LEAR-NICKUM, IAN COLE. Mossadegh in America: A Turning Point, October 8- November 18, 1951. (Under the direction of Dr. Nancy Mitchell).

The Anglo-Iranian Oil Crisis officially began in April 1951, when the Iranian legislature nationalized Iran’s oil industry. This political action foreclosed the Anglo-Iranian Oil Company’s claim on Iranian oil, and drew ire from Great Britain as well as international oil companies. Dr. Mohammad Mossadegh, the prime minister of Iran, was the elderly statesman responsible for leading this intense political movement. Nationalization, however, caused an international imbroglio of epic proportions, and in August 1953 Mossadegh was removed from office by a CIA/MI6-assisted royalist coup d’état that reaffirmed the power of Mohammad Reza Shah and ended the oil nationalization movement in Iran. Control of Iranian oil was returned to the West, and American companies received a forty percent share.

Initially, the United States was caught in the middle of this crisis, and the Truman administration sought to achieve a resolution. The best chance for a settlement came when Mossadegh – drawn to American shores by a British complaint submitted to the United Nations Security Council – visited the United States from October 8 to November 18, 1951. During this time period, the prime minister met with American officials in New York, defended Iran’s actions at the United Nations, and pleaded his case to President Truman in Washington. While brave and progressive, his unorthodox political tactics and uncompromising negotiating techniques – including threats of a Soviet-Iranian alliance if Iran did not receive American aid as well as almost daily reversals in his positions regarding Iranian concessions – would prove costly. Whereas at the beginning of his time in America
the Truman administration was hopeful that a settlement could be reached, by the end of his stay the American position had shifted. Not only did the United States come to believe that Mossadegh was unworthy of American support, but by November 18, 1951 the Truman administration was beginning to align with the British, who had been clamoring for Mossadegh’s removal since his ascendance to the prime minister’s seat in April 1951. The United States would fully abandon any tangible support of Mossadegh by January 1952 and would decide that the only course of action was to strengthen the young Shah.

This thesis refocuses the historiography of the Anglo-Iranian Oil Crisis, and shows that the groundwork for the overthrow of Mohammad Mossadegh was set by the Truman administration starting in October-November 1951. Mossadegh’s time in America was a turning point for US policy: after experiencing the premier’s personality firsthand, realizing that his policies jeopardized international capitalism, hearing his threats of a Soviet alliance, and learning that their most valuable Cold War ally, Great Britain, refused to reenter negotiations with the polarizing prime minister, the United States decided to support the Shah and abandon Mossadegh. The Truman administration left the elderly statesman on his own to battle an international boycott of Iranian oil and a deteriorating political situation in Iran. The Americans decided that the needs of an ally and the standards of international capitalism outweighed the risk of Soviet subversion in Iran. In addition, this shift in policy, while directly moving the United States towards a position of covert intervention in Iran, would also heighten the tension in America’s early Cold War power struggle with Great Britain. Indeed, Mossadegh’s time in America would prove to be an important step in the United States achieving long standing hegemony in the Middle East at the expense of its British ally.
Mossadegh in America: A Turning Point, October 8-November 18, 1951

by
Ian Cole Lear-Nickum

A thesis submitted to the Graduate Faculty of North Carolina State University in partial fulfillment of the requirements for the degree of Master of Arts

History

Raleigh, North Carolina
2013

APPROVED BY:

Dr. Anne Mitchell
Committee Chair

Dr. Akram Khater

Dr. Blair Kelley

Dr. David Gilmartin
DEDICATION

For my precious son James; for my incredible and beautiful wife Lindsay; for our soon-to-be-born daughter; for my Mom, an environmental historian who instilled in me a love of history; for my Dad, who leads with experience, strength, and hope; for my devoted in-laws, Alison and David; for the History Department of NC State, for believing in me and giving me this opportunity; for the people of Iran; and for the memory of Dr. Mohammad Mossadegh.
BIOGRAPHY

Ian Cole Lear-Nickum was born in Washington, D.C. on September 11, 1978 and grew up in Bethesda, MD. From birth he was immersed in the study of history – his mother, Linda Lear, is the environmental historian who wrote *Rachel Carson: Witness for Nature*, the definitive biography of the celebrated biologist who wrote *Silent Spring* and started the modern environmental movement. After attending St. Albans School in Washington and graduating *cum laude* in 1997, Ian matriculated at the University of Pennsylvania, where he received a BA in Communications in 2001. While at Penn, he acquired a thirst for music from his experiences as a member of Off the Beat, an *a capella* group. After college, Ian formed a rock band, Vaeda. The group signed a recording contract in 2006, and their debut album, *State of Nature*, was released in stores nationwide that same year. Ian toured with Vaeda for three years, playing over 500 concerts, and during this time he married Lindsay, his college sweetheart. The band was dropped from its label in 2009, and although it recorded and released a second album, *Unsafe at Any Speed*, Ian decided to resign as lead singer/guitarist and pursue his other passion: history. When Lindsay, studying to be a veterinary oncologist, received a residency position at NC State’s veterinary hospital, the couple moved to Raleigh, and after taking some classes at NC State, Ian applied to the History Graduate Program. In an amazing stroke of fortune, he was granted a Teaching Assistantship. Lindsay and Ian welcomed James Beckett Lear Nickum into the world on January 2nd, 2011, and the family now lives in Stamford, Connecticut. Most recently, Ian accepted an offer to be a full-time high school history teacher at King Low Heywood Thomas, a local private school.
ACKNOWLEDGMENTS

