CHAPTER III

THE ANGLO-PERSIAN AGREEMENT

When the Armistice in Europe was signed on 11 November 1918, the British government held the whole of Iran in the hollow of its hand. The previous argument that British policy was the product of a triangular contest—first between Great Britain, Iran and France and afterwards between Great Britain, Iran and Russia—no longer held good because the British now had an unfettered freedom from all these past inhibitions.

At the same time, the inter-play of some new factors compelled the British to adopt a new and realistic course. In the first place, major world powers had given pledges during the war to provide protection to the weaker nations. This had kindled new hopes among the oppressed peoples that their regeneration would now be possible through the co-ordinated efforts of the international community. Accordingly, the Government of India advocated the view that Iranian regeneration should be effected under the auspices of the proposed League of Nations. (1) They had consistently maintained the view that irritations in Anglo-Iranian relations should be eliminated through a liberal approach and Iran should be allowed

(1) Note dated 21 October 1918 by Sir Denys Bray, Pros L-248(Nov 1919).
Office note dated 28 November 1918, Pros L-187(Dec 1919).
to work out its salvation through its own efforts. (2)

Another important new factor was the establishment of the Bolshevik regime in Russia. At no time in the past had Russia missed an opportunity to over­come Iran. In sharp contrast to the Czarist oppression of the past, the nascent Soviet regime fostered a new national pride in Russia, which was generated by a sense of hatred prevailing in Russia against Czarist atrocities on non-Russian nationalities. (3) That, actually, was the reason for the Soviet denunciation of Czarist treaties, privileges, concessions etc. in Iran. The Soviet regime was yet in its infancy and it felt necessary to win the goodwill of the neighbouring nationalities to ensure peace in its border regions.

The British government, however, did not understand the true aims of the new Soviet policy correctly. Its first reaction was that the Soviet Union did not possess the requisite strength to enforce the age-old extra-territorial rights which Russians had enjoyed in Iran and the Bolsheviks had, therefore, made a virtue of necessity by denouncing the capitulatory and other privileges. When the Iranians pressed Great Britain to show the same liberal approach


towards their country as the Soviet Union had done, they were told that the Soviet Union wanted to dislodge Great Britain from its commanding position in Iran through these tactics. (4)

The emergence of US as a leading world power also put new heart in the Iranians. President Woodrow Wilson had sent a fact finding mission to Iran under Professor William Jackson in October 1918 to obtain a first hand report on the situation prevailing in that country before the Peace Conference. (5) The Americans felt that they had a role to play in Iran and the Iranians welcomed Wilson's idealism. The British government did not, however, share the President's vision for a new world order. American interest in Iran was indeed looked upon by the British government as an attempt to establish a protectorate at the gates of India. (6) In fact, active American interest could have added to the strength of Iran as a buffer state between Bolshevik Russia and the Indian empire. The British government, however, preferred Belgian co-operation in providing officers for the Iranian army.


5 Minister Tehran to F.O. London, 995 dated 20 October 1918 and 940 dated 3 November 1918, Pms. 1-248(Nov 1919).

6 Minister Tehran to F.O. London, 985 dated 20 November 1918, Ibid.
and administration. (7)

The British government opposed American and Soviet influences in Iran and felt that as Iran's immediate neighbour, Great Britain must preserve its influence and commanding interest in that country. (8)

It was a coincidence that both the Iranian Foreign Minister, Hushewar-al-Hasanlik, and the British Foreign Secretary, A.J. Balfour, were busy at the Peace Conference and the negotiations for the post-war Anglo-Iranian relations were taken up by men in England and Iran who were prisoners of the past and had no vision of the future.

Lord Curzon, an influential member of the British cabinet, was the formulator of the British policy in London. (9)

He selected Sir Percy Cox to head the British Legation at Tehran so that he would have a faithful interpreter of British views to the Iranians. On behalf of Iran, Prime Minister Vossuq-ed-Dowleh the old British exonym, was as ready as ever to commit Iran wholly to the British side.

7 Minister Tehran to Viceroy Simla, 896 dated 20 October 1918, Ibid.


9 Lord Curzon was Lord President of the Council and number two in the British War Cabinet. He replaced Arthur Balfour as British Foreign Secretary on 24 October 1919, when Balfour took Curzon's place as Lord President of the Council. The change was announced by David Lloyd George on 27 October 1919.
Having brought a friendly cabinet under Vossuq-ed-Dowleh into office, the British government helped it to combat its opposition. (10) The hard core of the pro-British Iranian cabinet was a triumvirate consisting of Vossuq-ed-Dowleh, Nusret-ed-Dowleh (son of Faman Farma) and Sarim-ed-Dowleh (son of Zill-es-Sultan). The last two belonged to families who had traditionally been loyal to the British cause. But the triumvirate was timid and uncertain barometer of the Iranian public opinion. They were incapable of taking any initiative and were prepared to toe the British line. Their modus operandi was that Great Britain should make an offer of help and they would then conclude an Anglo-Persian Agreement and thus present the public with a fait accompli.

Sir Percy Cox thought that a British Financial Adviser and British advisers for central Iranian ministries of Public Works, Education, Law and Agriculture, as well as for provincial administrations, for the supervision of expenditure and general administration would meet the situation. In addition, he suggested that a uniform force, 30,000 strong, should be raised with the help of a British Military Mission, nominally under the Iranian War Ministry but really independent and vested with administrative powers. He envisaged a scheme conforming more or less to

to the set-up in Egypt so that British position in Iran could have strong foundations. (11)

It was evident that such an all-embracing British control over Iranian destinies would be unacceptable to the Majlis and the Government of India strongly opposed it pointing out that, apart from anything else, the pro-British leanings of the Iranian cabinet and the triumvirate, coupled with equally pro-British colour of the scheme, would stand in the way of its ratification by the Iranian Majlis. (12) It was suggested by the Government of India that a neutral state should be asked to provide officers for the Iranian uniform force, with British control at the centre and in the provinces. Naked British control was not likely to serve British interests.

