreed not to permit its territory to be used by anti-Soviet groups.

(U) That same year a little known Iranian officer, Brigadier General Reza Khan, Commander of the Persian Cossack Brigade, staged a coup and took control of Tehran. He forced the Shah to appoint him both commander in chief of the armed forces and war minister. From these positions, he consolidated and expanded his power. In 1923 he became Premier and, in 1925, the Majlis ended the Qajar rule, proclaiming Reza Khan the new ruler as Reza Shah Pahlevi.

(U) Reza Shah, who ruled Iran as a military dictator, was determined to rid Iran of foreign influence and centralize the government. He launched a vigorous program of modernization, instituting a universal conscription law, organizing a standing army drawn from the peasantry, and establishing his authority throughout the country. He encouraged industrialization and renegotiated the Anglo-Iranian oil concession agreement of 1919 to obtain more favorable terms for Iran. He

outlawed the veil, introduced civil marriage and divorce, expropriated the property of the Islamic clergy, and organized secular schools. In 1935, the name of the country was changed from Persia to Iran.

(U) When World War II broke out, Iran again tried to remain neutral. Reza Shah, however, held some pro-German views and, in June 1941, refused a joint British-Soviet request to permit transit of war supplies across Iran. Consequently, both Britain and the Soviet Union moved troops into Iran. The Soviets occupied five northern provinces, including Gilan, Mazandaran, and traditionally dissident Azerbaijan, while the British took over the southwestern part of the country and the Persian Gulf in order to protect Allied oil supplies. This occupation was regularized by the Tripartite Treaty of Alliance signed by Britain, the Soviet Union, and Iran in January 1942. The treaty not only gave formal sanction to the occupying forces, but also guaranteed their respect for the territorial integrity, sovereignty, and political independence of Iran and provided for withdrawal of the occupying troops within six months of the end of hostilities. Later in 1942, US forces entered Iran to assist in the movement of materiel and supplies to the Soviet Union, but their presence was never recognized by a treaty.

(U) With the entry of the British and Soviet troops, Reza Shah had abdicated in favor of his 22-year old son, Mohammed Reza Pahlevi and, subsequently, on 1 September 1943, Iran declared war on Germany. During the course of a conference of the Allied leaders in Tehran in late November and early December 1943, Franklin Roosevelt, Winston Churchill, and Joseph Stalin issued the "Declaration on Iran," in which they

acknowledged Iran's assistance in the war, reaffirmed the commitment to Iran's independence, and pledged economic assistance at the close of the hostilities.[1]

The Azerbaijan Crisis

(U) In the years following World War II, Iran was confronted with two major crises that threatened its existence as an independent, Western-oriented nation. In the first, the Azerbaijan crisis, the Soviet Union not only refused to evacuate the Province, as provided in the terms of the Tripartite Treaty, but also pressured Iran for oil rights. The United States opposed these moves and the resulting dispute vitiated much of the good-will remaining among the wartime allies.

(U) Even during World War II, the Soviet Union had closed its zone of occupation to all foreign travelers, thereby preventing allied diplomats and newsmen from reporting on conditions in northern Iran. A ban was imposed on the export of staple foodstuffs from the Soviet zone, one of the major food producing areas of Iran. As a result, famine occurred in other parts of the country, including Tehran. As one authority has noted, "The Iron Curtain was thus hung in Iran long before the English speaking democracies learned of its existence."[2]

(U) The Soviet Union had also demanded that Iran grant it oil concessions that would cover the five provinces bordering on Russia. Iran, however, flatly

1. For the historical background on Iran prior to 1946, see Harvey H. Smith et al., Area Handbook for Iran (1971), pp. 39-64.

2. George Lenczowski, Russia and the West in Iran, 1918-1948 (1949), pp. 193-215.

rejected all oil concessions, not only to the Soviet Union but to the United Kingdom and the United States. On 19 May 1945, following Germany's surrender, Iran demanded that both of the occupying nations withdraw their forces. In reply both the United Kingdom and the USSR made it clear that they would not withdraw before the agreed deadline of six months after the end of hostilities. In August 1945, both nations removed their uniformed forces, mainly service troops, from the area of Tehran, but the Soviet Union left thousands of men in plain clothes in the area. These included members of the Soviet secret police, the NKVD.[3]

(U) Perhaps the most serious of the transgressions during Soviet occupation occurred in late 1945. Against the will of the Iranian Government, the Soviet Union aided and abetted a change in the form of government in Azerbaijan Province. Soviet forces supported a seizure of government power in Azerbaijan by the communist "Tudeh" party. When the Iranian Government attempted to send military forces to reinforce their garrison in Azerbaijan, Soviet military authorities prevented Iranian troops from entering the province. The Iranian Government was effectively prevented by the Soviet Union from applying Iranian laws in the area. As a result of an uprising of Kurdish tribesmen in the northern area, an uprising openly encouraged by the Soviet Union in December 1945, the entire province of Azerbaijan was separated from the control of the Iranian Government.[4]

(U) With the support of the United States, Iran appealed to the newly established United Nations

3. Lenczowski, Russian and the West in Iran, 1918-1948, pp. 216-220.
4. Ibid., pp. 284-289.

Security Council on 19 January 1946, asking that it investigate the situation and recommend appropriate action. The Soviet Union denounced Iran's action and denied all its allegations. The Security Council, in its first real test, was unable to act, since the Soviet Union took the position that the Council was not competent to handle the dispute. The Security Council then agreed to let the two countries try to settle their differences by direct negotiations.[5]

(U) Meanwhile the situation in Iran had grown more tense. Soviet activities there "threatened the peace of the world" as President Truman described the crisis. In a speech obviously intended as a warning to the Soviet Union over Iran, Secretary of State James F. Byrnes in late February pointed out that the United States had "approved many adjustments" and "resolved many disputes" in favor of the Soviet Union. He said the United States welcomed the Soviet Union as a member of the United Nations. He pointed out that great powers as well as small ones had "agreed under the United Nations Charter not to use force or the threat of force except in defense of law and in the purposes of the Charter." He emphasized that the United States "will not and cannot stand aloof if force is used contrary to the purposes and principles of the Charter."[6]

(U) Admiral Willian D. Leahy, USN, the Chief of Staff to the Commander in Chief and the presiding member of the Joint Chiefs of Staff, found Secretary Byrnes' speech "of superlative value." He only regretted that it had not been delivered earlier.[7]

5. Harry S. Truman, Years of Trial and Hope (1956), p. 94.

6. State Dept Bulletin, 10 Mar 46, p. 358.

7. ADM William D. Leahy, Diary, 3 Mar 46, copy in National Archives.

(U) British forces withdrew from Iran on 2 March 1946, six months after the Japanese surrender as agreed in the Anglo-Iranian-Soviet treaty. US forces had already been evacuated by the end of 1945. The Soviet Union, however, gave no sign of keeping its pledge of withdrawal. Three days after the deadline date, Secretary of State Byrnes addressed a note to Soviet Foreign Minister Molotov asking that Soviet forces be withdrawn as agreed and warning that the United States could not remain "indifferent" to the situation. Intelligence indicated that Soviet tanks were moving into Iran, deploying toward the Turkish border and the Iraqi frontier and the US Air Attache personnally observed Soviet tanks only 25 miles from Tehran. Secretary Byrnes' reaction upon learning of this was to observe that the Soviet forces were adding military invasion to political subversion. Reportedly he reacted with some heat and stated "Now we'll give it to them with both barrels."[8]

(U) "Both barrels" took the form of a second note to Foreign Minister Molotov on 8 March saying that it appeared Soviet forces in Iran were being reinforced and asking for an explanation if that were the case. No official Soviet reply was received to either of Mr. Brynes' notes, but on 15 March the Soviet news agency, Tass, denied that any reinforcement or redeployment was taking place in Iran.[9]

8. Msgs, State 385 to Moscow, 5 Mar 46, Moscow 682 to State, 6 Mar 46, Foreign Relations of the United States, 1946, vol. VII (1969), pp. 340-342, 348. Herbert Feis, From Trust to Terror (1970), p. 81-87. Truman, Years of Trial and Hope, pp. 94-96. Lenczowski, Russia and the West in Iran, pp. 296-302. Smith et al., Area Handbook, Iran, p. 65.

9. Msg, State 425 to Moscow, 8 Mar 46, Foreign Relatins of the United States, 1946, vol. VII, p. 348.

(U) When Iran again went to the Security Council, accusing the Soviet Union of failure to withdraw from its territory, Soviet diplomats protested sharply. At one point during a Security Council meeting on the subject, Soviet Ambassador Andrei Gromyko stalked out of the meeting. On the other hand, the United States supported Iran more strongly than on the first occasion, with Secretary of State Byrnes personally appearing before the Council. It was apparent that the Soviet Union was bothered by the unfavorable publicity emanating from these meetings, and on 26 March the Soviet representative announced suddenly that the Soviet forces would be removed from Iran within six weeks after March 24, 1946 "if no unforeseen circumstances occur." On 4 April Iran announced that an agreement had been reached with the Soviet Union confirming the Soviet withdrawal and establishing an Iranian-Soviet oil company, to be ratified by the Iranian Parliament (Majlis) within seven months of that date. The Soviet Government would hold 51 percent of the stock and the Iranian Government the remaining 49 percent. The Soviet Union subsequently evacuated its forces on schedule, leaving behind a strong communist revolutionary regime in Azerbaijan.[10]

(U) To this point in the crisis, the Joint Chiefs of Staff had not been asked to provide opinions on military options with respect to the situation in Iran or to prepare any plans for military actions. Rather US actions remained within the diplomatic realm. The US strategy appeared to be to leave the matter within the purview of the UN Security Council as long as it was safe to do so.

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10. Lenczowski, Russia and the West in Iran, pp. 298-299. Nosrollah Fatemi, "Oil Diplomacy" (1954), pp. 315-316. The agreement establishing an Iranian-Soviet oil company never took effect, since the Iranian Parliament refused to ratify it.

(U) By the fall of 1946, the Shah and his government had begun plans to reassert control over Azerbaijan, raising the possibility of a confrontation with the Soviet Union, and now the advice of the Joint Chiefs of Staff was sought. In September, the Department of State asked the Joint Chiefs of Staff for their views on the strategic importance of Iran to the United States. The Joint Chiefs of Staff were also asked in what ways US interest in Iran was linked to the Near and Middle East as a whole and how that interest would be affected by Soviet domination of all or part of Iran. Finally, the Department of State asked: ". . . does the JCS consider that a program of assistance by the US to the Iranian military establishment would contribute to the defense of United States strategic interest in the Near and Middle Eastern area?"[11]

(U) The Joint Chiefs of Staff, in their reply of 11 October, began by observing that the Department of State's questions were based on an assumption of possible war between the United States and the Soviet Union and that their answer relied on the same assumption. Iran, as a major source of oil supply, was militarily of "major strategic interest" to the United States. Moreover, "from the standpoint of defensive purposes," the area offered "opportunities to conduct delaying operations and/or operations to protect United States-controlled oil resources in Saudi Arabia." In addition, Iran offered, as did all the Middle East, a base for counteroffensive operations againt the Soviet Union.

(U) The Joint Chiefs of Staff then evaluated four possibilities that had been put forth by the Department of State: (1) division of Iran into British and Soviet spheres of influence would advance the Soviet Union's

11. Foreign Relations of the United States, 1946, vol. VII, pp. 515-516.

political and strategic objectives, contribute to the encirclement of Turkey, and destroy British ability to defend the Iraqi oil fields; (2) control of the northern province of Azerbaijan by the USSR, although undesirable, would be the least objectionable of the situations listed; (3) creation of a Soviet-dominated autonomous Kurdish state would probably cause the dissolution of the present Iraqi Government and possibly lead to the installation of a Soviet-oriented regime there; (4) domination of all Iran by the USSR would greatly intensify all the adverse effects listed above.[12]

(U) The Joint Chiefs of Staff made clear their support for military aid to Iran. Token assistance to Iran's military forces, they said, could create confidence and good will toward the United States within the Iranian Government and thus contribute to the US strategic posture in the area. To assist Iran in preventing civil disturbances, which could attract intervention by "powerful neighbors" and involve the United States, the Joint Chiefs of Staff favored giving Iran reasonable amounts of military material to be used only for internal security. They considered "such non-aggression items" as small arms, light artillery, ammunition, small tanks, transportation and communication equipment, quartermaster supplies, and possibly short range aircraft and naval patrol craft to be appropriate for Iran in reasonable quantities if requested. The United States must be satisfied, of course, that Iran wanted to maintain its independence within the "community of nations."

(U) The Joint Chiefs of Staff also believed it would be appropriate for the United States to give technical advice, but it must be done without fanfare and upon request only. Such a step would contribute to

12. (U) SM-6874-46 to SWNCC, 11 Oct 46 (derived from JCS 1714/3), CCS 092 (8-22-46) sec 1. Printed in Memo, SWNCC to MGEN J. N. Hillcring, 12 Oct 46, SWN-4818, Foreign Relations of the United States, 1946, vol. VII, pp. 529-532.

"the defense of United States strategic interest in Iran and the Near and Midle East area." In 1943 the United States had, as a matter of course, established two small military missions in Iran. One of these missions advised the Iranian Army, the second advised the Imperial Gendarmerie.[13] The Joint Chiefs of Staff recommended that these missions not be removed but that, conversely, no new missions be established at this time.

(U) Subsequently, on 29 October 1946, the Secretary of State made a decision that marked the beginning of an aid program for Iran. He decided to support a program under which the United States would sell Iran armaments worth not more than $10 million.[14]

(U) In Iran, meantime, the crisis had worsened. According to diplomatic reports from Tehran, Prime Minister Qavam was retreating before Soviet pressure and Iran was daily losing what remained of its independence. Mr. Loy Henderson, Director of the Office of Near Eastern and African Affairs, in the Department of State considered the situation to be so critical that swift action by the United States might be required. An Iranian military mission in Washington to purchase the already approved $10 million worth of military equipment was running into a stone wall. Mr. Henderson warned that the United States could no longer delay and

13. (U) JCS 557,30 Oct 43, CCS 530 Persia (9-2-42) sec 2. For further informatin of the US wartime missions to Iran see T. H. Motter, The Persian Corridor and Aid to Russia (1952), pp. 473-477. The US mission to the Gendarmerie, subsequently known as GENMISH, was sanctioned by an agreement between the United States and Iran on 27 November 1943. The mission to the Iranian Army, subsequently known as ARMISH, was not recognized by a formal agreement until 6 October 1947. See EAS no. 361, 27 Nov 43 and TIAS 1666,16 Oct 47, both in Treaties and Other Int'l Agreements of the USA, 1776-1949, vol 8, pp. 1285-1290, 1295-1301.

14. (U) Memo, AsstSecState for Occupied Areas to USecState, 29 Oct 46, printed in Foreign Relations of the United States, 1946, vol. VII, p. 255.

should sell this "nonaggression" equipment to Iran quickly. He quoted the JCS statements of 11 October in support of his position. He also favored increasing the strengths of the military missions in Iran and keeping them there so long as they were needed. Secretary of State Byrnes approved Mr. Henderson's recommendations.[15]

(U) The immediate crisis in Iran subsided as 1946 drew to a close. On 24 November, the Iranian Government ordered its forces to march into Azerbaijan to supervise parliamentary elections. The Soviet Government protested this move, warning of possible "disturbances" should Iranian troops enter Azerbaijan. The US Ambassador to Iran, George V. Allen, lauded the move, publicly announcing that it was "quite normal and appropriate." In this statement, he was backed up by Under Secretary of State Dean Acheson in Washington. The Iranian Army marched into Azerbaijan with only a few minor skirmishes taking place. On 4 December the rebel regime collapsed.[16]

The Mossadegh Crisis

(U) The second threat to Iran's independence and Western orientation in the years following World War II was the "Mossadegh crisis" of 1951-1953. In this instance the danger came not from external sources but, rather, from internal dissension. Dr. Mohammed Mossadegh, a determined nationalist, led a vigorous movement to gain complete control of Iranian oil resources. The resulting unrest and chaos in Iran seemed for some months to be opening the way for the communist-controlled Tudeh Party to seize control of the government.

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15. (U) Memo, Dir. Office of Near Eastern and Afircan Affairs (Henderson) to USecState, 18 Oct 46, w/att Memo, "Implementation of United States Policy toward Iran," same date, Foreign Relations of the United States, 1946, vol. VII, pp. 533-536, and fn 1, p. 535.

16. Lenczowski, Russia and the West in Iran, p. 302.

(U) The crisis arose over the status of the British oil concession. Under the agreement negotiated between Reza Shah and the British in 1933, the Anglo-Iranian Oil Company extracted and marketed Iranian oil, giving the Iranian Government 25-30 percent of the net profits. More nationalistic members of the Majlis, however, wanted a larger and more equitable share of the revenue. Dr. Mossadegh, the most vocal of these members, became chairman of the Majlis oil committee in 1950 and formed a coalition, the United Front, to press for nationalization of the Anglo-Iranian Oil Company. The more moderate Premier, General Ali Razmara, attempted to obtain more favorable terms from the Company, but was not successful. Meantime, in Saudi Arabia, the Arabian-American Oil Company accepted an arrangement that gave the government there 50 percent of its profits, and this development increased Iran's demands for a larger share of the profits of the Anglo-Iranian.[17]

(~~TS~~) Against this background, the Truman Administration began drafting a formal statement of US objectives and policy for Iran in March 1951. Adapting a Department of State study, the NSC Staff drafted and circulated a policy paper (NSC 107) for the Council's consideration. According to this statement, Iran's absorption within the communist orbit would damage oil-dependent Western European economies, impair US prestige, and "seriously weaken, if not destroy" resolution among adjacent Middle Eastern countries. For these reasons, the United States should take "all feasible steps" to insure that Iran escaped Soviet domination. Although the initiative for any military action in support of Iran rested with Great Britain, the United States and United Kingdom jointly should "give early consideration to measures designed to

17. Smith et al., Area Handbook, Iran, pp. 66-67.

strengthen the general area." Also, the United States should (1) strengthen its current assistance programs (especially economic aid) as much as possible and (2) press the British to "effect an early and equitable settlement" of the oil dispute. If an Iranian government took actions that foreshadowed communist control, the United States should be prepared to undertake [ ] to reverse this trend. Finally, in the event of an overt attack by the Soviet Union against Iran, the United States "in common prudence would have to proceed on the assumption that global war is probably imminent."[18]

(b)(1)
(a)(5)

(TS) The Joint Chiefs of Staff advised the Secretary of Defense that they considered NSC 107 acceptable as "an interim working guide." They asked, however, that this policy paper be reviewed as soon as the situation had clarified. When the National Security Council discussed NSC 107 on 21 March, the Service Secretaries recommended that it be rejected in toto. In their opinion, the courses of action designed to meet either internal subversion of external aggression "are safe innocuous statements of generalities which do not indicate anything except watchful waiting . . . . If we cannot do anything we should say so. If we can take concrete steps in either contingency we should so state." Overruling these objections, the Council adopted NSC 107; President Truman approved it on 24 March.[19]

18. (TS) NSC 107, 14 Mar 51, CCS 092 Iran (4-23-48) sec 2. The Joint Intelligence Committee reported that, under current circumstances, "It is not considered probable" that the Soviets could achieve total domination of Iran without overt use of their armed forces. However, "it is becoming increasingly evident" that they might win control of northern segments through economic and political pressure, possibly accompanied by subversive activities. The JCS noted these conclusions on 9 March. (TS) Rpt, JIC to JCS, "Intelligence Estimates on the Situation in Iran," 1 Mar 51, Encl to JCS 1924/51, 1 Mar 51, same file.

19. (TS) Memo, JCS to SecDef, 19 Mar 51 (derived from JCS 1714/17), same file. (TS) NSC Action No. 451,

(U) The tempo of events in Iran suddenly accelerated. General Razmara was assassinated on 7 March 1951; Dr. Mossadegh assumed the Premiership; and nationalization was promulgated on 2 May. Thereafter, the focal point of crisis centered on Dr. Mossadegh, who now roused popular emotions to fever pitch.[20]

(U) The British, as was to be expected, reacted with considerable concern, fearing that acquiesence in the nationalization could jeopardize all their overseas investments. Accordingly, Britain reinforced its Middle Eastern garrisons and dispatched warships to Abadan, the site of the Anglo-Iranian refinery. The United States, however, opposed the use of force to resolve the matter, and Secretary of State Acheson advised the British Ambassador in Washington on 17 May 1951 that the United States could support a resort to force only under one of the following conditions: Iranian Government invitation; Soviet military intervention; a communist coup in Tehran; or evacuation of endangered British nationals. A wide Anglo-American policy cleavage now ensued.[21]

(~~TS~~) Since the inadequacies of NSC 107 now were manifest, the NSC Staff circulated a revised policy paper (NSC 107/1) on 6 June 1951. The immediate situation in Iran, according to this statement, made that country's loss to the free world through internal communist uprising "a distinct possibility." The United States should therefore (1) continue to extend political support, primarily to the Shah as the only source of continuity of leadership; (2) accelerate and expand military, economic and technical

Mar 51. (~~TS~~) N/H of JCS 1714/16, 28 Mar 51, same file. As the JCS wished, Mr. Truman ordered the State Department to submit monthly progress reports until conditions were further clarified.

20. Dean Acheson, Present at the Creation (1969), pp. 503-504.

21. Ibid., p. 506.

assistance; and (3) attempt an early settlement of the oil controversy, recognizing both the rights of sovereign states and the importance of international contractual relationships. Considerable attention was devoted to contingency planning. If the central government requested dispatch of British troops to southern Iran in order to defeat a communist coup, the United States should offer the United Kingdom full political and perhaps military support. However, entry of British troops without Iranian consent could only be justified if necessary to save the lives of British subjects. Under any other circumstances, intervention would sunder the free world, create chaos in Iran, and possibly cause Tehran to request Soviet assistance. Should the United Kingdom resort to military action against US advice, therefore, "the situation would be so critical that the position of the United States would have to be determined in the light of the situation at that time."[22]

(TS) The Joint Strategic Survey Committee, the senior policy review element of the Joint Staff, adjudged NSC 107/1 acceptable as written. The Chief of Naval Operations, Admiral Forrest Sherman, however, felt the paper failed to reflect (1) growing petroleum needs of NATO nations, (2) declining British ability to provide military power and political leadership in the Middle East, and (3) increasing US capabilities and requirements in that area. He recommended several revisions along these lines, but the Joint Chiefs of Staff accepted only one, which stated that "increasing US influence in the Middle East" should be a governing factor in the continuing policy review. After approving other editorial modifications, they transmitted comments to Secretary of Defense Robert Lovett on 19 June 1951. Eight days later, the National Security

22. (TS) NSC 107/1, 6 Jun 51, CCS 092 Iran (4-23-48) sec 3.

Council slightly amended this paper and then adopted it as NSC 107/2; the final paper incorporated Admiral Sherman's addition. On 28 June, President Truman accorded NSC 107/2 his approval.[23]

(U) Meanwhile, matters grew steadily worse. Attempting to adjudicate the controversy, the International Court of Justice recommended reversion to the status quo ante and joint British-Iranian operation of the oil industry; Dr. Mossadegh categorically rejected this ruling. Iran and the United Kingdom seemed on the brink of hostilities; it was understood in Washington that the British Chiefs of Staff had recommended, and the Attlee Government rejected, military intervention.[24] At this point, President Truman dispatched Ambassador Averell Harriman to London and then to Tehran to urge resumption of negotiations. Neither side would make major concessions and, after initial progress, the talks collapsed later in August.[25]

(~~TS~~) Secretary of State Acheson and British Foreign Secretary Morrison discussed the Iranian situation during a Washington Foreign Ministers' Meeting in September 1951. The United States still could not support employment of British troops in connection with the oil controversy, except for the purpose of evacuating endangered nations, and no consensus was achieved.[26]

23. (~~TS~~) Memo, SecDef to JCS, 7 Jun 51, Encl to JCS 1714/20, 7 Jun 51; (TS) JCS 1714/22, 18 Jun 51; (TS) Memo, JCS to SecDef, 19 Jun 51 (derived from Dec On JCS 1714/21); (TS) Memo, ExecSecy to NSC, 28 Jun 51, Encl to JCS 1714/23, 2 Jul 51; CCS 092 Iran (4-23-48) sec 3.

24. (~~TS~~) Memo, Dep USecState to ExecSecy, NSC, 6 Aug 51, Encl to JCS 1714/24, 13 Aug 51, same file, sec 4.

25. Acheson, Present at the Creation, pp. 507-509.

26. (~~TS~~) WFM B-2/2a, "Iran," 22 Aug 51, Encl to JCS 1714/25, 24 Aug 51; (TS) WFM B-2/2b, "Iran," 24 Aug 51, Encl to JCS 1714/27, 29 Aug 51; CCS 092 Iran (4-23-48) sec 4. For DOD concurrence, see (~~TS~~) Memo, JCS to SecDef, 29 Aug 51 (derived from JCS 1714/26); (TS) Ltr, SecDef to SecState, 4 Sep 51, same file. Acheson, Present at the Creation, p. 510.

(U) Unhappily, the Anglo-Iranian controversy escalated further in the following weeks. Iran seized the Abadan refinery and expelled British technicians. Since the Iranians lacked technical skills needed to operate the facility, Abadan ceased operation and Iran lost its chief source of income. The British, meanwhile, reinforced their Persian Gulf squadron to 14 warships and filed a condemnatory resolution in the UN Security Council. In October 1951, Dr. Mossadegh arrived in New York to plead his country's case before the United Nations. Thinking that the opportunity for an offer of "good offices" might arise, the Secretary of Defense felt it would be "of the greatest importance" to possess an estimate of the increase in Soviet military potential that would occur if Iran and her oil fell under communist control. He therefore directed the Joint Chiefs of Staff quickly to survey this question.

(~~TS~~) Replying on 10 October, the Joint Chiefs of Staff predicted the following consequences:

> Economic--Probable eventual loss of all Middle Eastern oil, creating a possibly intolerable deficiency in oil resources.
> Political--Major threat of communist domination during peacetime of Iraq, Saudi Arabia, Pakistan, and India.
> Military--Prior development by the USSR of bases, facilities and stockpiles, greatly increasing the chances of Soviet success in operations against the Middle East and/or Pakistan-India.