First and foremost, I acknowledge my adviser, Dr. Nancy Mitchell. Thanks to her efforts and guidance, I was able to focus and hone this monstrosity of a thesis into something more digestible. She alone knows the struggles I dealt with while trying to finalize my topic and do my research, and I will be forever grateful for her edits, her encouragement, her honesty, her patience, and her high expectations. I cannot thank her enough.

Second, I acknowledge my committee members. Dr. Akram Khater allowed me to do an independent study with him during the spring semester in which my son, James, was born. He was patient and kind, yet tough and determined: thanks to his direction, I learned Iranian history as seen through the eyes of Iranian scholars. This was integral to my thesis work. Likewise, taking Dr. Blair Kelley’s summer school class on the American Civil Rights Movement gave me a historical perspective that I had previously lacked, and this allowed me to make some of the connections between American domestic and foreign policy that follow in this thesis. Her graciousness, perspective, and humor made my experience at NC State incredibly rich and enjoyable. Last, but certainly not least, Dr. David Gilmartin ignited a spark within me when I took his Modern European Imperialism class. He encouraged me to write about Mossadegh, even though the literature was already vast and seemingly impenetrable. I like to think that he saw something in me and decided to support me in my work, and I am grateful to him for this. This last point, of course, is applicable to all my committee members, and I thank them all for being there for me every step of the way.

Third, I extend my appreciation to the faculty and staff in the History Department at NC State. Dr. David Zonderman is not only a wealth of historical knowledge and a tough
professor, but also he was a supportive member of my familial community in Raleigh and a mentor. He leads by example, and is someone who I aspire to emulate. Being a teaching assistant for Dr. Matthew Booker was an absolute joy. He was the best boss I will probably ever have. Tough but kind, focused but fun, I will continue to plagiarize from Dr. Booker throughout my career as a teacher. He has a humility about him that is endearing and gracious, and he changed my life for the better. Dr. Brent Sirota is a rock star amongst professors, and might have done more for me by giving me a bad grade on my historiography midterm than any teacher or professor ever has. He knew that I was not reaching my potential, and his comments inspired me. I was incredibly lucky to have him as a professor, and he introduced me to some of the most incredible thinkers and writers in human history. I hope NC State appreciates what they have in him. Lastly, a special “thank you” to Norene Miller, the hardest working person in the History Department. She helped me almost every single day, and always wanted to see new pictures of James. I would not be in a position to graduate had it not been for her – she is one of the kindest women I have ever known.

Last, I want to thank “The Carter Club.” Once a month, we would all venture over to Dr. Mitchell’s house for Papa John’s pizza, homemade salad, and ideological exchange. The comments on my work provided by Drew Wofford, Oliver Ham, Kelsey Zavelo, Brian Trenor, Cliff Casper, and Thomas Shultheiss were invaluable, and the friendships we developed were genuine and, I hope, lasting. I thank them for reading my words, giving me critical feedback, and making this process so much fun. Even though my work was not on President Jimmy Carter, I still got to be a part of a very cool club.
TABLE OF CONTENTS