However, Sir Percy Cox opposed this argument saying that the Iranians were now prepared to accept Englishmen as advisers and if Great Britain procrastinated, the US government might steal a march over them and come to Iran's aid. (13)

That the men in Tehran had misread the situation and

12 Noting dated 15 January 1919, Ibid.
had probably done so deliberately, became evident from the beginning of the negotiations. The triumvirate in the Iranian cabinet asked for personal guarantees from the British government and the Shah demanded adequate quid pro quo for his approval of the proposed negotiations. (14) In addition, the British Legation asked for an imbursement of tomans 500,000 to grease the palms of the Iranian politicians to avoid a storm of protest, which was likely to burst on the publication of the Agreement. (15) The Iranian cabinet clearly anticipated opposition to the Agreement and they knew that they could not crush it; so they preferred persuasion for which a sum of tomans 500,000 was required for secret service work. No account was to be rendered for this amount. Also, an impression was given by the British Legation that Iranian territorial claims against Turkey and Russia were being considered by the British government for submission to the Peace Conference. The aim merely was to earn Iranian goodwill to push the proposals for the Agreement through without opposition. (16)

The Shah was the kingpin of the administration in Tehran and he had been warned that intrigues against the


15 Sir Percy Cox Tehran to Lord Curzon London, 293 dated 19 April 1919, Ibid.

16 Sir Percy Cox Tehran to Lord Curzon London, 261 dated 10 April 1919, Ibid.
cabinet must cease. He was already given a subsidy of tomans 15,000 a month since May 1918 so long as he retained Vossuq-ed-Dowleh as his Prime Minister. (17) A pension was also promised to him, if he was forced to flee his country on account of his pro-British activity. He now began to feel a youthful urge to visit Europe and France had placed a war-ship at his disposal from Batoum onwards. (18) If the British government had opposed his visit, the negotiations at Tehran would have ended in a fiasco. On the other hand, the gratuitous offer from France indicated that anti-British elements would gather round him during his visit to Europe. The British government, therefore, allowed Shah's visit to Europe on the condition that negotiations for the Agreement should first be completed and he should refrain from anti-British intrigues during his stay in Europe. (19) In reply to his request for British support to him and his dynasty and personal subsidy of tomans 20,000 a month for life, the British government promised friendly support to him and his dynasty. (20)

17 F.O.London to Minister Tehran, 682 dated 26 December 1918, Pros 1-187(Dec 1919).


19 F.O.London to Minister Tehran, 180 dated 28 March 1919, Pros 1-254(Feb 1920).

The Shah now agreed to fall in line with the British views and Sir Percy Cox strained every nerve to expedite finalisation of the proposals for the Agreement before other influences would set to work on him. (21) Another reason for this desperate hurry was that the British Press was not favourably inclined towards the Agreement and no time was, therefore, to be lost in signing and sealing it. (22)

To pander to Iranian irredentism and also to neutralise French overtures to Iran on this issue, the British government made a show of supporting Iran's territorial claims against its neighbours. (23) This offer was made to enable Iran to drop the territorial claims preferred by Mushawar-ul-Mamalik at the Peace Conference, but it was made quite clear that British support depended on the results of negotiations for the Agreement.

The Government of India warned that the scheme


sought to be imposed on Iran would result in unlimited British commitment in Iran which would ultimately prove disastrous for British interests. (24) They suggested that financial regeneration of the country should only be attempted through British efforts and warned that British administrative and military control in Iran was beyond the realm of possibility. The arguments advanced by the Government of India were logical. In the past, pro-British cabinets had always fallen and the outcome had been strong anti-British sentiments. If history repeated itself this time, anti-British India and agitated Egypt and Kurdistan would make common cause with Iran against British rule in Asia. They suggested that the aims of British policy in Iran should conform to the realities of the situation. The requirements of the British policy were that British commerce should have full freedom in Iran and no other Power should dominate that country. Financial regeneration of the country could be achieved through the British financial adviser. (25)


25 Note dated 14 April 1919 by Sir Denys Bray, Fms 1-254 (Feb 1920).
Sir Percy Cox differed from the Government of India on the functional control over the British financial adviser. He wanted the latter to remain under direct British control under some camouflage. The reason he gave for this was that the tenure of Vossouq-ed-Dowlah as Iranian Prime Minister was uncertain. (26) Sir Percy Cox feared that, left to itself, Iran would relapse into anarchy which would necessitate large scale British intervention. (27) He desired that payment of approximately £70,000 a year should be treated as "on account" payment against the projected British loan.

An analysis of the rival stands of the British and the Indian governments would show that the difference between the two was not fundamental. The Government of India stood for a predominant position for Great Britain in Iran combined with financial control. The British government, on the other hand, wanted total and perpetual domination to give Iran a strong central government which would ensure security of life and property. (28)


That involved risks of emasculation of the country and popular Iranian opposition.

The negotiations were pursued in a hush-hush manner and no inkling was given to the Iranian Foreign Minister, Mushawar-ul-Mamalik, at Paris or to the British Allies at the Peace Conference of what was actually going on in Tehran. The reason for this policy was that the British government did not want other powers to get interested in Iranian fortunes. (29) They were sure that Iranian pride would not permit involvement of any other Power in Iranian affairs and if that happened, complete cessation of financial and other assistance from Great Britain would force the Iranian government to fall back on British help.

There were indications that France was working on some formula to obtain hearing of Iranian claims to Nakhchivan, Erivan and Sarakhs at the Peace Conference, if the wishes of the inhabitants living there were ascertained beforehand and overwhelming opinion favoured merger with Iran. (30) This showed that the Iranian delegation was supported by interested Powers to prepare


their case to the Peace Conference on different lines from those envisaged by the British government. (31)

That was the reason why the Iranian government did not give any hint of what was happening in Iran to their delegation to the Peace Conference and if ever Mushawar-ul-Husayn wanted to know more about the negotiations at Tehran, he was put off with the excuse that these related to the engagement of advisers about which he already knew. (32) The strategy of British Legation was to clinch the issue by concluding the Agreement and then persuade the Iranian government to tell Mushawar that his mission was over. (33) As a first step in this direction, Prince Nusret-ed-Dowleh was appointed as the Iranian Foreign Minister in place of Mushawar. (34)

At Paris, Mushawar had been making discreet overtures to other countries for help and Lord Curzon, therefore, forced the pace of negotiations to foreclose the mission


32 The Times (London) 16 April 1919.


of Mushawar. (35) The British government, who had originally encouraged Iran to send a delegation to the Peace Conference, were now actively undermining it because it was following an independent line at Paris.

As for Mushawar's British counterpart, A.J. Balfour, there is only one telegram from him in the whole mass of correspondence between Tehran and London on the negotiations in which he gave a reasoned assessment of the situation. (36) He made it clear that Iranian territorial claims, prepared for the Peace Conference, were not justified as only minor rectifications could be taken up. He felt that the Iranians were labouring under the impression that if they sought British aid, they favoured Great Britain and if the latter rendered them help, they feared that Iranian independence stood violated. The solution, Balfour advocated, was that Iran should be allowed to manage its affairs and external help from any quarter could be allowed provided it was ensured that a foreign Power interested in Iran should have no interest in India and Iran should not play off the Powers against each other. Both the Secretary of State


for India and A.J. Balfour agreed that British tutelage in Iran was not desirable. (37)

Another significant feature of the negotiations for this Agreement was that whereas compulsions of the European situation served as an argument for Anglo-Russian Convention of 1907, no such compulsion existed this time. (38) The general feeling was that the Treaty of 1907 had been superseded by the Agreement of 9 August 1919. (39)

**MAIN FEATURES OF THE AGREEMENT**

**Friendship and Mutual Interests**

Friendship, in common parlance, connotes sense of equality and identity of outlook and interests, but the Anglo-Iranian friendship mentioned in the preamble of Anglo-Persian Agreement of 9 August 1919 looked like a verbal display of sanctimony when viewed in the context of the past history of relations between the two nations.