If the Soviet Union achieved control of Iran during peacetime, they contended, her power position "would be so improved that, in all probability, an increase in the level of the military establishments of the Western World would be required." Under such circumstances,

the Joint Chiefs of Staff would be compelled "immediately to re-examine their global strategy . . . ." Therefore, from a strictly military standpoint, preservation of Iran's orientation toward the United States and protection of the United Kingdom's general position in the Middle East "now transcend in importance the desirability of supporting British oil interests in Iran." In reply to a specific Secretary of Defense question about the effect of Soviet acquisition of Iranian oil resources, the Joint Chiefs of Staff predicted that such a development would enhance Soviet capabilities and require "a longer effort" by the Western powers to defeat the Soviet Union and its satellites.[27]

(~~TS~~) The Administration did offer its "good offices" during Dr. Mossadegh's visit--but achieved nothing. When Winston Churchill succeeded Clement Attlee as Prime Minister on 25 October 1951, British distaste for Mossadegh did not abate. Early in November, Secretary Acheson gave the new British Foreign Secretary, Anthony Eden, the substance of the JCS memorandum of 10 October. The British Chiefs of Staff promptly challenged the JCS conclusion regarding the accretion of war potential if the Soviets acquired Iranian oil. They said that Soviet petroleum production already was sufficient for both civilian and military requirements, that importation of Iranian oil would exceed Soviet transport capacity, and that refineries and transport would be highly vulnerable to air attack.[28] In

27. (~~TS~~) Memo, SecDef to JCS, 8 Oct 51, Encl to JCS 1714/28, 8 Oct 51; (TS) Memo, JCS to SecDef, 10 Oct 51 (derived from Dec On JCS 1714/29); CCS 092 Iran (4-23-48) sec 4. Although this memorandum was submitted to the NSC, records do not indicate whether it was actually considered by the Council. (TS) N/H of JCS 1714/29, 23 Oct 51, same file.

28. (~~TS~~) Ltr, BJSM to SJCS, 28 Nov 51, Encl to JCS 1714/33, 30 Nov 71, same file, sec 5.

further Acheson-Eden discussions, the Secrtary of State argued that, if Dr. Mossadegh was not financially supported, Iran would fall into chaos and communism. The Foreign Secretary retorted that the Iranian economy was too primitive and too flexible to collapse, and contended that noncommunist alternatives to Mossadegh could be found.[29]

(~~TS~~) In succeeding months, the United States and Britain remained divided on the question of Iran. In anticipation of a meeting between President Truman and Prime Minister Churchill, the Joint Chiefs of Staff told the Secretary of Defense on 2 January 1952 that the "military urgency" of the situation in Iran, with its "explosive implications," was such that the US position should be expressed "in more concrete terms." Precision of expression, they believed, would avoid possible pre-commitment to courses of action not encompassed within NSC 107/2. In particular, US opposition to the use of force by Britain should be plainly stated. The President and Prime Minister met on 5 January 1952 and continued their talks for several days but, again, no agreement on Iran was reached.[30]

(U) The United States continued to furnish Iran with a marginal amount of economic aid. The World Bank attempted to negotiate an oil settlement but finally failed. Iran itself remained relatively quiescent until July 1952, when the Shah tried to appoint, a a new Premier. At once, riots convulsed Tehran;

29. Anthony Eden, Full Circle (1960), p. 222.

30. (~~TS~~) TCT D-4/46, "Iran," 30 Dec 51, Encl B to JCS 1714/35, 31 Dec 51; (TS) Memo, JCS to SecDef, 2 Jan 52 (derived from JCS 1714/35); (TS) N/H of JCS 1714/35, 16 Jan 52; CCS 092 Iran (4-23-48) sec 5. The JCS Memorandum was transmitted informally prior to the Truman-Churchill talks. Acheson, Present at the Creation, pp. 599-600. For discussions on 8 and 9 January, see (~~TS~~) TCT Min-3, "Truman-Churchill Talks," 9 Jan 52 and (~~TS~~) TCT Conv-10, ". . . Iran," 11 Jan 52, CCS 337 (4-19-50) sec 9.

supported by street mobs, Dr. Mossadegh remained supreme. Alarmed by these events, the United States pressed the United Kingdom to accept "simple, temporary, and easily understood proposals to get oil flowing to the British and funds flowing to Iran without prejudice to the bargaining position of either side." On 30 August, President Truman and Prime Minister Churchill jointly proposed that, if Iran agreed to refer all claims and counter-claims to the International Court of Justice, the Anglo-Iranian Oil Company would pay for and market oil stored at Abadan, the United Kingdom would relax export restrictions, and the United States would make an immediate grant of $10 million to the Iranian Government. Dr. Mossadegh spurned this offer, presented extreme counterproposals, and finally severed diplomatic relations with the United Kingdom on 22 October 1952.[31]

(~~TS~~) As a corollary to its diplomatic efforts, the Department of State asked what military courses of action would be feasible in the event of a successful communist coup. The Deputy Secretary of Defense requested a response from the Joint Chiefs of Staff. On 5 September, they replied that appropriate plans were under preparation. However, they noted that, since current global commitments precluded dispatch of substantial US forces, intervention would require "political decisions of great import." This being so, they recommended that an all encompassing review of the situation be undertaken.[32]

(TS) On 31 October 1952, the Joint Chiefs of Staff submitted "tentative conclusions" concerning feasible military responses to rebellion or invasion. Unless current deployments were to be upset, they said, an

31. Acheson, Present at the Creation, p. 680. Richard P. Stebbins, The United States in World Affairs, 1952 (1953), pp. 233-235.

32. (~~TS~~) Memo, DepSecDef to JCS, 28 Aug 52, Encl to JCS 1714/40, 29 Aug 52; (~~TS~~) Memo, JCS to SecDef, 5 Sep 52 (derived from JCS 1714/41); CCS 092 Iran (4-23-48) sec 6.

appeal by Tehran for direct assistance could only be answered by (1) conducting a show of force by periodic aircraft flights over key centers and (2) providing the loyal Iranian Army with logistical support. They then described various conditions under which US forces might be committed under conditions short of war. If overt communist aggression occurred, however, the Joint Chiefs of Staff warned that "the resultant situation would be not unlike that [which] we face in Korea." The Secretary of Defense passed this paper to Secretary Acheson and to the Director of Central Intelligence.[33]

(~~TS~~) In their memorandum of 5 September, the Joint Chiefs of Staff expressed the view that NSC 107/2 had been overtaken by events. Accepting this conclusion, the NSC Staff now reexamined NSC 107/2. The Defense member, Mr. Frank Nash, proposed two major modifications. First, the United States should offer to extend "substantial immediate economic assistance" if Iran provided reasonable assurances of satisfactory compensation to Anglo-Iranian. Essentially, this repeated the joint proposal of 30 August. Second, in light of "the failure of British policy," declining UK capabilities, and increasing American strength and influence, "the United States should take action necessary to prevent Iran from falling to communism, even if this involves acting independently of the UK and the risk of damaging our close relations with the UK." Concomitantly, the United States also should be prepared to take the military initiative in support of Iran. The Department of State submitted a much milder revision, softening the first of Mr. Nash's proposals and discarding the second. After lengthy discussions,

33. (~~TS~~) Memo, JCS to SecDef, 31 Oct 52 (derived from JCS 1714/42); (TS) Ltr, SecDef to SecState, 10 Nov 52; CCS 092 Iran (4-23-48) sec 7.

the NSC Staff approved this State submission (now designated NSC 136) as "a short-term policy."[34]

(TS) The Staff debate reflected opposing views of the respective Department heads. While NSC 136 was under preparation, the Secretaries of State and Defense debated the efficacy of continued close US-UK cooperation. Writing to Mr. Acheson on 24 October, Secretary Lovett contended that the rupture of diplomatic relations between London and Tehran "has brought us to the end of the road we have been travelling." Because British policy had failed, the United States must chart a new course:

> The strategic necessities of the situation, in my opinion, require that we accept our responsibilities and act promptly and, if necessary, independently of the British in an effort to save Iran . . . . [This] will involve the provision of immediate economic assistance, and measures to help Iran start up her oil industry and secure markets for her oil. It will also involve additional political, economic and probably military commitments . . . . The actions now open to us to save Iran may appear painful, costly and dangerous, but they involve, in my judgment, only a small fraction of the money, material, manpower and anguish that will have to expended to hold Iran by military action or to hold the remainder of the Middle East if Iran should be seized and consolidated by the Communists.[35]

(TS) On 4 November 1952, Secretary Acheson answered that the objective on US policy "must be to save Iran without unnecessarily damaging our relations with the United Kingdom." The British believed that extensive concessions on their part had only encouraged Dr. Mossadegh to become increasingly unreasonable. In

34. (TS) Memo, ExecSecy to Senior NSC Staff, 1 Oct 52; (TS) Memo, ExecSecy to Senior NSC Staff, 7 Oct 52; same file, sec 6. (TS) Memo, ExecSecy to Senior NSC Staff, 5 Nov 52; (TS) NSC 136, 6 Nov 52, Encl B to JCS 1714/43, 23 Oct 52; same file, sec 7.

35. (TS) Ltr, SecDef to SecState, 24 Oct 52, CCS 092 Iran (4-23-48) sec 7.

these circumstances, Mr. Acheson argued that unilateral and uncoordinated action could inflict "deep and lasting harm upon the Anglo-American alliance."[36]

(~~TS~~) Submitted to the National Security Council on 6 November 1952, NSC 136 generally reflected Secretary Acheson's philosophy. Replying to Mr. Lovett's request for comment and recommendation, the Joint Chiefs of Staff proposed addition of the following admonition: "If for overriding political reasons it is found necessary for the United States to provide military forces in this area, implementation will require either a substantial augmentation of over-all US forces or a reduction of present US military commitments elsewhere." Meeting on 19 November, the National Security Council "noted" the JCS views and then, with slight amendments, adopted NSC 136. On the following day, President Truman directed its implementation under the coordination of Secretary Acheson. Crucial paragraphs of this paper read as follows:

> 3. It is now estimated that Communist forces probably will not gain control of the Iranian Government during 1953 nevertheless, . . . if present trends continue unchecked, Iran could be effectively lost to the free world before an actual take-over of the Iranian Government . . . .
>
> 4. If light of the present situation the United States should adopt and pursue the following policies:
>
> a. Continue to assist in every practicable way to effect an early and equitable liquidation of the oil controversy.

36. (~~TS~~) Ltr, SecState to SecDef, 4 Nov 52, App to JCS 1714/44, 12 Nov 52, CCS 092 Iran (4-23-48) sec 7. However, it should be noted that Present at the Creation is liberally sprinkled with pungent criticisms of British obduracy.

b. Be prepared to take the necessary measures to help Iran start up her oil industry and to secure markets for her oil . . . .

c. Be prepared to provide prompt United States budgetary aid to Iran.

In carrying out the above, the United States should (1) maintain full consultation with the UK, (2) avoid unnecessarily sacrificing legitimate UK interests or unnecessarily impairing US-UK relations, (3) not permit the UK to veto any US actions which the United States considers essential . . . .

(TS) The new NSC policy statement also addressed the possibility of a communist seizure of power in Iran.

(b)(1)
(a)(5)

[es] In this regard, plans were to be prepared, in concert with Britain and perhaps others, for specific measures to meet such a development.[37]

(U) Thereafter, the Joint Chiefs of Staff proceeded with preparation of the required plans. Completed during the following spring, these plans provided for shows of force, using SAC aircraft from Britain or North Africa, or carrier aircraft from the Mediterranean.[38]

37. (TS) NSC 136, 6 Nov 52, Encl B to JCS 1714/43, 23 Oct 52, CCS 092 Iran (4-23-48) sec 7. (TS) NSC 136/1, 20 Nov 52, same file, sec 8. (TS) Memo, JCS to SecDef, "NSC 136 - The Present Situation in Iran," 18 Nov 52 (derived from JCS 1714/45), same file (adapted from a somewhat stronger memo by GEN Collins). (TS) N/H of JCS 1714/43, 5 Dec 52, same file. (TS) NSC Action No. 680, 19 Nov 52.

38. (U) JCS 1714/46, 6 Apr 53; JCS 1714/48, 16 Apr 53; Memo, JCS to SecDef, 19 Jun 53 (derived from JCS 1714/49); CCS 092 Iran (4-23-48) sec 8.

(U) Meanwhile, the Truman Administration mounted a final diplomatic offensive during November-December 1952 to resolve the Iranian-British dispute. On 7 November, the President accepted Secretary Acheson's plan to advance the Iranian Government up to $100 million against future oil deliveries. Also, he approved a voluntary program under which US oil companies, either alone or in conjunction with the Anglo-Iranian, would purchase and market Iranian oil. If Dr. Mossadegh agreed to arbitrate compensation, therefore, the United States immediately would extend assistance and oil shipments would resume.[39]

(U) During the early months of 1953, Dr. Mossadegh still refused any compromise. President Dwight Eisenhower, upon entry into office in January, continued both technical and military assistance to Iran in hopes of encouraging a British-Iranian settlement. Soon, however, it was obvious that no settlement was possible and, on 29 June 1953, President Eisenhower notified the Iranian Premier that the United States would supply no further aid or purchase Iranian oil.[40]

(U) Dr. Mossadegh's support within Iran came from widely divergent groups, united only on the issues of nationalization and elimination of British influence. With the oil refineries idle and the resulting loss of income and employment, Dr. Mossadegh's popular support began to fall away in 1953. Moreover, although fiercely anti-communist himself, the Premier relied increasingly on the support of the communist Tudeh Party. Simultaneously, he began to adopt more dictatorial methods. In so doing, he brought about a crisis and showdown with the Shah.[41]

39. Acheson, Present at the Creation, pp. 681-685.
40. Dept of State Bulletin, 20 Jul 53, pp. 74-75.
41. Smith et al., Area Handbook, Iran, pp. 68-69.

(U) Early in August 1953, Dr. Mossadegh announced his intention to dissolve the Majlis and held a referendum to endorse this decision. The Shah responded by dismissing Dr. Mossadegh and appointing General Fazlollah Zahedi in his stead. Dr. Mossadegh defied his order and announced the deposition of the Shah. Rioting erupted in Tehran and the Shah fled the country. On 19 August 1953, after four days of anarchy, General Zahedi rallied the Army behind the Shah, arrested Dr. Mossadegh, and assumed the premiership. Three days later, on 22 August, the Shah returned to Tehran to a tumultuous public welcome.[42]

(~~TS~~) JCS action during the crisis was restricted to preparation of a list of forces that might be dispatched to Iran or the Persian Gulf for periods of time ranging from a few days to two months. Subsequently, at JCS direction, CINCNELM readied a "U.S. Joint Plan for Operations in the Middle East." It provided for US Air Force and Marine units from Europe and the Mediterranean to seize and secure Abadan and Tehran followed by the airlifting of ground forces to assist in the maintenance of law and order.[43]

(U) In subsequent years, a number of accounts have indicated clandestine US encouragement, support, and direction of the overthrow of Dr. Mossadegh. Official files, however, reveal no indication of JCS involvement in these activities.[44]

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42. Smith et al., Area Handbook, Iran, p. 69.

43. (U) CM-20-53 to CSAF et al., 20 Aug 53; SM-1539-53 to JSPC, 21 Aug 53; CCS 092 Iran (4-23-48) sec 9. (~~TS~~) Dec On JCS 1714/55, 9 Dec 55, same file, sec 10. (~~TS NOFORN~~) CINCNELM OPLAN 207-54, 1 Feb 54, same file, BP Pt 2.

44. See Kermit Roosevelt, Countercoup, The Struggle for the Control of Iran (1979). Roosevelt recounts a meeting on 25 June 1953 where the Secretary of State approved US support for an effort to overthrow Mossadegh. Among those listed as attending were

(U) With the removal of Dr. Mossadegh events in Iran resumed an even keel. Accordingly, the United States resumed economic and military assistance to Iran in September 1953. Thereafter, on 5 December 1953, Britain and Iran reestablished diplomatic relations and the two countries resolved their oil dispute the following summer. As provided in an agreement of 5 August 1954, an international consortium of US, British, and Dutch companies would extract, refine, and distribute Iranian oil with Iran receiving 50 percent of all profits. In addition, compensation would be paid to the Anglo-Iranian Oil Company. This agreement, which was to last for 25 years, was ratified by the Majlis in October 1954.[45]

The Beginning of US Military Assistance to Iran

(U) In the period immediately after World War II, the United States began to give military aid to Iran. Initially, this support was for internal security purposes, provided in the hope of improving Iranian stability. As already mentioned,[46] the Secretary of State approved the first military assistance for Iran in October 1946, deciding that the United States would sell Iran $10 milllion worth of equipment. The following year, the program was continued through an agreement, signed on 20 June 1947, extending Iran

Secretary of Defense Charles Wilson and a military aide, but no member of the Joint Chiefs of Staff. Roosevelt also reports a briefing to President Eisenhower after the successful completion of the operation where Admiral Arthur Radford, Chairman of the Joint Chiefs of Staff, was present.

For a further discussion of reports of US involvement in the Mossadegh overthrow, see Rouhollah K. Ramazani, Iran's Foreign Policy, 1941-1973 (1975), pp. 249-250.

45. Smith et al., Area Handbook, Iran, pp. 70-71.
46. See above p. 17.

credit to purchase $25 million worth of surplus US arms.[47]

(U) In 1949, the United States decided to continue military aid to Iran and to place this assistance on a grant basis, incorporating Iran into the newly consolidated US military assistance program for FY 1950. The Foreign Assistance Coordinating Committee, an interdepartmental group that oversaw the preparation of the US assistance program, placed Iran in the second of three priority groups and proposed that it be granted "token" military assistance, defined as aid sufficient to insure the political orientation of the recipient towards the United States. The Joint Chiefs of Staff reviewed the overall aid program in February 1949 and found it "generally sound" without commenting on the Iranian portion.[48]

(U) Several weeks later, however, on 14 March 1949, the Joint Chiefs of Staff did provide the Secretary of Defense specific comments with respect to Iran. They pointed out that Iran, because of its geographical position, would be of strategic importance to the United States in the event of war with the Soviet Union, and that the United States should maintain friendly relations with Iran, so as to stabilize the Iranian Government as a means of preventing communist encroachment. The long-range security objective of the United States should therefore be to supply the Iranian Army with such equipment and support "as would reasonably insure maintenance of internal security, a stabilized government, and prevention of interference from

47. Editorial Note, Foreign Relations of the United States, 1947, vol V, p. 916.

48. (U) FACCD-3/1, 7 Feb 49, App B to JCS 1868/57, 9 Feb 49; (U) Memo, JCS to SecDef, 21 Feb 49 (derived from JCS 1868/59); CCS 092 (8-22-46) sec 19. Prior to this time, assistance programs to individual countries and regions had been the subject of separate legislation; now all were to be consolidated into a single law.

outside forces, other than direct invasion." To this end, the Joint Chiefs of Staff recommended the appropriation of $12.3 million for military assistance to Iran, divided among the services as follows: Army, $10 million; Air Force, $2.3 million.[49]

(U) The Foreign Assistance Coordinating Committee increased the amount for Iran to $15.2 million in the consolidated $1.45 billion aid program that was approved by the Truman Administration in April 1949. The Congress, however, reduced the overall figure somewhat, and the final program included only $27.6 million to be shared by Iran along with Korea and the Philippines. Of that total, the Joint Chiefs of Staff recommended an allocation of $10.45 million for Iran. The Administration, however, raised this figure to $11.7 million.[50]

(U) Subsequently, on 23 May 1950, the United States and Iran agreed that the United States would provide Iran "on a grant basis" equipment, materials, and services for security and self-defense purposes. Also included was provision for US technical personnel in Iran to implement the terms of the agreement. Accordingly, the United States established in 1950 the Military Assistance Advisory Group (MAAG) Iran. Besides the MAAG, there already existed in Iran,[51] two small US military advisory elements--the US

49. (U) Memo, JCS to SecDef, 14 Mar 49 (derived from JCS 1868/62), CCS 092 (8-22-46) sec 21.

50. (U) Memo, SpecAsst to SecDef for MilAsst to DJS et al., 27 Apr 49, Encl to JCS 1868/72, 29 Apr 49, CCS 092 (8-22-46) sec 21. (U) Memo, JCS to SecDef, 23 Sep 49 (derived from JCS 1868/111), same file, sec 29. Spec Msg to Congress, 25 Jul 49, Public Papers of the Presidents of the United States, Harry S. Truman, 1949 (1964), pp. 395-400. PL 324 (The Mutual Defense Assistance Act), 6 Oct 49. PL 430, 28 Oct 49. Defense Security Assistance Agency (DSAA), "DSAA Fiscal Year Series: Iran."

51. See p. 17.

Military Mission with the Imperial Iranian Gendarmerie (GENMISH), and the US Military Mission to the Iranian Army (ARMISH).[52]

(U) The United States continued to grant military assistance to Iran on a modest scale during the Mossadegh period, except for a three-month period, July-September 1953. In all, from 1 July 1951 through 30 June 1953, $66 million were programmed and equipment valued at $42.4 million was actually delivered to the Iranian armed forces. The Joint Chiefs of Staff played an important role in the program, recommending both the amount to be programmed and the way it was to be spent.[53]

(U) President Truman, on 9 January 1950, had asked the Congress to appropriate $1.1 billion for military assistance for FY 1951, to be allocated among the NATO countries, Greece, Turkey, Iran, Korea, and the Philippines. Acting at the direction of the Secretary of Defense, the Joint Chiefs of Staff recommended the amounts to be allocated to each country. They proposed $11.5 million for Iran. After the outbreak of the Korean War, however, the Congress acceded to the President's request for a substantial increase in military assistance funds. In the finally approved program, Iran received a much larger share, amounting to $25.5 million.[54]

(U) During the period 1950-1952, Iran held a low priority among MAP recipients. British and US military planners felt that they lacked the forces to defend

52. 1 UST 420. (C) USSTRICOM/USAF, "DOD Advisory/Support Study - Iran, n.d., Encl to Att to JCS 2315/498-5, 1 Oct 71, JMF 037 (29 Jul 70) sec 2.

53. (U) DSAA, "DSAA Fiscal Year Series: Iran."

54. (U) Public Papers, Truman, 1950, pp. 59-60, 547, 564-566. (U) Memo, SecDef to CJCS and Chm, Munitions Brd, 30 Jan 50, Encl to JCS 2099, 31 Jan 50, CCS 092 (8-22-46) sec 33. (U) Memo, JCS to SecDef, 11 May 50 (derived from JCS 2099/6), same file, sec 36. (U) Memo, SecDef to CJCS, 8 Jun 50, Encl to JCS 2099/18, 10 Jun 50, same file, sec 39. (U) DSAA, "DSAA Fiscal Year Series: Iran."

Iran. In case of general war, they hoped only to hold an "Inner Ring" comprising Lebanon, Jordan, and Israel. Nonetheless, on 5 Februsry 1951, the Joint Chiefs of Staff did recommend a modest increase in the FY 1952 military assistance for Iran: $34.9 million, of which $31.9 million was for the Army. These funds were primarily for maintaining existing equipment; only a "limited amount" of additional equipment was recommended to "improve the efficiency of the Army and Gendarmerie." Ultimately, the Congress appropriated $372 million (as Title II of PL 249) for Greece, Turkey, and Iran. Thereupon, the Joint Chiefs of Staff "refined" these Title II funds, recommending an allocation for Iran of $30.6 million ($28.2 million for the Army and $2.4 million for the Air Force). The Secretary of Defense approved these recommendations on 13 February 1952, but subsequent revisions reduced the final amount to $28.4 million.[55]

(U) JCS responsibility for preparing Military Assistance programs was broadened under new procedures adopted by the Department of Defense in August 1951. The Joint Chiefs of Staff were now to send "program objectives" and "screening criteria" to Military Advisory and Assistance Groups (MAAGs) as guidance for preparing detailed "force bases" for their respective countries. After approval by the Joint Chiefs of Staff, these force bases would be used by the MAAGs to estimate requirements. The MAAG requirements, in turn, would allow the Joint Chiefs of Staff to make recommendations to the Secretary of Defense for allocating funds among recipient countries. He then would submit recommendations to the Bureau of

55. (U) Memos, SecDef to JCS, 9 Nov 50, Encl to JCS 2099/63, 10 Nov 50, CCS 092 (8-22-46) sec 45; SecDef to JCS, 27 Dec 50, Encl to JCS 2099/72, 27 Dec 50, same file, sec 47; JCS to SecDef, 5 Feb 51 (derived from JCS 2099/77), same file, sec 49. (U) Memo, JCS to SecDef, 16 Jan 52 (derived from JCS 2099/158); (TS) Memo, SecDef to JCS, 13 Feb 52, Encl to JCS 2099/171, 13 Feb 52, same file, sec 65. (U) PL 249, 31 Oct 51. DSAA "DSAA Fiscal Year Series: Iran."

the Budget as the basis for the President's request to the Congress for Military Assistance Appropriations.[56]

(U) Under this program, the Joint Chiefs of Staff issued their "program objectives" on 4 September 1951. Their expectations for Iran were very modest: "Consistent with Iran's ability to absorb it, accelerate and expand military assistance provided such assistance will help restore stability and increase internal security." On 26 October 1951, they approved the following force bases for Iran:

Army
- 7 infantry divisions
- 1 mechanized combat command

Navy
- 5 gun boats
- 3 patrol craft

Air Force
- 3 fighter-bomber squadrons (U/E 25 a/c)
- 1 reconnaissance squadron (U/E 20 a/c)
- 1 transport squadron (U/E 12 a/c)

Personnel Strength	
Army	127,000
Navy	2,617
Air Force	5,200
	134,817[57]

(~~TS~~) Based on the above requirements, the Joint Chiefs Chiefs of Staff made FY 1953 MAP recommendations for Iran on 1 February 1952. They sought $20 million for the Iranian Army for maintenance, training, modest amounts of new motor transport, and medical and signal equipment. They recommended $40 million for all the Title II navies (Greece, Turkey, Iran, and Yugoslavia) without breaking down the amount among the countries.

56. (U) JCS 2099/115, 7 Jul 51; Dec On JCS 2099/115, 9 Jul 51; N/H to JCS 2099/118, 6 Aug 51; CCS 092 (8-22-46) sec 56.

57. (U) JCS 2099/121, 24 Aug 51, CCS 092 (8-22-46) sec 57. (U) JCS 2099/154, 26 Oct 51, same file, sec 64.