CHAPTER 1: Introduction ........................................................................................................... 1
  Questions ............................................................................................................................. 6
  Themes ................................................................................................................................. 8
  Historiography .................................................................................................................. 16
CHAPTER 2: “Mossadeth,” Prelude to a Crisis ................................................................. 26
  Iran and Mossadegh, Pre-World War II ............................................................................. 30
  The Cold War in Iran and Oil Nationalization ................................................................. 36
  Mossadegh in Context: Another Cold War Battle for the United States ........ 44
  The British Force the Issue ................................................................................................. 47
  The Empire Strikes First ..................................................................................................... 49
CHAPTER 3: The Naughty Boy in New York City ........................................................... 56
  “The Possible Makings of a Real Anglo-American Rift” .............................................. 60
  “His Government was in a Very Tough Mood” ............................................................... 66
  The Colonel on the Bed ..................................................................................................... 68
  “That Infant Prodigy” ...................................................................................................... 70
  The Fly on the Wall – Vernon Walters’ Observations of Dr. Mossadegh ............... 72
  Countdown to Mossadegh’s UN Appearance ............................................................... 77
  Meanwhile, Back in the Nation’s Capital ........................................................................ 91
  Back in New York: A Clean Bill of Health ...................................................................... 97
  Meanwhile, Back at Langley .......................................................................................... 106
CHAPTER 4: Go, Cast Off the Chains Binding Persia’s Feet ............................................. 112
  Manufacturing Mossadegh ............................................................................................... 113
  Oily Baba ............................................................................................................................. 114
  The Prisoner’s Final Meal ................................................................................................. 120
  The Final Attempt ............................................................................................................ 124
  “Iran has stationed no gunboats in the Thames” ............................................................ 133
  The Soviets, The People, and The Shah ......................................................................... 141
  More of the Same? ............................................................................................................ 149
CHAPTER 5: With Your Oil, Rather Like Texas ................................................................. 156
  From the Big Apple to the Beltway ............................................................................... 160
  The Blair House Luncheon ............................................................................................... 169
  Back to the Hospital ........................................................................................................ 176
  An Election, a Farm, and a Hotel ..................................................................................... 183
  An American in Paris ....................................................................................................... 188
  “Con te partirò” ................................................................................................................ 196
  The Roar of a Wounded Lion ......................................................................................... 204
  A Letter, a Disagreement, a Diatribe, and a Kiss ........................................................... 207
CHAPTER 6: Conclusion ......................................................................................................... 215
  Three Conclusions .......................................................................................................... 219
  The Derrick and the Damage Done ............................................................................... 224
BIBLIOGRAPHY ....................................................................................................................... 228
CHAPTER 1: Introduction

The locusts were everywhere. The eggs started to hatch in early April 1951, just weeks before the passage of the Nine Point Law – the historic legislation that would make Mohammad Mossadegh’s oil nationalization movement a reality, end the economic occupation of Iran by the reviled Anglo-Iranian Oil Company, and incite one of the most dramatic and divisive crises of the Cold War. But as Iranians rallied around their Prime Minister and brought the world’s attention to Teheran, the locusts were threatening 130,000 square miles of cropland and Iran was “running out of insecticide.” The Iranian government sent “an emergency message” to the United States, which had been providing the nation with technical expertise through President Harry Truman’s Point IV program: “Help was needed right away before the young locusts developed wings and began swarming upon food crops.” From the perspective of the West, a plague of nationalism had been unleashed recently in Iran, and congruently the locusts also threatened to undermine order, security, and survival.¹

The locust infestation was the last time that Iran, the United States, and Great Britain worked together to solve a problem during the Anglo-Iranian oil crisis: the spirit of cooperation would soon evaporate. However, at the time, all three nations did their part: Iran’s “worst infestation in 80 years” was eradicated within weeks using American planes, pilots, and thirteen tons of aldrin, a stronger version of DDT. For their efforts, the Americans were “praised by landowner, peasant, and tribesman alike.” The Iranian Ministry of Agriculture did much of the heavy lifting as well: it “furnished supervision, transportation, food, housing, and…labor.” The British also supplied an indispensable part of the campaign:

¹ Director of Foreign Agricultural Relations Stanley Andrews to the Secretary of Agriculture, “Expedited Point Four Aid to Help Iran Fight Locusts,” April 11, 1951; George M. Elsey Papers; Truman Presidency Subject File, Box 115, Truman Library.
for all 625 crop spraying flights that ultimately saved more than 53,000 acres of farmland from the descending locusts, the AIOC provided over 8,000 gallons of fuel.2

When Mohammad Mossadegh became premier of Iran that very same month, he brought with him a nationalist movement that challenged international capitalism, the Anglo-American alliance, cultural, political, and racial hierarchies, and the balance of the Cold War. He and his supporters insisted on outright nationalization – full control of Iranian oil. The West viewed this as a disturbing and dangerous precedent. Mossadegh and the National Front were not interested in a fifty-fifty profit sharing deal, yet this was the industry standard, most recently reaffirmed in 1950 by the ARAMCO deal in Saudi Arabia. However, the premier’s ideals of financial independence, political nonalignment, and Iranian dignity flew in the face of this establishment. Driven by an intense desire for Iran to be free of foreign influence and possessing a lifelong goal of ridding Iran of despotism, Mossadegh led a crusade against the British, the Iranian monarchy, and economic imperialism in general.

“A democrat in the LaFollette-Norris sense of the term” as Supreme Court Justice William O. Douglas would say, Mossadegh was not a communist; he was a shrewd politician and brilliant lawyer.3 He used his time in the United States – from October 8th to November 18th, 1951 – not only to defend his nation at the Security Council, but also to urge the Truman administration to support full Iranian nationalization. He expressed a hope that the United States would help Iran in the interim period between oil nationalization and the distant moment when Iranian oil production and oil sales reached full capacity once more.