British presence in Iran was justified for the protection of Iranian frontiers against external aggression.


38 New India (Madras) 19 April 1919.

Text at Appendix I.
and for ensuring internal security and at the same time
an intention to reduce Iran to a British protectorate
was disclaimed. (40) It was also the British aim to develop
Iran to meet the expanding productivity of the United
Kingdom as one of the likely markets for the British
products. (41) Both these British aims ran counter to
the true interests of Iran and there could be no identity
of interests between the two countries.

Independence and integrity

Since the signing of Anglo-Russian Convention in
August, 1907, declarations of British policy on Iran
had been more emphatic than before in guaranteeing
Iranian independence and integrity and article one of
this Agreement followed the normal pattern.

The need to guarantee the independence and integrity
of Iran became urgent in the beginning of twentieth
century, when the power of the Iranian throne began to
crumble under the weight of foreign loans and the
Russian and the British intervention. Both Russia and
Great Britain were anxious to retain and even promote
their influence in their respective zones in north and

40 UK, Commons, Parliamentary Debates, series 5, vol.121,
session 1919, col.19. UK, Commons, Parliamentary Debates,

41 UK, Commons, Parliamentary Debates, series 5, vol.120,
session 1919, col.988.
south Iran; but they were equally anxious to preserve the territorial integrity and independence of Iran because German influence was fast penetrating the Near and Middle East and it appeared possible that Germany would make a bid to extend Berlin-Baghdad railway through the Iranian territory. It was feared that if Germany came, France could not remain a silent spectator. (42)

During the war, the Iranians set little store by the oft-repeated British assurances to respect the independence and integrity of Iran, as they knew that British actions had shaken the foundation of Iranian independence. (43) It was, therefore, strange that in the post-war period the same guarantee was considered enough to keep Iran on the British side. (44) The Iranians now thought that this guarantee had lost its meaning in view of article 10 of the League of Nations Covenant which enjoined on all member states an obligation to respect the territorial integrity and independence of other states against aggression.

42 Noting and correspondence on Pros 1-21 (Mar 1904) bring out the Russian and especially the British mind on this subject.


44 Noting dated October 1918 on Pros 1-248 (Nov 1919).
The British government did not support the case for Iran's admission to the Peace Conference, but they undertook to safeguard Iranian independence and integrity.

(45) This did not, however, result in any change in the British policy. The British efforts continued to strengthen friendly Iranian cabinets and the governors of their choice in South Iran, where British interests predominated. In the post-war period co-operative endeavours could have solved the Iranian problems but the British government continued the policy of domination. (46)

An important item in the Iranian desiderata for post-war settlement with Great Britain was that past treaties and conventions which were prejudicial to Iranian independence and integrity should be abolished. (47) It was, therefore, a futile endeavour to enforce British policies in the old way. Sir Charles Marling who had always advocated thorough, as opposed to half-hearted measures and had forecast that post-war Iran would accept any terms, had pointed out that Anglo-phobia in

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46 Viceroy New Delhi to I.O. London, 2246-S dated 1 November 1918, Ibid.

47 Minister Tehran to F.O. London, dated 26 November 1918, Ibid.
Iran would have evaporated had the British government scrapped the Anglo-Russian Convention of 1907 as it violated Iranian independence and integrity. (48)

However, his successor, Sir Percy Cox, felt that Anglo-Russian guarantee of 1907 should be replaced by an international guarantee for the independence and integrity of Iran, coupled with an international mandate for Great Britain to usher in reforms. He thought that if British scheme for reforms was enforced, moderate democratic elements would rally round Vossug-ed-Dowlah and British domination would continue for an indefinite period. (49)

The clause on Iranian independence and integrity, therefore, lacked substance and sincerity.

Lack of expert advisers

Ever since the idea of employing foreign advisers in Iran was broached by the British government early in 1918, the Iranians had hesitated to make any firm commitment for fear of consequences. This attitude did


49  *Minister Tehran to F.O. London, 831 dated 23 September 1918, Pros 1-263 (Nov 1919).*
not change even after the Iranian opinion took a pro-British turn consequent upon Allied victory in the European war. (50) The feeling still persisted that foreign advisers would be derogatory to the Iranian sovereignty. (51) Opposed to this was the British view that they supplied all the finances for running the Iranian government and any financial advisor to succeed in Iran would need adequate powers and British support. (52) As for other powers, American interest in Iran had waned for fear of political and financial entanglements and French attempts to induct their own financial adviser were scotched by resolute and speedy British action to break the ice and impose their own solution. (53)

Accordingly, clause two of the Agreement allowed expert advisers with adequate powers to be loaned by Great Britain for various departments of the Iranian government. An appearance that they would be the employees of that government was maintained by stipulating

50 Minister Tehran to F.O. London, 969 dated 14 November 1918, Pms 1-248 (Nov 1919).

51 Foreign New Delhi to Minister Tehran, 597 dated 19 November 1918, Ibid.

52 Minister Tehran to F.O. London, 991 dated 21 November 1918, Ibid.

that they would be paid from the Iranian exchequer.

The original British idea of allowing advisers from any neutral country had been given up because of British government's fear that it would resuscitate international rivalry of the past and also put an end to Iranian faith in British capacity to deliver the goods. (54) Sir Percy Cox reinforced this argument by pointing out that the Iranians were feeling impatient at the delay in implementing the Agreement. (55)

This argument was not, however, corroborated by facts because propaganda from Pan-Islamic and Bolshevik sources had convinced the Iranians that British domination would jeopardise their interests. The well-to-do and the official class feared that the rule of law now to be introduced under the British aegis in Iran would put them on a footing of equality with the underprivileged classes. The latter feared that governmental exactions would henceforth be enforced by the British bayonet. As a matter of fact, the Iranians were instinctively opposed to foreigners peering too closely into


their day to day affairs. (56) The prevailing opinion in Great Britain, along with that of Iran, doubted the usefulness of the reforms for the interests of both the countries. (57) The Iranians were however positive that British pressure would increase to assist their advisers in discharging their functions. The British government also knew that its advisers in Iran could not function without ample financial assistance, which could not be continued indefinitely.