They did the same for air forces, but reported split views: The Air Force Chief of Staff favored $512.46 million; the other Chiefs recommended only $397.14 million. The Secretary of Defense decided in favor of the majority, but later adjustments resulted in a final DOD recommendation for Iran as follows:

Material		$21,185,898
Army	(19,400,000)	
Navy	(902,536)	
Air Force	(883,362)	
Training		1,500,000
Total		$22,685,898[58]

(~~TS~~) The Preident requested $606 million of the Congress for the Near and Middle East without breakdown by individual country; final appropriations, however, amounted only to $499 million. As a result, the Joint Chiefs of Staff recommended and the Secretary of Defense approved an allocation for Iran of $21 million (Army $19.2 million, Navy $.9 million, and Air Force $.9 million). Subsequent adjustments reduced the final program to $19.1 million.[59]

58. (U) Memo, JCS to SecDef, 1 Feb 52 (derived from JCS 2099/169); (TS) Memo, SecDef to JCS, 9 Feb 52, Encl to JCS 2099/70, 11 Feb 52; CCS 092 (8-22-46) sec 67. (TS) Memo, SecDef to JCS, 13 Mar 52, Encl to JCS 2099/180, 17 Mar 52, same file, sec 70.

59. (U) Special Message to Congress on the Mutual Security Program, Public Papers, Truman, 1952-1953, p. 182. (U) Digest of Appropriations, 1953, pp. 40-41. (TS) Memo, DepSecDef to JCS, 21 Jun 52, Encl to JCS 2099/209, 25 Jun 52; (TS) N/H of JCS 2099/209, 10 Jul 52; CCS 092 (8-22-46) sec 76. (U) Memo, JCS to SecDef, 18 Jul 52 (derived from JCS 2099/216); (U) N/H of JCS 2099/216, 29 Jul 52; same file, sec 77. DSAA, "DSAA Fiscal Year Series: Iran."

BUILDING THE ANTI-SOVIET BARRIER
1953-1960

(U) Following the removal of Dr. Mossadegh, the United States became even more committed to the maintenance of a stable and pro-Western Iran. Not only did Iran possess grant quantities of oil needed by the western nations, but its strategic location had taken on added significance in light of the US policy of containment of the Soviet Union. Situated along the northern rim of the Middle East, Iran was viewed as a principal link in a barrier against Soviet expansion into the Middle East and the Persian Gulf. Accordingly, from 1953 and throughout the remainder of the 1950s, the United States pursued several parallel objectives with regard to Iran. These included bringing Iran into a collective defense for the Middle East, strengthening the Iranian armed forces, and assuring internal order within the country.

CENTO: Iran and Collective Defense in the Middle East

(U) The return of a friendly government in Tehran allowed the United States to give serious consideration to the incorporation of Iran into a collective defense arrangement in the Middle East. Such an idea was not new. The Truman Administration had entertained the hope of establishing a "Middle East Defense Organization" (MEDO), beginning with a framework of the United States, Britain, France, and Turkey, into which other Middle Eastern countries would be fitted. But political instability in many of these countries, combined with Arab hostility toward the Western powers because of their support of Israel, precluded any positive steps toward a MEDO at that time.[1]

1. (U) NSC 129/1, 24 Apr 52, CCS 092 Palestine (5-3-46) BP pt 1.

(U) Soon after the Eisenhower Administration took office, Secretary of State John Foster Dulles made a three-week tour of the Middle East. Upon his return, he gave a public report in a television address on 1 June 1953. It was "high time," he said that the United States paid greater attention to that area of the world. On the subject of collective defense, Secretary Dulles made the following remarks:

> A Middle East Defense Organization is a future rather than an immediate possibility. Many of the Arab League countries are so engrossed with their quarrels with Israel or with Great Britain or France that they pay little heed to the menace of Soviet communism. However, there is more concern where the Soviet Union is near. In general, the northern tier of nations shows awareness of the danger.[2]

The Secretary did not indicate what nations he regarded as the "northern tier," but in a report to the National Security Council, he identified them as Pakistan, Iran, Iraq, Syria, and Turkey.[3]

(U) Following the overthrow of Dr. Mossadegh, the NSC Planning Board[4] prepared a new policy statement (NSC 175) toward Iran in December 1953. Among other things, the Planning Board foresaw that Iran might be willing to enter into a regional defense arrangement within a year or two if the oil controversy were settled soon and a pro-Western government continued in power. A "long-range program" of improving Iran's armed forces was recommended, "related to the progress made toward effective regional defense plans."

2. Dept of State Bulletin, 15 Jun 53, pp. 831-835.
3. (TS) NSC Action No. 801, 1 Jun 53.
4. During the Eisenhower Administration, this Board prepared studies and policy recommendations for consideration by the National Security Council.

(U) In an appended staff study, the Planning Board discussed Iran's security and other problems facing the country. It was noted that Iran constituted a "blocking position" from which to oppose any Soviet move toward Turkey, Pakistan, the Persian Gulf, or the Suez Canal, and that it would provide valuable bases for attacks against the Soviet Union in case of war. The Board cited the judgment of the US Ambassador in Tehran that cooperation of Iran and Iraq in regional defense would depend upon the receipt of "firm commitments" from the United States to supply military aid.[5]

(TS) The Joint Chiefs of Staff considered NSC 175 acceptable subject to several changes. They pointed out that the authors of the study had underemphasized the difficulty involved in defending Iran. That nation's own forces were not strong enough alone to block a Soviet move against Turkey or Pakistan, and the mountainous terrain and lack of communications in the Middle East would make it extremely difficult to support Iran. As for the prospects for regional association, political and religious differences might make it difficult for Turkey, Pakistan, and Iran to cooperate, while Iraq would probably maintain a position of "benevolent neutrality." Turkey's commitments to NATO, moreover, would inhibit the diversion of her forces to assist Iran.[6]

(TS) The National Security Council approved NSC 175 on 30 December 1953 with minor changes, including most of those recommended by the Joint Chiefs of Staff. The Council instructed the Joint Chiefs of Staff, however,

5. (U) NSC 175, 21 Dec 53, CCS 091 Iran (4-23-48) sec 11.

6. (TS) Memo, JCS to SecDef, 29 Dec 53 (derived from JCS 1714/57), CCS 092 Iran (4-23-48) sec 11.

to reconsider their comments on the difficulties of regional defense cooperation, apparently believing them somewhat exaggerated. Following approval by the President, NSC 175 was issued in January as NSC 5402.[7]

(TS) Meantime, during the fall of 1953, the Joint Chiefs of Staff had addressed the issues of a strategic concept for the Middle East and regional security arrangements for that area. With regard to the former, the Joint Chiefs of Staff examined three possible strategies:

1. To defend along the high ground in northwestern Iran from a point on the Turkish-Iranian border just north of Lake Urmia eastward along the southern shore of the Caspian Sea (the Elburz Mountains), then curving southward to the Great Salt Desert in north Central Iran. This was the northernmost line of defense that could be considered practicable.

2. To defend along the line of the Zagros Mountains, extending from a point near the junction of Turkey, Iraq, and Iran to the head of the Persian Gulf. This line constituted the southernmost natural boundary that would provide protection for all the Middle Eastern oil region.

3. To concentrate forces around Mosul-Kirkuk, Baghdad, and Basra, maximizing the enemy's difficulties in crossing the Zagros Mountains by ground delaying action and air interdiction, and undertaking mobile operations to destroy Soviet forces debouching into the Tigris-Euphrates valley.

(TS) The Joint Chiefs of Staff considered the second concept, the Zagros line, the best. They favored retention of the third as a possible alternative, but rejected the first as unfeasible because of

7. (TS) NSC Action No. 998, 30 Dec 53. (TS) NSC 5402, 2 Jan 54, CCS 092 Iran (4-23-48) sec 11.

political complications and the difficulties of providing logistic support. The Joint Chiefs of Staff estimated force requirements for the second concept at four divisions and 1,100 aircraft on D-day, rising to 10 divisions and 1,250 aircraft by D+60 days. Naval requirements were one destroyer squadron, 20 escort vessels, 25 minesweepers, one antisubmarine patrol squadron, and various auxiliaries. Before making final recommendation on this matter, the Joint Chiefs of Staff wanted further study, including the views of the concerned commanders on the indigenous military potential of the Middle East and the cost to the United States of developing the forces of the countries of that region.[8]

(TS) With regard to regional security arrangements, the Joint Chiefs of Staff told the Secretary of Defense on 13 November 1953 that "the time might be propitious" for encouraging an association among Turkey, Iraq, Iran, and Pakistan. Such an arrangement, they continued,

> would visualize an association of indigenous forces under an indigenous command advantageously located with relation to the current threat. It would also provide for the evolutionary growth of a defense organization which could logically develop in time to include other Middle East countries. . . .[9]

(TS) After receipt of the views of both CINCNELM and USCINCEUR, the Joint Chiefs of Staff approved on 6

8. (TS) JCS 1887/70, 13 Oct 53, CCS 381 EMMEA (11-19-47) BP pt 1A. (TS) SM-1765-53 to CINCNELM, 2 Nov 53; SM-1767-53 to JSPC, 2 Nov 53; same file, sec 16.

9. (TS) Memo, JCS to SecDef, 14 Nov 53 (derived from JCS 1887/73), same file, sec 17.

April 1953 the Zagros line defense concept for the Middle East. They then approached the British Chiefs of Staff on this matter in June 1954, proposing combined US-British-Turkish discussion to determine a concept of operations, to include force estimates, for this defense line.[10]

(TS) Another encouraging development took place in December 1954, when the Shah paid a state visit to President Eisenhower. On this occasion, the Shah announced that Iran had decided to abandon its traditional neutrality and to cooperate with the nations of the free world. US officials replied by expressing a hope that Iran would join Turkey, Pakistan, and Iraq in a defense association, and by promising to assist in the defense of the Zagros line.[11]

(TS) Following the Shah's visit, the NSC Planning Board drew up a revised statement of policy toward Iran that was approved by the President and the Council in January 1955 (NSC 5504). This paper recommended that the United States assist in developing Iran's armed forces to enable them to "make a useful contribution to Middle East defense"--an objective that would admittedly "require a long-term program involving U.S. expenditures substantially in excess of present levels." The Joint Chiefs of Staff had endorsed NSC 5504, but had warned that any increase in the Iranian program must be carefully weighed against other claims for the limited funds available and should await a more careful

10. (TS) JCS 1887/75, 18 Mar 54; Dec On JCS 1887/75, 6 Apr 54; CCS 381 EMMEA (11-19-47) sec 17. (TS) SM-571-54 to BCCS, 21 Jun 54 (derived from JCS 1887/80), same file, sec 18.

11. (TS) NSC 5504, 15 Jan 55, CCS 092 Iran (4-23-48) sec 15.

definition of Iran's military role pending developments in Middle East regional security arrangements.[12]

(~~TS~~) In April 1954, military representatives of the United States, Britain, and Turkey had begun meeting in London to draw up a defense concept for the Middle East. JCS guidance for the US representative encompassed the Zagros line strategy discussed above. The Joint Chiefs of Staff did not contemplate "stationing or committing any significant U.S. forces in defense of the Middle East at this time,"

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(~~TS~~) The tripartite military representatives met for many months and, on 22 February 1955, issued their report. They concluded that the Middle East countries could provide the ground forces needed to defend the Zagros line, but would require outside assistance to bring them up to the necessary readiness as well as air and naval support

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The tripartite planners also set out in detail the forces required, finding a deficit in those currently available in the area.[14]

12. Ibid. (~~TS~~) Memo, JCS to SecDef, 7 Jan 55 (derived from JCS 1714/78), CCS 092 Iran (4-23-48) sec 15.

13. (~~TS~~) JCS 1887/75, 18 Mar 54, CCS 381 EMMEA (11-19-47) sec 18. (~~TS~~) SM-997-54 to CINCNELM, 17 Nov 54 (derived from JCS 1887/93), same file, sec 19.

14. (~~TS~~) Rpt, Dep Chief of Turkish Staff, Vice Chief of UK Air Staff, and CINCNELM, "Combined Turkey-UK-US Middle East Defense Study," 22 Feb 55, CCS 381 EMMEA (11-19-47) BP pt 2.

(U) On 24 February 1955, just two days after the US, British, and Turkish military planners had completed their report, Turkey and Iraq signed a Pact of Mutual Cooperation in Baghdad, establishing an organization for collective defense in the Middle East under the northern tier concept. This "Baghdad Pact" committed the contracting parties to "cooperate for their security and defense." Detailed means for this cooperation remained to be worked out later. The Pact was open to acession by other interested states and it provided for the establishment of a permanent council at the ministerial level when "at least four Powers" had become members. Three other adherences followed shortly: British accession was deposited on 5 April, Pakistan followed on 23 September, and on 25 October the Shah signed the Pact, authorizing Iranian membership.[15]

(TS) The Joint Chiefs of Staff supported and urged US adherence to the Baghdad Pact. In their consideration of this matter, they observed that Iran's contribution could be strengthened by increasing US support to the Iranian forces. The advice of the Joint Chiefs of Staff was not accepted, and on 11 July 1955, the Under Secretary of State recommended to President Eisenhower against accession to the Pact. As the reason, the Under Secretary cited the adverse affect on "our influence in bringing about a reduction in Arab-Israeli tensions." The Under Secretary of State did recommend that the United States establish close liaison with the Pact organization in order to coordinate US plans and aid programs with those of the member

15. (U) Paul E. Zinner (ed.), Documents on American Foreign Relations, 1955 (1956), pp. 342-344. Hollis W. Barber, The United States in World Affairs, 1955 (1957), pp. 154-155.

states. He also recommended increased US military assistance as an inducement to Iran, which, at this point, had not yet joined the Pact.[16]

(TS) The President accepted the advice of the Under Secretary of State, and the United States did not accede to the Baghdad Pact. At JCS recommendation, however, the US Army Attache in Iraq was designated as the US military observer with the Baghdad Pact organization.[17]

(TS) The signatories of the Pact held their first meeting in Baghdad on 21-22 November 1955. There they established a formal organization, including a council at the ministerial level with permanent deputies of ambassadorial rank, a secretariat, and economic and military committees. A counter-subversion committee was added later. Thereafter planning proceeded on the definition of the threat to the Pact area and on a defense concept. The latter called for holding the mountain barrier made up of the Elburz and Hindu Kush ranges extending across northern Iran from Turkey to Afghanistan--a line that would provide maximum security to the region by containing the potential enemy within his own territory and denying him access to allied air bases, oil areas, and lines of communication. The Iranian delegate took the lead in advocating defense along the Elburz range, a position that was politically

16. (TS) Memo, JCS to SecDef, 16 Jun 55 (derived from JCS 1887/104), CCS 381 EMMEA (11-19-47) sec 21. (TS) Memo, USecState to Pres, 11 Jul 55, App A to JCS 1887/108, 19 Jul 55; Memo, Dep ASD(ISA) to JCS, 14 Jul 55, Encl to JCS 1887/108, 19 Jul 55; same file, sec 22.

17. (TS) Memo, Dep ASD(ISA) to JCS, 14 Jul 55, Encl to JCS 1887/108, 19 Jul 55, CCS 381 EMMEA (11-19-47) sec 22. (U) Memo, JCS to SecDef, 30 Sep 55 (derived from JCS 1887/117); N/H of JCS 1887/117, 2 Nov 55; same file, sec 23.

imperative for him in view of the fact that the Elburz provided the only strong natural barrier from which to defend Iranian territory. The Elburz concept, while politically essential to Iran and preferred by Pakistan, represented a much more ambitious undertaking than the Zagros defense concept approved earlier by the US, British, and Turkey military representatives.[18]

(~~TS~~) During 1956, the Joint Chiefs of Staff made several further formal recommendations to the Secretary of Defense for US adherence to the Baghdad Pact, but no such action resulted. Nonetheless, the United States did take various actions to increase cooperation with the Pact organization. With Secretary of Defense approval, the Joint Chiefs of Staff agreed in March 1956 to comment on studies prepared by the Military Committee. Then, in April 1956, a permanent US military liaison office with the Pact was established and, a month later, the US military observer to the Pact was authorized to express US views on Middle East defense matters on an informal basis. In addition, the United States began to participate in the Economic and Counter-subversion Committees.[19]

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18. (U) "Communique," Baghdad Pact Council Meeting, 22 Nov 55, Dept of State Bulletin, 2 Jan 56, pp. 16-18. (~~TS~~) US Army Attache, Iraq, "Observations and Impressions of the First Meeting, Council of the Baghdad Pact Military Deputies' Committee, 21-28 January 1956," 6 Feb 56, CCS 381 EMMEA (11-19-47) sec 27.

19. (~~TS~~) Memo, JCS to SecDef, 4 Jan 56 (derived from JCS 1887/135), CCS 381 EMMEA (11-19-47) sec 25. (U) Memo, JCS to SecDef, Encl to JCS 1887/156, 23 Mar 56, same file, sec 28. (~~TS~~) Memo, JCS to SecDef, 30 Nov 56 (derived from JCS 1887/313), same file, sec 51. (U) Dec On JCS 1887/149, 3 Mar 56; (U) Msg, JCS 998294 to USARMA Iraq, 3 Mar 56 (derived from JCS 1887/149); same file, sec 27. (~~TS~~) JCS 1887/167, 5 Apr 56, same file, sec 29. (~~TS~~) Memo, JCS to CINCNELM, 11 Apr 56 (derived from JCS 1887/167), same file, sec 30. (U) SM-428-56to USARMA Iraq, 24 May 56 (derived from JCS 1887/184); N/H of JCS 1887/184, 28 May 56; same file, sec 34. Richard P. Stebbins, United States in World Affairs, 1956 (1957), pp. 94-95.

(TS) Following the Suez crisis in the fall of 1956, the Joint Chiefs of Staff again urged US adherence to the Baghdad Pact. They were concerned with the power vacuum resulting from the failure of Britain and France to overturn Gamal Abdel Nasser'S seizure of the Canal as well as the growing Egyptian influence in the Middle East, which had full Soviet backing. They told the Secretary of Defense on 30 November 1957 that "continuation of the Baghdad Pact as a regional defense organization against Soviet aggression in the Middle East is vital to the security of this area and to the attainment of U.S. military objectives." Joining the Pact, they believed, would provide the United States with an opportunity to establish a military position in the area if it should be needed.[20]

(U) President Eisenhower recognized the gravity of the situation, but preferred other measures to adherence to the Baghdad Pact. His policy, which became known as the Eisenhower Doctrine, was presented to the Congress on 5 January 1957, in the form of a request for a joint resolution authorizing him to offer military aid to any country in the Middle East requesting it. The objective was to help those countries maintain their independence from communist domination. President Eisenhower also requested authority to use US armed forces as he deemed necessary to protect the territorial integrity and political independence of any Middle Eastern state requesting help when faced with overt armed aggression from a country controlled by international communism. The Congress granted the President's request by a joint resolution which the President signed on 9 March 1957.[21]

20. (TS) Memo, JCS to SecDef, 30 Nov 56 (derived from JCS 1887/313), CCS 381 EMMEA (11-19-47) sec 51.

21. (U) Public Papers of the Presidents, Dwight D. Eisenhower, 1957 (1958), pp. 6-16. Richard P. Stebbins, The United States in World Affairs, 1957 (1958), pp. 154-155.

(U) Even though the United States did not join the Baghdad Pact, it continued to look to this collective security arrangement to provide stability in the Middle East. To this end, the United States strengthened its cooperation with the Pact, becoming a member of its Military Committee in June 1957. Since the Joint Chiefs of Staff reviewed the studies of the Committee, this action, in fact, only made formal what was already occurring on an informal basis.[22]

(U) The US hope that the Baghdad Pact would prove a stablilizing influence in the Middle East received a severe setback in 1958. On 14 July, a leftist revolution in Iraq overthrew the pro-Western monarchy and substituted a new "Republican Government." This new regime subsequently disassociated Iraq from the Pact, which then moved its headquarters to Turkey and became known as the Central Treaty Organization (CENTO). Although Turkey and Iran formed a continuous block along the Soviet border, the withdrawal of Iraq from the organization weakened the northern tier defense, and the susceptibility of the Iraqi Government to anti-Western influences exposed both Iran and Turkey to possible danger from the rear.[23]

(U) To bolster support for CENTO and enhance the security of the Middle East, the United States signed bilateral agreements in 1959 with three CENTO members, Iran, Turkey, and Pakistan. In the Agreement of Cooperation, signed on 5 March 1959, the United States and Iran undertook to cooperate for their security and defense in the interest of world peace. The Agreement provided that: "In case of aggression against

22. (U) "Communique," Baghdad Pact Council Meeting, 6 Jun 57, in Paul E. Zinner (ed.), Documents on American Foreign Relations, 1957 (1958), pp. 253-257.

23. (U) Richard P. Stebbins, The United States in World Affairs, 1958 (1959), pp. 201-203. Richard P. Stebbins, The United States in World Affairs, 1959 (1960), p. 230. Smith et al., Area Handbook, Iran, p. 71.

Iran . . . the United States of America, in accordance with the Constitution of the United States of America, will take such appropriate action, including the use of armed forces, as may be mutually agreed upon . . . ." The United States also promised to continue both economic and military assistance, and Iran, for its part, pledged to use this aid for the purposes intended, preservation of its independence and integrity.[24]

Beginning to Build: Iran's Armed Forces, 1955-1960

(S) To play their assigned role in defense of the Baghdad Pact area, Iran's armed forces would have to be improved through training and acquisition of necessary equipment. The US Military Assistance Program (MAP) was the primary means by which these improvements were sought. Removal of Dr. Mossadegh from power and the increasing assumption of control over Iran's affairs by the Shah provided an opportunity for US military aid to bring about improvements in Iran's armed forces. As early as May 1954, the Joint Chiefs of Staff expressed confidence in the results expected of MAP by recommending a broadening of military objectives for Iran, which the Secretary of Defense approved, to include provision of "some resistance to external aggression."[25]

(U) Seeking to accelerate progress towards this goal, Brigadier General Robert A. McClure, USA, Chief of the MAAG in Iran, proposed on 2 September 1954 a three-year program for giving the Iranian armed forces defensive capabilities at a cost of $360 million. The Joint Chiefs of Staff agreed with the need for such a

24. (U) 10 UST 314.
25. (S) Memo, JCS to SecDef, 19 May 54 (derived from JCS 2099/374), CCS 092 (8-22-46) sec 111. (S) Memo SecDef to JCS, 15 Jul 54, Encl to JCS 2099/396, 21 Jul 54, same file, sec 113.

build-up, but they doubted the ability of Iran's armed forces to absorb such a large increase in equipment so fast. They also feared similar claims for increased aid from neighboring Middle Eastern countries. Accordingly they opposed large increases in military grant aid, a position that was upheld by the Administration.

(U) General McClure also proposed, and the Joint Chiefs of Staff approved, a change in the force basis of the Iranian Army in order to make it conform more nearly to the actual organization. The new force basis consisted of 8 light infantry divisions, 4 light armored divisions, and 5 independent infantry brigades. To make the switch to the new organization would require the activation of one infantry brigade and the conversion of one division from infantry to armored. Provision of Patton tanks for one armored battalion would be required.[26]

(TS) Acting under the stimulus of General McClure's proposal, the Joint Chiefs of Staff ordered a reexamination of interim military objectives for Iran. As a result, on 3 October 1955, the Joint Chiefs of Staff accepted the conclusion that the Zagros line must be held indefinitely if the United States was to attain its military objectives in the Middle East. However, existing Iranian forces would not hold the line against Soviet attack for more than a month; they could probably never be sufficiently strengthened to hold indefinitely. An appropriate interim objective would be to hold the key passes for six months with outside operational and logistical help. To attain this capability would require expenditures of approximately

26. (S) Memo, CINCAFE, Iran to ACCS G-3, DA, 2 Sep 54, Encl to JCS 1714/67; (U) Memo, JCS to SecDef, 24 Sep 54 (derived from JCS 1714/68); CCS 092 Iran (4-23-48) sec 13. (S) N/H of JCS 1714/80, 27 Apr 55, same file, sec 16.

$191.8 million for military training and equipment during the period FY 1955-1958.[27]

(TS) Adherence of Iran to the Baghdad Pact, however, led the Joint Chiefs of Staff to adopt a more optimistic view of Middle East defense. On 12 July 1956 they told the Secretary of Defense that they considered the Elburz Mountain line along Iran's northern border to be a "sound goal on which to base long-range planning for force requirements."[28]

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(S) A few days later, Major General J.F.R. Seitz, USA, Chief of US ARMISH/MAAG, recommended a program for preparing the Iranian forces for a role in Baghdad Pact defense. His defensive concept, while calling for a stand on foreward positions, differed in significant details from the JCS concept. Instead of a defense all along the Elburz Mountains, General Seitz called for holding only the westernmost sector lying in the province of Azerbaijan, backed up by a second force holding the northern passes in the Zagros Mountains leading to Iraq.

(S) The Iranian armed forces, however, as presently organized, equipped and deployed had only a very limited capability for defense against Soviet

27. (TS) Memo, JCS to SecDef, 3 Oct 55 (derived from JCS 1714/83), CCS 092 Iran (4-23-48) sec 17.
28. (TS) Memo, JCS to SecDef, 12 Jul 56 (derived from JCS 1867/220), CCS 381 EMMEA (11-19-47) sec 39.

attack. To rectify this condition, General Seitz recommended a reorganization of the Army into 12 infantry divisions, of which 6 would be at half strength, and 5 reduced-strength independent brigades. Tanks of the 4 existing light armored brigades would be distributed among the infantry divisions, thereby enhancing their defensive capabilities. Three full-strength divisions would man the forward line, three would deploy on the secondary Zagros position, while the understrength divisions and the independent brigades would be stationed throughout the country to maintain internal order. In case of invasion, they would withdraw into the Zagros to reinforce its defenses.[29]

(TS) The Joint Chiefs of Staff found this reorganization plan acceptable both operationally and as a basis for future programming of military assistance funds for Iran. They reserved judgment, however, on the defensive concept, which was, of course, not in accord with their own concept for defending the Elburz line. They recommended, and the Secretary of Defense approved, adoption of General Seitz's program as the major combat force objectives for the Iranian Army.[30]

(TS) The concept of defending the Elburz line, at least initially, gained official approval at the highest levels of the US Government a year later, when the President, on 9 August 1957, approved NSC 5703/1. It called for the United States to provide Iran the military assistance to maintain armed forces capable, with outside air and logistic support, of

29. (S) Memo, USARMISH/MAAG Iran to USCINCEUR, "Force Base Program for Iran," 24 Jul 56, Encl to JCS 1714/91, 29 Aug 56, CCS 092 Iran (4-23-48) sec 18.