---

2 Director of Foreign Agricultural Relations Stanley Andrews to the Secretary of Agriculture, “Expedited Point Four Aid to Help Iran Fight Locusts,” April 11, 1951; George M. Elsey Papers; Truman Presidency Subject File, Box 115, Truman Library.
To achieve this, Mossadegh knew that he would have to undermine the “special” Anglo-American alliance. He sought to entice the Americans—to convince them to subvert their ally and gain a stake in the management of Iranian oil. He did so by using the tensions of the Cold War, threatening that if America did not assist Iran, the Soviet Union would.

There was another, perhaps even more significant, reason that Mossadegh came to the United States: he thought it might help fulfill his lifelong goal of rendering the Iranian monarchy obsolete. By representing his nation on the biggest international stage—the United Nations Security Council—he strengthened his position as the figurehead of Iran. In addition, if he could convince the Americans to sustain him, he would continue the empowerment of the Iranian premiership and the Majlis—the Iranian legislature. Thus, he would incrementally supplant the Shah. To do this, Mossadegh needed American aid.

It proved difficult for Mossadegh to achieve his goals. Both sides—the Iranians and the British—were entrenched. While he was in the United States, the premier repeatedly showed that he had no desire to deal with the British, and instead attempted to get the Americans to take their ally’s place in Iran. Likewise, the British had concluded, “It was better to have no agreement with Mossadegh than to have an unsatisfactory one.”

Nevertheless, during his forty-one days in America, Mossadegh kept pushing, hoping the Americans would be the “honest brokers” they claimed to be and giving them multiple chances to usurp the British. In addition, as he was far away from the violence of Teheran and the passions of his supporters, Mossadegh’s stay in the United States was perhaps the only time during the entire crisis that an oil settlement was actually possible. But the

---

premier’s strategy of threatening that his weak nation would disappear behind the Iron
Curtain without immediate and substantial American aid proved unsuccessful. In the end,
the Anglo-American alliance triumphed, and the Shah began to emerge as the West’s savior.

This six-week time period was a turning point for American policy. As the
eradication of the locust plague indicates, the United States had been giving Iran modest
support since World War II – furnishing Iran with military, agricultural, and technical aid
packages – thus creating diplomatic inroads with the Iranian state. For the United States, a
stable Iran equated to an anti-communist Iran, yet an Iran that was partial to the American
government was even better. Thus, the rise of Mossadegh was problematic: while his
policies threatened Iranian stability, he presented the United States with an opportunity for
increased influence in the region. Yet the Americans became increasingly anxious about the
Soviet threat in Teheran during Mossadegh’s tenure, and began to grow more nervous about
the effect nationalization would have on Western investments in the Middle East.

At first, however, they were willing to entertain Mossadegh’s requests for aid as long
as he promised to settle the oil dispute with the British. Indeed, the Truman administration
desperately wanted to protect Iran from the Soviets, and thus seriously considered granting
Mossadegh aid even if it meant jeopardizing the international boycott of Iranian oil and the
Anglo-American alliance. However, by the end of Mossadegh’s stay in the United States,
the Americans had pulled back from the brink: its position had started to align with Great
Britain. By January 1952, the US had “cut off military aid to Iran and maintained the merest
trickle of economic help.”

This thesis attempts to decipher why this shift occurred.

---

There were many consequences of this shift in policy, one of the most important ones being that it was during Mossadegh’s stay in the United States that the Shah became the focus of American policy towards Iran. The Shah, despite his significant flaws, offered the best solution to the West: he was, at that time, the only person in Iran who could stem the nationalist fervor that his Prime Minister had instigated. Many in the West believed that if the Shah were strengthened, the oil crisis would come to an end. Indeed, Mossadegh could not be bought: no one could convince him to accept anything less than full nationalization of Iran’s oil. As history would show, Mohammad Reza Shah was more malleable.

Therefore, this time period became the foundation for Operation Ajax, the joint CIA/MI6 covert mission that helped spark a royalist coup d’etat of Mossadegh in August 1953 and gave Mohammad Reza Shah absolute power in Iran. During the premier’s stay in the United States, the official American position began to drift toward its ally. Although the Truman administration would not fully align with the British before leaving office, as Great Britain was already calling for covert action against Mossadegh in early 1951, and while the United States would, on the surface, keep trying to bring the Iranians and the British back to the bargaining table in 1952, Mossadegh’s time in America would illuminate the need for contingency plans. The Americans became convinced that they, like their ally, could not afford to accept the dangerous precedents that Mossadegh championed. In the end, profit, hierarchy, and stability were chosen over equality and progress.
Questions

The study of history involves the pursuit of identifying human motivation. Many of the most interesting historical questions involve the phrase, “Why did…?” While “why” questions are problematic, they are necessary and lead to deep analysis of historical evidence. Of course, historical inquiry also amounts to the simple equation of “change over time.” The explorations of this thesis involve these types of questions, as well as a few others.