In spite of these adverse factors, the government of Vossuq-ed-Dowlah engaged British experts for the revision of customs tariff and for financial reforms, railway survey, re-organisation of Iranian army and public works. (58) All of them were, however, suspended by Mushir-ed-Dowlah, who took over the office of the Iranian Prime Minister on the resignation of Vossuq-ed-Dowlah on 24 June 1920. (59) Mushir-ed-Dowlah held the


58 UK, Commons, Parliamentary Debates, series 5, vol.134, Session 1920, Col.969. At that time, nine British advisers had been engaged by the Iranian government from the British government, viz. Sydney Amritage-Smith the Financial Adviser and his six Assistants as well as two consulting engineers.

59 J.M. Balfour, n.57, p.132.
opinion that the Agreement should be ratified by the
Majlis before it could be put into effect. However, the
Soviet Minister at Tehran clinched the issue on 1
September 1920 by demanding the dismissal of British
advisers.

Re-organisation of the Iranian army

Pre-war Iran had Persian Cossack Brigade organised
on territorial lines under Russian officers, in addition
to the British sponsored Gendarmerie which was formed
in 1911 under Swedish officers to maintain order on
trade routes. The deteriorating law and order situation
during war necessitated formation of local forces by
the British Government of which the main body was the
South Persia Rifles, organised as a permanent military
cum police force in South Iran to counterbalance Russian
officered Cossack Division in North Iran. It functioned
as any other unit of the Indian army under the British
Commander-in-Chief in India.

The Sarhad and Sistan levies formed in July 1915
and April 1916 respectively functioned under the General
Officer Commanding, British Field Force in Sistan for
countering German activity on Irano-Afghan border.
Mekran levies were not enlisted, but temporary payments
were made to the retainers of the local chiefs to serve
with the British Political Officer on the Irano-Indian
border when he was out on tour in connection with peace settlements among local chiefs on both sides of the Mekran border.

All these forces were sought to be amalgamated to form a uniform force in Iran to put an end to vast military expenditure incurred by Great Britain in that country, but the views of the British and Indian governments differed on how the force was to be officered. (60) The Government of India suggested that officers from a neutral country should be employed for executive duties and British officers should function as instructional staff. (61) An essential feature of this scheme was that the pay of the Iranian force should be controlled by the British financial adviser. The British government opposed this scheme on the principle that a uniform force with officers drawn from different countries could not function because of the different standards which

60 UK, Commons, Parliamentary Debates, Series 5, vol.136, Session 1920, cols.537-38. The figures of expenditure during the closing years of the stay of British troops in Iran were as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Force</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1919-20</td>
<td>East Persian Force</td>
<td>£3,000,000</td>
</tr>
<tr>
<td>1920-21</td>
<td>East Persian Force</td>
<td>£4,500,000</td>
</tr>
<tr>
<td>1919-20</td>
<td>South Persian Force</td>
<td>£3,250,000</td>
</tr>
<tr>
<td>1920-21</td>
<td>South Persian Force</td>
<td>£3,500,000</td>
</tr>
</tbody>
</table>

Cost of withdrawal of this force was £25,000,000. British force in North-West Iran was part of Mesopotamian Expeditionary Force.

they would apply in the course of their duties in the Iranian army. It was, therefore, recommended that a Military College should be set up in Tehran under a British Commandant to infuse British military spirit into the Iranian officer class and surplus arms, ammunition and equipment should be made over to the Iranian army.

In accordance with clause three of the Anglo-Persian Agreement, the British government was required to provide officers and ammunition for re-organisation of the Iranian army. A joint commission of military exports from Great Britain and Iran was to assemble to assess the requirements for a uniform Iranian force for internal and external defence.

Major General R. E. R. Dickson, accordingly, arrived on 13 December 1919 at the head of a British mission and the Iranian government nominated the following officers to form a mixed military commission:

- Captain Ali Khan Niazi - Engineer Section - Gendarmerie
- Sardar Mughtadar - Artillery
- Medhat-ul-Mulk - Chief Staff Officer
- Lt. Col. Fazlollah Khan - Commandant No. 4 Regiment Gendarmerie
- Zaman Khan - Chief of Secret Police, Tehran

Prince Salar-i-Lashkar, Deputy War Minister, took over as the President. The Commission started its work on
20 January 1920. (62) The report of the Joint Military Commission signed unanimously on 4 April 1920 envisaged that the existing Iranian forces, viz. South Persia Rifles, Persian Cossack Division, Gendarmerie etc. should be amalgamated to constitute a uniform Iranian force under the Iranian War Ministry with headquarters at Tehran. (63) The headquarters staff would have two broad divisions - military and finance. It was recommended that military schools for the education of Iranian officers of medical and veterinary services along with the schools of instruction should be formed.

The British War Office had earlier suggested that Iranians should not be trained to fly aircraft. (64) The aim was to keep the Iranian Air Force under the British officers functionally. The final report of the Joint Commission recommended formation of an Air Force of six flights in close touch with the civil aviation.


The report showed that the Iranian and the British officers took care to respect the independent and sovereign status of Iran. This was illustrated by the non-inclusion of Sistan Levy Corps in the proposed uniform force mainly for the reason that it had been the refuge of persons escaping Iranian justice and seeking protection of the British Consul, Sistan. Iranian members of the Commission acknowledged the need for effective powers for foreign officers, who would accept Iranian government employment and wear the Iranian army uniforms.

**Equipment**

The Iranian government wanted new arms for its army, but the British government offered only surplus arms and equipment from Middle East for an estimated strength of 15 to 20 thousand men. (65) The British government also wanted to make sure that all the equipment to be supplied from British sources should remain firmly under the control of British officers in service with the Iranian army. Secondly, supply of equipment was dependent on Iran's signature of Arms Traffic Convention signed at St.

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Getmain on 10 September 1919, but actual supplies were promised on an undertaking from the Iranian government that they would sign the Convention. That was an additional reason why the arms were required to remain in the hands of the British officers. (66) The British Treasury, however, objected to the immediate transfer of arms supplies till the British Financial Adviser had given his opinion on this subject. (67)

Manning

The Commission, originally, considered a maximum strength of 60,000 but the expenditure worked out to a colossal figure. The strength actually recommended was 33,000 including 10,000 troops then serving in the Cossack Division and the Central Brigade.

Seven grades of officers beginning with lieutenant at the lowest level and going up to a rank approximating to that of a Major General were recommended.

A tenure of four years' service, extendable by four more years, was suggested. It was specifically stipulated that the serving officers should not indulge


67 F.O. London to Sir Percy Cox Tehran, 309 dated 7 June 1920, Ibid.
in politics and private trade. (68)

Deployment

The deployment scheme recommended by the Commission envisaged division of the country into five military areas, viz. north, north-west, south, south-east and east. The quantum of force to be deployed in each area was specifically stipulated in the report.