30. (TS) Memo, JCS to SecDef, 19 Sep 56 (derived from JCS 1714/92); (TS) N/H of JCS 1714/92, 4 Oct 56; CCS 092 Iran (4-23-48) sec 18.

"fighting delaying actions initially from positions in northern Iran against Soviet forces."[31]

(U) Programs for military aid to Iran showed a marked increase during these years: $10.8 million in FY 1955; $21.2 million in FY 1956; and $75.3 million in FY 1957. The Joint Chiefs of Staff were asked to comment on these programs, but since their response was addressed to the Middle East area as a whole, their views on the level of funding for the Iranian program cannot be determined.[32]

(TS) At first, the Shah had acquiesced in the levels of military aid offered his government by the United States and in the plans developed by USARMISH/MAAG for the forces to be supported by it. But when the Baghdad Pact Combined Military Planning Staff produced a plan calling for 16 full-strength divisions for the defense of Iran, the Iranian monarch insisted that he must have armed forces of this magnitude in order to fulfill his treaty obligations. To show its continued interest in the area, the United States in January 1958 offered additional military assistance in the amount of $14 million.

(TS) The Shah, however, continued to press for even larger amounts of aid. He scheduled a trip to Washington in order to argue his case in person. The Joint Chiefs of Staff, in a position paper preparatory to this visit, opposed an increase in military assistance for Iran on military grounds. They recommended that, if an offer of military equipment became politically desirable to bolster the Shah's morale,

31. (TS) NSC 5703/1, 9 Aug 57, CCS 092 Iran (4-23-48) sec 19.
32. DSAA, "DSAA Fiscal Year Series: Iran."

deliveries of materiel already programmed be speeded up.[33]

(S) President Eisenhower met with the Shah on 1 July 1958. No increase in military aid to Iran resulted from the discussion. Two weeks later, however, the overthrow of the monarchy in Iraq by leftist forces changed the strategic balance in the Middle East. As a result, President Eisenhower called General Nathan S. Twining, USAF, the Chairman of the Joint Chiefs of Staff, to the White House and asked him what could be done to "strengthen the military position of Iran and Turkey." General Twining replied that the Iranian forces were supplied almost entirely with US equipment and that deliveries, scheduled to keep pace with Iran's ability to absorb the equipment, had not met all requirements. He gave the President a list of these equipment deficiencies, from which certain items were selected for priority delivery, while the remaining were referred back to the Department of Defense for further study. One option offered by General Twining, to bring the six undermanned Iranian divisions to full strength, was rejected because of the cost and the time required to accomplish it. The major items to be supplied included 272 M-47 tanks, 58 artillery pieces, 1,359 trucks, and two small naval vessels. Military assistance for the following years ($95.5 million in FY 1958, $72.4 million in FY 1959) reflected these stepped up deliveries. Significantly, the figure for FY 1959 included for the first time, sales in the amount of $94,000.[34]

33. (S) Memo, JCS to SecDef, 9 Jun 58 (derived from JCS 1714/100), CCS 092 Iran (4-23-48) sec 21.

34. (S) Memo, SpecAsst to CJCS to CJCS, 16 Jul 58, Encl to JCS 1887/477, same date; (TS) JCS 1887/478, 22 Jul 58; CCS 381 (8-23-47) sec 6. DSAA, "DSAA Fiscal Year Series: Iran."

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(TS) The US commitments in 1958 for increased military assistance did not allay the Shah's apprehensions. He raised the question of Iranian security with President Eisenhower, when the latter visited Tehran in December 1959 during a trip to Europe, Africa, and Asia. The Shah cited the threat from both Iraq and Afghanistan and sought increased US support to modernize his forces. The Joint Chiefs of Staff reviewed both the assessment of the threat and the specific requirements that the Shah had given the President. They found the Iranian version of the threat "considerably overstated" and estimated the cost of the items on the list of requirements at $600 million. They judged

35. (S) JCS 1887/464, 16 Jun 58; N/H of JCS 1887/464, 27 Aug 58; CCS 381 EMMEA (11-19-47) sec 71.

the present and projected level of US military assistance to Iran to be sound, representing as much as could be effectively absorbed by the Iranian armed forces. Consequently, the Shah received no new commitments although the United States did assure him that his desire for modernization would be born in mind in developing future programs.[36]

(TS) By the end of the Eisenhower Administration, the United States had been furnishing military assistance to Iran for over 10 years and had delivered equipment valued at $386.8 million. The results, however, were not encouraging. The Iranian Army, according to an NSC policy review (NSC 6010), was capable only of "offering very limited resistence to aggression by a major power." The Air Force and Navy were "weak and ineffective." Still, Iran remained critically important to the United States because of its strategic location between the Soviet Union and the Persian Gulf and because of its great oil reserves. Military assistance must therefore continue. As in the past, it should be directed toward providing Iran a capability for internal security and for a limited contribution towards regional defense.[37]

Iran's Internal Affairs, 1953-1960

(U) The key to the success of all the military plans for Iran lay in continued internal order and

36. (TS) Memo, SecDef to CJCS, 4 Jan 60, Encl to JCS 1714/111, 12 Jan 60; (S) Ltr, Shah to Pres, 12 Jan 60, Att to JCS 1714/113, 29 Jan 60; (TS) JCSM-61-60 to SecDef, 19 Feb 60 (derived from JCS 1714/114); JMF 9181/4060 (24 Dec 59). (S) NSC 6010, 8 Jun 60, JMF 9181/9105 (8 Jun 60).

37. DSAA, "DSAA Fiscal Year Series: Iran." (TS) NSC 6010, 8 Jun 60, JMF 9181/9105 (8 Jun 60). NSC 6010 was adopted by the NSC on 30 June 1960 and approved by the President on 6 July 1960. See (TS) N/H of JCS 1714/116, 20 Jul 60, same file.

orientation towards the West. A period of relative calm and stability had followed the overthrow of Dr. Mossadegh in 1953. Assisted by the Army, the Shah returned to power and internal order was restored. In the following several years, the political importance of the Majlis declined while, simultaneously, the influence of the Shah, his family, and close associates at court and in the armed forces increased.[38]

(~~TS~~) Beneath the surface calm and stability, however, a number of internal problems had begun to fester in Iran. A new NSC statement of policy on Iran (NSC 5703/1) in 1957, to which the Joint Chiefs of Staff had given their concurrence, first pointed out these problems and the possible negative impact for the achievement of US objectives in Iran. While still calling for a free and independent Iran with armed forces capable of maintaining internal security and contributing to Middle East defense, the new policy statement added the following objective:

> A government that can and will make maximum balanced use of all available resources in order to provide early and visible progress toward economic improvements that will meet rising popular expectations.[39]

(~~TS~~) A report to the National Security Council on Iran in October 1958 spelled out in considerably more detail the internal problems that were endangering political stability there. Listed were: the restiveness of the middle class, intellectuals, and junior military officers; the restriction on political activity; the police methods of the Shah and his government;

38. Smith et al., Area Handbook, Iran, pp. 70-72.
39. (~~TS~~) NSC 5703/1, 8 Feb 57, CCS 092 Iran (4-23-45) sec 19. (U) Memo, JCS to SecDef, 5 Feb 57 (derived from JCS 1714/94), same file.

corruption in the military and civil service; and involvement of the Imperial family and high court officials in large financial and business operations. The report also observed that the necessity of working closely with the Shah raised "a problem of possible over-identification of the U.S. with the Shah's policies at a time when opposition to his policies is an important factor in the growing political instability."[40]

(TS) Another potential Iranian trouble spot mentioned in the report to the National Security Council was the Kurdish problem. The Kurds, a distinct ethnic group in the Middle East, inhabited contiguous areas of Turkey, the Soviet Union, Iran, Iraq, and Syria. About one third of these people lived in Iran along the western border in extreme poverty and neglected by the Government. During the summer of 1958, both the Soviet Union and the United Arab Republic began to beam broadcasts to the Kurds in Iran promoting the establishment of a Free Kurdistan, and the resulting unrest posed a further internal threat to the Shah.[41]

(TS) As a result of the NSC report in October 1958, the United States accepted a new policy statement toward Iran on 15 November 1958 that called for pressure on the Shah to institute political, social, and economic reforms. The new policy, NSC 5821/1, drafted by the NSC Planning Board and concurred in by the Joint Chiefs of Staff, retained previous US objectives for Iran, but noted that threats to US interest lay in Iran's vulnerability to Soviet influence and "the widespread dissatisfaction of many Iranians with domestic conditions.

40. (TS) OCB Report, 9 Oct 58, Att to JCS 1714/101, 10 Oct 58, CCS 092 Iran (4-23-48) sec 21.
41. Ibid.

The latter, the statement said, was "more immediately pressing." The key issue was the extent to which "the largely personal regime of the Shah," with which the United States was closely identified, could cope with Iran's growing internal problems. A major question was whether the Shah could or would take "sufficiently dramatic and effective steps" to insure his position and siphon off growing discontent. To do so the Shah would have the difficult task of satisfying popular demands without alienating the conservative elements that provided the traditional support for his regime.

(TS) Despite the weaknesses of the Shah, NSC 5821/1 found no "constructive, pro-Western" alternative in Iran and saw no recourse but continued support for him. Hence the United States must influence the Shah to make "meaningful" reforms. Specific goals included: appointment of honest and competent government leaders and delegation of administrative responsibilities to them; liberalization of legislative and judicial practices; elimination of graft, corruption, and conflicts of interest in government circles and the Imperial family; improvement of the economic development program; and the adoption of administrative, tax, and financial reforms.[42]

(TS) Two years later, the United States reviewed but made no changes in its policy towards Iran. Once again, there appeared to be no satisfactory alternative to the Shah in spite of continuing and serious internal unrest. The United States should, therefore, continue to try to convince the Shah that internal instability was the most immediate threat to his regime.[43]

42. (TS) NSC 5821/1, 15 Nov 58, CCS 092 Iran (4-23-48)

43. (TS) NSC 6010, 8 Jun 60, JMP 9191/9105 (8 Jun 60).

3

STRENGTHENING THE ANTI-SOVIET BARRIER 1961-1968

(U) In 1960, the United States seemed well on the way toward obtaining its policy goals for Iran. As a member of CENTO, Iran was actively involved in the collective defense of the Middle East, and US military assistance was giving Iran growing strength to participate in that defense. Yet, Iranian forces were still judged far from what was required, especially if called upon to meet a direct Soviet attack. Consequently, the 1960s would witness expanding US military aid for Iran in an effort to strengthen further the barrier against Soviet expansion into the Middle East. In addition, internal problems persisted in Iran which, if not resolved, could weaken Iran's ability to contribute to Middle East defense.

The Kennedy Adminstration: Growing Assistance for Iran

(TS) One aspect of the Iranian internal problems was among the first matters raised by the Joint Chiefs of Staff with the new Kennedy Administration. On 26 January 1961, they told Secretary of Defense Robert McNamara that existing contingency plans for Iran were insufficiently wide-ranging to deal with the many possible politically-inspired crises that might require US military action. They particularly wanted plans to assure that the Shah's successor would be pro-Western. The Assistant Secretary of Defense (ISA) agreed that "a careful review of our national policy . . . should be undertaken" and asked the Department of State to collaborate.[1]

1. (TS) JCSM-27-61 to SecDef, 26 Jan 61 (derived from JCS 1714/123); (TS) 1st N/H of JCS 1714/123, 1 Mar 61; JMF 9181/9105 (1 Dec 60).

(S) A Presidential Task Force, chaired by the Assistant Secretary of State for Near Eastern and South Asian Affairs, accomplished the desired review and carried out a far broader study than originally envisioned by the Joint Chiefs of Staff. The Task Force submitted its report to the National Security Council on 15 May 1961, stating that "the continuing trend toward revolution and chaos in Iran has reached the point where the U.S. must take vigorous action." As the Shah's popular support dwindled, "the spectres of a recrudescence of irresponsible anti-Western Mossadeqism or [a] brittle military dictatorship have loomed constantly larger." Obviously, therefore, the United States must make a "major effort" to support the Shah and his regime and encourage far-reaching political and economic reforms.[2]

(S) After consideration of the Task Force report, the National Security Council adopted, as a replacement for NSC 6010, a set of economic, political, and military recommendations that addressed not only internal insecurity but attempted to deal with Iran's long range problems. To respond to the immediate problem the National Security Council agreed to support the existing regime as the best attainable, to encourage the Shah to make political and social reforms, and to oppose military plots against him. The Council also sought to provide Iran more substantial assurance of US support against Soviet attack and to head off demands for ever increasing military aid. Specific proposals included:

a. Urgently examining the desirability of (1) moving earmarked forces to locations where they

2. (S) Presidential Task Force Study, "A Review of Problems in Iran and Recommendations for the National Security Council," 15 May 61, Att to JCS 1714/129, 15 May 61, JMF 9181/9105 (9 May 61) sec 1.

could assist Iran more rapidly and (2) giving Iran more information about US plans.

b. Continuing MAP support for the Iranian armed forces up to a level of about 200,000 men.

c. Helping to identify the key considerations in deciding how to react against a Soviet attack, developing plans for (1) the introduction of up to two divisions and (2) [redacted] (b)(1) (a)(5)

(~~S~~) The Acting Assistant Secretary of Defense (ISA) asked the Joint Chiefs of Staff for their views on the recommendations described in (a) and (c) above. Their answer, although it acknowledged that Iran's importance "cannot be over-emphasized," stated that the United States lacked enough strength-in-being permanently to station sufficient forces in or near Iran. Pre-positioning of equipment and temporary "show of force" or "token" deployments were possible but the delays inherent in obtaining transit and base clearances might restrict immediate responses to the movement of naval forces into adjacent waters. The Joint Chiefs of Staff described periodic dispatching of units for maneuvers or exercises as "feasible and desirable." but they opposed the earmarking of units as "impractical" and the imparting of more information about US plans as "undesirable." And, since existing plans already provided for possible employment of more than two divisions, additional planning efforts appeared unnecessary. In conclusion, the Joint Chiefs of Staff believed that a commitment of substantial forces to oppose Soviet aggression might well spark a general

5. (~~S~~) Memo, DepSecDef to CJCS et al., 29 May 61, Encl to JCS 1714/131, 1 Jun 61, JMF 9181/9105 (9 May 60) sec 1.

war, in which case no sizeable US units were slated for early deployment to the Middle East.[4]

(TS) A few months later, the Joint Chiefs of Staff raised additional doubts about defending Iran against Soviet attack. They gave their views in response to inquiries by President Kennedy who feared that Soviet-instigated pressures on Berlin and Laos might presage diversionary pressure on Iran. Since no plans dealt specifically with a limited war confined to Iran, and involving US and Soviet forces, the Deputy Secretary of Defense asked the Joint Chiefs of Staff on 7 October 1961 to assess US capacity for fighting a limited war in Iran, [redacted] The JCS answer of 20 October was decidedly pessimistic. They held out hope of resisting "limited Soviet intervention and probing aggression," but not of opposing a "substantial and determined" incursion. In northeast Iran, scanty road and rail facilities would limit US forces to two divisions plus two battle groups. That force, together with Iranian units, was simply too small to stop a sizeable Soviet attack. Any commitment of US forces, they continued, must be preceded by a decision to do whatever was necessary to achieve national objectives. In order to assure "any chance of success," there would have to be immediate attacks against air bases in the Soviet Union, [redacted]

(b)(1) (a)(5)

(b)(1) (a)(5)

4. (~~S~~) Memo, Actg ASD(ISA) to CJCS, 2 Jun 61, Encl to JCS 1714/132, 7 Jun 61, JMF 9181/9105 (9 May 61) sec 1. (~~TS~~) JCSM-443-61 to SecDef, 28 Jun 61 (derived from JCS 1714/133), same file, sec 2.

5. (~~TS~~) Memo, DepSecDef to CJCS, 7 Oct 61, Att to JCS 1714/134, 9 Oct 61, JMF 9181/9105 (9 May 61) sec 2. (~~TS~~) JCSM-741-61 to SecDef, 20 Oct 61 (derived from JCS 1714/135), same file, sec 3. For subsequent discussions, see (~~TS~~) Memo, Actg ASD(ISA) to CJCS, 20 Oct 61, Att to JCS 1714/136, 23 Oct 61; (~~TS~~) JCSM-780-61 to SecDef, 9 Nov 61 (derived from JCS 1714/137); same file.

(~~TS~~) Moreover, the Joint Chiefs of Staff doubted that the Iranian forces, by themselves, could repel a Soviet attack. They made this observation in briefing papers for the Assistant Secretary of Defense (ISA) in March 1962 in preparation for a visit of the Shah to Washington. At that time, they expressed the view that the Iranians could stop an Iraqi or Afghan invasion, but lacked "any significant capability" against the Soviets. Concurrently, the Joint Chiefs of Staff supplied Secretary McNamara with appraisals of Department of State suggestions to: send a military planning group to Tehran; divulge US plans for waging limited war to the Iranians; and pre-position some equipment in Iran. They were willing to outline a defense concept in general terms and to send, "under cover of the MAAG," a planning group that would assist in developing detailed plans. But they were opposed to pre-positioning equipment for a battle group, on grounds that the Soviets would find such a step provocative and that the small amount of equipment sent would lessen US creditability.[6]

(~~S~~) While in Washington, the Shah met with Secretary McNamara and the Chairman of the Joint Chiefs of Staff on 12 April 1962. Mr. McNamara expressed US willingness to send a planning team to Iran, and to make a "firm undertaking" on MAP deliveries during FYs 1963-1967. This five-year program for modernization of the Iranian armed forces would include: more than 10,000

6. (~~S~~) Memo, ASD(ISA) to CJCS, 21 Mar 62, Att to JCS 1714/141, 28 Mar 62; (~~TS~~) JCSM-233-62 to SecDef, 29 Mar 62 (derived from JCS 1714/143); (U) Memo, DASD(ISA) to Actg CJCS, 23 Mar 62, Encl to JCS 1714/142, 28 Mar 72; (~~TS~~) JCSM-241-62 to SecDef, 31 Mar 62 (derived from JCS 1714/144); JMF 9181/5420 (21 Mar 62).

vehicles; two minesweepers; 16 transport aircraft; 26-52 supersonic fighter-bombers (2-4 squadrons); airfield construction; and an early warning radar system. He asserted, however, that the Iranians "basic force level" ought to be 150,000 men. The Shah countered by citing CENTO studies that recommended substantial increases rather than force reductions. Mr. McNamara proposed, and the Shah quickly agreed, that the US planning team should study deployments and force levels.[7]

(~~S~~) Accordingly, the Joint Chiefs of Staff dispatched a Military Planning Team, headed by Brigadier Genral H. S. Twitchell, USA, to Iran. The Team presented and the Joint Chiefs of Staff endorsed five measures. First, support a force level of about 160,000 men. Second, assist in completion of a main air base and construction of a forward airfield. Third, approve an aircraft control and warning (AC&W) system and related communications plan that included construction of four radar stations and seek British cooperation in building two additional stations. Fourth, consider the reinsertion of two frigates in the five-year program. Fifth, resolve within the CENTO framework Iranian-US differences over force goals. The Deputy Secretary of Defense approved everything except action on the two frigates.[8]

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7. (~~S~~) Annexes B and C to SM-514-62 to JCS, 2 May 62, JMF 9181/3100 (21 Apr 62) sec 1. (~~S~~) Aide Memoire, 12 Apr 62, Encl 2 to Report of US Military Planning Team, Iran, 20 Jul 62, Encl to JCS 1714/154, 21 Jul 62, JMF 9181/3100 (21 Apr 62) sec 4A.

8. (~~S~~) SM-538-62 to BG Twitchell, 10 May 62 (derived from JCS 1714/152), JMF 9181/3100 (21 Apr 62) sec 1. (~~TS~~) Report of U.S. Military Planning Team, Iran, 20 Jul 62, Encl to JCS 1714/154, 21 Jul 62, same file, secs 4 and 4A. (~~TS~~) JCSM-579-62 to SecDef, 3 Aug 62 (derived from JCS 1714/156); Memo, DepSecDef to CJCS, 31 Aug 62, Att to JCS 1714/158, 6 Sep 62, same file, sec 5.

[redacted]

(S) On 19 September 1962, the United States presented the Shah a five-year program of military assistance for FYs 1963-1967, revised in light of the findings of the Military Planning Team. The program was based on a concept of defense for Iran against all contingencies, both internal and external, recognizing that assistance from the United States and its allies would be required to deter and defeat Soviet aggression. This concept also took into consideration the collective security arrangements of CENTO and assumed a forward strategy, relying on the mountain barriers on the northern border. The five-year program supplied the means to modernize Iranian forces and included the following:

- 3.5 inch rocket launchers
- submarine guns
- 200 60mm mortars
- ammunition requird for training and for a 30-day reserve
- additional communications equipment
- 100 M-133 armored personnel carrriers
- 5,000 jeeps
- 1,500 3/4 to 1 ton trucks
- 3,500 2 1/2 ton trucks
- 250 5 ton trucks
- combat support equipment
- 2 minesweepers (inshore)
- 2 patrol frigates
- 20 helicopters (H43B)
- civic action program support
- 45 CESSNA 180 or 185 aircraft
- 4 C-130 aircraft
- 12 C-47 aircraft
- 52 F-5A aircraft (4 squadrons)
- completion of Hamadan airfield as a main opoerating base
- construction of Mashed airfield as a forward base
- construction of aircraft control and warning radar stations at Hamadan and Dezful

[redacted]

The Shah accepted this program the following day, 20 September 1962.[9]

(S) After coordination with appropriate Executive departments and agencies, including the Office of the Secretary of Defense and the Joint Chiefs of Staff, the Department of State issued "Guidelines" for US policy and operations in Iran in September 1962.[10] These Guidelines made no changes in US policy toward Iran. The goal remained the prevention of communist domination of this strategically located country. The Guidelines recognized that, while the external threat from the Soviet Union was "unrelenting," Iran's security was still seriously threatened by internal political discontent and disunity. With respect to military "lines of action," the Guidelines called for maintenance and improvement of the Iranian armed forces, through the military assistance program, and expansion of the civic action, counter-guerrilla, vocational training, and public relations sectors of the Iranian military program. Simultaneously, the United States should obtain a reduction in Iranian forces to a level of 150,000.[11]

9. (S) Memo for Shah, 19 Sep 62; (S) Ltr, Min of the Court to US Amb, 20 Sep 62; both Atts to Encl to JCS 1714/179-2, 26 Jan 66, JMF 9181 (17 Jan 66) sec 1. (U) Ltr, USCINCEUR to ASD(ISA), 28 Sep 62, Att to JCS 1714/161, 2 Oct 62, JMF 9181/2100 (21 Apr 62) sec 5. (S) Memo of Conversation, "Five-Year Military Program for Iran," 19 Sep 62, CJCS File 091 Iran.

10. During the Kennedy Administration, these Guidelines Papers replaced the NSC policy statements issued during the Truman and Eisenhower Administrations as the official source for US policy towards various countries.

11. (S) Dept of State, Draft Guidelines for Policy and Operations, Iran, Apr 62, Encl to JCS 1714/149, 26 Apr 62; (S) J-5M 273-62 to ASD(ISA), 7 May 72, Att to 1st N/H of JCS 1714/149, 15 May 62; JMF 9181/9105 (21 Apr 62) sec 1. (S) Dept of State, Guidelines for Policy and Operations, Iran, Sep 62, Att to JCS 1714/163, 13 Dec 62, same file, sec 2.

(U) In the early 1960s, the Shah finally began to address the internal problems confronting his country. In 1961, he appointed a new, liberal Prime Minister, Ali Amini, who instituted measures to remove corruption in the civil service, to decentralize the government administration, to limit luxury imports, and to initiate land reform. Then, in January 1963, the Shah announced a sweeping program of reforms. Known as the "Revolution of the Shah and the People" or, more commonly, the "White Revolution," the program included six major aspects: abolition of the feudal landlord-peasant system, breakup of large estates, and land redistribution; nationalization of forests and pastures; compensation of former landlords with capital shares in government industry; profit sharing in all productive enterprises; a new elections law that provided votes for women; and creation of a national literacy corps, employing educated youths in government service to teach the illiterate. Despite the opposition of the Shiite religious leaders, large landowners, and some tribal chiefs, who saw their privileged positions threatened, the Shah's program was endorsed overwhelmingly by a national referendum. In September 1963, elections were held under the new law with women voting for the first time. By the end of the year, both the Shah and the Prime Minister had distributed their estates.[12]

(S) At the same time that the Shah was launching internal reforms, he remained concerned about external threats. In 1963 he was worrying more about Egypt than about the Soviet Union. In June of that year, he had advised President Kennedy that Arab agents had begun subversive activities in Iran's southern provinces and argued that pre-positioning of equipment for two to three US divisions was "a matter of necessity."

12. Smith et al., Area Handbook, Iran, pp. 73-74.

Nothing was done; Iran's internal security situation struck US policy makers as critical but controllable.[13]

The Johnson Administration: More of the Same

(U) The assassination of President Kennedy and the succession of Lyndon Johnson to the Presidency in November 1963 brought no changes in US policy toward Iran. The United States pressed on with the five-year program approved in 1962 despite the Shah's increasing desires for additional assistance to meet threats from the radical Arab states.

(S) In January 1964, the Shah sent the United States another warning about the growing danger of Nasserite aggression. He told President Johnson that the five-year plan, approved in 1962, was inadequate for the changing situation and warned that, if the United States was unwilling to meet additional needs, Iran might have to look elsewhere. The President replied that, while he was willing to talk about the full range of problems, he did not believe that basic factors behind the five-year plan had changed significantly.[14]

(S) The Shah scheduled a Washington visit for June 1964. His most pressing demand was for modern M-60 tanks and M-551 Sheridan armored reconnaissance vehicles to replace 414 obsolescent M-47 tanks. The Joint Chiefs of Staff advised the Secretary of Defense on 15 May 1964 that they saw "military justification" for

13. (S) Ltr, Shah to Pres, 1 Jun 63; (S) SACSA-M 349-63 to CJCS, 13 Jun 63; CJCS File 091 Iran.