As my advisor, Dr. Mitchell, and esteemed committee members – Dr. Khater, Dr. Kelley, and Dr. Gilmartin – can attest, I was fascinated with Mohammad Mossadegh before I entered NC State’s graduate program. In fact, one of my earliest childhood memories involves Iran: I recall being in my parent’s bedroom – the only room with a television – and watching the American hostages return home in 1981. I was three years old. My mother was emotional about the hostages being set free, and I remember having the impression that they had been in incredible danger, at the mercy of a people who were very angry at America.

Years passed and my interests turned to music, but during long drives in the tour van I spent a great deal of time reading. One day, I stumbled onto John Perkin’s *Confessions of an Economic Hitman*, a book that can only be classified as uncorroborated conspiracy theory, but it mentioned Kermit Roosevelt and Operation Ajax. Perkins, a former engineering executive, claimed that Roosevelt had been the first “economic hitman” for the United States, as his role in bringing down Mossadegh led to a windfall for American oil companies: a 40 percent stake in Iranian oil. After making the decision to go to graduate school, I enrolled in Dr. Gilmartin’s Modern European Imperialism class and submitting a ragged opus on the Mossadegh era. His comments encouraged me to read more deeply about the Anglo-Iranian
oil crisis. Then, after being accepted into NC State’s graduate program, I learned the value of primary research and received invaluable instruction from Dr. Kelley, Dr. Khater, and Dr. Mitchell. As I began to explore thesis topics, I happily realized that I had a connection to Kermit Roosevelt: I had gone to the same high school as Roosevelt’s grandson, Kermit Roosevelt III. With great expectations, I contacted him in the hope that he might have access to or knowledge of unpublished papers of his grandfather’s. It was not to be. I searched for other ways to add to the extensive historiography of the crisis, but my attempts to look into such topics as the role of John Foster Dulles proved to be exactly what his last name implies: dull. However, as I kept reading, I noticed that the historiography focused mostly on the coup itself, and that Mossadegh’s time in the United States was largely unexamined. Even recent scholarship, notably Ervand Abrahamian’s persuasively revisionist *The Coup*, published in February 2013, fails to explore in detail Mossadegh’s time in America.

Thus, I arrived at my research questions almost in a backwards way: when I went to the Truman Library in January 2012, I knew that I wanted to analyze Mossadegh’s time in America, but I did not know what I would find. While I hoped that my research would illuminate cultural perceptions of the Iranian premier and justify my gut feeling that a vein of “Anglo-Saxonism” was at work during the crisis, I could not put all my eggs in this delicate and almost impossible-to-prove basket.⁶ Therefore, my questions became broader. My basic query became: Why did Mossadegh come to the United States? While one answer is obvious – the premier came to America in order to defend Iran at the United Nations – the intentions, goals, and motivations behind his visit were more nuanced, subtle, and complex.

---

After I discovered that one of his central goals was to secure American aid, this led me to another question: why did the United States refrain from helping Mossadegh? Why did the United States align its policy with Great Britain and eventually remove the premier? And, of key importance, when did this drift toward British policy begin? As Mossadegh clearly wanted American support, why did the Americans fold to pressure from the British government when they had a decisive opportunity to supplant them? How did American policy change toward Mossadegh and Iran during the premier’s stay in the United States? Was the United States ever really the “honest broker” that it claimed to be, or was it always unable to help Iran and Mossadegh because of the threats that outright nationalization posed to the standards of international capitalism? Was Mossadegh the “intransigent” party, or were the Americans and British the intransigent ones? What did the American foreign policy establishment think of Mossadegh? How did these perceptions influence policy? What does this time period illuminate about the oil crisis, the Anglo-American alliance, the legacy of postwar decolonization and nationalism, and the meaning of the Cold War?