Alternative Scheme for Iranian Defence Forces

British payments had been stopped with the fall of Vossuq-ed-Dowleh's cabinet and the financial reforms envisaged under the Agreement had not yet been conceived. (69) The British government, therefore, proposed that the existing army should be re-organised with the help of British officers. (70) The Government of India suggested that the Persian Cossack Division and the South Persia Rifles should be handed over to the Iranian government leaving it to them to select the officers it liked. Sir Percy Cox, however, suggested that the Persian Cossack Division, Iranian Gendarmerie and South Persia Rifles

68 Major General H. E. P. Dickson to Sir Percy Cox Tehran, dated 3 March 1920, Pros 149-151 (Oct 1921).

69 Minutes of Inter-Departmental Conference held on 28 June 1920 at F.O. London, Pros. 297-302 (Oct 1921), Ibid.

70 Pros B Establishment 259 (June 1921).
should be transformed into a regular army. (71)

The British government, however, wanted reduction in the strength of Persian Cossack Division and the disbandment of South Persia Rifles and Khorasan and Sistan levies from 31 December 1920. The disbanded elements could be re-mustered by the Iranian army, if necessary.

It was also proposed that the British officers should remain in effective command and Iranian officers should be drawn from the Persian Cossack Division and the Central Brigade. Training of the selected Iranian officers was to be carried out at Kazvin, where the British troops could prove useful in imparting the necessary training.

**British Loans**

British loans already outstanding against Iran amounted to £490,000 as follows:

<table>
<thead>
<tr>
<th>Amount</th>
<th>Year</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>£140,000</td>
<td>1912</td>
<td>In four payments</td>
</tr>
<tr>
<td>£200,000</td>
<td>1913</td>
<td></td>
</tr>
<tr>
<td>£100,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>£50,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>£2490,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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The rate of interest was seven per cent per annum payable in twelve monthly instalments, but payment against the original sum started from 1 July 1915. These loans had all been secured on the southern customs revenues, which had to be paid to the Imperial Bank direct. (72) After deducting the amounts necessary for servicing these loans, the Imperial Bank was required to make over the remainder to the Iranian government. The yield of southern customs in 1914 was £166,000, which in 1918 had increased to £2376,000 because northern trade had stopped and the entire Iranian trade was channelised through the southern Iranian ports. The Imperial Bank held over the surplus amounts payable to the Iranian government on the plea that damages suffered by the bank during the war should first be settled. However, to relieve the financial distress caused to Iran by this hold-up of funds the Imperial Bank had been advancing money to them from time to time, which by 20 August 1916 amounted to £358,000. To relieve the financial distress of the Iranian government still further, British government signed a moratorium agreement

72 This was first stipulated in the Loan Contract of 8 May 1911 which served as a prototype for subsequent loan agreements with Iran.
in October 1915 which enabled the Iranian government to claim £30,000 a month from the Imperial Bank out of the amount earmarked for interest and sinking fund against the outstanding British loans. The total amount drawn under this arrangement was £409,000 at the end of war.

These palliatives did not go very far to keep the Iranian government going and the British government had to pay subsidies, subventions and advances to the Shah, the Cossack Division, the South Persia Rifles and the Iranian civil administration, in addition to subsidies to Bakhtiari Khans, the Qavam-ul-Mulk and to Farman Farma. Over and above these payments, the British government was spending money on local levies, secret services and consular and diplomatic establishments in Iran. All this added up to a colossal figure of £30 million a year out of which the share of the Government of India amounted to four million sterling a year. (73)

This huge expenditure could be justified during the war, but in peace time the need for economy and retrench-

73 I.O. London to Vicerevy New Delhi, dated 14 January 1919, Pros 204-85 (Jan 1920). J.M. Balfour, n.57, pp.109, 157-64. The figure given by Balfour is £225,000 a month on subsidies and subventions.
ment became paramount. Not only that, the colossal expenditure made the British intentions suspect in Iranian eyes because the subsidies were not spent for the legitimate purpose for which these were given.

Something had, therefore, to be done to restore Iranian confidence in British straightforward dealings. As a step in this direction, the British government proposed to reduce war-time advances to £70,000 a year and at the same time to usher in reforms to enable the Iranian government to achieve financial self-sufficiency. (74)

Accordingly, clause 4 of the Agreement stipulated that for financing reforms in the Iranian army and civil administration, the British government would provide a substantial loan secured on Iranian customs and other sources of revenues. The loan agreement was signed on the same day, viz. 9 August 1919. In accordance with this agreement, a loan of £2,000,000 was promised by the British government to Iran on which interest at seven per cent per annum was to be paid up to 20 March 1921. Thereafter, the principal and the interest both would be paid to liquidate the whole sum in 20 years. The procedure for re-payment was the same as given in

article 5 of the loan contract dated 8 May 1911. (75) Viewed from the Iranian standpoint, this was a harsh condition because the Imperial Bank gained greater flexibility to play with Iranian customs revenues of the Persian Gulf ports.

The Government of India agreed to share the moiety in the hope that its involvement in Iranian financial commitments would be placed on a rational basis through a clear-cut division in the incidence of the Iranian expenditure. These hopes were, however, belied because the British Foreign Office did not give up the past practice of formulating policies involving financial commitments without obtaining prior approval of the Government of India. The Indian share of the expenditure in Iran continued to be debited to India through the India Office, London, as before.

The stipulation in the loan agreement required that the amount of loan would be paid to Iran through the Imperial Bank of Persia after the British Financial Adviser had assumed office. (76) This provision was

made to ensure that financial and military assistance to Iran should promote the policy of Anglo-Persian Agreement of 9 August 1919. (77) However, on a request from the ruling triumvirate at Tehran a sum of £131,000 was made over to them shortly after the signature of the Agreement. This amount was required by the Iranian ministers to secure ratification of the Anglo-Persian Agreement. (78) As the Majlis was required to ratify the Agreement, the amount was spent to secure the election of only those deputies, who would vote for its ratification.

Later on, when the British government asked for the receipt of this amount, no trace of its receipt was found in the records of the Iranian Finance Ministry.

**Improvement of Communications**

Russia had fairly well developed communication lines approaching Iran and during the war river and rail transport system in Iraq had also been improved to sustain British war effort. In Iran also, British military authorities had built good roads and two small

77 UK, Commons, Parliamentary Debates, series 5, vol.126, Session 1920, col.629.

rail lines in East and South Iran for use of their military forces. It was, however, realised that in the post-war period, commercial enterprise in Iran would depend on efficient communication system.