14. (S) Ltr, Shah to Pres, 7 Jan 64; (U) Ltr, ASD(ISA) to CINCSTRIKE/USCINCMEAFSA, 24 Mar 64; JMF 9181 (22 Apr 64). On 1 December 1963, the Joint Chiefs of Staff had designated CINCSTRIKE as the commander responsible for the Middle East (including Iran), Africa south of the Sahara, and South Asia (MEAFSA) under the concurrent title of USCINCMEAFSA. At the same time, CINCMELM, the commander responsible for the Middle East area since World War II, was disestablished. See (S) JCS Hist. Div., history of the Unified Command Plan, Dec 77, p. 23.

armor modernization and military and economic reasons why the United States should remain Iran's principal source of arms. They were willing to supply M-60s, provided production was expanded so that the Iranian order did not impinge upon other needs. The Sheridan, however, "should not be considered for MAP at this time because it is still in the development stage and is operationally untested." Subsequently, the Secretary of Defense approved a sale of M-60s, to be accomplished without any expansion of production.[15]

(S) Final agreement between the United States and Iran on the increased assistance was reached in a Memorandum of Understanding of 4 July 1964. This Memorandum extended and reoriented the modernization begun in 1962 into a program of combined grant aid and credit assistance. The United States agreed to provide additional grant military assistance during the period FY 1967-1969 for delivery by the end of 1970 to include: 39 F-4 aircraft to replace outmoded aircraft, 110 105mm howitzers, 28 8-inch howitzers, 1,000 vehicles, 1 airborne battalion, 4 twin-engine command-type aircraft, and a 30-day reserve of ammunition. This was additional equipment above that contained in the September 1962 commitment. Moreover, the United States would assist Iran in financing the purchase of an additional $250 million worth of equipment between FY 1965 and FY 1969. Of this total, $50 million would be cash purchases, principally for spare parts for equipment furnished under the grant aid programs. The remaining $200 million would be through credits and would include 460 M-60 tanks, 8 C-130 aircraft,

15. (S) Msg, CINCSTRIKE/USCINCMEAFSA to JCS, 221823Z Apr 64; (U) JCSM-4[illegible]-64 to SecDef, 16 May 64 (derived from JCS 1714/170-1); (U) Memo, DASD(ISA) to SecDef, 3 Jul 64, Att to Memo, DASD(ISA) to DJS, 15 Jul 64, Att to JCS 1714/170-2, 24 Jul 64; JMF 9181 (22 Apr 64).

163 M-113 armored personnel carriers, 1 HAWK battalion, 26 F-5 aircraft and 1,610 M-1919 A6 machine guns.[16]

(S) The increased US commitment to Iran in 1964 did not satisfy the Shah for long. During 1965, he made known his desire for still more hardware, citing the threat posed to Iran and the Persian Gulf by Iraq, the United Arab Republic, and Syria. The Shah wanted antiaircraft weapons, naval vessels, Sheridan armored reconnaissance vehicles, and aircraft that were superior to the F-5 interceptor. The Joint Chiefs of Staff supported sales of (1) 26 F-4 aircraft, with delivery delayed perhaps until FY 1973, and (2) a second HAWK surface-to-air missile battalion, to become operational in 1970.[17]

(S) Rather than accept the JCS recommendations, the Johnson Administration offered in early 1966 to send a survey team to Iran to assess the "full range" of military requirements. This proved acceptable, and the Joint Chiefs of Staff directed the dispatch of a tri-service Military Survey Team. The Team was instructed to "center on the objective of maintaining the primacy of the U.S. military presence in Iran at a moderate cost to Iranian resources." A basic purpose was to keep Iranian procurement "at a level consistent with legitimate military requirements . . . while minimizing the impact . . . on Iranian economic development."[18]

16. (S) US-Iranian Memorandum of Understanding, 4 Jul 64, Att to Encl to JCS 1714/179-2, 26 Jan 66, JMF 9181 (17 Jan 66) sec 1.

17. (S) Memo, DASD(ISA) to CJCS, 24 Aug 65, Encl to JCS 2315/367-1, 26 Aug 65; (S) JCSM-712-65 to SecDef, 23 Sep 65 (derived from JCS 2315/367-2); JMF 4060 (12 Aug 65) sec 1.

18. (C) Msg, CINCSTRIKE/USCINCMEAFSA to JCS, 14 Jan 66, JCS IN 52646. (S) Msg, DEF 1848 to Tehran, 17 Jan 66; (S) Memo, DASD(ISA) to CJCS, 18 Jan 66, Att to JCS 1714/179, 19 Jan 66; (S) JCSM-67-66 to SecDef, 1 Feb 66 and Msg, JCS 2865 to CINCSTRIKE/USCINCMEAFSA, 012000Z Feb 66 (both derived from JCS 1714/179-2); JMF 9181 (17 Jan 66) sec 1.

(TS) After touring Iran between 16 February and 3 March, the Survey Team, headed by Brigadier General C.G. Paterson, USAF, recommended approval of "minimum" additional requirements:

Army - 209 M-60 tanks,[19] 130 Sheridans, 2 Vulcan air defense battalions, and a 90-day level of war reserve materiel
Navy - 8 patrol boats, 1 destroyer, and a 30-day level of war reserve materiel
Air Force - 16 F-4s (one squadron), 2 mobile radars, 2 HAWK battalions, and a 90-day level of war reserve materiel

Costs for the five-year period FY 1967-1971 would come to $192 million. The Team urged that these requirements be accepted as "a basis for discussion" during a review of Iranian military assistance. Also, since such acquisition would generate further training and support needs, a planned $10 million MAP reduction should be studied; perhaps the funds withheld from warring India and Pakistan should be shifted to Iran. The Joint Chiefs of Staff concurred with these conclusions.[20]

(TS) On 23 May 1966, President Johnson approved a $200 million credit sales package, with certain caveats. As relayed to the Joint Chiefs of Staff by the White House Staff, the President was:

> deeply concerned over Iran's worrisome economic prospects. He wants each slice of this new program submitted to him for approval only after searching review of Iran's economic position. He regards the new $200 million as a planning figure subject to annual review. He asks that Ambassador (Armin) Myer tell the Shah of

19. The 209 M-60 tanks were the number remaining of the 460 the United States agreed to sell Iran in the 1964 Memorandum of Understanding.

20. (S) "Report of the United States Military Survey Team to Iran, 16 Feb-3 Mar 66," JMF 9181 (17 Jan 66) sec 1A. (TS) JCSM-240-66 to SecDef, 15 Apr 66 (derived from JCS 1714/179-4), same file, sec 1.

his concern, while reassuring him of the President's full respect for his judgment.[21]

(~~S~~) Subsequently, however, the Shah began expressing his dissatisfaction with some of the numbers, costs, and delivery dates offered. He wanted, for example, 32 rather than 16 F-4 aircraft. In fact, allegedly because of high US costs, he approached the Soviets about equipment purchases and professed interest in acquiring their surface-to-air missiles. This development was worrisome, because Soviet SAMs would be sited at bases from which F-4 and F-5 aircraft would be operating. Communications tie-ins involving all elements of the air defense system, could allow the Soviets to gain extensive knowledge about US equipment.[22]

(~~S~~) How far should the Administration move toward meeting the Shah's demands? The Department of State saw no need to accede completely. Yet, since the Shah had publicly committed himself to an independent procurement policy, he could not retract without some face-saving gesture. "In light of all this," the Deputy Under Secretary of State advised the Deputy Secretary of Defense, "we have concluded that present political hazards are great enough to call for a little 'give' in our military proposal." On 8 July, President Johnson offered to "consider" selling 32 F-4 aircraft;

21. (~~TS~~) Memo, ExecSecy, NSC to B.H. Read, 10 Jun 66, Att to JCS 1714/179-5, 20 Jun 66, JMF 9161 (17 Jan 66) sec 1.

22. (~~S~~) JCS 1714/182, 29 Jul 66; (U) Msg, CINCSTRIKE/USCINCMEAFSA to JCS, 251911Z Jul 66, JCS IN 15275, JMF 9181 (17 Jan 66) sec 2. (U) Ltr, Dep USecState to DepSecDef, 6 Jul 66, Att to JCS 1714/179-6, 8 Jul 66, same file, sec 1.

the Shah replied that he could not reverse his Moscow initiative without being labelled a "U.S. puppet."[23]

(S) The Department of State and some officials in the Office of the Secretary of Defense wanted to offer the Shah 32 F-4C aircraft at a reduced price of $70 million rather than new F-4D aircraft costing $100 million. Secretary of Defense McNamara opposed a larger F-4 sale, apparently because the Air Force would need additional appropriations to replace its F-4Cs with F-4E aircraft. But on 28 July, the US Ambassador in Tehran appealed directly to President Johnson, asking for a generous offer in order to forestall a "triumph for Soviet policy in the Mideast and serious setback for our interests in this area." It was "erroneous," he added, "to think Persians will not cut off their noses to spite their face." On 1 August the Joint Chiefs of Staff addressed the Secretary of Defense in order to

> reaffirm their judgment that it is essential to maintain the primacy of U.S. military interest in Iran and that every effort should be made to prevent the Soviets from gaining a foothold through the introduction of military equipment and technicians into Iran.

They recommended (1) that research and development costs be waived on all items sold and (2) that the Shah be offered 32 F-4C aircraft at reduced prices, with deliveries beginning in 1968.[24]

23. (U) Ltr, Dep USecState to DepSecDef, 6 Jul 66, Att to JCS 1714/179-6, 8 Jul 66, JMF 9181 (17 Jan 66) sec 1. (S) JCS 1714/182, 29 Jul 66, same file, sec 2.

24. (S) JCS 1714/182, 29 Jul 66; (S) DJSM-966-66 to CJCS, 29 Jul 66; (S) JCSM-498-66 to SecDef, 1 Aug 66, Att to JCS 1714/182, 29 Jul 66; JMF 9181 (17 Jan 66) sec 2. (U) Memo, SecAF to DepSecDef, 12 Jul 66, Att to JCS 1714/181, 15 Jul 66, JMF 9181 (12 Jul 66). (S) Msg, Tehran 451 to Pres, 29 Jul 66, CJCS File 091 Iran. (The Department of State received this message at 1045 on 28 July.)

(S) At a Tuesday Luncheon[25] on 2 August, President Johnson decided to:

(1) Waive research and development costs for two HAWK battalions and, perhaps, do the same for other systems.

(2) Offer the Shah 32 F-4D aircraft at full cost with deliveries commencing in 1968.

(3) If necessary, take some items out of inventory to speed delivery.

A Deputy Assistant Secretary of Defense (ISA) conveyed these decisions to the Shah, cautioning that F-4 aircraft and other "sensitive" items might be withheld if Iran acquired "sophisticated" Soviet equipment.[26]

(S) In February 1967, the Shah concluded an arrangement with the Soviet Union whereby Iran exchanged quantities of natural gas for $110 million worth of Soviet-made antiaircraft guns, trucks, and armored personnel carriers. United States pressure, apparently, persuaded the Shah to refrain from buying Soviet SAMs, and he had, in fact, already assured the United States that Iran would not acquire sophisticated equipment from the Soviet Union.[27]

(S) A Department of State National Policy Paper[28] on Iran completed at this same time took note, at the specific request of the Joint Chiefs of Staff, of the Shah's disillusionment with the United States

25. The Tuesday Luncheon was an informal meeting of advisers that President Johnson relied upon, in lieu of formal NSC meetings, in reaching policy decisions.

26. (S) DJSM-1000-66 to CJCS, 4 Aug 66; (S) Memo, DepSecDef to CJCS, 23 Aug 66, Att to JCS 1714/182-1, JMF 9181 (17 Jan 66) sec 1. (S) Draft Admin History of the LOD: 1963-1966, Vol I, p. 95.

27. (S) Dept of State, National Policy Paper, Iran, 2 Feb 67, Att to JCS 1714/183-3, 13 Mar 67, JMF 9181 (23 Aug 66).

28. The National Policy Papers replaced the Guidelines Papers in the Johnson Administration as official US policy statements towards various countries.

because of what he considered a lack of adequate responsiveness to his requests for assistance. For that reason, the Shah seemed determined to become more independent of US military assistance, ordering arms from other countries, including the Soviet Union. The final version of the Paper also incorporate a JCS suggestion for recognition of the relationship between Iran's political and economic problems with the questions of security and the source and quality of military assistance. The Paper provided for maintenance of the United States as the primary military influence in Iran together with continued US advisory services and assistance, shifting to credit sales of military equipment "on fairly hard terms." The Paper noted, however, that:

> The Shah is now more firmly in personal control of his nation's affairs than ever before. . . . Unless the booming economy takes a turn for the worse or the political dissidents display unaccustomed effectiveness, the Shah's confidence in his own ability to rule and manage his nation is not likely to be shaken by advice and admonition from even the friendliest of critics.

(S) The Department of State Policy Paper contained no changes in US policy toward Iran. It acknowledged Iran's importance because of its strategic location and the defense facilities and privileges extended to the United States both bilaterally and through cooperation in the CENTO framework. It called for continued US support of CENTO and the bilateral security agreement with Iran of 1959 to provide "a security umbrella" for Iran against Soviet aggression. It also included a JCS observation of the Shah's concern with radical Arab expansion, Iraq's support

of the Kurds, and Soviet penetration into the Middle East.[29]

(S) The Shah came to Washington in August 1967, and President Johnson promised him that "we would do everything possible to meet [his] needs" within the limits set by Congressional action. The Shah, however, did not remain convinced for long and would soon be asking the United States for further assistance.[30]

(S) In the spring of 1968, the Shah planned another visit to the United States and had indicated a desire for an additional $500 million in credits for FYs 1969-1973. He was concerned about the protection of the Persian Gulf in light of the British decision to remove their forces from that area by 1971.

(S) The Secretaries of State and Defense opposed a $500 million five-year commitment to the Shah. They recommended instead an offer for a FY 1968 sales program of $75-$100 million, and a promise to seek from the Congress the annual credit authorization and appropriations to permit orderly achievement of a modernization program during the next five years (FY 1969-1973). President Johnson accepted this advice. When the President met with the Shah on 12 June 1968, he agreed to provide $100 million for credit purchases in FY 1968 and "made it plain in general terms that, within the limits of our world-wide arms sales programs, . . . Iran should enjoy high priority and be able to buy high quality modern equipment from us."

29. (S) Dept of State, National Policy Paper, Iran, 2 Feb 67, Att to JCS 1714/183-3, 13 Mar 67, JMF 9181 (23 Aug 66). (S) JCSM-588-66 to SecDef, 15 Sep 66 (derived from JCS 1714/183-1); (S) Ltr, DASD(ISA) to Mr. J.A. Yager, 23 Nov 66, Att to JCS 1714/183-2, 30 Nov 66; same file.

30. (S) Memo, W. W. Rostow to SecDef and SecState, 29 Aug 67, Att to JCS 1714/186, 31 Aug 67, JMF 887 (CY 1967).

As for the Shah's long-term procurement program, President Johnson pledged that each year, subject to satisfactory annual economic and military reviews, he would ask the Congress for appropriate credit authorizations and appropriations. The Shah, as indicated in subsequent statements, considered the President's pledge as a commitment for $100 million per year for the period FY 1969-1973.[31]

(~~S~~) During his discussion with President Johnson, the Shah raised the questions of how the Persian Gulf could be protected after the British departed and suggested that US surface-to-surface missiles, under Iranian control, be stationed on islands in the Strait of Hormuz. The Joint Staff thought that either F-4 aircraft or missile boats would be more suitable, but advised the Assistant Secretary of Defense (ISA) that Iranian control of the Strait would neither keep peace in the Persian Gulf nor assure its pro-Western orientation. After all, if the Soviets decided to move into the Gulf, the presence of Iranian missiles would not deter them from doing so.[32]

(~~S~~) On 26 July 1968, President Johnson informed the Shah that preliminary assessment indicated that a land-based missile defense of the Strait of Hormuz was not feasible. The President offered, however, a comprehensive study of this matter, and the Shah accepted. Now, once again, the Joint Chiefs of Staff organized

31. (~~S~~) Memo, SecState to Pres, 19 Apr 68, Att to JCS 1714/188, 3 May 68; (~~S~~) Memo, J.P. Walsh to COL A.C. Greenleaf, 2 May 68, Att to JCS 1714/188, 3 May 68; JMF 887/499 (CY 1968). (~~S~~) Memo for Record by W.W. Rostow, 14 Jun 68, Att to JCS 1714/190, 19 Jun 68; (U) Tab C to J-5 BP 64-68 for CJCS, 18 Dec 68; JMF 887/081 (CY 1968).

32. (~~S~~) JCS 1887/754-1, 19 Aug 68, JMF 887/520 (9 Aug 68) sec 1. (U) DJSM-790-68 to ASD(ISA), 25 Jun 68, JMF 887/081 (CY 1968).

a Military Survey Team. This one was headed by Major General L. H. Richmond, USAF, CINCSTRIKE/USCINCMEAFSA's Director of Plans. The Team was to examine the sea-borne threat to Iran through the Persian Gulf and the Strait of Hormuz, the most feasible arrangement for defense of this area, and any necessary military equipment augmentation. Also included in the guidance for this Team, as had been the case in the previous teams, was the US objective to restrict the Shah's appetite for military weapons to that consistent with legitimate requirements in order to minimize the impact of military procurement on Iranian economic development.[33]

(S) The Military Survey Team submitted its report on 30 Sepember 1968. It proposed a strategy for the Persian Gulf that insured coordinated and rapid response by Iranian forces by providing overall command direction in a single commander. The Team believed that the Iranian armed forces already had significant military capabilities to be used for this purpose although some additional equipment would be required. Specifically, the Team recommended the following: two fast, missile-equipped patrol ships; four shipboard ASW sonars; three shorebased radars; aircraft identification systems aboard four ships; berthing facilitions at Lavan Island; and a modest amount of communications materiel. Aerial surveillance, the Team believed, could be accomplished effectively and economically with C-130s, which Iran already possessed. The Team lacked sufficient data to estimate precisely the cost of its proposals, but did offer a figure of $6.75 million for equipment, not including the land-based radars and

33. (U) Memo, SecDef to CJCS, 9 Aug 68, Att to JCS 1887/754, 12 Aug 68; (S) JCS 1887/754-1, 19 Aug 68; (S) JCSM-513-68 to SecDef, 21 Aug 68, and (S) SM-581-68 to CINCSTRIKE/USCINCMEAFSA, 21 Aug 68 (both derived from JCS 1887/754-1); JMF 887/520 (9 Aug 68) sec 1.

assuming use of the already possessed C-130 aircraft. The Joint Chiefs of Staff endorsed the Team findings, noting that the proposals involved little or no additional cost to the "Five Year Program" for Iran. Subsequently, in January 1969, the Team proposals were forwarded to the Shah.[34]

(U) Late in 1968, the Iranian Prime Minister asked that the FY 1969 ceiling on credit sales be raised from the $100 million limit, agreed upon earlier by the Shah and President Johnson, to $191.2 million. The increase would cover, among other things, 32 additional F-4 aircraft (raising the total supplied by the United States to 64) and 100 more Sheridans. The Department of Defense opposed such an increase, feeling that the Iranians had overstated foreign threats and lacked the technical personnel needed to service additional F-4 aircraft and Sheridans.[35]

34. (S) Report of the U.S. Military Survey Team to Iran, 30 Sep 68, JMF 887/520 (9 Aug 68) sec 1A. (S) Ltr, CINCSTRIKE/USCINCMEAFSA to JCS, 30 Sep 68, Att to JCS 1887/754-2, 1 Oct 68; (S) JCSM-615-68 to Secdef, 16 Oct 68 (derived from JCS 1887/754-3); (S) Memo, CAPT R. D. Face to DJS et al., 16 Jan 69; same file, sec 1.

35. (U) Tab C to J-5 BP 64-68 for CJCS, 18 Dec 68, JMF 887/081 (CY 1968).

4
POLICEMAN OF THE GULF
1969-1974

The Nixon Administration and Policy Changes toward Iran

(U) The years 1968 and 1969 saw two developments that had significance for US policy toward Iran. In 1968, the British announced the decision to withdraw their forces from the Persian Gulf by the end of 1971. The Shah, always concerned with security and external threats, now became even more so. Consequently, he decided that Iran would, possibly with Saudi Arabia as a junior partner, create a military presence to protect the oil lifeline of Japan and the Western nations that lay through the Persian Gulf and the Strait of Hormuz. Iran would become the military protector of the Trucial States along the southern rim of the Gulf and the Arabian Sea, with or without their request or consent. To do this Iran must obtain much larger quantities of modern weapons to counter Iraq, Syria and the more radical Arab states, all seen by the Shah as potential enemy aggressors. These nations were being armed with modern weapons, including aircraft, by the Soviet Union, itself the ultimate, if not the most likely threat to Iran and the Persian Gulf area.

(U) In January 1969, Richard Nixon became President of the United States and, in July 1969, he announced a policy that subsequently received the name "Nixon Doctrine." In essence, the new doctrine held that while the United States would continue to provide economic and materiel assistance to allies and friends, it would expect these nations to handle problems of

internal security and military defense, except for the threat from a major power involving nuclear weapons.[1] Thus the Nixon Doctrine coincided with the Shah's determination to build up his forces, and he was, in coming years, to cite it as justification for his burgeoning military equipment requests to the United States.

(S) Even before the announcement of the Nixon Doctrine, the Shah had foreshadowed its rationale in talks with US officials. While in Washington in April 1969 to attend the funeral of former President Eisenhower, he had told Secretary of Defense Melvin Laird that Japan was sharing too small a part of the Free World defense load. Later, in October 1969, the Shah again visited Washington where he talked with President Nixon, Secretary of State Rogers and Secretary of Defense Laird. He expressed great concern over the growing strength and truculence of his Iraqi neighbors. He was convinced that Iran must develop and maintain security forces sufficiently strong and impressive to discourage any potential aggressors. He specifically asked that the 54 USAF technicians who were presently in Iran to assist with training and maintenance in the F-4 program be kept in Iran for at least another year. Secretary Laird agreed to this request.[2]

(S) Much greater requests were in the offing. In a conversation with US Ambassador Douglas MacArthur II on 18 March 1970 the Shah expressed his determination

1. (U) Papers of the Presidents of the United States, Richard Nixon, 1969 (1971), pp. 544-549. Papers of the Presidents of the United States, Richard Nixon, 1970, (1971), pp. 118-119.

2. (S) Ltr, SecState to SecDef, 19 Nov 70, Att to JCS 1714/195, 23 Nov 70, JMF 887/460 (19 Nov 70). (S) Ltr, ActgSecState to ActgSecDef, 14 Feb 70, Att to JCS 1714/193, JMF 887/460 (CY 1970).

to build up his military forces over the next five years to a level that would cost far more than the United States had agreed to support. The cost of this build-up would reach almost $900 million, whereas the United States was willing at this point to offer Iran credit under the Foreign Military Sales Act of only $100 million per year for the next five years. Because of Iran's growing affluence, grant aid to Iran had been stopped in the previous year. Now the Shah wanted to buy four F-4 squadrons in FY 1973 and an additional squadron each year until FY 1976 for a total of 14 squadrons. He also wanted C-130 transports, M-60 tanks, CH-47 helicopters, 175mm artillery and radar. The Shah asked for $800 million credit over the next five years, or an arrangement whereby the United States would buy more of his oil. He would use every cent of proceeds from these oil sales to pay cash for US arms. The Shah was particularly disturbed because the United States was charging him almost nine percent interest for credit whereas France and Great Britain would grant him more favorable terms. The Soviet Union would grant him credit over a long term for as low as two and a half percent interest. He said that he could not understand why the United States refused to help him build up his forces when he was offering to help implement the Nixon Doctrine in an area where US interests and the interests of US allies were threatened. The US Ambassador sought to persuade the Shah to reexamine his requirements and priorities and promised to see what could be done about special oil purchases and the "onerous" credit arrangements.[3]

3. (~~S~~) Msg, Tehran 1019 to State, 19 Mar 70, Encl B to CM-5030-70 to Spec Asst to Pres for NSA, 10 Apr 70, CJCS File 091 Iran.

(S) Ambassador MacArthur cabled Washington that unless the deadlock on military aid to Iran was broken "we are on our way to a crisis with the Shah." The Iranian monarch had an absolute conviction that unless he strengthened his military posture substantially, the Arab side of the Gulf would fall before a massive radical Arab campaign, sponsored and supported by the Soviet Union. "Iran," he said, "is the key to whether the Gulf remains in friendly hands, and I need not spell out again its importance to the most basic financial, economic and security requirements of ourselves, West Europe and Japan."

(S) The Shah was very "prickly," Ambassador MacArthur reported, on the subject of Iran's minimum military requirements and did not like to be second-guessed on the matter by US officials. The Ambassador said that unless the United States agreed to amplify and extend the 1968 agreement, there would be a major crisis and "an end to the special relationship that the Shah feels for us" which had resulted in special privileges and facilities. "We will only infuriate the Shah if we try to tell him bluntly what he does or does not need but if we obtain a stretchout we may be able to do something about magnitude."[4]

(S) The Chairman of the Joint Chiefs of Staff, General Wheeler, visited the Shah in Tehran on 8 April 1970 and heard essentially the same requests and arguments as had the Ambassador several weeks earlier. In reporting this meeting to the President, the Chairman said, "My overall impression is this: His Imperial Majesty is determined to create the military forces which he is convinced the security of Iran requires.

4. (S) Msg, Tehran 1247 to State, 1 Apr 70, Tab D to CM-5038-70 to Spec Asst to Pres for NSA, 10 Apr 70, CJCS File 091 Iran.

He wants to buy the necessary equipment from the US, but he will get it elsewhere reluctantly, if he has to do so."[5]

(S) Meantime, the revamped NSC organization established by President Nixon had been reviewing US policy toward the Persian Gulf in light of the pending British withdrawal. Dr. Henry Kissinger, the President's Assistant for National Security Affairs, initiated the review in July 1969, and a final draft was submitted to the NSC Review Group in March 1970. Included were the following six options for US action: (1) US assumption of the former British role, maintaining a "meaningful naval presence" in the Gulf area and establishing a position of special influence; (2) political support for Iran to make it responsible for preserving security and stability in the area; (3) promotion of Saudi-Iranian cooperation in the hope of insulating the Gulf states from outside pressures; (4) development of significant bilateral US contacts and presence in the new Arab states of the lower Gulf without taking on the specific responsibilities of which the British were divesting themselves; (5) continuation of the status quo with respect to the small Arab states; (6) sponsorship of a regional security pact in which Iran, Saudi Arabia, Kuwait and the Trucial States collectively or singly would become responsible for regional security.[6]

(S) After studying these options, President Nixon, on 7 November 1970, decided that the United States

5. (S) CM-5037-70 to Pres, 10 Apr 70, CJCS File 091 Iran.