Themes

Realpolitik elements of the Cold War

As Mostafa Elm explains in *Oil, Power, and Principle*, “Mossadegh’s policy was not dictated by realpolitik. Instead he seemed to favor Max Weber’s dictum that ‘all historical experience confirms the truth – that man would not have attained the possible unless time and again he had reached for the impossible.’”7 Yet while his progressive policies were

---

perhaps unhindered by realpolitik, the positions of the United States were. Containment was, at least on the surface of the Cold War, the basis for all US foreign policy. The Soviet menace was ever-present in American minds, and even if containment was merely an ideological mask for US expansionism and economic imperialism, American policy had some pragmatic forces behind it: the United States sought to keep the balance of power in the West’s favor and maintain the geopolitical status quo by any means necessary. As neighbors, Iran and Russia had a relationship since the days of the czars, and American officials were wary of this. They projected that if the USSR got its tentacles around Iran, the implications would be disastrous. While there are laudable revisionist theories that suggest containment was simply a smokescreen for economic interests and argue that the threat of communism and the fear of losing Western economic power were mutually reinforcing, the realist point of view also holds value: United States policy was motivated by the desire to stop the spread of communism for liberty’s sake.

Another realpolitik element of the crisis was oil. According to Mary Ann Heiss, access to Middle Eastern oil had become a paramount concern for the Americans by the time Mossadegh rose to power: “U.S. policy makers derived from World War II a renewed appreciation of their country’s dependence on foreign petroleum resources and a heightened awareness of petroleum’s importance to the security of the United States and its Western allies.”

Oil had become a significant chess piece in the Cold War: if the Soviet Union gained control over Iranian oil, it would suddenly have unlimited access to the world’s third largest reserve. Iranian oil production at the time was the fourth largest, just behind the

---

United States, the Soviet Union, and Venezuela. If the USSR achieved hegemony in Iran, its power would increase exponentially.\footnote{Abrahamian, The Coup, 12.}

Oil was not related just to the politics of power. It also intertwined with how Mossadegh’s nationalization movement threatened industrial capitalism and the international oil industry. Even though the Western allies prioritized containment and the threat of nationalization differently – with Washington worrying more about the expansionist Soviet Union while London agonized about its balance of payments and the endangerment of British international investments – there was enough overlap of anxiety between the two so that Mossadegh posed an equal threat to both. In other words, while there was a discrepancy on the surface between the importance placed on these two seemingly independent issues, in reality containing communism and protecting capitalism went hand in hand.

For the Iranians, oil meant dignity and freedom. The allies, however, saw dollar signs and continued global supremacy. If Mossadegh achieved outright nationalization, the sanctity of contracts and the rule of law would be compromised. However, this was rhetoric: what was really at stake was the economic dominance enjoyed by Great Britain and the United States. The allies argued that even if Iran paid the AIOC “just compensation,” Mossadegh’s actions might embolden other concession-granting countries to cast off their foreign exploiters. The Americans and the British feared this economic domino effect. Thus, stopping Mossadegh became not just an effort of the state but also a privatized campaign. As the “Seven Sisters” owned nearly all of the 1,500 oil tankers that existed in the world, the informal boycott they imposed on Iran was ruinous. These transnational efforts
paralleled Great Britain’s freeze of Iranian assets and blockade of exports to Iran. The oil crisis would illuminate the symbiotic relationship between nation-states and international corporations, and this would be highlighted further while Mossadegh was in America.

**The United Nations**

Mossadegh’s appearance at the Security Council from October 15th to October 19th, 1951 was the primary reason for his trip. At the UN, Mossadegh would excoriate Great Britain and the AIOC, becoming a champion and defender of the developing world in the process. His was one of the first voices from the awakening East, and international press coverage gave Mossadegh’s appearance additional gravitas. However, as the premier addressed the council, red flags would be raised: he would extend a gesture of friendship towards the Soviet Union in these meetings, and this was reciprocated by the Soviet delegation, which supported Iran outright. When Great Britain attempted to get the UN to identify the crisis as a “threat to international peace and security,” the United States was forced to publicly support its Cold War ally. However, behind the scenes, tensions between the allies were exacerbated. The Security Council sessions also highlighted Mossadegh’s efforts to discredit the Pahlavi regime: these meetings gave him a platform to represent his nation, thereby undermining the Shah and consolidating support at home. Thanks to his efforts, the council would defer judgment, providing a victory for Iran. However, the UN sessions were a watershed moment: the premier appeared, to the Americans and the British, extreme and intransigent. This would make a settlement harder to reach.

---

The Characteristics and Stereotypes of Mossadegh and the Iranians

Dr. Mohammad Mossadegh was, in the eyes of the West, unpredictable: one minute he was laughing in an official’s face “at a distance of about six inches,” and the next he was shrinking into his bed complaining of illness. As Christopher de Belliague writes, the elderly premier “was abandoning the trappings of the westernized oriental gentleman…his youth had given way to flaming old age, its truculent honesty and absence of pretension…to his western interlocutors he was a riddle.” 11 Many Western officials who were intolerant of and inexperienced with other cultures questioned his physical and mental health. The perceptions of both British and American policy makers – mirrored in and reinforced by the press – reflected the language of pathology: words like lunacy, frailty, irrationality, fanaticism, hysteria, instability, sickness, demagogy, and femininity followed Mossadegh. These perceived qualities threatened not only Western social and cultural norms but also economic and political hierarchies, and had to be contained before the infection spread.

