CHAPTER V
(a) The Signing of Cold War Alliance

In the previous chapter, an attempt had been made to analyze the evolution of political developments in Iran from the first term of Eisenhower Presidency till the first year of Carter administration. This period (1953-1977) is significant as it marked the consolidation of Shah's rule which had been marked by extensive American contacts and involvements in the economy and internal security of Iran. It had been observed earlier that under the impulse of cold war politics and American global opposition to communism (policy of containment), Washington had indicated its willingness to the Shah (even prior to the overthrow of Mossadeq in 1953) in terms of forging a military alliance with the United States. In course of time, however, a multi-dimensional (including influential) relationship had developed between the US government and the Shah of Iran, which had continued in the ensuing quarter century almost without a break.

By way of background to the present section, it may be stated that the Second World War had ended with the Allied victory over Germany in May 1945, which had been followed by
the abject surrender of Japan in August 1945. Out of these spectacular victories, however, had emerged the United States, as the mightiest military power, which could be characterized as the most dramatic event of the post-Second World War world and also of the twentieth century. In the words of former US Secretary of State, Henry A. Kissinger "of all nations involved, we alone emerged essentially unscathed from the ravages of the conflict, our military power, economic strength and political confidence intact". 335 Also in the words of famous American journalist Drew Middleton:

"Among the major victorious powers, only America had emerged from the war with her industry and transport system in tact. The triumph of her armies, navies and air forces had been crowned at the end of the war by the explosion of two atomic bombs ... America supremely triumphant, supremely confident, was an island of stability". 336

Thus, with such a world around it, the United States could not disengage itself from the World politics and to revert back to the "isolationist" stance it had adopted immediately following the First World War. In fact, substantial


majority of Americans had begun to accept the fact that "after World War II 'isolationism' no longer served as a viable foreign policy posture for the most influential nation on the world scene". 337

But soon after the Second World War, cracks had begun to appear among the war-time allies, as their differences as well as disagreements had become clearly manifest over political developments in Eastern and Central Europe. For instance, the USSR, had begun to impose pro-Soviet governments in Hungary, Bulgaria, Rumania and Albania mostly with the help of Russian troops stationed over there. With the replacement of popular and parliamentary government of Poland in the autumn of 1947 as well as with the crushing of the Checzoslovakian democracy in 1947, it had begun to emerge clearly that the entire Eastern Europe had become practically Russian satellite states. 338 As for the United States, it had viewed these developments with a great deal of concern, as they had dealt a severe blow to the American dream of a peaceful world order as represented by a collaboration between the "Big Three" (US, USSR and UK) as well as an everlasting faith in peace and harmony of the world under the aegis of the United Nations. Such hopes, however, had been belied further as the Soviet Union had begun

338. For details see John Spanier, American Foreign Policy Since World War II (New York, 1977), p.26
to apply pressures on the Middle East (especially on Greece, Turkey and Iran) following its successes Eastern Europe. In the words of Henry Kissinger, "our nightmare was that the Soviet Union, after consolidating its occupation of Eastern Europe might seek to spread its control to other contiguous areas in Europe and Asia".  

In this context it may be relevant to mention that while the Russians had refused to move their troops out of Iran as per schedule in March 1946 in case of Turkey, they had been demanding since June 1945 for according them a share in joint responsibility concerning the defence of the Dardanelles Strait along with the Ankara government. Further, in Greece, they had instigated the guerilla forces to make a determined bid to dislodge the right-wing government which had come to power in March 1946.

It was at this point that the eminent "Kremlinologist", George F. Kennan had expounded his own analysis as to how the Soviet conduct could be gauged. Kennan, infact, had emphasised that two major motivating factors namely, the traditional traits like "Tsarist expansionism and Russian nationalism" as well as the "Marxist ideology" of "international communism" had dominated the Soviet thinking in its external relations. To counter these Russian hegemonical impulses, Kennan had proposed for "a long term patient, but firm and vigilant

339. See Kissinger, American Foreign Policy, n. 335, p. 303
340. For details see Spanier, n. 338, p. 40
containment" which, according to him, "would eventually lead to either the break up or the gradual mellowing of Soviet power". These ideas of Kennan, however, had found expression through a declaration made on 12 March 1947 by President Harry S. Truman, which had come to be known later as the "Truman doctrine". For instance, addressing a joint session of the US Congress and responding to the alarming situation that had emerged in Greece and Turkey, the President had declared: "I believe that it must be the policy of the United States to support free people who are resisting attempted subjugation by armed minorities or by outside pressures". Following this speech, Truman had requested the Congress to enact a programme of aid to Greece and Turkey (entailing a total of $400 million) to help these countries in their struggle against Soviet expansionism. With the President's request being acceded to by the Congress, a new policy of "containment" had begun to dominate American thinking as well as its foreign policy concern for the next twenty-five years. Justifying his position later, Truman had stated, "The world today looks to us for leadership. The force of events makes it necessary

341. This view had been presented by George Kennan under the anonymous name of X in the Foreign Affairs, vol. 25, July 1947, pp.566-582
342. For details on the Speech by President Truman see Public Papers of the President of the United States : Harry S. Truman, 1947 (Washington, D.C., 1963), pp.176-180
343. Cited in Crabb, n. 337, p.81
that we assume that role". 344 Thus, in the opinion of Cecil Crabb, the "Truman doctrine was America's 'formal' declaration of the existence of cold war between the world's two super powers". 345

But following this declaration, the US government had taken some pause before forging any military alliance against the Soviet Union. By early 1949, such a need had become clearly manifest as the Russians had made increasing threats following their explosion of an atom bomb in 1947 and the Communist victory in Czechoslovakia as well as the Berlin Blockade in 1948. In the process had emerged the first military alliance in American history, when twelve West European and Atlantic countries had met in Washington, D.C. on 4 April 1949 to sign a historic treaty called the North Atlantic Treaty Organisation (NATO). Thus, in the words of Kissinger, "The United States identified security with alliance. A global net work of relationship grew up based on the proposition that deterrance of aggression required the largest possible grouping of powers". 346 After the formation of NATO, the United States had embarked upon a number of foreign aid programmes out of which the European Recovery Programme or the Marshall Plan was the most ambitious one. The plan had been enunciated by

345. Crabb, n. 337, p.82
346. Kissinger, American Foreign Policy, n. 335, p.65
the then Secretary of State George C. Marshall in course of his speech at the Harvard University on 5 June 1947. It had not only proved successful in the restoration of economic and political stability for the Western Europe, but also in ensuring containment of Russian power in the region. Following this, President Truman, in course of his inaugural address on 20 January 1949 had enunciated the famous "Point Four" programme, which had sought to extend economic and technical assistance to the underdeveloped countries of the Afro-Asian region. Also, the United States had announced the formation of the Mutual Defence Assistance Programme (MDAP) in 1949 under which, besides major arms assistance to NATO countries, America had provided military and economic assistance to Greece and Turkey as well as to Far Eastern and Asian countries. With these developments the policy of containment had been firmly entrenched. As for the American policy-makers, they had thereafter moved their attention towards countries bordering the southern flank of the Soviet Union for alliance including those situated in the proximity of another communist giant namely, the People's Republic of China.