Accordingly, clause 5 of the Anglo-Persian Agreement envisaged expert examination of joint Anglo-Iranian schemes for improvement of rail and other communications through cooperative Anglo-Iranian enterprise.

This gave Great Britain not only the right to consultation but also sufficient scope to fashion the Iranian rail and road system to serve British interests. The British government gave first place to road construction schemes and only second place to the development of railways. (79) The aim was to introduce mechanical transport on the Iranian roads and do away with the traditional animal transport system. The total elimination of animal transport was likely to result in an uproar by the muleteers against the Persian Road Transport Company which had been formed in 1910 by British enterprise; its concession had been extended up to March 1922. With a view to appeasing the muleteers, British road policy stressed Iranian

79 F.O. London's minute dated 31 March 1920, Procs 71-168 (Sep 1921).
participation in all road transport schemes in Iran. Another axiom of the British policy was to prevent foreign competitors from entering the field.

The railway construction scheme was a more complex problem. A distinctive feature of the history of rail development in Iran was that British government did not want railway lines to be constructed in Iran for fear that Iranian rail link with Russia would enable the latter to transport troops into Iran and threaten Indian borders. The opinion of the Imperial General Staff held sway that Iran should remain without the means of rapid communications to enable it to serve as an impassable barrier for any invasion of India through Iran.

However, the Persian Railway Syndicate had been formed in 1912 to explore the possibility of rail construction in South Iran. North Iran had been earmarked for Russian rail construction schemes. Duzdap railway and Bushire-Borazjun railway were constructed during war to meet strategic requirements.

In the post-war period, all rail/road construction schemes were viewed in the context of political, commercial and strategic interests of the British government, as well as from the viewpoint of Iranian progress.
and stability. (80) In accordance with this policy, ambitious railway schemes of the Iranian cabinet were discouraged. (81) The strategic aspect of this policy was stretched to enable the British government to prescribe the gauge and alignments of the Iranian railways to ensure that the gauge in Iran differed from the Russian and Indian approach rail lines.

The British and the Indian governments were of the same view that metre gauge should be accepted for the Iranian railways and the break of the gauge should take place on or near the Indian borders. (82) This was considered necessary to prevent a link between the Iranian and Russian railway systems.

The policy of alignments was formulated to enable the Iranian railways to serve British commercial interests. It was proposed that the rail lines should start from the Persian Gulf ports and branch into the interior to


Another important feature of the British rail policy in Iran was that an East-West trunk line was favoured in preference to the North-South trans line. (84) The Imperial General Staff still stuck to the traditional view and approved a railway line from Quraitu on Iranian-Iraqi border up to Tehran. (85)

Last but not the least was the policy for financing the railway construction scheme. British government was willing to grant an advance for this purpose, but it preferred an Iranian loan raised in London money market provided adequate security was given by the Iranian government. The aim in both cases was to obtain an option for railway construction in the name of the group constituting the Persian Railway Syndicate. (86)

If the Iranian government did not accept either of the above two alternatives, British government was

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84 Note dated 23 January 1920 by Mr G. Lubbock, Director of Railways, Iraq. Ibid.


86 This included British India Steam Navigation Co., Sir John Milleman, Mr Frank C. Strick, Imperial Bank of Persia, S. Pearson & Sons Ltd., Anglo-Iranian Oil Co., Messrs Lynch Bros.
willing to allow the use of customs receipts and oil royalties for this purpose.

The British railway policy followed the principle that Iran would always remain an important British interest and railway construction was designed to serve as an offset against political repercussions of the withdrawal of British troops.

In addition to the rail-road schemes, British entrepreneurs also proposed formation of Anglo-Iranian Aerial Transport Company for internal air service from the Iranian ports and railheads to large distribution centres.

**Customs Tariff**

Ever since the imposition of a capitulatory regime in accordance with the Treaty of Turkomanchai in 1828, Iran had been smarting under a permanent disability to revise its customs tariff. As if this was not enough, Russia reduced the five per cent ad valorem customs impost of 1828 to one and a half per cent on petroleum and two and a half per cent on sugar through a revision of tariff in December 1902. (87) The revised tariff was enforced in February 1903 and the British government accepted the revised tariff rates through a separate Convention with Iran, although British exports into Iran had

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87 These were the principal commodities of export from Russia to Iran.
to pay exorbitant tariff rates.

Both Iran and Great Britain had, therefore, been on the look out for an opportunity to get out of this anomalous situation. Accordingly, on the collapse of Czarist regime in Russia, the Iranian government demanded revision of customs tariff which the British government readily accepted through a policy declaration on 11 March 1918. (88) Iranian opinion was already vociferous in demanding this revision. (89) The British government was equally anxious to do away with the discriminatory tariff rates and they proposed a commission disguised as financial Adviser to go into the revision of the prevailing tariff. (90) The reason for this was that high duties on British goods had encouraged smuggling and reputable British firms consequently suffered hardships.

According to clause 6 of the Anglo-Persian Agreement, a mixed Anglo-Iranian Commission was envisaged for


89 Viceroy New Delhi to I.O. London, 201 dated 26 February 1918, Ibid.

examining the existing customs tariff with a view to its ultimate revision to promote legitimate interests and prosperity of Iran. Sir Percy Cox proposed the name of an ICS officer, C.R. Watkins, for this purpose, but the Government of India felt that officers from the Imperial Customs Service should be employed on this job. (91) Eventually, Sir Hubert Llewellyn Smith of the British Board of Trade was appointed for this work and Watkins found a place in his team of four experts. (92) The Iranian government was represented by its Finance and Public Works Ministers.

British policy underlying the tariff revision postulated that the system to be devised should prove profitable to Iran, while safeguarding British interests without appearing to be partial towards Great Britain or the Allied governments. (93) There was, however, no intention to discriminate against Austrian, Turkish and


92 Nasrallah Salfour Fatemi, n.78, p.47. Sir Hubert Llewellyn Smith was appointed to examine Iranian customs and not finances, as stated by Fatemi. Foreign New Delhi to British Legation Tehran, 1726-S dated 21 December 1919, Pros 149-206 (Jul 1920).

93 Minister Tehran to F.O.London, 798 dated 22 December 1919, Pros 149-206 (Jul 1920).
German trade. (94) To ensure that the work of Tariff Commission would not prove wasteful, it was proposed that its recommendations should be issued as a formal act of the Iranian government. (95)

An agreement on the new tariff was concluded and it was proposed to introduce it on 22 March 1920. (96) It was, in fact, enforced from 2 April 1920. (97) It was hoped that the revised tariff rates would yield increased revenue of 45 million kranes by the abolition of previous system, under which commodities of special Russian interests were taxed lightly and other commodities were taxed exorbitantly. The complicated classification procedure for the commodities was also simplified and smuggling was sought to be checked through fair and equitable rates for all commodities.