Mossadegh’s reputation for weeping and fainting while seemingly being incapable of understanding the economic and political standards of the West added to this gendered, racist, and Orientalist perception of Mossadegh. As Mary Ann Heiss writes, “British and American officials condemned as unacceptable certain habits and behaviors that were accepted norms in Iran, failed to see Mosaddeq as their equal, and dismissed him as an unworthy adversary whose position was not deserving of consideration.” 12 However, in reality, Mossadegh was lucid and calculated, understanding that to make the most of his

weak bargaining position he had to do everything he could to stall, stonewall, and manipulate his opponents. Still, despite his significant diplomatic skill, the premier was perceived as not only a liability in the Cold War but also, as *Time* magazine would write when it named Mossadegh 1951’s Man of the Year, “an appalling caricature of a statesman.” His habit of conducting almost all of his meetings with American officials from a bed or in a hospital room would reinforce these perceptions, but it was also part of his strategy. Indeed, Mossadegh used his apparent frailty and ill health as political tactics. “This old wizard” from “a mountainous land” utilized his reputation as sick and weak to avoid confrontation, evoke sympathy, and keep his enemies fighting amongst themselves.\(^\text{13}\) However, his seemingly impulsive switching between vigor and lassitude alarmed the West, and reinforced the American position that Mossadegh was unpredictable and therefore untrustworthy.\(^\text{14}\)

In addition, the American press and many American officials deemed the Iranian people as “incapable:” they were presented as uncivilized Orientals who could not run the oil industry and who would be living in the Iron Age had it not been for the AIOC. The Americans, especially George McGhee, would remind Mossadegh that Iran was incapable of handling its oil industry alone. However, in some ways, the allies were telling Mossadegh the truth: Iran would have no Western buyers for its oil and no tankers to ship it in without the blessings of the Seven Sisters. This is where fears of Soviet involvement appeared: while the Americans implored Mossadegh to settle with the British, he insisted that Great Britain play by his rules. Otherwise, he said, he would be forced to seek other options. Meanwhile, the Iranians would actually prove their doubters wrong: domestic technicians did get the

\(^{13}\) “Man of the Year,” *Time*, January 7, 1952.

\(^{14}\) Abrahamian, *The Coup*, 98-100.
refinery at Abadan up and running, albeit in a limited capacity. Still, the perception remained that the Iranian people would be lost without Western “know-how.” This reinforced and justified efforts aimed at forcing Mossadegh to capitulate.

**Iranian Politics – the Shah and Mossadegh**

After the Iranian Constitutional Revolution of 1906, the power struggle between monarchy and Majlis was continuous. The reformers sought to establish representative government in Iran, yet ancient traditions of despotism and theocracy ran deep. It would be less than twenty years later when Reza Khan was crowned Shah, and Mossadegh proved to be both a powerful proponent of constitutionalism and an enemy of the Pahlavi dynasty from its inception. He vehemently opposed Reza Khan’s rise to the throne, especially because the new monarch owed his crown to the British. In addition, Mossadegh held a personal grudge against Reza Shah related to the treatment of his family. Thus, after World War II, Mossadegh sought to limit the influence of Reza’s son, Mohammad Reza Shah, and strived to put political power in the hands of the Iranian people and their representatives.

For Mossadegh, the Shah should “reign” and not “rule.” The Majlis had to be supreme. This motivated Mossadegh’s actions in America. However, Mossadegh had to be wary: the Shah’s spies lurked everywhere. He therefore held his meetings in America without any other Iranians present. Ironically, however, this behavior would undermine his goal of subjugating the Shah: the Americans, as they interacted with Mossadegh alone, began

---

to conclude that the premier was embarking on a rogue policy inconsistent with his monarch’s desires. Thus, the allies must “strengthen the Shah” so that he could control his premier and settle the oil disagreement on terms acceptable to the West.\footnote{Telegram 2862 from Dean Acheson in Paris to the State Department, November 14, 1951, \textit{Foreign Relations of the United States (FRUS), 1952-1954, Volume X: Iran} (Washington: GPO, 1989), 282.}

\textit{The Anglo-American Alliance}

In many ways, the Americans and the British had different appraisals of the crisis from the beginning, which caused considerable tension and exasperation. While the British had already labeled Mossadegh a demagogue and were exploring ways to undercut and remove him, the United States attempted to play “honest broker” during Mossadegh’s stay in America. The Americans still hoped that a settlement was possible, while the British had all but given up. Even in mid-November 1951, the Americans were still considering giving Iran financial aid to stem the alleged communist tide. They feared that the British “strategy of waiting out Mossadegh, confident he would not last,” would insure Soviet subversion in Iran.\footnote{Abrahamian, \textit{The Coup}, 89.} With Mossadegh reminding them of the daily threats Iran faced from its neighbor to the north, the Americans were apparently ready to break with their ally and grant Mossadegh the monthly $10 million he sought. The British could not understand this.