347. For details see David F. Gordon, "The United States Foreign Aid in Perspective", Current History, July-August 1979, p.2

348. As cited in Eisinger, n. 343, p.499

349. Cecil Crabb, n. 337, p.233

With the launching of the cold war, the Middle East and Persian Gulf littoral states had started assuming significance due to their proximity with the Soviet Union. Infact, the Middle East had been characterized by the American policy-makers as the "strategic cross roads" and a "land bridge" connecting Europe, Asia and Africa. The post-war developments concerning Soviet thrusts into Iran, Turkey and Greece, however, had contributed to the strengthening of such an American perspective. Also, the importance of the area, which had emanated because of its huge deposits of oil and Europe's dependence on its the unrestricted supply, had increased spectacularly over the passage of time. Thus, as the cold war had progressed, American involvement had become further intensified in the form of forging multilateral military alliances with the countries of South East Asia and the Middle East-Persian Gulf regions.

As regards developments leading to the signing of the Baghdad Pact in 1955, it may be stated that due to the cold war, American interest towards the Middle East in the


352. Ibid.

353. K. Rajendra Singh, Politics in the Indian Ocean, (Delhi, 1974), p.16
early 1950s had started growing under the Truman administration despite the fact that the British had been the dominant power in that region. It may be mentioned that during this period Britain had proposed to the US for the establishment of an Allied Middle East Command to safeguard the area from possible Soviet intrusion. As for the US, it had initially supported the proposal and along with Britain had presented the same to Egypt for acceptance on 13 October 1951. There was also another plan to interlink the Allied Middle East Command with the NATO. But these proposals had failed through, not because Egypt had rejected them but due to the fact that the Americans had shown little enthusiasm concerning the plan, as according to its policy-makers, "it would have served British interests rather than that of the United States. Possibly winning over Egypt to its side in the cold war confrontation against the USSR had been more important to them at that time than to strengthen the position of their NATO ally namely, Britain in the Middle East region.

But with the advent of Republican administration under Eisenhower in 1953, American interest and involvement in the Middle East and Persian Gulf regions had been heightened considerably under the stewardship of the new Secretary of State John Foster Dulles. Infact, Dulles has characterized the "containment" policy as adopted by the Truman administration

354. For details see Ibid, pp.17-18
as "negative" and "senseless" as well as a "failure", and had stressed the need for pursuing a more forceful "positive" policies to deal with the Soviet Union. He had termed such policies as of "liberation from communism", of "brinkmanship" and of "massive retaliation". After making a hard look at the situation in the Middle East, Dulles had evolved his concept of "Northern Tier" system. According to him, these "Northern Tier" countries (From Turkey to Pakistan minus Afghanistan), situated near the Soviet border, had become more apprehensive of the Russian designs than the Arab nations of the Middle East. Dulles in fact, had suggested for the strengthening of inter-related defence postures first and then taking steps towards grouping of these countries under a security pact.

Such a perspective had appeared to be "sensible" as not all the countries in the Middle East had been inclined in favour of joining any Western-sponsored pact. For instance, the Iranian Premier Mossadeq, a staunch nationalist, had been totally opposed to such ideas. But the Iranian situation had undergone a sea change following the ouster of Mossadeq in August 1953 as well as the installation of General Fazlollah Zahedi, a pro-West supporter, as the new Prime Minister.

355. As cited in Palmer and Perkins, n. 350, p. 660
356. As cited in K.R. Singh, Politics in Indian Ocean, n. 353, pp. 18-19
The installation of Zahedi, had proved to be a great blessing for the American policy-makers in their efforts to build a military alliance among the "Northern Tier" countries. Such a process had received a further boosting following the inclination shown by Iraqi Prime Minister Nuries Said to join in a Western-sponsored pact. In the meanwhile Iran had made a secret request for American military aid in March 1953 and had subsequently announced its willingness to be a party to the contemplated American-sponsored pact in February 1954. Since both the Shah of Iran and Said of Iraq had strong pro-Western leanings, such a possibly had appeared quite promising. Such a proposal, however, had received a boosting in case of Turkey, as the United State had taken the decision to provide military assistance to the country on 17 March 1953. In fact, according to the American policy-makers, Turkey was to be strengthened not only as the southern bastion of the NATO but also as the link between the NATO and the proposed Baghdad Pact. 357

In the meanwhile to strengthen such a process Secretary of State Dulles had paid a visit to the Middle East in May 1953 and his trip had virtually covered almost all the countries in the region excepting Iran, in view of Mossadeq's virulent opposition to join any American sponsored alliance as mentioned earlier. It may be mentioned that as a sequel to this visit, Pakistan had formally requested for US military

357. For details see Ibid, pp.19 and 21
aid under the Mutual Security Programme, which, however, had been promptly acceded to by the Eisenhower administration on 25 February 1954. Subsequently, Pakistan had entered into a treaty of mutual friendship and co-operation with Turkey on 2 April 1954 and a few months later had joined another American-sponsored alliance namely, the South East Asia Treaty Organization (SEATO) in September 1954. In between Pakistan had signed the Mutual Defence Agreement with the United States on 19 May 1954.

A final development concerning the Baghdad Pact was that under American inspiration, the states of "Northern Tier" from Turkey to Pakistan excepting Afghanistan had joined hands in a series of bilateral security agreements commencing with the 1954 Pact between Turkey and Pakistan. The process had been joined further by a pact between Turkey and Iraq in February 1955, which had been endorsed later by Britain on 5 April 1955, Pakistan on 23 September 1955 and by Iran on 25 October 1955. This arrangement had come to be known later as the Baghdad Pact. As for the United States, it had decided against joining the pact possibly not to displease other Arab members namely, Egypt and Saudi Arabia who had not endorsed the agreement. The US however, had welcomed the pact by

358. For details see Palmer and Perkins, n. 350, pp. 669-675

359. See K.R. Singh, Politics in Indian Ocean, n. 353, p. 20
sending observers to its meetings as well as by making its full participation in the Economic and counter-subversion committee as well as in maintaining a permanent liaison with the military committee of the pact. In the process, the United States had begun to regard itself as an associate member of the Baghdad Pact. In a separate statement, made on 29 November 1956, the United States had supported the Baghdad Pact enthusiastically by declaring:

"... The United States reaffirms its support for the collecting efforts of these nations [Iran, Pakistan and Turkey] to maintain their independence. A threat to the territorial integrity or political members would be viewed by the United States with the ultimate gravity." 361

As regards Iran, the evolution of developments following the ouster of Mossadeq had marched along favourable lines. To begin with, the concept of "Northern Tier" as comprising Turkey, Pakistan, and Iran had been, the "brain child" of Dulles who had strongly believed that these countries were aware of their common enemy namely, "communism" and that they could not only defend themselves with American

360. For details see Palmer and Perkins, n. 350, pp. 583-584.

361. The text of the statement as cited in Saikal, n. 223, p. 217
support, but also could prevent the spread of such ideology to the "core Arabs" south of Euphrates down to Egypt. Such an idea, however, had not been favoured by Mossadegh at all despite the fact that he had initially shown same inclination to have close friendship with the United States as a leverage against Anglo-Soviet pressures on Iran.

The Shah, however, had been quite receptive to such an alliance in the background of his fervent desire to have Western support concerning the domestic and regional insecurities as had prevailed in Iran. With these objectives, the Shah had paid an official visit to the United States in early 1955. During the course of his visit, however, the Shah had made it abundantly clear to the US officials that before joining the formal membership of any American-sponsored pact he would like to be fully convinced, whether the United States would provide its complete backing and support in respect of Iran's growing domestic as well as regional insecurities. It appears that the Eisenhower administration had provided strong assurances to the Shah in this regard. Further, they had agreed with him concerning the Iranian need "to build up the armed forces as well as to equip them with modern arms and to construct strategic roads and airports in the country."