6. (S) NSSM 66, 16 Jul 69, Att to JCS 1887/768, 15 Jul 69; (S) Memo, NSC Staff Secy to Dir, J-5 et al., 12 Mar 70, Att to JCS 1887/768-1, 17 Mar 70; JMF 989/532 (12 Jul 69). Although the Joint Chiefs of Staff did not comment on the study, a JCS representative participated in the interdepartmental group that conducted the review, and the CJCS, as a member of the NSC Review Group, had an opportunity to comment on the study when it was considered by that Group.

response to the withdrawal of British forces from the Gulf would be to follow "a general strategy of promoting cooperation between Iran and Saudi Arabia" and "recognizing the preponderance of Iranian power and developing a direct U.S. relationship with the special political entities of the area." There would be no reduction of US Naval presence in the Gulf, the MIDEASTFOR, consisting of a converted seaplane tender and two destroyers, homeported in the Bahrein Islands. He instructed the NSC Under Secretaries Committee to review plans "consistent with the strategy of promoting orderly development of local responsibility for maintaining stability." This decision, of course, was the logical application of the Nixon Doctrine and fitted well with the Shah's plans and philosophy.[7]

(S) At about the time this new policy toward Iran was being promulgated, the Secretary of State cautioned Secretary of Defense Laird that the United States, while concerned about the magnitude of the Shah's requests and how "costly" his present plans were, must not give the impression that it was a better judge of Iran's military needs than were the Iranians themselves. To do so might lead the Shah to make "a direct linkage between the amount of assistance he expects from us in the future and the very valuable, and in some instances, unique intelligence and security facilities Iran now provides us, a notion the Shah has scrupulously avoided heretofore."[8]

(U) Another key factor in the US relationship with Iran, and one that enabled the Shah to realize his ambitions to build up his forces, was the dramatic change in Iran's financial fortunes in the early 1970s.

7. (S) NSDM 92, 7 Nov 70, JMF 001 NSDMs (CY 1970).
8. (S) Ltr, SecState to SecDef, 19 Nov 70, Att to JCS 1714/195, 23 Nov 70, JMF 887/460 (19 Nov 70).

Whereas in 1970 Iran had been judged too poor to afford the $6 million annual costs of the US military missions, by 1972 Iran was well on its way to becoming an extremely wealthy country. All of this was owing, of course, to the spiralling price of oil and to the acquiescence of major oil countries in the area to the growing demands of OPEC nations, including Iran. In 1969 Iran had received $1 billion from nine major Western oil companies known as Iranian Oil Participants. This figure had increased to approximately $2 billion by 1971 and increased still further in 1972, allowing the Shah to pay for almost anything he felt his military forces required.[9]

(U) A watershed in US policy toward Iran occurred in 1972. Going beyond his 1970 decision to foster regional cooperation in the Persian Gulf area to replace the strength of the departing British, President Nixon decided to rely on a strong Iran as the main stabilizing influence in the Gulf area. To carry out this policy, the United States would sell Iran large quantities of its most modern and sophisticated weapons. Dr. Kissinger explained President Nixon's rationale in his memoirs:

> The real issue in 1972 was that the required balance within an area essential for the security, and even more the prosperity, of all industrial democracies appeared in grave jeopardy. More than 15,000 Soviet troops were still in Egypt, with which we had as yet no diplomatic relations and which was tied to the Soviet Union by a Friendship Treaty signed a year earlier. Just seven weeks before, on April 9, the Soviet Union had concluded a similar Friendship Treaty with Iraq, followed by massive deliveries of the most advanced weapons. Syria had long since been a major recipient of Soviet arms--and had

9. Keesings, Contemporary Archives, 1972, p. 25453.

> invaded moderate Jordan twelve months earlier. Britain at the end of 1971 had just completed the historic withdrawal of its forces and military protection from the Persian Gulf at the precise moment when radical Iraq was being put into a position by Soviet arms to assert traditional hegemonic aims. Our friends--Saudi Arabia, Jordan, and the Emirates--were being encircled.
>
> It was imperative for our interests and those of the Western world that the regional balance of power be maintained so that moderate forces would not be engulfed nor Europe's and Japan's (and as it later turned out, our) economic lifeline fall into hostile hands. We could either provide the balancing force ourselves or enable a regional power to do so. There was no possibility of assigning any American military forces to the Indian Ocean in the midst of the Vietnam war and its attendant trauma. Congress would have tolerated no such commitment; the public would not have supported it. Fortunately, Iran was willing to play the role. The vacuum left by British withdrawal, now menaced by Soviet intrusion and radical momentum, would be filled by a local power friendly to us. Iraq would be discouraged from adventures against the Emirates in the lower Gulf, and against Jordan and Saudi Arabia. A strong Iran could help damp India's temptations to conclude its conquest of Pakistan. And all of this was achievable without any American resources, since the Shah was willing to pay for the equipment out of his oil revenues.[10]

(U) President Nixon implemented this new policy during a visit to Iran in mid-1972. Returning from the Moscow summit conference, he arrived in Tehran on 30 May. In conversations with the Shah, President Nixon responded to requests for continued US support

10. Henry Kissinger, The White House Years (1979), pp. 1263-1264.

of Iran's military equipment needs by: (1) promising the Shah that as soon as the United States was satisfied with the operational effectiveness of the F-14 and F-15 aircraft it would be willing "in principle" to sell them to Iran; (2) agreeing that, if desired, Iran could buy laser-guided bombs from the United States; (3) deciding that the United States would assign uniformed military technicians from the various services to Iran to provide assistance to the Iranian services. The commitment for F-14 and F-15 aircraft and laser-guided bombs was made despite the reluctance of the Department of Defense to part with advance technology and Department of State fears that these sales might be provocative to neighboring countries. According to Dr. Kissinger, the President not only overrode these objections but added a proviso that in the future the Iranians were not to be second guessed on their arms requests.[11]

(~~S~~) On the heels of his significant decisions with respect to the sale of military weapons and services to Iran and, perhaps, in implementation of it, the President promulgated a further significant US policy towards the states of the Lower Persian Gulf and Oman. On 18 August 1972, he decided that the primary responsibility for the stability of that region should fall upon the states of the region and that the United

11. Kissinger, White House Years, pp. 1262-1265. According to a congressional report on this decision, President Nixon's actions "effectively exempted Iran from arms sales review processes in the State and Defense Departments. This lack of policy review on individual sales requests inhibited any inclinations in the Embassy, the U.S. military mission in Iran . . . or desk officers in State and DOD to assert control over day-to-day events; it created a bonanza for U.S. weapons manufacturers, the procurement branches of the three Services and the Defense Security Assistance Agency." "U.S. Military Sales in Iran," Staff Report to Subcom on Foreign Assistance of S. Com on Foreign Relations, 1976, 94th Cong, 2d sess.

States should encourage cooperation among them to that end. A continuing British role would be encouraged and the United States, within that context, would play an "imaginative and active direct role." To maintain such a US posture would call for continuing consultation with the British and the friendly states that were primarily involved in promoting the stability of the Gulf area. President Nixon avoided any direct mention of Iran in this decision.

(S) At the same time, the President directed that private American companies would be supported in selling reasonable amounts of weapons and services to these states. If commercial sales were inadequate, these states should be made eligible to receive US military equipment and services under the FMS Act, if this action were consistent with the objective of furthering cooperation among the regional states. While US companies should not be discouraged from operating in the region, "every effort should be made not to undermine the ongoing British advisory role there."[12]

JCS Influence on the Nixon Policy

(S) The Joint Chiefs of Staff had little apparent influence during the Nixon Administration with regard to policy toward Iran. Although they participated in the NSC review resulting in the President's decision in 1970 to rely on Iran as the guardian of the Persian Gulf, there is no evidence that the President consulted them on the decision to sell Iran large quantities of sophisticated weapons. Nor did the President ask them, prior to his visit to Iran in May 1972, for recommendations on the specific types or numbers of weapons to be offered the Shah. Nevertheless, in "pro forma" and

12. (S) NSDM 186, 18 Aug 72, JMF 001 NSDMs (CY 1972).

routine annual appraisals of Iran's military status and requirements contained in the Joint Strategic Objectives Plan (JSOP), the Joint Chiefs of Staff did forward recommendations to the Secretary of Defense. Examination of these recommendations against the background of policy decisions made by the President would indicate that the Joint Chiefs of Staff were influenced by the decisions rather than the decisions being influenced by their recommendations. On one occasion in 1970 the Assistant Secretary of Defense (ISA) called for comments by the Joint Staff on the requirements and capabilities of the Iranian armed forces for use in evaluating the Foreign Military Sales program for Iran. These were prepared and furnished by the Joint Staff based on the current JSOP but were not formally considered by the Joint Chiefs of Staff.[13]

(S) In late 1969 the Joint Chiefs of Staff, in JSOP FY 1972-1979, had assessed the strategic importance of Iran as lying in the capabilities of its armed forces, its location, the defense facilities and privileges allowed the United States, and the "increasing importance" of its oil production to the Western World. Iranian armed forces consisted of Ground Forces numbering 151,900, a Navy of 9,300 whose largest vessel was a patrol boat, and an Air Force of 21,700 equipped with one squadron of F-86s, four squadrons of F-5s and one squadron of F-4s. The JCS guidelines for Iranian forces for the mid-range period, FY 1972-FY 1979, called for Ground Forces numbering 188,000; a Navy of 15,000 possessing one destroyer, 8 hovercraft and four corvettes; and an Air Force of 29,000 having six squadrons of F-5s and four squadrons of F-4s.[14]

13. (S) DJSM-1314-70 to ASD(ISA), 12 Sep 70, Att to N/H of JCS 1714/194, 23 Sep 70, JMF 887/460 (13 Aug 70).

14. (S) Vol III, Book II, JSOP BY 1972-FY 1979, JMF 511 (10 Dec 69), sec 1C. 97

(S) The Joint Chiefs of Staff recommended that Iran be allowed to purchase in FY 1972 the following: 2 GCA; 12 transport aircraft; 12 special operations aircraft; 4 PGM/missile systems; 4 PG 84 missiles; 200 106mm-recoilless rifles with vehicles; 12 troop transport helicopters; 6 8-inch SP howitzers; 84 tracked recovery vehicles; 98 M-578 vehicles; 68 CP carrier, M577A1; plus some port equipment and an oil tanker.[15]

(S) By late 1972, against the background of the new policies that had evolved on Iran, the Joint Chiefs of Staff had reworded their evaluation of the strategic importance of Iran to include "its key location bordering on the Soviet Union, its emerging role of leadership in the Persian Gulf area, the strength of its armed forces, and its position as one of the major world oil producers." They also noted that Iran was "stable and Western-oriented," that it extended military rights and facility arrangements to the United States, and that Iranian oil would be of increasing importance to the Free World in the mid-range period.

(S) At that time, the Iranian Ground Forces totaled 162,000, the Navy 11,500 and the Iranian Air Force 36,000. The Joint Chiefs of Staff recommended increasing the strength of these forces in the period FY 1975-1982, to a Ground Force of 195,000, a Navy of 21,000 and an Air Force of 58,000.[16]

(S) Obviously influenced by the President's decisions in mid-year, the Joint Chiefs of Staff recommended that Iran be authorized to purchase the following: three 707/320C aircraft; three improved HAWK battalions; 41 F-4E aircraft; 27 F-15 aircraft; 68 attack helicopters; 84 utility helicopters; 39

15 (S) Vol III, Book I, JSOP FY 1972-FY 1979, JMF 511 (10 Dec 69), sec 1A

16. (S) Vol II, Book VII, JSOP 1975-1982, Sec 2; JMF 511 (24 Nov 72) sec 1A.

observation helicopters; 200 155mm SP howitzers; 200 M-548 cargo carriers; 176 M-88 recovery vehicles; 400 laser-guided bombs; and six P-3C aircraft. The Joint Chiefs of Staff readily admitted that they had no control, or even forewarning, of Iran's purchase of military equipment. Because of its special status and great wealth, Iran could choose to buy through FMS or commercial sources and to pay cash or use credit, either through the US Export-Import Bank or through private sources.[17]

(~~S~~) In the matter of the US advisory support for Iran, the Joint Chiefs of Staff recommendations did have some effect. Consisting of 272 US personnel and 153 foreign nationals, the ARMISH/MAAG, Iran cost $6,000,000 annually to maintain. The Assistant Secretary of Defense (ISA) asked the Joint Staff on 29 July 1970 for plans to reduce the advisory groups, eliminating non-MAP and non-FMS functions, and reducing by July 1973 to 115 US and 65 foreign personnel. The Joint Chiefs of Staff informed the Secretary of Defense on 10 November 1970 that such a reduction would damage US relations with the Shah and have a "debilitating" effect on modernization of Iran's forces. They suggested a reorganization to separate the advisory role from the DOD support role, with a separate element performing the latter function. On 18 December, the Deputy Secretary of Defense approved a JTD for ARMISH/MAAG, Iran providing for 187 US and 24 foreign personnel as of FY 1973. An interim, separate "support element" was authorized effective 1 July 1971. He also approved a JCS suggestion for a study of administrative and support requirements of DOD activities in Iran

17. Ibid., Part I, same file, sec 1A. No time frame was prescribed for these purchases.

and a plan to reduce manpower substantially by 1 July 1972[18]

(S) Early in 1972, Iran had asked the United States to determine the feasibility of a naval base and air facilities at Chah Bahar on the Gulf of Oman. In response, the Joint Chiefs of Staff directed USCINCEUR to send experts to Iran and to forward the resulting report to them. USCINCEUR furnished the report to the Joint Chiefs of Staff on 19 June 1972. The study showed that a naval base with full support facilities and repair capabilities would cost $77 million. An air base complex, HAWK installations, and a radar installation would require an additional $95 million. Facilities for an armored brigade, 2,800 men and officers, would add another $48 million. The complex could be built in three years.[19]

(S) The Joint Chiefs of Staff sent the study to the Secretary of Defense on 2 August 1972, recommending that it go to the Chief, ARMISH/MAAG for further transmittal to the Government of Iran. Subsequently, the Assistant Secretary of Defense (ISA) approved the study, notifying the Joint Chiefs of Staff on 15 August that it would be forwarded as requested by them.[20]

(S) The Shah had, on several occasions, asked for US military personnel to furnish much-needed technical support to his growing air forces. Following

18. (S) Memo, ASD(ISA) to DJS, 29 Jul 70, Att to JCS 2315/498, 4 Aug 70; (S) JCSM-525-70 to SecDef, 10 Nov 70, Encl A to JCS 2315/498-2, 30 Oct 70; (S) Memo, SecDef to CJCS, 18 Dec 70, Att to JCS 2315/498-3, 22 Dec 70; JMF 037 (29 Jul 70) sec 1.

19. (S) Memo, ASD(ISA) to CJCS, 17 Mar 72, Att to JCS 1714/200; JCS 1714/200-2, 25 Jul 72; (S) Study, "Iran Naval Air Facilities," App A to JCSM-359-72 to SecDef, 2 Aug 72 (derived from JCS 1714/200-2); JMF 887/052 (17 Mar 72).

20. (S) JCSM-359-72 to SecDef, 2 Aug 72 (derived from JCS 1714/200-2); (S) Memo, LASD(ISA) to DJS, 15 Aug 72, Att to JCS 1714/200-3, 16 Aug 72; JMF 887/052 (17 Mar 72).

President Nixon's assurances of almost unlimited support in mid-1972, he called for even greater numbers of these US personnel. On 13 August 1972, the Chief ARMISH/MAAG passed on a request for 873 technicians to support the F-4, the F-5, the C-130, a logistics command, and a communications/electronics program. This did not include 59 US military technicians already in Iran.[21]

(S) The Assistant Secretary of Defense (ISA) asked for preliminary views on this request. In reply, the Joint Staff made several observations that militated against such action. Not only did the Foreign Assistance Act of 1971 place a strict ceiling on the number of US military personel assigned to MAAGs, Missions, and Military Groups around the world, the Joint Staff said, but meeting the Iranian request would result in adverse impacts on current Service programs and cause personnel management problems. As an alternative, the Staff suggested that civilian technicians be sent to Iran, noting that many former military technicians were currently working in Iran for civilian contractors.[22]

(U) In the end, US military technicians were sent to Iran, but not in the numbers requested by the Shah. By the beginning of 1975, there were some 550 of these technicians in Iran organized in "Technical Assistance Field Teams" paid for by the Iranian Government.[23]

The Problems of Partnership, 1973-1974

(U) The US decision in May 1972 to sell Iran advanced weapons, combined with the rapidly expanding Iranian oil revenues, enabled the Shah to proceed full-speed with

21. (C) Msg, ARMISH/MAAG Iran 1375 to JCS and SecDef, 13 Aug 72, JMF 887/145 (15 Sep 72).
22. (S) MJCS 311-72 to ASD(ISA), 15 Sep 72, Att to JCS 1714/202, 20 Sep 72, JMF 887/145 (15 Sep 72).
23. NY Times, 2 Jan 75, 18.

the modernization and expansion of his forces. Even his purchases of older weapons systems rose sharply. During the last months of 1972 and the first of 1973, Iran contracted to buy almost $2 billion worth of helicopters, F-4 fighter-bombers, F-4 interceptors, and C-120 cargo aircraft, in what US officials described as "the biggest single arms deal ever arranged by the Department of Defense."[24] Significantly, the Joint Chiefs of Staff played little role in these sales to Iran. Their advice was limited solely to yearly recommendations contained in the JSOP and, once Administration decisions were reached, implementation was supervised by the Defense Security Assistance Agency in the Office of the Secretary of Defense.

(U) With the great expansion of Iranian forces, came a change in Iran's relationship with the United States, evolving from one of dependence to more nearly a partnership. The Shah grew increasingly more independent and self-reliant. In addition, the United States now had to address such new questions as the interoperability of US and Iranian forces and equipment, increased Iranian participation in Persian Gulf exercises, and Iranian production of sophisticated weapons.

(S) In view of the changing situation, President Nixon, in May 1973, requested another review of US policy toward the Arabian Peninsula and the Persian Gulf states. He was also concerned with the growing US dependence on Persian Gulf oil; Iran, for example, provided 10 percent of America's oil and might be supplying as much as 25 percent by 1980.[25] In the

24. DSAA, "DSAA Fiscal Year Series: Iran." NY Times, 22 Feb 73, 2.
25. NY Times, 20 May 73, 3.

ensuing considerations, the Department of State observed that seeking closer relations with Tehran at this time seemed unrealistic, because doing so would require: more binding security commitments; a "special relationship" over sales of Iranian oil; a "virtual blank check" for Iranian military purchases; and support for the Shah's hegemonic ambitions, which "could unhinge" US relations with Saudi Arabia. Yet, on the other hand, to loosen ties with the Shah presupposed that the US relationship with Iran was losing its importance. The Department of State discerned two broad policy options that did not involve any drastic changes:

(a) Urging Iran to give "highest priority" to coordinating its efforts with those of Saudi Arabia and other friendly Arab states.

(b) Supportng the Shah as the regional arbiter of power, since Iran alone possessed enough military strength to perform this task.

In the end, the President took no action to change the US policy.[26]

(~~S~~) In August, the Joint Chiefs of Staff sought permission to expand exercises involving the US MIDEASTFOR and the Imperial Iranian Navy. Guidelines issued in 1970 forbade local commanders from scheduling exercises involving more than one ship, and then only under restrictive conditions, because the Department of State believed the political situation in the Persian Gulf to be extremely sensitive. But, the Joint Chiefs of Staff now argued that the diplomats' concern about exacerbating the political climate remained unjustified. Since US arms were flowing to Iran, Kuwait, and Saudi Arabia, those nations presumably would be seeking joint training exercises. They

26. (~~S~~) NSSM 181, 10 May 73, Att to JCS 1887/798, 14 May 73; (S) Dept of State Draft, Tab A to "NSSM 181" TP, n.d. [Jul 73]; JMF 698/530 (10 May 73).

therefore proposed new guidelines allowing a wider scope (e.g., an upper limit of 5 ships and/or 12 aircraft in one exercise) for bilateral exercises that could be coordinated directly between COMMIDEASTFOR and the Iranian Navy. The Department of State and the Assistant Secretary of Defense (ISA) agreed, provided that one week's advance notice was given.[27]

(Ø) In October 1973, during the Arab-Israeli War, the Shah's actions were unmistakeably pro-Western. He secretly supplied Israel with ammunition, rejected Soviet requests to overfly Iranian territory, and refused to join the Arab oil embargo. Early in November, as an American carrier task group temporarily took up station in the Arabian Sea, the US Government sought the Shah's permission to use Bandar Abbas airfield, by the Strait of Hormuz, for anti-submarine patrols and logistic support flights. The Shah approved P-3 ASW and C-130/C-141 transport operations, under cover of a story that the planes had come (1) to familiarize Iranians with the aircraft and (2) to participate in joint naval exercises. Flights occurred at a rate of 3 to 4 per week. In August 1974, when the Assistant Secretary of Defense (ISA) asked whether the P-3 operations should continue, the Joint Chiefs of Staff replied that they were of "high military value" in collecting acoustic and oceanographic data, and in developing accurate shipping and environmental forecasts.[28]

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27. NY Times, 26 Jul 73, 13. (Ø) JCSM-376-73 to SecDef, 23 Aug 73, Encl to JCS 1714/203-1, 13 Aug 73; (Ø) Memo, ASD(ISA) to DJS, 4 Oct 73, Att to JCS 1714/203-2, 9 Oct 73; JMF 887/385 (29 May 73).

28. (Ø) Memo, Dir CIA to SecDef, "Special Relationship Between Iran and Israel," 5 Mar 74; (Ø) Msg, CINCPACFLT to CINCPAC, 032114Z Nov 73, JCS IN 92445; (Ø) Msg, Tehran 7860 to SecState, 8 Nov 73, JCS IN 10666; CJCS File 091 Iran. (Ø) JCSM-363-74 to SecDef, 29 Aug 74 (derived from JCS 2294/87-1), JMF 982/332 (8 Jul 74).

(U) But the Shah also was instrumental in bringing about a sharp rise in oil prices. Late in December 1973, ministers from the six Persian Gulf states, including Iran, that supplied almost half of the non-communist world's oil, decided to double their prices.[29]

(C) As the Shah's coffers swelled, so did his ambition. In January 1974, for example, Iran contracted for 30 F-14s; in June, the number rose to 80. Early in August, Assistant Secretary of Defense (ISA) Robert Ellsworth asked for military advice on how, organizationally, Iran might best meet its naval air needs. The Chief, ARMISH/MAAG advised that, although a naval air arm could be created by careful deliberate steps, the Iranian Navy's manpower and infrastructure already were overtaxed. He added, too, that the Shah would not be dissuaded from moving forward rapidly. General Andrew Goodpaster, USCINCEUR,[30] gave his opinion that the Iranian Air Force should continue to exercise operational control over all fixed-wing aircraft. The Joint Chiefs of Staff, finally, presented Secretary of Defense James Schlesinger with four organizational options: continuing the Iranian Air Force's control of fixed-wing aircraft; placing all rotary-wing aircraft under the Navy; expanding naval air organization to include direction of naval air operations, command and control, aircraft inventory, and planned procurements; and assigning all naval air matters to the Air Force. The Joint Chiefs of Staff did not try to evaluate these options,

29. NY Times, 24 Dec 73, 1.

30. On 1 January 1972, the Joint Chiefs of Staff reassigned command responsibility for the Middle East, including Iran, from CINCSTRIKE/USCINCMEAFSA to USCINCEUR. At that time, CINCSTRIKE became Commander in Chief, US Readiness Command (USCINCRED) and the titles CINCSTRIKE/USCINCMEAFSA lapsed. See (C) JCS Hist Div, History of the Unified Command Plan, 1977, pp. 29-30.

because they did not know enough about the Shah's long-range plans. They did, however, agree with USCINCEUR that no organizational changes should be made at this time, and with ARMISH/MAAG that a deliberate approach to the problem appeared best. They proposed forwarding their four alternatives to the Iranian Government, together with the caution that any changes should be made in a prudent, "phased" manner.[31]

(Ø) The Shah's interest in acquiring sophisticated weaponry did not slacken. In July 1974, Iran contracted for six SPRUANCE-class destroyers. In October, the Iranian Government wanted to purchase 36 more F-4Es; in December, it proposed to pay for reopening Lockheed's C-5A production line and to buy ten cargo planes. The utility of these advanced weapons systems depended upon computers and rapid communication. That, in turn, raised the problems of interoperability among Iranian units and between US and Iranian forces. The Assistant Secretary of Defense (ISA) requested JCS advice in formulating an appropriate policy. In reply, the Joint Chiefs of Staff characterized US-Iranian compatibility and interoperability as "fundamental" to enhancing the security of both countries against communist or communist-inspired aggression. Consequently, whatever equipment was sold to Iran "should be inherently compatible and interoperable." The Secretary of Defense concurred, but added that attainment of this objective should be limited to "the extent reasonable," and did not justify broadening the current exchanges of intelligence.[32]

31. NY Times, 11 Jan 74, 1, 6. (Ø) Memo, ASD(ISA) to DJS, 9 Aug 74, Att to JCS 1714/208, 14 Aug 74; (Ø) JCS 1714/208-2, 7 Oct 74; (Ø) JCSM-410-74 to SecDef, 11 Oct 74, Encl to JCS 1714/208-2, 7 Oct 74; JMF 887/495 (9 Aug 74).

32. NY Times, 3 Oct 74, 68; 2 Dec 74, 1. (Ø) Memo, Actg DASD(ISA) to DJS, 1 May 74, Att to

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JCS 1714/204, 6 May 74; (S) JCSM-278-74 to SecDef, 5 Jul 74, Encl A to JCS 1714/204-1, 1 Jul 74; (S) Memo, SecDef to CJCS, 18 Jan 75, Att to JCS 1714/204-2, 21 Jan 75; JMF 887/499 (1 May 74).

33. (S) Msg, CJCS to AMB Helms, 2414102 Jun 74, CJCS File 091 Iran [redacted]

[redacted] (TS) Memo, Dir CIA to Dir DIA, 12 Jun 74, same file.

34. (S) Memo, ASD(PA&E) to SecDef, "The Growing US Involvement in Iran," 23 Jan 75, CJCS File 820 Iran, 1 Jul 74-31 Jul 76.