When the Anglo-Persian Agreement was denounced by the Iranian government in February 1921, the British government took up the position that they would be free

94 F.O. London to Minister Tehran, 63 dated 6 February 1920, Ibid.
95 Minister Tehran to F.O. London, 8 dated 6 February 1920, Ibid.
96 Nasrollah Safipur Fatemi, n.78, p.23.
to denounce the customs tariff which was concluded in accordance with the terms of the Agreement. (98)

Rectification of Frontier

The Peace Conference offered a unique opportunity to the Iranians to put forward their claims to territories, which had been filched by Imperialist Russia through conquest, encroachments and impositions. To placate Iranian opinion, Lord Curzon gave definite assurances for the satisfaction of Iranian desiderata for frontier rectification, where religion, language, customs and geography favoured restitution of the territory. (99)

In the north, Iran wanted restitution of the territory up to the junction of rivers Kur and Aras (Araxes); Sarakhs, Nakhchivan and Nigan. On Afghan border, Iran wanted return of territory lost as a result of Sir Henry Mclahan's award in 1905, while in the west the Iranians put forward exaggerated claims up to river Mosul in violation of the award given by Anglo-

98 UK, Commons, Parliamentary Debates, series 5, vol. 139, Session 1921, col. 682.

99 Sir Percy Cox to Foreign New Delhi, 15 dated 1 November 1918, Pros 1-135 (Jan 1920).
Russian Commission in October 1914. In the west, Iran actually had frontier interests based on the argument that the grazing grounds west of Iran had their source of water in Iran, which necessitated tribal migrations across the border. (100) The Iranians wanted to make grazing grounds part of their territory. Lt. Col. Sir A.T. Wilson, who had served on the Anglo-Russian Boundary Commission in 1914, suggested that watershed should be made as the dividing line between Iran and Iraq. France appeared to be supporting Iranian desiderata on frontier rectification.

An independent Iranian role at the Peace Conference to satisfy their long cherished desiderata, including rectification of their frontier, militated against the spirit of British policy for the Anglo-Persian Agreement, which aimed at establishing a modern and subtle form of imperialist control in Iran. The ruling triumvirate did not also want Mushawar-ul-Mamalek to make any headway at the Peace Conference for fear that their position would be undermined at Tehran. (101). This made Mushawar


and his party at Tehran inveterate enemies of Great Britain. (102)

Having torpedoed Iranian efforts for the rectification of their frontier through the Peace Conference, the British government took the opportunity of including this as one of the items of Iranian desiderata to be realised through British co-operation when projects for reforms contemplated in the Anglo-Persian Agreement of 9 August 1919 would be completed. (103)

Addendum to the Agreement

The Anglo-Persian Agreement proper had only six clauses but in addition to the loan agreement signed on the same day, two notes were addressed by Sir Percy Cox to Vossuq-ed-Dowleh.

In the first note, Sir Percy Cox promised British co-operation in the realisation of Iranian desiderata on the revision of Anglo-Iranian treaties at that time in force, Iranian claims for compensation for damages against belligerents other than Great Britain and rectification of the Iranian frontier as would be considered justifiable by the two parties.


The second note dealt with the cancellation of claims for compensation against Great Britain for damages. It was agreed that these would be offset against the war expenditure incurred by Great Britain to defend Iranian neutrality. This did not include claims of individuals and private institutions.

**Failure of Anglo-Persian Agreement**

During the Iranian struggle of November and December 1911 against the Russian ultimatum of 16(29) November 1911, Russian military might, British diplomatic pressure and traitorous activity of Bakhtiar Khans had failed to cow down the Iranian Najlis into acquiescence. It was only the display of naked force that compelled the Najlis to give its grudging acceptance to the ultimatum, which placed Iran virtually under Anglo-Russian condominium. (104) At that time, no other Power had deigned to reply to the Iranian appeal for help.

The times in 1919 had changed. Soviet Union gave full encouragement to the Iranians to get rid of the harmful effects of the Anglo-Russian Convention of

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104 Firuz Kazemzadeh, *Russia and Britain in Iran, 1864-1914: A Study in Imperialism* (Yale University, USA, 1968), pp.640-44. Apart from concessions, which brought the Iranian economic life under Anglo-Russian control, Iran was debarred from raising loans in the open market abroad and from employing foreigners without Anglo-Russian consent.
1907 and the French and US governments openly sided with the opposition against the Agreement. (105) The Iranian opinion had been against a monopoly of British control in Iran ever since the extinction of Czarist influence and the British intelligence reports showed that the situation in Iran was turning explosive because the Agreement was heavily weighted in favour of Great Britain. (106) The prevailing situation, therefore, did not justify the report from Sir Percy Cox that barring extreme democrats and anti-foreign elements, who were in a minority, the Agreement had been well received in the Iranian provinces. (107) In fact, Sir Percy Cox had earlier reported that prominent and influential Iranians had pointed out grave flaws in the Agreement to the Iranian Prime Minister. (108) Soon after his first sunshine report, Sir Percy Cox himself reported that the Iranian Prime Minister had been compelled to


106 Wellcome dashed to C.G.S. New Delhi, IV-02696 dated 8 November 1919 and IV-02563 dated 19 November 1919, PRO L-135 (July 1920).

107 Minister Tehran to F.O.London, 595 dated 1 September 1919, PRO 143-354 (May 1920).

to take stern measures to control the situation created by the opposition to the Agreement. (109)

The Iranians clearly saw that the Agreement had been negotiated by the British Legation with a team of Iranian Ministers, who had been traditionally loyal to the foreigners. One of the Iranian triumvire, Prince Firuz, was well known for his greed for wealth. Vassiq-ed-Dowh was not considered corrupt, but his strong pro-British leanings overstepped all limits for the attainment of his pro-British aims. With the "on account" advance he received against the projected loan, he sought to have a Majlis elected that would ratify the Agreement. The idea of corrupting the Majlis and thus bringing it into dis-repute proved revolting to the Iranian conscience. The Anglo-Russian pressure for the selection of Iranian cabinets had been a normal feature in Iranian politics but British financial influence in the election of deputies had never been heard before. (110)

One reason that could plausibly be adduced to explain the failure of the Agreement was that the British military

109 Minister Tehran to F.O. London, 616 dated 10 September 1919, Ibid.

withdrawal from consensus and the imminence of Soviet military threat to Iran foiled the British policy. That rendered the British willingness to defend Iran against Pan-Islamic and Bolshevik influences meaningless. The real reason, however, was that the British lacked popular support in Iran. (111) Another factor, of course, was the consistent US and French support for the sentiments against the agreement.