363. Saikal, n. 223, pp. 55-56
364. For details see D.N. Asopa, Military Alliance and Regional Cooperation in West Asia as cited in Ibid, p. 56
Following the visit of Shah, the US government had sent General Carlson to Tehran to assess the military and defense requirements of Iran. As for the Shah, he had responded the American gesture by announcing Iran's formal accession to the Baghdad Pact by signing the agreement on 25 October 1955. Defending his decision, the Shah had argued that in his opinion "the system of alliances and mutual aid between states with common interests" was the most effective way "to ensure the stability and security not only of Iran but also of the world". His decision, however, had been widely opposed to by a large number of Iranians including some Majlis deputies. This had become evident by the fact that the new Iranian Prime Minister, Hussayan Ala had been the target of an unsuccessful assassination attempt while he was proceeding on his way to attend a meeting of Baghdad pact countries.

The Shah, however, had made serious complaints concerning the sagacity of American conduct in not joining the organisation in 1955. He had maintained that American non-participation "might mean no effective defence against the Soviet Union", as well as "might put unacceptable limits on US economic and particularly military aid to Iran", and "might leave a dangerous power vacuum in the Middle East". Thus, the Shah had developed some serious reservations concerning the American behaviour vis-a-vis Iran following the signing of Baghdad Pact in 1955.

365. For details see Mohammad Reza Shah Pahlavi, n. 181, pp. 294-296
366. For details see Leonard Bender, Iran : Political Development in a Changing Society (Berkeley, California, 1962), p. 324
367. For details see Ramazani, The US and Iran, n. 26, pp. 37-38
(b) Eisenhower Administration and The Formation of Washington - Tehran Axis

Following the return of Shah to power in 1953 as stated earlier, the United States and Iran had developed a substantial multi-dimensional relationship, which had continued in the ensuing quarter century. To trace its roots, for Iran, the United States was "a market for oil, a source of military, a source of technology, and a politically ally". Further, its help was considered, indispensable for "Iran's White Revolution and the modernization of its military/security capability". For the United States, Iran was "a source of oil, a market for goods and services, a market for arms, and a pillar of American policy in the region and the Gulf". Besides these, US economic assistance to Iran as well as Tehran's participation in an American-conceived Baghdad Pact had contributed further to the strengthening of relationship between the two countries.\textsuperscript{368}

Infact, the period following the signing of Baghdad Pact had been marked by close economic and political relationship which had paved towards the formation of Washington-Tehran Axis during the tenure of Eisenhower administration.

Such a process, however, had been initiated immediately following the ouster of Mossadeq in 1953. For instance, the United States had made an immediate provision of

\textsuperscript{368} For details see Bernard Reich, in Economic Consequences of the Iranian Revolution, n. 202, p. 7
$ 45 million in economic aid to Iran, on an urgent request from its newly-installed pro-US government. This had been followed very soon by almost quadruple increase in military supplies to Iran on a "non-reimbursable" grant basis. In the process by 1954-1955, the United States had supplanted Britain as the principal Western influence in Iran.\(^{369}\) Infact, during the Fiscal Years 1953 through 1961 American military assistance to Iran had comprised almost half of what it had disbursed to all countries during this period from 1953-1961. Significantly enough, all these grants had been provided to Iran on an outright basis.\(^{370}\) Also, the signing of the International consortium Agreement of 1954 had facilitated the American oil companies to enter into the Iranian market for the first time. Infact, the United States had been accorded an unprecedently favourable climate for private investment and commerce in Iran under a bilateral treaty signed in 1957.\(^{371}\)

As stated earlier, the Shah had pursued a policy of "dynamic equilibrium" in relation to the super powers by not only seeking to the United States but also in making efforts to improve his relationship with the Russians, which had been

\(^{369}\) For details see Ledeen and Lewis, n. 5, p. 38


\(^{371}\) Ramazani, Economic Consequences of Iranian Revolution, n. 202, p. 72
quite strained following the Soviet troop withdrawal in 1946. The Shah had moved towards a process of reconciliation with Moscow by paying a visit to that country in 1956. The Soviet Union in return had obliged his visit by extraditing the Tudeh fugitives back to Iran for possible punishment. Thus, Shah had proved himself quite successful in the field of public relations.

Following the formation of Baghdad Pact in 1955, however, a consensus had begun to emerge in both American and Iranian circles to respond along cold war lines to the disquieting developments in the Middle East such as the Suez crisis and Nasser's rise to Arab leadership, Egypt and Syria's alliance with the Russians, Nasserist attempts to overthrow Jordan's King Hussein, the civil war in in Lebanon and the military coup in Iraq. There were, however, some differences in their individual approaches as well. For instance, the American policy makers had sought to explore some "formula" concerning their objectives in the Middle East namely, how to contain the perceived Soviet expansionism and to maintain the flow of oil to Western economies, as well as to provide for the security and well-being of Israel. On the other hand, the Shah had strongly urged for an active American "interventionist" policy against militant Arab states like

372. For details see Rubin, n. 7, p. 94
373. Ibid, p. 98
374. For details see Cottam, n. 221, pp. 116-117
Egypt and Syria who had been functioning more or less as Soviet "surrogates". The Shah had provided strong endorsement in respect of the formation of Baghdad Pact (1955), the Eisenhower Doctrine (1957) and the American troop landing in Lebanon (1958). But the American response in respect of Iran's critical issues however, had been quite "cautious" as well as "ambivalent".\(^\text{375}\) For instance, the US had merely wished to help the Shah in gaining "the kind of stability and economic well-being necessary to contain Soviet subversive efforts".\(^\text{376}\) Curiously enough, some American policy-makers had tended to view the growth of strong and assertive indigenous nationalist movements as the best hope for containing Russian expansionism in the Middle East. Infact, Kermit Roosevelt of the CIA had reportedly supported such a view by advocating American co-operation with the Nasser regime in Egypt.\(^\text{377}\) But as events had unfolded, as Nasser had regarded himself as the self-proclaimed defender of the Arab nations and that he had been perceived in Israeli circles as the most "threatening" leader in the Middle East, it had become extremely difficult for American policy-makers to pursue a policy of support for both Nasser and the Israeli government, as mentioned above.\(^\text{378}\)

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\(^\text{375}\) For details see Rubin, n. 7, pp. 98-99

\(^\text{376}\) Cottam, n. 221, p. 116

\(^\text{377}\) For details see Ibid, pp. 116-117

\(^\text{378}\) Ibid, p. 117
There had developed another perception in American circles that the Soviet Union was increasingly becoming a "status quo" power. According to this perspective, the USSR had failed to take advantage of nationalist disaffection as prevalent in Iran. Also, as the United States had demonstrated its determination to enforce its will during the cold war, the USSR was likely to become "respectful" and even "co-operative" to such aggressive gestures, because of the fact that America was a "universal" but not a "regional power". 379 Thus, the American policy makers had shared several differing perspectives concerning the role of the Soviet Union as well as developments in the Middle East.