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(S) The Shah wanted to build as well as buy advance weapons. During 1973-1974, he pressed for permission to assemble or co-produce utility and attack helicopters, air-to-ground rockets and missiles, anti-tank

35. (S) Memo, Dir, Tele Com Systems, OSD to DJS et al., 3 May 74, Att to JCS 1714/205, 7 May 74; (S) JCSM-459-74 to SecDef, 3 Dec 74, Encl A to JCS 1714/205-1, 20 Nov 74; (S) Memo, DepDir, Tele Com Systems OSD to DJS, 15 Apr 75, Att to JCS 1714/205-2, 17 Apr 75; JMF 887/630 (3 May 74). (S) JCSM-67-75 to SecDef, 20 Feb 75, Encl A to JCS 2010/496-1, 6 Feb 75; (S) Memo, ASD(ISA) to DJS, 7 Nov 75, Att to JCS 2010/496-2, 12 Nov 75; JMF 806/652 (19 Nov 74). In May 1975, the Iranian Government contracted with Rockwell International to build and man an intelligence communications facility. NY Times, 1 Jun 75, 1.

missile systems, and a lightweight fighter. On 8 October 1974, Dr. Kissinger ordered the NSC Under Secretaries Committee to study the long-range implications of large-scale co-production. The Committee reported, in November 1974, that co-production could bolster US "pre-eminence" in Iranian security affairs and "give us increased influence--and potentially longer-term leverage--should the Shah or his successors embark on policies contrary to U.S. interests." A "forthcoming" policy on limited co-production would be "politically advantageous in the near term," although technical and managerial problems on the Iranian side would have to be resolved. Beyond that time, issues seemed more complex and benefits less clear. The Committee proposed (1) approving a limited number of projects for the next 1-3 years and (2) considering requests that would stretch over the next 4-10 years on a case-by-case basis.[36]

(S) The new Chairman of the Joint Chiefs of Staff, General George S. Brown, and the Secretary of Defense endorsed the recommendations of the Under Secretaries Committee. Dr. Kissinger, however, directed that the study be revised (1) to show the relationship of co-production to overall US-Iranian dealings, (2) to estimate the potential growth of co-production projects, and (3) to devise guidelines for assessing co-production proposals. The Committee did draft more detailed guidelines, and recommended that written US approval be required for Iranian sales of co-produced items to third countries. But it decided not to address (1) whether the United States should use arms supply as

36. (S) Memo, Asst to Pres for NSA to Chm, NSC USecys Cmte, 8 Oct 74, Att to JCS 1714/210, 10 Oct 74; (S) Memo, Staff Dir, USecys Cmte to CJCS et al., 7 Nov 74, Att to JCS 1714/210-3, 8 Nov 74; (S) Memo, SecDef to Chm, USecys Cmte, 3 Dec 74, Att to JCS 1714/210-4, 6 Dec 74; (S) Memo, Staff Dir, USecys Cmte to CJCS et al., 3 Jan 75, Att to JCS 1714/210-5, 10 Jan 75; JMF 887/415 (10 Oct 74) sec 1.

a lever to change Iran's oil pricing policy and (2) whether creation of an arms industry would foster Iranian adventurism. General Brown and Secretary Schlesinger accepted these slightly revised conclusions and recommendations; President Gerald Ford approved them in May 1975.[37]

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37. (Ø) Memo, Asst to Pres for NSA to Chm, USecys Cmte, 8 Feb 75, Att to JCS 1714/210-6, 13 Feb 75; (Ø) Memo, Staff Dir, USecys Cmte to CJCS et al., 6 Mar 75, Att to JCS 1714/210-7, 7 Mar 75; (Ø) Memo, ASD(ISA) to SecDef, 13 Mar 75, Att to JCS 1714/210-8, 20 Mar 75; (Ø) Memo, Chm, USecys Cmte to Pres, 22 Mar 75, Att to JCS 1714/210-9, 26 Mar 75; JMF 887/415 (10 Oct 74) sec 2. (Ø) Memo, Asst to Pres for NSA to Chm, USecys Cmte, 2 May 75, Att to JCS 1714/210-10, 8 May 75; same file, sec 1.

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(S) In March 1975, President Ford requested a review of the issues involved in reaching a US-Iranian nuclear sales agreement. By this time, negotiations revolved around the issue of reprocessing weapons-grade plutonium. The United States sought to retain a right to determine where plutonium could be reprocessed, fabricated, and stored. This was stricter than past agreements, in which reprocessing had been subject only to a US determination that the facility was adequately safeguarded, but more liberal than the recent Israeli-Egyptian formulation.

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38. (S) Msg, SecState 48689 to Tehran, 11 Apr 74, JCS IN 50659; (S) DASD(ISA) to CJCS et al., 21 Jun 74, Att to JCS 1714/207, 24 Jun 74; (S) JCSM-270-74 to SecDef, 29 Jun 74, Encl to JCS 1714/207-1, 29 Jun 74; JMF 887/704 (21 Jun 74). (S) J5M-375-75 to CJCS, 10 Mar 75, CJCS File 820 Iran, 1 Jul 74-31 Jul 76. In June 1974 France agreed to sell Iran five 1,000-megawatt reactors. NY Times, 28 Jun 74, 1.

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Early in 1976, President Ford sent Energy Research and Development Administration (ERDA) Administrator Robert Seamans and Under Secretary of State Carlyle Maw to Tehran for the purpose of clarifying Iran's position.

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here the negotiations stuck. When President Ford left office, no agreement had been achieved.

39. (S) NSSM 219, 14 Mar 75, Att to JCS 1714/213, 17 Mar 75; (S) Memo, Staff Secy, NSC to SecDef et al., 15 Apr 75, Att to JCS 1714/213-3, 16 Apr 75; (S) Memo, SecDef to Asst to Pres for NSA, 25 Apr 75, Att to JCS 1714/213-4, 30 Apr 75; JMF 887/704 (14 Mar 75). (S) NSDM 292, 22 Apr 75, JMF 001 NSDMs (CY 1975).

40. (S) Memo, Staff Secy, NSC to SecDef et al., 20 Nov 75, Att to JCS 1714/216, 21 Nov 75; (S) Memo, SecDef to Asst to Pres for NSA, 4 Dec 75, Att to JCS 1714/216-1, 10 Dec 75; (S) Memo, Asst to Pres for NSA to SecDef et al., 4 Feb 76, Att to JCS 1714/216-2, 24 Mar 76; (S) Memo, Admin, ERDA to Pres, 15 Mar 76, Att to JCS 1714/216-2, 24 Mar 76; (S) Memo, SecDef to Asst to Pres for NSA, 7 Apr 76, Att to JCS 1714/216-3, 8 Apr 76; JMF 887/704 (20 Nov 75).

5

THE END OF AN EMPIRE
1975-1979

Doubts Begin to Arise

(S) By early 1975, the spreading US involvement with Iran was beginning to cause some apprehension among US policymakers. Military sales agreements, for example, had snowballed from $458 million in FY 1972 to $2.158 billion in FY 1973 and to $3.966 billion during FY 1974.[1] The American community in Iran numbered about 17,000 of whom 11,400 worked in defense-related jobs. In January 1975, Assistant Secretary of Defense (PA&E) saw fit to warn the Secretary of Defense of the risks thus raised: that the United States might become enmeshed in "Iranian military adventures"; that the US influx would create serious social, legal, and political problems, making Americans the target for expressions of xenophobic feeling or political dissent; and that Iran's failure to meet its modernization goals would lead to a mutual loss of confidence that could seriously undermine US influence.[2]

(S) Concurrently, the Joint Staff prepared a briefing paper for the Chairman that noted how the Shah, who hoped to make Iran a great economic power, had become "extremely protective" about the Strait of Hormuz, "a highly vulnerable choke point" and one through which Iran's oil exports must pass. For this reason, and in view of the British withdrawal from the Persian Gulf,

1. (U) DSAA, "DSAA Fiscal Year Series: Iran." Delivery schedules for major items ran as follow: 491 helicopters during 1974-1977; 169 F-5s and 176 F-4s over 1973-1977; 80 F-14s in 1976-1978; and 32 HAWK batteries during 1974-1978.

2. (S) Memo, ASD(PA&E) to SecDef, "The Growing US Involvement in Iran," 23 Jan 75, CJCS File 820 Iran, 1 Jul 74-31 Jul 76.

the Shah had reoriented his forces away from the Soviet border and toward the Gulf and was intent upon creating "an overwhelming Iranian military superiority" there. "On balance," the paper stated, "Iranian actions over the near term should contribute to regional stability"; its support of conservative regimes and isolation of radical ones was "compatible with US interests." But the long-range implications of Iranian ambitions were harder to fathom; the Shah would not hesitate to oppose US efforts when he deemed it necessary.[3]

(U) General Brown apparently saw the Shah in a similar light. During a 1976 interview with a free-lance reporter, the Chairman raised

> the puzzling question of why [Iran] is building such a tremendous military force.[4] She couldn't with her population do anything that would provide protection from the Soviet Union. . . . She's got adequate power now to handle Afghanistan and Pakistan. . . . She's a little better than a match for Iraq now.

3. (S) J-5 BP 8-75, 22 Jan 75, CJCS File 820 Iran, 1 Jul 74-31 Jul 76.

4. (U) Iran's armed forces in 1976 totaled approximately 300,000 personnel consisting of: an Army of 200,000, including 3 armored divisions, 4 infantry divisions, 4 brigades (2 infantry, 1 airborne, and 1 special forces), and 1 HAWK battalion; a Navy of 18,500, comprising 3 destroyers, 4 frigates, 4 corvettes, 25 patrol boats, 5 minesweepers, 2 landing ships, 2 landing craft, 2 logistic support ships, 1 maritime reconnaissance squadron with 6 P-3F aircraft, 1 antisubmarine warfare helicopter squadron with 6 helicopters, 1 transport battalion with 35 helicopters, and 3 Marine battalions; and an Air Force of 81,500 men and 317 combat aircraft, including 10 fighter-bomber squadrons, 11 fighter squadrons, 1 reconnaissance squadron, 1 tanker squadron, 4 medical transport squadrons, and 4 light transport squadrons. Int'l Institute of Strategic Studies, The Military Balance, 1976-1977 (1976), pp. 33-34.

> And, my gosh, the programs the Shah has coming up. It makes you wonder whether he doesn't some day have visions of the Persian Empire. They don't call that the Persian Gulf for nothing.[5]

(S) Despite the reservations of both the Assistant Secretary of Defense and the Chairman of the Joint Chiefs of Staff, the buildup of Iranian forces continued. The Shah visited the United States again in May 1975 and showed particular interest in Boeing 707s equipped with airborne warning and control systems (AWACS). In June, Iran arranged to buy three diesel-powered submarines--further evidence that the Shah's interest extended into the Indian Ocean. By September 1975, the problems of contracting and co-production had grown as great and gone so far beyond the MAAG's scope that the Secretary of Defense appointed a special US Defense Representative, Iran. Mr. Eric von Marbod received a one-year appointment as the new representative and would work in Tehran under the US Ambassador to: supervise and coordinate defense activities (excluding the Defense Attache Office), implement and coordinate DOD positions in Iran within "the framework of overall US Government policy, and monitor arms sales and related activities.[6]

5. US News and World Report, 1 Nov 76, p. 63. After these remarks became public, GEN Brown issued a clarifying statement: "I have no reason to believe that [Shah] has any aspirations beyond continuing to ably lead his nation and contribute to stability in that part of the world."

6. NY Times, 17 May 75, 2; 10 Jun 75, 1. (S) Msg, JCS 9747 to USCINCEUR, 051926Z Sep 75; (S) Msg, JCS 10347 to Dep USCINCEUR, 221637Z Sep 75. In JCS 9747, GEN Brown told USCINCEUR that he had "talked with von Marbod at length and his view of his role and responsibilities I found completely acceptable."

(S) In November 1975, the Assistant Secretary of Defense (ISA) circulated a study suggesting that the Administration carefully review its "virtually open-ended commitment" to Iran's military build-up. He listed a number of potentially serious problems: lack of trained (or even trainable) Iranian manpower; the growing number of DOD and civilian contractor personnel in Iran on defense-related projects; delays in the construction of supporting facilities; suspicions among Iran's neighbors about the Shah's intentions; Iran's inclination to transfer its older arms to third countries; Congressional criticism that the United States was fueling a destabilizing arms race; and a prospect of differing perceptions between Washington and Tehran in the years ahead. Just such a problem arose in January 1976 when the Iranian Vice Minister of War warned the Secretary of Defense that reduced oil revenues combined with "the unreasonable increase in US military equipment prices" and the flourishing "profiteering and agent fees" allowed under the DOD Foreign Military Sales program might compel Iran to reconsider certain programs. Specifically, he mentioned cancellation of plans to purchase 6 AWACS aircraft, 300 F-16 aircraft, and 6 SPRUANCE-class destroyers as well as reduction of the HAWK program and restriction of construction at Chah Bahar. Iran might, he said, "shrink toward the defense of only our geographical boundaries."[7]

(S) Soon afterward, on 24 February 1976, the Deputy Secretary of Defense issued new guidance concerning DOD activities and interests in Iran. After outlining the problem, he wrote:

7. (S) Memo, ASD(ISA) to CJCS et al., 7 Nov 75, Att to JCS 1714/215, 12 Nov 75, JMF 887/534 (7 Nov 75). (S) Memo, Dir, DSAA to SecDef, "General Toufanian's Comments," 20 Jan 76, CJCS File 820 Iran, 1 Jul 74-31 Jul 76.

> Under these circumstances, it is absolutely essential that Iranian requests, and the scope and character of our own potential involvement, be rigorously examined to make sure that we and the Iranians both understand the ramifications of any given case or project. . . . In particular, while the potential sale by some other country is sometimes argued as a relevant factor in considering an Iranian request, it should not be permitted to short-circuit or skew a complete deliberation of the merits of any case by the Washington bureaucracy and the Country Team.

Nothing in this new guidance was intended to suggest a shift in the basic US or DOD policy toward Iran, the Deputy Secretary said, and "Iran continues to be viewed as a valued friend with whom the U.S. shares many common interests and with whom we wish to maintain relations and strong ties."[8]

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8. (~~S~~) Memo, DepSecDef to CJCS et al., 24 Feb 76, Att to JCS 1714/215-1, 2 Mar 76, JMF 887/534 (7 Nov 75).

9. (~~S~~) Memo, Asst to Pres for NSA to SecDef, 10 Oct 75, Att to JCS 1714/214, 14 Oct 74, JMF 887/532 (10 Oct 75). (~~S~~) NSSM 238, 13 Feb 76, Att to JCS 1887/828, 17 Feb 76; (~~S~~) "Response to NSSM 238: US Policy Toward the Persian Gulf," May 76, Att to Memo, Chm, InterDept Pol-Mil Group to Asst to Pres for NSA, 21 May 76; JMF 898/532 (13 Feb 76) sec 1.

(U) Subsequently, early in August 1976, Secretary of State Kissinger visited Tehran. During the visit, the United States and Iran concluded a wide-ranging series of agreements, one of which projected $10-15 billion worth of Iranian military purchases during the next five years. The United States agreed to sell 160 F-16 lightweight fighters, deliveries of which would occur over 1979-1983.[10]

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10. Dept of State Bulletin, 6 Sep 76, pp. 503-510. NY Times, 28 Aug 76, 1.

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11. (Ø) Memo, Staff Secy, NSC to CJCS et al., 19 Nov 76, Att to JCS 1887/828-1, 22 Nov 76; (Ø) DJSM-2098-76 to ASD(ISA), 14 Dec 76; JMF 889/532 (13 Feb 76) sec 1.

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(S) In the years 1973 through 1976, the Joint Chiefs of Staff continued to emphasize the strategic importance of Iran, and the statements of this importance in the Joint Strategic Objectives Plans (JSOPs) remained virtually unchanged from earlier years.[14] The JSOPs involved gave Iran a "General Strategic Priority" rating of "2," except for JSOP FY 1977-1984, published in December 1974, where Iran received a rating of "1," like Western Europe and Japan. Moreover, the JSOPs in this period now cited Iran's arms purchases from the United States as a reason for its strategic importance, and comparison of pertinent portions of the JSOPs in 1973 and 1976 shows how Iranian force goals grew along with the Shah's oil revenues. JSOP FY 1976-1983, appearing in December 1973, recommended the following major mid-range objectives: 2 infantry and 4 armored divisions, 3 destroyers, and 21 tactical fighter squadrons (8 F-5, 10 F-4, and 3 F-14/F-15). Three years later, in December 1976, JSOP FY 1979-1986 described objectives of 4 armored and 4 infantry divisions, 7 destroyers (4 of them SPRUANCE-class), 3 submarines, and 37 tactical fighter squadrons (8 F-14, 16 F-16, and 13 F-18L).[15]

12. Pending or anticipated requests included 7 AWACS, 140 F-16, and 250 F-18 aircraft.

13. (S) "Executive Summary, NSSM 238: US Policy Toward the Persian Gulf," pp. 38-39, 17 Jan 77, Att to JCS 1887/828-3, 10 Feb 77; (S) DJSM-101-77 to ASD(ISA), 17 Jan 77; same file, sec 2.

14. See above, pp. 97-99.

15. (S) JSOP FY 1976-1983, Vol II, Bk VII, pt II, sec 2, JMF 511 (11 Dec 73) sec 1C. (S) JSOP FY 1977-

The Carter Administration and a New Approach to Arms Sales

(S) In the period FY 1973 through FY 1977, the United States agreed to sell Iran $12.263 billion in weapons and actually delivered equipment in the amount of $6.250 billion.[16] President Jimmy Carter, however, had a vastly different view of arms sales from that of his two predecessors. On 13 May 1977, the new President declared that arms transfers were "an exceptional policy instrument, to be used only in instances where it can be clearly demonstrated that the transfers contribute to our national interests." So, save in extraordinary circumstances and in instances where friendly countries needed advanced weapons in order to maintain a regional balance,

(a) the dollar volume of new commitments in FY 1978 would be reduced from that of FY 1977, and cut again if possible in each succeeding year;

(b) commitments to sell or co-produce new advanced weapons systems would be prohibited until these were operationally deployed with US forces. Additionally, Secretary of State Cyrus Vance would develop more extensive guidelines by which to assess requests for advanced weapons, including requirements (1) that they must uniquely strengthen recipients' ability to perform the desired functions, (2) that less advanced alternatives were not available, and (3) that providing advanced weapons would not generate requirements for a prolonged US presence in recipient countries.[17]

1984, Vol II, Bk VII, pt II, sec 2, JMF 511 (5 Dec 74) sec 2A. (S) JSOP FY 1978-1985, Vol II, Bk III, Pt II, sec 2, JMF 511 (4 Dec 75) sec 1A. (S) JSOP FY 1979-1986, Vol II, Bk III, sec 3, JMF 511 (3 Dec 76).

16. DSAA, "DSAA Fiscal Year Series: Iran."

17. (S) PD/NSC-13, 13 May 77, JMF 001 (CY 1977).

(U) Thereafter, US sales agreements with Iran dropped accordingly. They fell from $3.236 billion in FY 1977 to $764 million in FY 1978, the first full year of the Carter Administration; the following year, FY 1979, they amounted to only $42 million.[18]

(~~S~~) In actual practice, as will appear, this new policy proved less restrictive than the above figures would suggest. The President had already made his first Iranian decisions in March 1977, approving the annual Air Force supply agreement as well as personnel support for F-14s but "holding" decisions about selling 5 RF-4Es and 7 E-3 AWACS aircraft.[19] Iran would be receiving 160 F-16 fighters during 1980-1983; the Shah wanted as replacements for his F-4s, another 140 F-16s and 250 F-18s during 1982-1986. In November 1976, the Assistant Secretary of Defense (ISA) had asked the Joint Chiefs of Staff to assess the Iranian fighter force's capability over the next fifteen years. Their reply, sent to Secretary of Defense Harold Brown in May 1977 in JCSM-218-77, predicted that the Imperial Iranian Air Force (IIAF) could not absorb so many F-16s and F-18s without implementing planned personnel, training, logistic, and facility-building programs. These, in turn, would require "substantial" contractor and "some" increased technical military assistance. Although the IIAF would be only "marginally prepared" for sustained combat during the next five years, its capability should increase "substantially" during the following ten. The Joint Chiefs' projection of the IIAF inventory read as follows:

18. DSAA, "DSAA Fiscal Year Series: Iran."
19. (~~S~~) Memo, Asst to Pres for NSA to SecDef, 29 Mar 77, Att to JCS 2315/626, 8 Apr 77, JMF 499 (29 Mar 77)

	1977	1982	1992
F-4	195	175	-
F-5	163	148	119
F-14	56	71	61
F-16	-	113	246
F-18	-	-	215
Total	414	507	641[20]

In summary, they urged that the United States "continue to support modernization of the IIAF fighter force through the provision of advanced fighter aircraft."[21]

(S) The Administration ordered an Ad Hoc Group (of which the Director, J-5 was a member) to study the Shah's request for 250 F-18L light-weight fighters.[22] The Group saw several options: provide F-18Ls, beginning in 1982 and 1983; offer F-18As instead of F-18Ls; make available F-16s rather than F-18s; disapprove an F-18L sale and offer no substitutes. Assistant Secretary of Defense (ISA) David McGiffert argued that, since replacements for Iranian F-4s would not be needed until the mid-1980s, a decision could be postponed until 1979-1980. The Joint Chiefs of Staff urged an earlier, favorable response; the Navy, in particular, believed that delay would preclude the attainment of objectives set forth in JSOP FY 1979-1986 and JCSM-218-77. But President Carter decided not to

20. As for potential adversaries, Iraq at this point possessed 405 combat planes while the USSR deployed 1,076 aircraft near Iran.

21. (S) Memo, ASD(ISA) to CJCS, 5 Nov 76, Att to JCS 1714/221, 8 Nov 76; (S) JCSM-218-77 to SecDef, 16 May 77, Encl to JCS 1714/221-1, 14 Dec 76; JMF 887/534 (5 Nov 76) sec 1. J-5's draft specifically recommended "provision of the F-16 and F-18L fighter aircraft." (S) JCS 1714/221-1, 14 Dec 76, same file. The Deputy USCINCEUR (General Robert Huyser, USAF) visited Iran in July and reported that the IIAF "has made some very real progress, particularly in tactical air operations." (S) Rpt, Dep USCINCEUR to CJCS, "Report on 5-19 July 1977 Trip to Iran," 2 Aug 77; CJCS File 820 Iran.

22. The F-18L would be a land-based version of the Navy's F-18A.

approve the sale, because policy now required that advanced weapons systems be operationally deployed with US forces prior to any sales commitment.[23]

(S) The Shah in 1974, had approved an ambitious program, SEEK SENTRY, for placing several dozen radars on mountain-top locations. Later, with US encouragement, Iranian military men began looking to AWACS aircraft as substitutes. On 22 April 1977, President Carter approved the sale of 5 E-3s. here he was making an exception to his arms tansfer policy, since AWACS aircraft (like the F-18) still had not entered into service with US forces. On 24 April, the Shah cancelled SEEK SENTRY, thereby reducing his ground radar requirements from 44 to 20. Three days later, he asked the President for four more AWACS aircraft. General Brown and Secretary Brown supported a sale of nine E-3s, noting in justification that the planes and their support would cost only one-fifth as much as the ground radars ($2.6 versus $10-15 billion) and require 2,500 rather than 62,500 personnel. On 26 May, President Carter agreed to sell a total of seven E-3s. One month later, the Joint Chiefs of Staff endorsed a nine-plane sale, but advised Secretary Brown that questions concerning the releasability of cryptographic devices first required resolution. Crytographic capability, they said, would be needed to protect data transmitted between E-3s and other ships and aircraft.[24]

23. (S) DASD(ISA) to F-18L Ad Hoc Group, 3 May 77, Att to JCS 1714/224, 10 May 77; (S) Memo, ASD(ISA) to Actg Dir, J-5, 7 Jun 77, Att to JCS 1714/224-1, same date; (S) MJCS-172-77 to ASD(ISA), 9 Jun 77, Att to N/h of JCS 1714/224, 1[illegible] Jun 77; Memo, Asst to Pres for NSA to SecDef, 20 Jun 77, Att to JCS 1714/224-2, 22 Jun 77; JMF 887/460 (3 May 77).

24. (S) Memo, SecDef to Asst to Pres for NSA, 3 May 77, Att to JCS 1714/225, 19 May 77; (S) JCSM-275-77 to SecDef, 27 Jun 77, Encl A to JCS 1714/225-1, 27 May 77; JMF 887/653 (3 May 77).