The truth, however, was that military and financial support required for the successful implementation of the agreement was not available with the British government and the Government of India refused to have anything to do with the agreement because India was not a party to it and had not even been consulted at the negotiation stage. (112)

The idea underlying the British policy was to strengthen Iran to serve as a buffer between Bolshevik Russia and India. The British policy could have a chance of success if it had been limited to rendering assistance to Iran instead of attempting an all-embracing control.


The Iranians saw no reason to serve as a tool for the British policy against Bolshevism. On the other hand, they appreciated friendly Soviet declarations, which were in strange contrast to the policy of the Anglo-Persian Agreement. Iran had no force to cope with the Bolshevik threat and the Bolsheviks had also made it clear that they had no quarrel with Iran. The main target of the Bolsheviks was the Russian Volunteer Fleet in the Caspian Sea and their main objection was directed against the presence of British troops in Iran. (113) Both served as sound reasons for the intended Bolshevik attack on Iran. The Iranians had no mind to get involved in the Anglo-Bolshevik quarrel. (114) Even the pro-British Governor General of Khoshan issued orders to his forces not to resist a Bolshevik attack but to meet it with protests. (115) This placed the British detachments in Khoshan in grave jeopardy and troop withdrawal had to be ordered from that Iranian province. (116) The Iranian policy put the British troops in North-West Iran in a

113 Minister Tehran to Vicemty New Delhi, 47-H dated 7 February 1920, Pros 1-217(October 1921).


115 C.G. Meshed to Foreign New Delhi, 70 dated 22 March 1920, Ibid.

The British government were positive that the only remedy to the Iranian situation lay in the formation of a uniform Iranian force, as envisaged in the Anglo-Persian Agreement. Persian Cossack Division was intended as the main constituent of the proposed uniform force. The Division had been officered and controlled by the Russians from its inception and served Russian interests. The policy, composition and training of the Division were opposed to British interests and the pro-British Iranian cabinet desired that British troops and aircraft should be used to deal with the Division if necessity arose.

As for the Iranian Gendarmerie, which also was to form part of the proposed uniform force, the less said the better. Had this force remained faithful to the British interests, the necessity for raising the South Persian Rifles under British officers would not have arisen. The Gendarmerie was officered by the Swedes and the French Legation at Tehran was looking after the Swedish interests in Iran. The French government was against the Anglo-Persian Agreement and the French Minister at Tehran seized the opportunity to stir up Swedish officers of the Gendarmerie against Great Britain. The French Military Attache at Tehran went so far as to ascertain
their reactions against the Agreement. (117) Thus, the
Condemnation was left in no doubt that French, US and
Soviet Russian Logations would support them if they
refused to accept the Agreement.

The South Persian Rifles was another force earmarked
for amalgamation in the proposed uniform force. This was
completely controlled by the British government. Since
the departure of Sir Percy Sykes from its command, this
force had been free from any trouble, but the British
government wanted to disband the Rifles and leave it to
the Iranian government to re-muster the personnel required
for the uniform army. The Iranian cabinet supinely relied
on the British efforts to bring about an amalgamation of these
forces, but Sir Percy Cox stressed only the difficulties
in the way and offered no solution to the British
government.

If by a miraculous chance, a uniform Iranian force
had been formed, British problems would have multiplied
manifold. The uniform army would have been meaningless,
if it did not subjugate the private armies of the Iranian
tribes and disarm the entire civilian population. The
British government failed to realise that it would have
been inextricably enmeshed in the internal Iranian
strife, if steps had been taken to implement the

117 Sir Percy Cox Tehran to F.O. London, 633 dated 13
September 1919, PMs 143-204 (May 1920).
Agreement. The British policy of building up a peaceful, contented, integrated and independent Iran between India, Soviet Union and Iraq was sure to be defeated, if the British government had interfered in the internal affairs of Iran.

The second important aspect of the Agreement was that Iranian civil administration could be improved by employing British advisers. The improved civil administration could also have come into conflict with the local Chieftains, most of whom were protected by British guarantees.

Thirdly, the Agreement emphasized reform in the administration of Iranian finances and for this purpose a British Financial Adviser, Sir Sydney Amtego Smith, was loaned to the Iranian government. He arrived in Iran in April 1920 and took office on 6 May 1920. Had he been allowed to function, the restructured financial administration would, of necessity, have impinged upon the pockets of the local Chieftains. Most of them were British proteges and the British Financial Adviser would have found it difficult to forge ahead in the face of Iranian opposition.

The adverse external factors and irreconcilable contradictions inherent in the Agreement showed that Sir Percy Cox, who had won laurels in the straightforward diplomacy with the Arabs grievously blundered in dealing with the
more sophisticated Iranians. He negotiated with an extremely narrow coterie of Iranian statesmen, who were out of touch with the prevailing nationalistic sentiments.

The technique employed by Lord Curzon was also not different from that of the British Legation, Tehran. He did not consult India Office and War Office London while negotiating the Agreement involving far-reaching military and financial commitments. (118) The Iranian triumvirate was blamed for treating Iran as if it were their private estate. Lord Curzon also was equally personal in making commitments on behalf of the British government.

When the policy of the Agreement began to collapse under his very nose, he tried to put a gloss over the whole episode by his oratorical skill. (119) However, he drew jeers from the Iranians when he told them that he was their best friend and the nationalist fervour rose to a dangerous pitch. The Bakhtiaris, who had been traditionally loyal to Great Britain, were also affected by the prevailing mood. They started talks with


119 E. T. Avery, n. 110, p. 207.
Souloot-ed-Dawleh and Vali of Pasht-i-Kuh to concert measures with them against the spread of British influence. (120)

Opposition to the Agreement was not confined to Iran alone. The British House of Commons was equally restive at the disastrous results of the policy. It demanded that the Agreement should be placed before the British parliament for discussion and approval. (121)

Thus, it was not only the strong anti-British Iranian sentiment that killed the Agreement; the British people also refused to bear the financial and military burdens that the post-war British imperialist policy entailed. The final coup de grace to the Agreement was given by the Bolshevik landings some five miles north of Bandi condo. (122) A. Boror Low, Lord Privy Seal and Number Two in the British cabinet, rolled up the carpet by declaring in the House of Commons that the British government had no obligation to a certain the happenings in Iran. (123)

Conclusion

The Agreement was the brainchild of Lord Curzon, the British Foreign Secretary. It was not rooted in the realities

120 C.G. Isfahani to Minister Tehran, 211 dated 16 October 1919, Pms 143-354 (May 1920).


of the situation prevailing in Iran and all over the world. Its failure was a foregone conclusion, but it demonstrated once for all that the old British policies would make no headway in Iran. The failure, however, opened the way for a new future in the Anglo-Iranian relations.