As regards developments in the Middle East, following the rise of Egyptian nationalism in the 1920s, the British control over the country had started waning, which had resulted in the signing of the 1936 Anglo-Egyptian treaty. Under the treaty, the British troops would remain in control over the Suez Canal which had been jointly controlled and operated by an Anglo-French Company. This, along with the continued British occupation of Egypt during the Second World War and even thereafter had caused a great sense of resentment and frustration among its countrymen. 380 Following the war, however, the situation did not improve as the state of Israel had created in 1948 with the active support from Britain and

379. For details see Ibid, p.116
380. For details see Palmer and Perkins, n. 350, p.599
the United States. But the domestic situation in Egypt had undergone a dramatic change very soon as a military coup led by General Mohammed Neguib and Colonel Gamai Abdul Nasser had overthrown the pro-British King Farouk in July 1952. A subsequent coup thereafter had been led by Nasser to overthrow Neguib in April 1954. Following his assumption of power, Nasser had pressed for the withdrawal of British force from Egypt with a great vigour and had been supported strongly by the US government, which had forced the British to sign an agreement with the Nasser government in October 1954, under which the English had promised to evacuate the Suez Canal base within a period of twenty months. 381

In the meanwhile Nasser had begun to advocate revolutionary pan-Arab nationalist and struggle against the "zionist" Israel as well as pro-Arab conservative forces led by Saudi Arabia and Iran. 382 Infact, the radical Arab forces had been rallied around the charismatic personality of Nasser, who had become their "new hero", the "modern Saladin", in view of his staunch opposition to the West and for championing the cause of "Arab nationalism". 383

As a staunch nationalist, Nasser had been highly critical of the Baghdad Pact and had considered it as an instrument to preserve the Western supremacy in the Middle

381. For details see Ibid, p.694
382. For details see Saikal, n. 223, pp.67-68
383. See Singh, Politics in Indian Ocean, n. 353, p.29
East region. His own ambition had also been to become the foremost exponent of Arab nationalism as well as for making Egypt the most formidable power in the North Africa Middle East regions, which however, had prompted him to adopt an anti-Western stance.\footnote{384} Such an attitude had naturally brought him closer to the Soviet Union, which was equally interested in extending her influence over these regions; Also, the factor of oil had attracted the Soviet Union towards this region in the mid-1950s. To sum up the words of John Spanier, "For Russia, the Middle East was the means to outflank and disintegrate NATO".\footnote{385} Also, analyzing the situation, K.R. Singh had commented, "when the West was congratulating itself on the formation of Baghdad Pact, the USSR had succeeded in penetrating to the region by its offer of arms aid to the two important countries in the region namely, Egypt and Syria".\footnote{386}

The developments in Egypt as well as the postures of Nasser towards the Shah and the West had some what unnerved the policy-makers in Washington and Tehran. For instance, Nasser had characterized the regime of Shah as essentially, "anachronistic", "anti-revolutionary", and "anti-progressive", which had been sustained by Washington "to promote and care for America's imperialist interests in the region". Infact,

\footnote{384} For details see Ibid, pp.30-31.

\footnote{385} For details see John Spanier, \textit{American Foreign Policy Since World War II} (New York, 1977), p.115.

\footnote{386} Singh, \textit{Politics in the Indian Ocean}, n. 353, p.30
the diplomatic recognition of Israel by Tehran and the "quiet entente" that had been evolving between them had contributed to the development of such an Egyptian perception. Further, in the light of historical, ethnic, cultural, territorial and religious differences that had existed between the Arabs and Persians, Nasser had branded the Shah's regime as the enemy of Arabs in their nationalist revolutionary struggle against western colonialism and imperialism as well as "Zionism". As for the Shah, he had been quite apprehensive that these hostile forces might establish effective links with the domestic opposition in Iran.

In the meanwhile, the US-Egyptian relations had started deteriorating over the construction of the Aswan Dam on the upper Nile. It may be mentioned that during the process of negotiations at the World Bank, the US government had indicated its firm commitment to support the scheme, but most unexpectedly enough, the US Secretary of State, John Foster Dulles had announced the withdrawal of American support for the project. The American decision, in fact, had provoked Nasser to regard the US rebuff as a "personal and national insult" and that he had retaliated by announcing the nationalization of the Suez Canal on 26 July 1956. The Egyptian decision had infuriated both Britain and France, who had

387. For details see Saikal, n. 223, p. 68
388. For details see Ibid.
responded by launching a massive military operation against Nasser for the restoration of their rights under the 1936 treaty agreement. This military operation, had been joined very soon by Israel, an inveterate enemy of Nasser. This episode was described as the 1956 "Suez Crisis". As for the United States, instead of supporting its NATO allies namely, Britain and France, it had worked wholeheartedly with the USSR in defusing the crisis successfully.  

According to the American policy makers, though its action might have antagonised its NATO allies, it had, however, demonstrated a clear commitment on its part to oppose European colonialism as symbolized by the British-French pressures on Egypt. In the process, they had anticipated that America would very soon replace the dominant British power which had controlling the Middle East and Gulf region. But such a calculation had failed miserably because subsequent developments had resulted in the "collapse of the British power in the Middle East, the strengthening of Arab nationalism and the consolidation of Egyptian-Russian links".  

Following the Suez crisis, the officials of Eisenhower administration had made a projection that, a "vaccum" had been created in the Middle East on the wake of erosion of British of French influence resulting in a situation

390. For details see Palmer and Perkins, n. 350, pp. 60-66

391. For details see Spanier, n. 385, pp. 121-122
in which the area would become the "soft" as well as "vulnerable" targets for communist penetration. 392 In the process had emerged the "Eisenhower Doctrine" during March 1957 to respond to any insurgency situation in the Middle East. 393 These, infact, had become evident in pro-Western Arab countries namely, Jordan, Iraq and Lebanon. 394

This doctrine, however, had been invoked for the first time in Jordan, following the dismissal of the "pro-Communist" and "pro-Nasser" government by King Hussein on 10 April 1957, which had resulted in a general strike, public demonstration and riots in the country. The United States had responded to the request of the Jordanian ruler by parachuting troops to the country as well as by dispatching the American Sixth Fleet to the eastern Mediterrean for possible action. It had further made a grant of $ 10 million for the support of Jordanian army and its economy. 395 It was also invoked for the second time in Lebanon where a civil war between the "Muslims" and "Christians" of the country had taken place after President Camille Chamoun had announced his acceptance of the "Eisenhower Doctrine". For instance, the "Muslims" were in favour of a close relationship with Egypt and Syria

392. For details see Cecil Crabb, n. 337, p. 282
393. As cited in Palmer and Perkins, n. 350, p. 660
394. For details see Spanier, n. 338, pp. 123-124
395. For details see Singh, Politics in Indian Ocean, n. 353, p. 35
whereas the "Christians", on the other hand, had adopted a pro-Western attitude. As for the United States, it had supplied arms (for riots control) to Lebanon and had announced further to send troops to the country for ensuring the safety of Americans. Like in previous instance (Jordan), the US administration had stationed its Sixth Fleet in the eastern Mediterranean for possible action.\(^\text{396}\) It may be mentioned that while the Jordanian and Lebanese governments had been protected through the "Eisenhower Doctrine", the United States had to withdraw its forces from both the countries by late October 1958 due to local as well as UN pressures.\(^\text{397}\)

The doctrine, however, had not been invoked in case of Iraq where a military coup led by General Abdul Karim al Kassem had overthrown the pro-Western regime led by Prime Minister Nuri es Said on 14 July 1958. The assassination of Nuri es Said had removed one of the most reliable supporters for the West and had installed a pro-Egyptian radical government in power. Infact, both Egypt and Iraq had entered into an alliance very soon.\(^\text{398}\) It may be mentioned further that though Kaseem did not withdraw from the Baghdad Pact immediately after the coup, yet the revolt had resulted in the elimination of one of "the pivots" on which the alliance had been centred

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397. Palmer and Perkins, n.350, p.660

398. See Drew Middleton, n. 336, p.114
namely Iraq. Though shocked by the revolt and the loss of their good friend Nur al-Said, the American policy makers had not demonstrated any negative repercussions. They had, in fact, gone ahead with according recognition to the new government. But the Iraqi government had very soon withdrawn from the Western sponsored Baghdad Pact in March 1959. Commenting on the development, Drew Middleton had opined that the loss of its major Arab ally in [Iraq] was the consequence of American failure to respond effectively and to support its Western allies [Britain and France] during the Suez crisis. Further, according to him, the change of regime in Iraq had benefitted the Russians greatly.