On 7 July, President Carter notified Congress of the $1.2 billion, seven-plane sale. Congressional opposition against selling Iran such sophisticated, sensitive equipment forced the President to delay his offer until September. But, finally, in early October, the arrangement cleared Congress.[25]

(TS) In mid-October 1977 President Carter reiterated his determination to reduce world-wide arms sales. If Secretary Vance did not "hold down" such recommendations, he promised to do so himself. But the Shah's hopes remained high. When the Chief of Naval Operations, Admiral James Holloway, visited him in October, the Shah asked about the possibility of acquiring six PERRY-class frigates and said that, because the F-14 had proved so successful, he was interested in buying the Navy F-18A. In mid-November, the Shah came to the White House. President Carter related how he had to "go to the mat" with the Congress to get the AWACS sale approved, and predicted that the problem would become easier if Iranian requests were moderate and more predictable. What, he asked, would be Iran's needs over the next 5-6 years? The Shah cited air defense as his primary concern. He wanted a total of 150 F-14s and 300 F-16s, which would mean additional purchases of 70 F-14s and 140 F-16s.[26]

(S) Early in December 1977, the Iranian Government formally requested: 11 RF-4Es, 31 F-4Gs with WILD WEASEL SAM radiation suppression equipment; 70 F-14s, 140 F-16s, 648 howitzers, and six minesweepers. The Joint Chiefs of Staff concurred "in principle," but added that availability and releasability "must be

25. NY Times, 29 Jul 77, 1; 8 Oct 77, 6.

26. (C) Memo, Asst to Pres for NSA to SecDef, 20 Oct 77, Att to JCS 2315/644, 26 Oct 77, JMF 499 (29 Mar 77). (S) "CNO Audience with the Shah of Iran, 1 Oct 77," 12 Oct 77; (TS) MemoCon , "President's Meeting with the Shah of Iran, Nov 16, 1977"; CJCS File 820 Iran.

addressed on an item-by-item basis at the actual time of request." When the Department of State sought a more detailed justification of the howitzer request, they characterized it as "militarily reasonable and justified," and stated that Iran could absorb the artillery over a period of "about 10 years"--and even less time, if the personnel situation improved.[27]

(Ø) Iran also intended to buy twelve Dutch and West German frigates, but wanted to arm them with US weapons systems so as to allow interoperability with American ships. Assistant Secretary McGiffert asked for JCS views. Answering on 10 July 1978, they described the Imperial Iranian Navy's mission as being development of a force that could defend the sea lanes to the Persian Gulf, assist in assuring the oil flow, and (in cooperation with air and ground forces) counter invasion attempts by any potential adversary. Such a force, containing four guided-missile cruisers, nine diesel submarines, and twelve frigates, would serve US strategic interests. The Joint Chiefs of Staff considered compatibility and interoperability among Iranian ships and with the US Navy, to be "fundamental." Sales of US weapons and electronics would bestow "significant" advantages upon the Iranian Navy by permitting interchangeability of personnel among American, Dutch, and West German warships. Conversely,

27. (Ø) Ltr, Vice Min of War to AMB Sullivan, 7 Dec 77, Att to JCS 1714/231, 12 Jan 78; Memo, Dir, DSAA to CJCS, 3 Jan 78, Att to JCS 1714/231, 12 Jan 78; (Ø) JCSM-39-78 to SecDef, 3 Feb 78, Encl to JCS 1714/231-1, 30 Jan 78; (Ø) Memo, Actg Dir, DSAA to CJCS, 20 Apr 78, Att to JCS 1714/231-2, 24 Apr 78; (Ø) JCSM-193-78 to SecDef, 30 May 78, Encl to JCS 1714/231-3, 23 May 78; JMF 887/499 (7 Dec 77). In mid-1978, the Iranians reduced their howitzer request to 298. (Ø) Memo, Staff Secy, NSC to CJCS et al., 27 Jun 78, Att to JCS 1714/233, 18 Jun 78, JMF 887/499 (27 Jun 78).

if the Iranians had to buy European systems, men and resources must be diverted to training, supply, and maintenance, thereby lowering operational effectiveness.[28]

(S) At mid-year, the NSC Policy Review Committee decided to discuss which Iranian requests should be submitted for Congressional approval during the 1978 session. A talking paper approved by the Director, Joint Staff asserted that, save for "certain exceptions having to do with releasability policy," Iranian requests were "in consonance with the US military objectives for Iran." A greater capability for force projection seemed worthy of support. In justification, the paper noted: that Iran faced several threats from different directions; that there was "a broad mutuality of interests" between Washington and Tehran; that Iranian ability to use US equipment was "improving markedly"; and that prospects for Iranian military adventurism or expansionism were "not high" (because, among other reasons, her logistical dependency upon the United States could be cast aside "for more than a week or two at most"). Furthermore, the paper argued in favor of the United States remaining Iran's "primary source" of military equipment in order to: maintain political leverage; promote standarization of equipment; and benefit the US economy. Specifically, therefore, sales of 31 F-4Es (in lieu of F-4Gs), 70 F-14s, 298 howitzers, and combat systems for European-built frigates should be approved.[29]

28. (S) Memo, ASD(ISA) to CJCS, 29 Jun 78, Att to JCS 1714/234, same date; (S) MJCS-198-78 to ASD(ISA), 10 Jul 78, Att to N/H of JCS 1714/234, 11 Jul 78; JMF 887/475 (29 Jun 78).

29. (S) Memo, Staff Secy, NSC to CJCS et al., 27 Jun 78; (S) Memo, Leslie Gelb to Dir, J-5 et al., 29 Jun 78, Att to JCS 1714/233-1, 3 Jul 78; (S) TP for CJCS and SecDef at PRC Mtg, 5 Jul 78, Att to JCS 1714/233-2, 11 Jul 78; JMF 887/499 (27 Jun 78). Principals used this TP at the PRC meeting, according to (S) Memo, COL Raines to Action Man. Div., "PRC Meeting, 5 July 1978," 6 Jul 78, same file.

(S) Soon afterward, the Assistant Secretary of Defense (ISA) asked the Joint Chiefs of Staff to appraise Iranian military forces and capabilities, the threats they faced, and the force structure appropriate from the mid-1980s through the early 1990s. On 5 September 1978, the Joint Chiefs of Staff advised that the forces projected for 1980-1985 would be adequate for every situation except a Soviet attack. Road and railway systems were inadequate, however, and airlift capacities could rapidly become overtaxed. Thus Iranian efforts to build repair and maintenance facilities and to establish an effective logistics system appeared "paramount" in creating a sound military force. Moreover, Iran would continue to need US technical and training assistance for anything other than a "short, low-intensity operation." Consequently, US aid beyond 1980 should "continue to concentrate on the clear deficiencies in command and control of Iranian forces, air defense, anti-submarine warfare, and SAM suppression capability."[30]

(S) In August 1978, President Carter had disapproved the sale of 31 F-4Gs as recommended earlier by the Joint Staff. In mid-September, the Department of State requested Defense views on whether to sell the 70 additional F-14s sought by the Shah. The Joint Chiefs of Staff characterized such a sale as being "prudent and in the best interest of the United States." Their calculation of Iran's requirements took account of forces needed to maintain air superiority over Iraq. Since her oil fields and facilities lay so near to

30. (S) Memo, Actg ASD(ISA) to DJS, 24 Jul 78, Att to JCS 1714/236, 26 Jul 78; (S) MJCS 243-78 to ASD(ISA), 5 Sep 78, Att to N/H of JCS 1714/236, 8 Sep 78; JMF 887/292 (24 Jul 78). The Joint Staff and the Services, in consultation with USCINCEUR and the Chief, ARMISH/MAAG, prepared a lengthy analysis from which the Joint Chiefs' conclusions were drawn.

the Iraqi border, Iran probably could not build a defensive force large enough to prevent those facilities from suffering extensive damage. For that reason, Iran needed a formidable offensive force that would strengthen its deterrent. In the judgment of the Joint Chiefs of Staff, a "reasonable" force level for 1981-1988 would include 174 F-4s, 148 F-14s, and 275 F-16s.[31]

The Unraveling

(U) At this point, a flood of internal unrest began to overwhelm the Shah. Conservative clergy always had opposed his westernizing reforms; liberals disliked his authoritarianism; businessmen resented the corruption that centered around the Pahlevi family; and Iranians of all persuasions feared and detested his secret police, or SAVAK. During 1978, these factions coalesced to create a nationwide revolt. On 8 September, in the face of growing disorders, the Shah imposed martial law upon major cities; next day, bloody riots convulsed Tehran.[32]

(S) In October, amid spreading strikes and economic dislocations, the Shah cancelled requests for 70 F-14s and 140 F-16s. At this point, the Defense Intelligence Agency (DIA) did not deem the Shah's predicament hopeless. Late in October, DIA forecast that the Iranian military "almost certainly" would remain loyal if the Shah exerted strong leadership. So, if he made proper gestures toward Islamic conservatives and began to share power, "the Shah should survive the political ferment." On 31 October, J-5 drafted a Chairman's Memorandum recommending that the Administration express its support for the Shah through (1) a personal letter from the President and (2) public statements by

31. NY Times, 16 Aug 78, 48. (S) Memo, Dir DSAA to DJS, 15 Sep 78, Att to JCS 1714/238, same date; (S) MJCS 266-78 to Dir, DSAA, 26 Sep 78, Att to N/H of JCS 1714/238, 4 Oct 78; JMF 887/460 (15 Sep 78).

32. Washington Post, 9 Sep 78, 1.

either the Chief Executive or high officials. General Jones never signed this draft because, on 1 November, President Carter publicly did defend the Shah.[33]

(Ø) On 6 November, with US backing, the Shah put Iran under military rule, but disorders grew even greater. Early in December, the US Ambassador forwarded a request for assistance in moving five water-cannon trucks from Europe to Tehran; Secretary Brown approved using US military aircraft for this purpose. On 7 December, the Administration authorized evacuation of DOD dependents. Four days later, several million anti-Shah demonstrators marched through major cities and towns.[34]

(Ø) A denouement began on 27 December, "a day of wild lawlessness and shooting in the capital and a strike that effectively shut down the oil industry."[35] On that same day, Admiral Holloway informed the Joint Chiefs of Staff that the Soviets' Indian Ocean task group was about to be relieved by a slightly larger force that included a KRESTA-class guided missile cruiser. "More than ever," he told his JCS colleagues,

> It is crucial that any government of Iran continue its security co-operation with the U.S. The U.S. therefore needs to provide clear signals that it appreciates the new situation in Iran, retains a firm interest in the region, and intends to support its friends.

33. (Ø) Memo, Dir, DIA to CJCS, "Appraisal on the Current Situation in Iran," n.d. [received by JCS on 25 Oct 78]; (Ø) J5M-1718-78 thru DJS to CJCS, "Support for the Shah of Iran," 31 Oct 78; Memo, DJS to CJCS, 1 Nov 78; CJCS File 820 Iran. Washington Post, 1 Nov 78, 1.

34. (Ø) Msg, JCS 3096 to USCINCEUR, 5 Dec 78; (Ø) Memo, SecState to SecDef, 7 Dec 78; CJCS File 820 Iran. NY Times, 7 Nov 78, 1; 12 Dec 78, 1.

35. NY Times, 28 Dec 78, 1.

Accordingly, he recommended sending a Carrier Battle Group to the Indian Ocean "in the immediate future," so that it could reach the Arabian Sea sometime after mid-January. On 28 December, with Secretary Brown's approval, the Joint Chiefs of Staff ordered CINCLANT to position a carrier force near Singapore, and to prepare for a possible mission in the Arabian Sea.[36]

(U) By this time, the Shah's nerve had cracked. Some of his generals, apparently, planned to seize power and resort to harsh repression. On 2-3 January 1979, Deputy USCINCEUR, General Robert Huyser, USAF, arrived in Tehran. His mission, reportedly, was two-fold: to make the Shah depart Iran immediately, and to forestall any pro-Shah generals' coup by threatening a complete cut-off of US aid. The generals were tamed and the Shah was persuaded. On 16 January, the Shah put himself in the pilot's seat of his Boeing 707 and flew into exile.[37]

(U) The departure of the Shah marked the complete failure of US policy toward Iran. The United States had backed the Iranian ruler for 33 years in hopes of creating a stabilizing influence in the Middle East and a bulwark against Soviet expansion there. Tremendous amounts of military assistance had been both given and sold to him to that end. Now he was gone, leaving behind near chaos and great popular resentment of and hatred for the United States.

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36. (S) CNOM 166-78 to JCS, 27 Dec 78, Att to JCS 1714/240, same date; (S) Msg, JCS 768 to CINCPAC, 28 Dec 78; JMF 898/378 (19 Dec 78). This movement was made public on 29 December. NY Times, 30 Dec 78, 1.

37. Washington Post, 13 Jan 80, B1. NY Times, 17 Jan 79, 1.

UNCLASSIFIED

APPENDIX 1

US MILITARY ASSISTANCE TO IRAN

(Dollars in Thousands)

YEAR	FMS AGREEMENTS	FMS DELIVERIES	FMS FINANCING WAIVED	FMS FINANCING DIRECT	FMS FINANCING GUARANTY	COMMERCIAL EXPORTS DELIVERIES	MAP PROGRAM	MAP DELIVERIES	MASF PROGRAM	MASF DELIVERIES
50	-	-	-	-	-	-	11,690	-	-	-
51	-	-	-	-	-	-	25,482	10,654	-	-
52	-	-	-	-	-	-	28,843	5,367	-	-
53	-	-	-	-	-	-	19,135	26,417	-	-
54	-	-	-	-	-	-	13,685	25,434	-	-
55	-	-	-	-	-	-	10,821	16,974	-	-
56	-	-	-	-	-	-	21,109	22,401	-	-
57	-	-	-	-	-	-	75,622	36,843	-	-
58	-	-	-	-	-	-	95,210	69,276	-	-
59	94	6	-	-	-	-	72,201	89,772	-	-
60	779	82	-	-	-	-	76,052	83,658	-	-
61	116	187	-	-	-	-	46,829	41,469	-	-
62	122	680	-	-	-	-	33,634	27,011	-	-
63	150	65	-	-	-	-	50,059	63,958	-	-
64	24	191	-	-	-	-	30,326	22,931	-	-
65	68,858	12,896	-	-	-	-	28,638	45,608	-	-
66	137,949	33,185	-	-	46,774	-	57,439	36,353	-	-
67	145,933	38,866	-	23,167	66,825	-	31,621	37,124	-	-
68	66,984	56,717	-	36,084	124,475	-	18,990	33,968	-	-
69	235,813	94,881	-	41,454	58,127	-	18,847	45,343	-	-
70	133,703	127,717	-	75,000	22,500	-	-	12,791	-	-
71	355,174	78,566	-	-	-	-	-	4,290	-	-
72	457,888	214,807	-	-	-	28,304	-	6,277	-	-
73	2,158,402	245,293	-	-	-	42,415	339	2,621	-	-
74	3,966,322	648,641	-	-	-	19,466	2	191	-	-
75	1,913,812	1,006,131	-	-	-	35,322	-	2	-	-
76	1,508,970	1,924,884	-	-	-	49,410	-	-	-	-
77	3,236,145	2,424,669	-	-	-	107,943	-	-	-	-
78	763,500	1,907,362	-	-	-	138,432	-	-	-	-
79	41,520	924,511	-	-	-	132,651	-	-	-	-
TOTAL	14,672,347	9,740,337	-	175,705	320,701	636,192	766,733	766,733	-	-

UNCLASSIFIED

APPENDIX 2
STRENGTH OF THE IRANIAN ARMED FORCES, 1961-1978

1961

Army 12 divisions 6 independent (indep) brigades (bdes)	196,000
Navy 2 corvettes 3 minesweepers 5 small ships	6,000
Air Force fighters (F-84, F-86) transports (C-47)	8,000
TOTAL ARMED FORCES	210,000

1965

Army 7 inf divisions (12,00 men each) 1 armored division 1 indep armored bde	164,000
Navy 4 escort vessels 6 minesweepers 24 small patrol craft 2 landing craft 5 other ships	6,000
Air Force (130 acft) 4 fighter sqns (F-86F Sabres) 1 fighter sqn (F-5) 1 tactical recce sqn (RT-33) 2 transport sqns (C-130B)	10,000
TOTAL ARMED FORCES	180,000

STRENGTH OF THE IRANIAN ARMED FORCES, 1961-1978 (CONTINUED)

1970

Army	135,000
2 armored divisions	
1 indep armored bde	
5 inf divisions	
1 indep inf bde	
1 SAM bn (HAWK)	
Navy	9,000
1 destroyer	
5 frigates (4 with SAMs)	
5 corvettes	
4 patrol boats	
6 minesweepers	
8 SRN-6 hovercraft	
4 landing craft	
12 patrol vessels	
Air Force (175 combat aircraft)	17,000
2 sqns (32 acft) all-weather fighter-bomber (F-4D)	
5 sqns tactical fighter-bomber (F-5)	
20 F-86 all-weather interceptors	
16 RT-33 tactical recce acft	
33 transport acft	
helicopters	
TOTAL ARMED FORCES	161,000

STRENGTH OF THE IRANIAN ARMED FORCES, 1961-1978 (CONTINUED)

1975

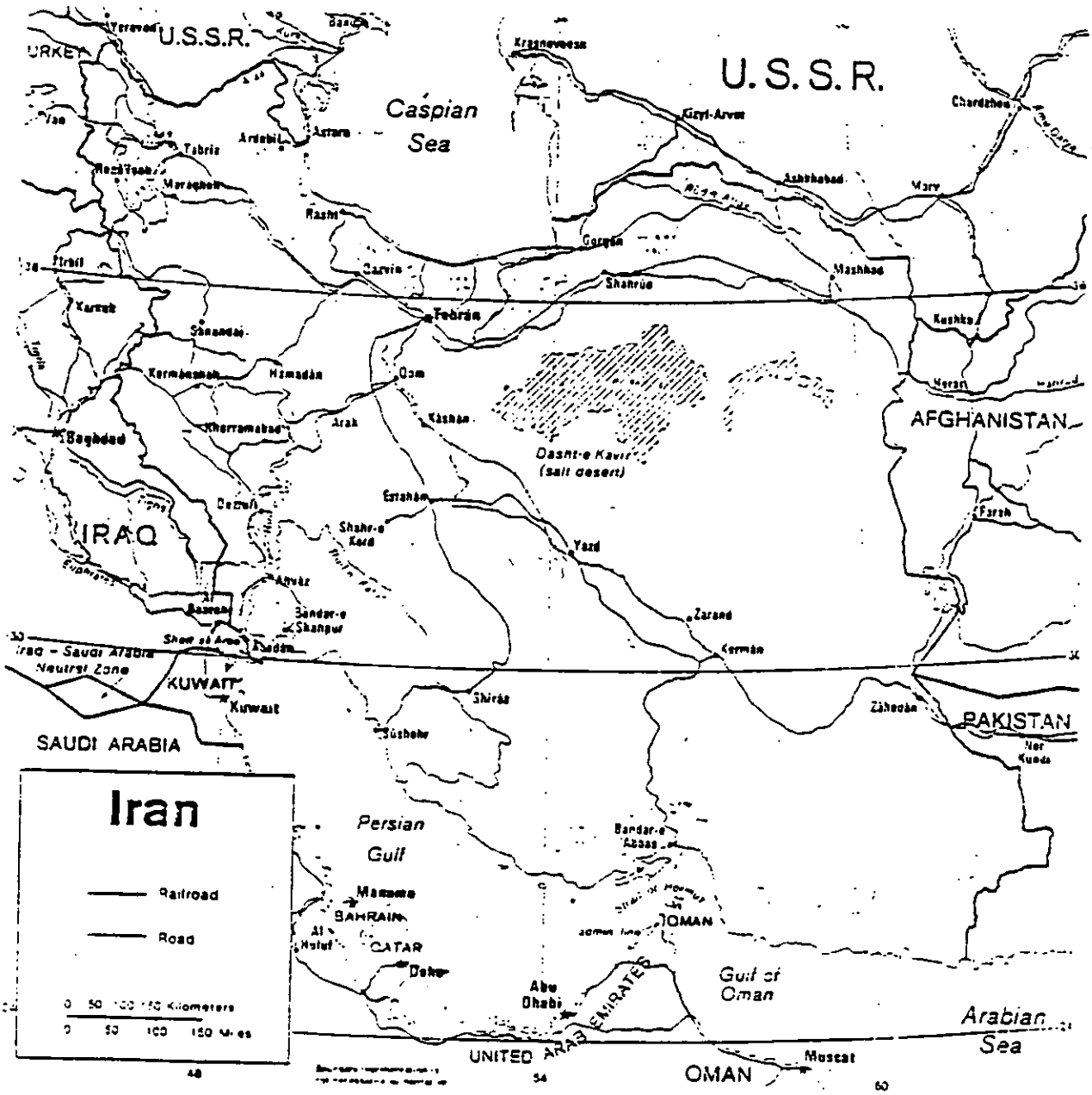
Army	175,000
3 armored divisions	
4 inf divisions	
2 indep bdes (1 airborne, 1 special forces)	
1 SAM bn (HAWK)	
Navy	15,000
3 destroyers	
4 frigates	
4 corvettes	
25 patrol boats	
6 minesweepers	
2 landing craft	
10 hovercraft	
3 Marine bns	
Air Force (238 combat acft)	60,000
6 fighter-bomber sqns (32 F-4D, 64 F-4E)	
10 fighter-bomber sqns (80 F-5A, 45 F-5E)	
1 recce sqn	
4 medium transport sqns	
2 light transport sqns	
1 tanker sqn	
helicopters	
TOTAL ARMED FORCES	250,000

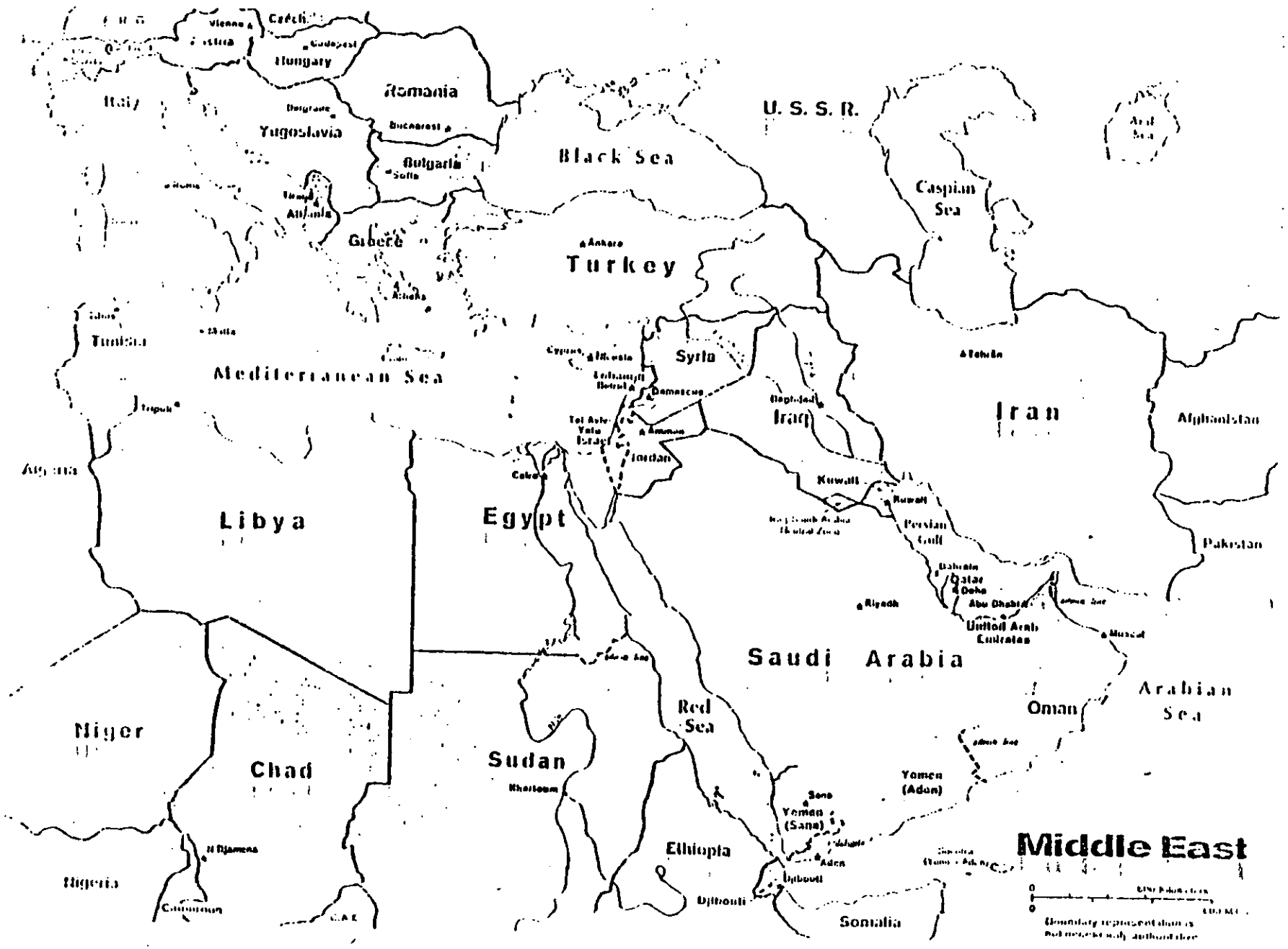
STRENGTH OF THE IRANIAN ARMED FORCES, 1961-1978 (CONTINUED)

1978

Army	285,000
3 armored divisions	
3 inf divisions	
4 indep bdes (1 airborne, 1 inf, 1 airborne, 1 special forces)	
4 SAM bn (HAWK)	
Navy	28,000
3 destroyers	
4 frigates	
4 corvettes	
7 large patrol craft	
5 fast patrol craft, guided missile	
2 landing ships logistic	
2 landing craft utility	
2 logistic support ships	
14 hovercraft	
Naval Air	
1 maritime recce sqn (6 P-3F Orion)	
1 ASW sqn (12 SH-3D)	
1 transport sqn	
helicopters	
3 Marine bns	
Air Force (459 combat acft)	100,000
10 fighter-bomber sqns (32 F-4D, 177 F-4E)	
10 fighter, ground attack sqns, 12 F-5A, 140 F-5E)	
3 fighter sqns (56 F-14A tomcat)	
1 recce sqn (16 RF-4E)	
1 tanker sqn (13 Boeing 707-320L)	
4 medium transport sqns	
4 light transport sqns	
helicopters	
5 SAM sqns	
TOTAL ARMED FORCES	413,000

All information in this Appendix is from the London Institute for Strategic Studies, Military Balance, 1961-962, 1965-1966, 1970-1971, 1976-1977, and 1978-1979.


Iran
Railroad
Road
U.S.S.R.
Caspian Sea
Persian Gulf
Gulf of Oman
Arabian Sea
IRAQ
KUWAIT
SAUDI ARABIA
AFGHANISTAN
PAKISTAN
BAHRAIN
QATAR
UNITED ARAB EMIRATES
OMAN
Tehran
Mashhad
Esfahan
Yazd
Kermān
Shīrāz
Bandar-e Abbas
Zahedān
Dasht-e Kavir (salt desert)
Iraq - Saudi Arabia Neutral Zone


Middle East
U. S. S. R.
Black Sea
Caspian Sea
Aral Sea
Romania
Bucharest
Hungary
Budapest
Czech.
Vienna
Austria
Italy
Yugoslavia
Belgrade
Bulgaria
Sofia
Albania
Greece
Athens
Turkey
Ankara
Tunisia
Tripoli
Mediterranean Sea
Libya
Algeria
Egypt
Cairo
Syria
Damascus
Beirut
Jordan
Amman
Iraq
Baghdad
Iran
Tehran
Afghanistan
Pakistan
Kuwait
Persian Gulf
Qatar
Doha
Bahrain
Abu Dhabi
United Arab Emirates
Saudi Arabia
Riyadh
Muscat
Oman
Arabian Sea
Yemen (Aden)
Yemen (Sana)
Sana
Aden
Red Sea
Sudan
Khartoum
Ethiopia
Djibouti
Somalia
Niger
Chad
N'Djamena
Nigeria
Cameroun
C.A.E.