It may be mentioned that during the period of political turmoil from the Suez Crisis (1956) to the Iraqi revolt (1958), both the United States and Iran had sought to maintain close rapport between them, as there was a common necessity to checkmate the Soviet designs in the Middle East region. At the same time some reservations had been expressed in American circles that Iran's political as well as economic structures under the Shah had become "too fragile to be of much help beyond the country's own borders to be able to resist the Russians." But despite such reservations, the American press

400. See Singh, Politics in the Indian Ocean, n. 353, p. 39
401. See Middleton, n. 336, p. 114
402. See Rubin, n. 7, p. 99
had showered praises on the Shah. For instance, the New York Times had maintained in December 1956 that, "Iran is the calmest country in the troubled Middle East to-day. Partly responsible for this is a highly successful campaign against subversive elements". The paper had also gone to report enthusiastically in April 1957:

"... Iran today is experiencing a gilded convalescence under a mild despotism... Shah and his advisors believe the necessity for recovery... This combination produced internal order, a pro-Western foreign policy and a modest start in the profound economic and social reforms considered essential for long-term stability..."

But soon after the coup, American policy-makers had become highly "concerned" as the Soviet Union had undertaken a determined bid to entice Iran out of the Baghdad Pact. For instance, the USSR had offered Iran to negotiate on a non-aggression treaty provided the Shah would pledge not to sign the bilateral agreement with the United States namely, the CENTO. Despite this offer, the Soviet-sponsored clandestine radio station called the "National Voice of Iran" denounced the Shah and had held a threat that unless he mended his ways, the Russians would stir up trouble by instigating the Kurdist

403. See New York Times, 12 December, 1956
404. Ibid, 20 April 1957
405. For details see Cottam, n. 221, p. 304
minority population. Further, Soviet Prime Minister Nikita Khrushchev had reportedly advised the Iranian ambassador in Moscow during the autumn of 1959 that a neutral Iran could obtain "ten times" as much American aid in the form of Soviet assistance. But as the situation had unfolded, the Shah had finally made up his mind to remain a firm ally of the United States by not being intimidated by Soviet Union's pressures and intimidations. Further, to augment their warm relationship, the Shah had decided to join the Central Treaty Organization (CENTO) on 21 August 1959 along with other members namely, Turkey, Pakistan and Britain. The United States had thereafter decided to enter into identical agreements with all the countries belonging to the CENTO. Infact, the provision relating to Iran had stipulated as follows:

"... In case of aggression against Iran, the government of United States of America... will take such appropriate action, including the use of armed forces, as may be mutually agreed upon..."

Thus with the signing of CENTO, there had developed the "Washington-Tehran axis", which had contributed to the strengthening of relationship between the United States and Iran further.

406. For details see Rubin, n. 7, p. 101
407. As cited in Ibid, pp. 101-102
408. For details see Ramazani, US and Iran, n. 26, pp. 38-39
(c) Kennedy Administration and Iran

Even prior to becoming the President in January 1961, John F. Kennedy had been considered in American circles as a "liberal" and an "anti-colonialist". For instance, as a Senator he had delivered a major speech on the floor of the US Congress in July 1957, castigating France for its "atrocities" in Algeria and criticising the United States for its "insensitivities" on the colonial issue. The speech, however, had been greeted in American liberal circles as the first major independent voice from the US Congress. Despite his "liberal" approach, during the cold war era he had endorsed the view that "Third World nationalism" should be enlisted in the United States' struggle with the Soviet Union. Also, during his administration a strong American concern towards social and economic reforms in developing countries had been reflected. Thus his administration had put stress on social and economic modernization of Iran.

By way of background it may be stated that following the formation of CENTO, American interest in Iran had begun to decline. This had become evident by the fact that though the itinerary of Eisenhower's trip comprising

410. Congressional Record, vol. 103, pp.107-87
412. For details see Cottam, n. 221, p.126
413. Ramazani, US and Iran, n. 26, pp.74-75
eleven countries of Europe, North Africa and the Middle East in December 1959 had included Iran, yet the President had spent only less than six hours in Tehran, as a sharp contrast to the six days that he had stayed in India. Also, the American news papers had highlighted the issues of prevasive corruption, economic waste and other factors like domestic discontent. It had been reported in the American news papers further that the US government had contacted General Bakhtiar, the former head of SAVAK twice for possible action during this period.

The decline in attention to Iran had been clearly reflected during the 1960 Presidential elections, in which both candidates namely, Vice President Richard M. Nixon and his Democratic opponent, Senator John F. Kennedy had made scant mention of Iran in their campaign speeches. Also, following his assumption of office in January 1961, President Kennedy had found himself immediately confronted with several crisis namely, with, Cuba, the Soviet Union, East Germany, Communist China and with the communist groups in Laos. Under these circumstances, developments in Iran had become a matter of secondary concern to the American policy-makers.

414. Grayson, n. 142, p.138
415. As cited in Ramazani, US and Iran, n. 26, p.75
416. As cited in Saikal, n. 223, p.76
417. For details see Grayson, n. 142, pp. 138-139
It may be mentioned, however, that following the November 1960 elections, the Shah had become particularly worried because President Kennedy had categorically opposed any further military aid to the Shah and had insisted for social and economic change in Iran.\footnote{For details see Ramazani, Economic consequences of Iranian Revolution, n. 202, p. 73} In fact, these aspects had been highlighted effectively before the Shah by Kennedy's special emissary, W. Averell Harriman who had visited Tehran in March 1961.\footnote{For details see L. Grayson, n. 142, p. 139}

The Kennedy administration, apart from pressing the Shah for socio-economic reforms, had also called for relaxation of political repressions in Iran. It had set up a "task force" to monitor these objectives in Iran.\footnote{For details see Washington Post, 23 October 1977} Apart from this, the US government had sought to apply pressures on the Shah for reforms in several ways. For instance, it had directly broached the subject before the Shah during the latter's visit to the United States during 1962. Also, as mentioned earlier, contacts had been set up with General Bakhtiar, the former head of SAVAK for possible action. Besides these, the US government had reportedly promised the Iranian ruler with an economic support amounting to $35 million, possibly with a strong hint to the Shah concerning the nomination of Ali Amini, (who had special ties with the Kennedys) as the next Prime Minister in Tehran.\footnote{For details see Saikal, n. 223, p. 76}
But instead of stabilizing the domestic scene, these steps as stated earlier, had emboldened the opposition which had led to the widespread "teacher's strike" as well as public demonstrations against "Shah's conduct of parliamentary elections of January-February 1961. The demonstration by the Iranian students before the country's consulate had followed these developments.\textsuperscript{422} As for the Shah, he had responded to the external and internal threats by indulging in socio-economic reforms as well as by providing a new thrust to the foreign affairs through the "White Revolution" as stated earlier.\textsuperscript{423} Clearly at that time as well as for a number of years after wards, Shah's efforts in that regard seemed to have paid off handsomely as will be discussed later.

As stated earlier, Kennedy, had favoured Ali Amini for the post of Prime Minister as it had been hoped in American circles that as a reputed economist, he would be able to improve Iran's social and economic conditions. Though years later, Amin Meyer, a former US Ambassador to Tehran had denied that Amini had been "imposed under American pressures, yet Meyer had acknowledged a fact that "there was a linkage between our extension of assistance and what we hoped to see done in Iran".\textsuperscript{424} This, infact, had symbolized the height of American influence in Iranian politics and that the Shah's submission to such pressures had indicated clearly that the

\textsuperscript{422} For details see Chubin and Zabin, n. 248, p.101
\textsuperscript{423} See Ramazani, Economic Consequences of the Iranian Revolution Foreign Policy, n. 202, p.73
\textsuperscript{424} For details see Washington Post, 23 October 1977
the Tehran-Washington relationship had developed rather
"assymmetrically" in favour of the United States. But
Amini's nomination had proved to be merely "short-lived"
as the Shah could never develop a liking for Amini and had
merely persisted with him as he had tolerated Mossadeq in the
past. Such a perception of Amini had been probably due to
his "Qajar background, reformist ideas and family ties with
Mussadeq", which had not endeared him to the Shah. Under
the circumstances, Shah had been clearly inclined (as future
developments would indicate) towards the ouster of Amini at
the earliest opportunity. But as far as the United States
was concerned, it had applauded Amini's efforts "to free Iran
of corruption and injustice, and to carry out reforms for deep
social and economic changes". This had become clearly evident
from the statement made by the Assistant Secretary of State
for Near Eastern and South Asian Affairs during this period
that Amini's premiership was a "turning point" in the American
attempt to save Iran from going "down the drain". Infact,
Amini could successfully put across to both President Kennedy
as well as to the US Congress that his government had been
able to make rapid strides in initiating fundamental reforms
as well as in promoting "equity and social justice" among the

425. Saikal, n. 223, p.76
426. For details see Ramazani, Economic Consequences of
the Iranian Revolution, n. 202, p.73 and Saikal, n. 223,
p.76
427. Ramazani, US and Iran, n. 26, p.75
428. As cited Saikal, n. 223, p.76
Iranian population.\footnote{\textit{Washington Post}, 13 April 1962} It may be mentioned that during this period the Shah had accused the USSR for blatantly attempting "to seize this gateway (Iran) to the Middle East, the Indian sub continent and Africa by means of falsehoods, threats and subversion" and had also pleaded for better "appreciation" and "understanding" of his reform efforts in the American circles.\footnote{See \textit{Saikal}, n. 223, p. 77} In the process Shah had been able to draw sympathetic considerations as well as to project a successful gesture before the Kennedy administration.\footnote{As cited in \textit{Washington Post}, 26 August 1962}

Such a process had been strengthened further by the official visit of US Vice President Lyndon B. Johnson to Tehran in August 1962. While praising both the Shah for his "leadership" as well as Amini for his "reform efforts, Johnson had reportedly made the promise concerning the continuation of American aid to Iran. At the same time Johnson on that occasion the also appeared to have convinced the Shah to cut down his military expenditures in favour of socio-economic reforms.\footnote{As cited in \textit{Washington Post}, 26 August 1962}

But Amini's government had very soon run into serious trouble, as his land reform policy had been opposed firmly by landlords as well as certain religious groups, who had controlled large "Qwqaf" [religious] estates, which had led to his resignation after remaining in office for fourteen

\footnotetext[429]{For details see \textit{Ibid}, pp. 76-77}
\footnotetext[430]{\textit{Washington Post}, 13 April 1962}
\footnotetext[431]{See \textit{Saikal}, n. 223, p. 77}
\footnotetext[432]{As cited in \textit{Washington Post}, 26 August 1962}
months. Amini, however, had put the blame on the United States for the same since Washington, according to him, did not "live up to its promise of further aid". 433 As for Washington, it had promptly rebutted the charge by stating that during the tenure of Amin, the US had provided a large sum of $67.3 million in economic grants and loans, which could be compared with an average of $59.4 million that it had disbursed to Iran during each of the preceding four years". 434 In view of the fact that the Shah had developed strong reservation concerning Amini, he had reportedly welcomed such a wrangling between the US government and Amini. 435 As for the New York Times, it had perceived the situation rather differently and had supported Amini's stand. For instance, it had remarked that the "United States refusal to give further budgetary support.... was a factor in Amini's resignation". 436

It may be mentioned that the Shah's frustration with the Cold War alliance had peaked during the Kennedy administration. For instance, Kennedy had initiated a plan in March 1962 which had sought to shift the Shah's pre-occupation from military security to economic progress. The American plan had stipulated that

433. Ibid, 19 July 1962
434. For details see Ibid, 21 July 1962
435. Saikal, n. 223, p.73
Iranian army might be reduced from 240,000 to 150,000 and also that it should be geared "to military realities rather than to the political glamour value of advanced weaponry".437 Also, President Kennedy had not only opposed further US military assistance to Iran, but had refused to extend American funds in supporting the Iranian budget as well.438 Infact, his administration, as stated earlier, had sought to link American assistance to the progress made by Iran in socio-economic reform measures.

But as things had ultimately turned out, the elimination of Amini from the political scene was a great blessing for the Shah. Since Amini was the American choice for Prime Ministership, it had made him a scapegoat in the eyes of both Khomeini and Mossadeq supporters as a "protege" and "stooge" of US government. At the same time his presence itself had sured American support for the regime, which infact, had facilitated the Shah's control over the domestic situation. Thus, the Shah had emerged from the "Amini episode" politically stronger.439

Following the "episode", however, the Shah had decided to handle the Iranian situation by taking over the reform initiatives by himself and in the process the "White

437. As cited in Rubin, n. 7, p.107
438. Ramazani, US and Iran, n. 26, p.39
439. For details see Cottam, n. 221, p.126
"Revolution" had been launched in the country. Along with it, the Shah had formulated his foreign policy of "national independence", according to which, Iran would conduct its foreign relations "with more flexibility, and independence, within bounds of his regime's alliance with the west and opposition to communism". Also, in pursuit of such goals, the Shah had sought to normalize Iran's relations with the Soviet Union, at government to government levels, without abandoning his strong personal aversion to communism. As stated earlier, the Shah had taken the decision in September 1962 "to pledge to the Soviet Union that Iran would allow no foreign missiles on its territory", a gesture which had constituted a "watershed of a new era" in their bilateral relations. In fact, such an assurance had brought about an immediate change of Soviet attitude towards the Shah's government. For instance, the Soviet propaganda machine which had earlier denounced his attempts at land reforms as "reactionary", had characterized them now as "pioneering" efforts. His initiatives for land reforms through the "White Revolution" had not only brought acclamation from President Kennedy but also praises from the Soviet leadership as well. It was indeed as perfect example of his foreign policy of "national independence".

440. For details see Saikal, n. 223, p.78.
441. As cited in Ibid, p.92
442. For details see Ramazani, Economic Consequences of the Iranian Revolution, n. 202, pp.73-74.
Further, the Shah had sought to rectify one of the major irritants concerning Russian misconception with regard to Iran's joining the CENTO in 1959. According to him, due to the changed scenario on the wake of the Cuban Missiles crisis, the CENTO, apart from performing its military functions had also been fostering co-operation and understanding in non-military fields, which had resulted in the formation of the Regional Co-operation for Development (RCD) in July 1964.443

Towards the end of Kennedy administration, however, the Shah had received endorsement from the President, his Secretary of State, Dean Rusk as well as the specialists from the CIA and the State Department, who appeared to have been satisfied by his attempts at reform through the "White Revolution".444 These policy-makers had reached the conclusion that "the Shah seemed the only man who could provide Iran with political continuity".445 This, despite the uprisings of June 1963, there had developed an epitome of significant political bond between the US and Iran towards the fag end of Kennedy administration.

443. For details see Reza Shah Pahlavi, Answer to History, n. 181, pp. 306-307
444. For details see Rubin, n. 7, pp. 111-112
445. As cited in Cottam, n. 221, p. 131
(d) Johnson Administration and Iran

Lyndon B. Johnson had taken over the US Presidency on 22 November 1963 following the tragic death of John F. Kennedy. Despite the abruptness with which he had to occupy the august office, Johnson was not unfamiliar nor inexperienced to meet the challenges confronting his new administration. His long tenure in the US Congress as well his active association in the Kennedy administration had equipped him adequately to face challenges. As far as Iran was concerned, he had been quite familiar with the Shah, as he had visited the country during the Kennedy period in August 1962 as described earlier. After assuming his office, the new President had initially sought to maintain a policy of close continuity with the Kennedy administration. It was only during the spring of 1964, that the differences in perception and approach between the two Presidents had become clearly manifest. This process in fact, had been initiated with Johnson's decision to plunge himself in the ensuing Presidential elections of 1964.

To begin with, Johnson had sought to establish a close rapport with the Iranian ruler following his assumption of Presidency in November 1963. In fact, he had reportedly dispelled the Iranian ruler's unhappiness over the termination of American military assistance to Tehran scheduled for disbursal on 1 July 1962.446 Johnson had further paid less

446. Grayson, n. 142, p. 140
attention than his predecessor to efforts "in seeking to persuade the Shah to shift funds away from Iran's military modernization programme in favour of greater emphasis on economic development", an approach which had been quite gratifying to the Iranian ruler. The new President, in fact, had endorsed a programme in 1964 that had enabled the Shah to make a purchase of $200 million worth of US military equipments. In return, however, the Shah had to pay a heavy price as the Pentagon had successfully acquired what it had pressed for namely, immunity from the Iranian criminal jurisdiction for US military personnel and their dependents.

In the meanwhile the deteriorating balance of payments situation had provided the United States with an incentive to undertake arms sales abroad. Also, following the "White Revolution", the Shah had begun to make mild filtrations with the Soviet Union on the basis of a calculated perspective that if Washington would prove too "unwilling" to meet the Iran requests, then Shah would turn to the Russians as a possible alternative source of assistance. In this process, the Shah had sought to balance "adroitly" between the United States and the Soviet Union to avoid being crushed by Moscow's embrace. It may be mentioned that during

447. Ibid.
448. As cited in Ramazani, US and Iran, n. 26, p. 39
449. For details see Grayson, n. 142, p. 141
February 1967 the Shah had made the announcement that Iran would make a purchase of $110 million worth of arms from Russian sources to be financed through a low-interest, long-term basis. 450

In the meanwhile the Johnson administration had undertaken a controversial decision concerning the issue of "ex-territorial privileges" (1962-1964). As stated briefly, under promptings from the Pentagon, the US had formally requested that its military personnel in Iran be granted full diplomatic immunity", to which the Shah had initially decided not to comply with immediately. But after obtaining credit of $250 million for arms purchases, Iran had approved the extension of such "extraterritorial privileges" to US military personnel during the Johnson administration. 451 But in the eyes of Iranian public, the two issues namely, US aid for military purchase and extra territorial privileges to American military personnel had become interlinked. Infact, the whole episode had seemed to smack of the imposition of American extra territorial rights on Iran. It had reminded the Iranians as to how the USSR had successfully resorted to such tactics during the period of its war with Iran in 1826 described as "capitulatory system" on the Russian "model". 452

450. For details see Ibid
451. For details see Paarlberg, n. 23, p.31
452. For details see Ramazani, US and Iran, n. 26, p.77
In an inflammatory speech in October 1964 Ayatollah Khomeini had characterized the Shah's decision as well as its subsequent approval by the "Majlis" as the "enslavement" of the Iranian nation under "American bondage". Infact, Khomeini had administered a stiff warning to his countrymen before going on exile in 1964:

"... I declare that this shameful vote of the Houses of the Parliament is contrary to Islam and the Koran and hence illegal, it is contrary to the will of the Islamic nation; the Majlis deputies are not representative of the nation; they reflect the power of the bayonet... The world must realize that all the difficulties faced by the Iranian nation and the Muslim peoples are because of aliens, because of America. The misfortune of Islamic governments stem from foreign interference in their destiny. It is America that supports Israel and its friends; it is America that imposes the parliamentary deputies on the Iranian nation; it is America that considers Islam and the Holy Koran detrimental to its interests and is determined to remove them; it is America that considers the Islamic clergy as the obstacle to its exploitation of[Iran and other Muslim countries], and feels it must cause them pain, imprisonment and insult; it is America that pressures the Majlis and the Iranian government to approve and implement such a bill; it is America that treats the Islamic nations barbarously. It is incumbent on the Iranian nation to tear up these chains..."

453. The speech as cited in Ibid, p.78
It may be mentioned that Khomeini's exile had marked the beginning of the Shah's consolidation of absolute power, following a series of "the deeper historical, ideological, cultural, social, psychological, and intellectual conflicts underlying the Shah's relations with the Shi'i clergy", which had almost ceaseless wars that had been waged by the detractors of the Shah's regime during the period between 1960 and 1964. Analyzing the situation the distinguished scholar R.K. Ramazani had commented:

"... An apparent lull returned to the Iranian political scene after much bloodshed and destruction of millions of dollars worth of public and private properly. But the fundamental problem that lay at the heart of the riots continues to haunt the Iranian society and policies.... It seldom seems realized in Iran that the persisting traditional attitude towards the relations of religion to the state cannot be decreed out of existence."

According to the close observers of the domestic scene, like R.K. Ramazani, the proud claim of the Iranian ruler that both the army as well as the peasantry had been

fully behind him could be contested quite easily. Ramazani, had stated in 1966 as follows:

"... The Shah believes that he can stay in power with the support of two other segments of society. One is the army, a traditional source of monarchical support, recently armed with American equipment and reinforced by the hated security police [SAVAK]. The other is the peasantry, which is being wooed through the distribution of land. Both these groups are of doubtful reliability. The Shah believes that the army is loyal to him, but there have been serious indications to the contrary. The reliability of the peasantry's support is equally doubtful. It is by no means certain that this traditionally ignorant and isolated class will soon become politically aware and articulate citizenry participating in politics. If they do, the Shah has no guarantee of their support...

These remarks, indeed had proved to be quite prophetic in course of time.

But despite these misgivings, Johnson administration had developed the perspective that if the Iranian ruler would be able to cling on to power in his own country, the chances were "great" that he might become "a dominant regional figure

on a strategic military level." Infact, the administration, which had been totally preoccupied with the Vietnam War and by the problems of Johnson's concept of "Great Society" at home had decided not to pressurize the Shah for "reform" as well as to accept him on his own terms.456

As stated earlier, the Shah had masterminded the formation of the Regional Cooperation for Development (RCD) as an offspring of CENTO in July 1964. At the time its formation, Iran had hoped that RCD would be joined very soon by Afghanistan as well as other countries in the region, which, however, did not materialize. It did not gain very much from its association with RCD as against both Turkey and Pakistan in view of the fact that both the countries could coordinate between themselves better through "stronger man power and economic/industrial capabilities than Iran".457

In the meanwhile the Johnson administration had begun to classify Iran as a "developed" country beginning in 1965, due to an increasing sense of self-confidence as displayed by the Shah regime. Infact, the geo-strategic location of Iran as well as its rich oil resources had contributed to the emergence of a "special relationship" between the two countries during the Presidency.458 But

456. For details see Rubin, n. 7, p.115
457. For details see Saikal, n. 223, pp.93-94.
458. For details see Ramazani, US and Iran, n. 26, p.40
from the Shah's point of view the domestic situation in the United States had very soon become quite "depressing" as the protracted War in Vietnam and its increasing financial burden had resulted in the American decision to terminate direct economic assistance to Iran in 1967.\footnote{Ibid, p.41} While announcing the decision, American policy-makers, however, had reiterated their continued support to Iran in Cold war terms as well as "to meet most of the Shah's economic and military requests upon cash payment or long term loan".\footnote{As cited in Saikal, n. 223, p.94} Announcing the end of the aid to Iran in November 1967 President Lyndon B. Johnson had stated:

"... We are celebrating an achievement not an ending... Now is the time when even stronger ties become possible... With one milestone behind us, we begin planning for a new harvest of friendship, trust and shared hopes..."\footnote{As cited in Washington Post, 30 November 1967}

The American announcement however, had prompted the Shah to pursue vigorous efforts to normalize the Iranian-Soviet relationship as described earlier. Infact, the Shah had thereafter begun to rebut his opponent's charge that he was a western "stooge".\footnote{Saikal, n. 223, pp.94-95}
The Soviet Union, had observed these developments with enthusiasm as it had been Moscow's design to ensure a domestically strong and secure Shah, who could thereafter "normalize his country's relations with the USSR and reduce his dependence on the United States". Following the Shah's visit to Moscow in 1965, the groundwork had been laid for greater economic and technical cooperation between Iran and USSR. For instance, Iran had pledged "to supply the USSR with more than $600 million worth of natural gas beginning in 1970", and in return, the USSR had promised to build Iran's first large steel mill complex in Isfahan and to construct a pipeline from northern Iran to the Caucasus, as well as to establish a machine tool plant in Shiraz. Under another agreement initiated in February 1970, the Soviet Union had pledged to supply Tehran "with some $110 million worth of armoured troop carriers, trucks and anti-aircraft guns in return for natural gas from Iran". These agreements, in fact, had represented a major breakthrough in their bilateral relationship.

It may be mentioned that these overtures towards the USSR had improved the bargaining position of the Shah vis-a-vis the United States. For instance, the Johnson administration had pledged in September 1966 to provide Iran with a

463. For details see Ibid, pp. 94-95
464. Washington Post, 8 February 1967
squadron of sixteen modern F-4D phantom jets, costing $40 million to be financed by part of a $200 million credit as furnished by the Export-Import Bank. During the process of negotiation the Shah had reportedly threatened that he would seek new markets for his country's oil as well as new sources for arms unless Washington would sell him the modern F-4D fighter planes as promised earlier. In the process Iran had eventually succeeded in obtaining the aircraft from American sources. Following this success the Shah had made a further request to the US government for a second squadron and had taken up the matter for discussion during his visit to Washington in August 1967.

Also, as stated earlier, the Shah had successfully pressurized the oil consortiums to increase the oil rates for Iran during discussions held in 1966 and 1968. On the second occasion in 1968, however, as already stated, the Under Secretary of State Eugene Rostow had urged the Companies "not to antagonize the Shah" lest he would resort to some oil shut off" against the United States.

A noteworthy feature of the period between 1965 and 1967 had been the success achieved by Iran in the fields of its exports, its Gross National Product (GNP) and in its industrial

465. As cited in Grayson, n. 142, p.141
466. For details see Rubin, n. 7, p.117
467. Grayson, n. 142, p.141
468. As cited in Rubin, n. 7, p.118
production. This had prompted the New York Times to comment that Iran had reached the developmental "take-off" point. According to the paper, the United States could now look up to Iran as "one of their more notable success stories".\textsuperscript{468a}

It may be mentioned that the US government had ahead equipped the Shah's army with modern and sophisticated weaponry like the M-1 rifles, 106-mm artillery, M-47 tanks, 3.5-mm anti-tank rocket launchers, F-86 fighters and C-47 transport planes. These, however, had not been considered enough by Shah as he had made the request for more and better equipments such as "a comprehensive radar system to watch out for Soviet attacks, a ground-to-air missile network to protect his Gulf coast, supersonic aircraft, and even long-range surface-surface missiles to deter his Arab enemies".\textsuperscript{469} But these requests, did not find any favour from the Chairman of the Senate Foreign Relations Committee, William W. Fulbright, who had opined that the US was "doing a great disservice to Iran by selling them these arms". Also the International Security Agency (ISI) of the Pentagon had supported Senator Fulbright by holding the view that the "Iranians were spending too much money on arms".\textsuperscript{470} But the State Department, which had vociferously supported the Iranian case, had lobbied strongly before the US Congress in 1967 to eventually ensure the Shah's requests for arms supplies to Tehran.\textsuperscript{471}

\textsuperscript{468a.} For details see New York Times, 24 November 1967
\textsuperscript{469.} For details see Barry Rubin, n. 7, p. 119
\textsuperscript{470.} For details see New York Times, 13 July 1968
\textsuperscript{471.} As cited in Rubin, n. 7, p. 120
In the meanwhile the Iranian army units and bases had been shifted under the orders of the Shah from the Russian borders in the north to the Persian Gulf beginning in February 1967, as Nasser had demonstrated threatening postures which had eventually resulted in the "Six Day War". During this war, the Israeli troops had thunderously "marched through the Sinai upto the Suez Canal, destroying the Egyptian airforce and army whereever it found them". In the process Jordan had been swept out of the West Bank and that the Syrian forces had been knocked out of their strategic positions on the towering Golan Heights. As for the United States, finding that the military balance had been decisively destroyed, it had responded positively to the Iranian request for two full squadrons of new Phantom F-5s as well as more equipment on any easy-credit plan basis in November 1967.\textsuperscript{472} Infact, due to the constructive role played by Iran during the 1967 war, the Johnson administration had taken a most favourable view concerning the Iranian request.

A final development which had sought to forge closer US-Iranian ties had been the announcement made by the English Prime Minister Harold Wilson on 16 January 1968 signalling the end of British influence in the Persian Gulf. Wilson had maintained on that occasion that due to financial limitations, his government would be forced to withdraw all the British forces from the Far East and the Persian Gulf by the end of 1971. As far as Iran was concerned, it had viewed

\textsuperscript{472} For details see Ibid, pp.120-121
the decision as a "threat" since it would create a "vacuum" which might be filled up by powers antagonistic to Tehran's interests and stakes in the Persian Gulf. As for the Shah, he had apprehended that countries like the Soviet Union and Saudi Arabia might fill up such a vacuum. He had also included the United States in this category as, according to him, it had the potentiality of "threatening Iran's objectives of becoming the pre-eminent power in the area". As for Johnson administration it had, however, responded to such apprehension by making a declaration on 16 January 1968 that "while it regretted the British decision to withdraw, the United States had no plan to replace the British forces with its own". Subsequently, the US government had decided to project the Shah as its "surrogate" to "police" the Persian Gulf on the wake of British withdrawal from the region.

Thus, a close perusal into US-Iranian relations during the Johnson administration had clearly indicated a scenario of mutual "co-operation" as well as "accommodation" between the two countries instead of a picture of "recrimination" against the Shah that had characterized the response of the Kennedy administration towards the Shah.

473. For details see Grayson, n. 142, pp.141-142
474. For details see Ibid, p.142