However, the governing elites of Great Britain and the United States held similar economic, political, cultural, and racial beliefs. They were partners in the international oil boycott. They carried the torch of global capitalism and prized security and stability above all in order to maintain overseas investments. They were the inheritors of Western
civilization, liberal ideals, and the legacy of imperialism. The men who ran these
governments also shared a bloodline and a racial identity: they were bonded by “Anglo-
Saxonism.” During Mossadegh’s stay in the United States it is clear that at least some
American officials thought of the Anglo-American alliance and the oil crisis in these terms.

Indeed, the “special relationship” between the United States and Great Britain that
Winston Churchill spoke of in his 1946 “Iron Curtain” speech was at its core a “fraternal
association of the English-speaking peoples,” and by the end of Mossadegh’s stay in America
the Anglo-American alliance would triumph. Was United States ever really an “honest
broker”? While the Americans tried to bring Mossadegh and the British back to the
negotiating table, they did so, ultimately, on British terms.

**Historiography**

*Primary Sources*

I performed the bulk of my research at the Harry S. Truman Library in Independence,
Missouri in January 2012. For a week, I scoured thirty boxes of material, and found several
pieces of evidence that have not – to my knowledge – been previously cited. The Truman
Library streamlined the process by consolidating documents in a Student Research File titled
“Oil Crisis in Iran.” This box, coupled with a book of documents titled *Documentary History
of the Truman Presidency: Volume 29, Oil Crisis in Iran*, published by the Truman Library,
helped me piece together the narrative of this time period.

---

Four boxes of National Security Council Files, found in the Truman Papers, contained useful National Intelligence Estimates and CIA documents. Likewise, the Psychological Strategy Board Files divulged important insights into American thinking about the role of Islam as a bulwark against Soviet communism. Mohammad Reza Shah had restored the political power of the mullahs. These Psychological Strategy Board Files suggest that the United States began to look more favorably towards the Shah because theocracy in Iran would provide added insurance against communist agitation.

Perhaps most helpful were boxes culled from the President’s Secretary’s Files, specifically the Subject Files and Intelligence Files, which included correspondence between Washington and Teheran and copies of documents that crossed President Truman’s desk during the crisis. The Official Files, the George M. Elsey Papers, and the Dean Acheson Papers included important material, the last of which contained a rough draft of and notes for Acheson’s memoir, *Present at the Creation*. This document included revelations regarding tensions within the Anglo-American relationship and observations of Iran and Mossadegh that the State Department would later edit out of the published book: notes written in parentheses throughout the rough draft show these edit requests from the State Department.

Combined with my research from the Truman Library, the *Foreign Relations of the United States*, also known as *FRUS*, was invaluable. However, as Ervand Abrahamian notes, there are gaps in the *FRUS* volume on Iran that are inexplicable and render research at the Truman Library essential.\(^{21}\) Personal memoirs of American officials not only fleshed out the narrative, but also illuminated American perceptions of Mossadegh. George McGhee’s

\(^{21}\) Abrahamian, *The Coup*, 5.
memoir, *Envoy to the Middle World*, supplied important details of the negotiations that were not found, or only alluded to, elsewhere. This source, written by the American who spent the most time talking with Mossadegh, gave vital insight into the premier’s character and negotiating habits. The memoir by Colonel Vernon Walters, *Silent Missions*, added vital perspective. As the translator who interpreted the discussions with Mossadegh during the Harriman mission in Teheran in the summer of 1951 and during the premier’s stay in the United States, Walters conveyed anecdotes not found elsewhere and provided insight on the atmosphere of the talks. Dean Acheson’s memoir, *Present at the Creation*, gave a glimpse of the political and cultural perceptions of the American side. The Secretary of State met with Mossadegh only twice, but his memoir shows that these meetings left a lasting impression. Lastly, an edited collection of Mossadegh’s memoirs provided glimpses of the premier in his own words, but was largely unhelpful for the time period in question.

Newspapers and magazines, mostly *The New York Times, Los Angeles Times, The Washington Post*, and *Time* provided historical context and cultural perceptions. Editorials and political cartoons depicted Mossadegh in words and images as extremist, unstable, and intransigent. Rarely was this press balanced in its reporting, a point Mossadegh highlighted in a speech at the National Press Club in Washington, D.C. This speech, while mentioned in other works by Mostafa Elm and Stephen Kinzer, is not quoted or analyzed by them or, to my knowledge, by any other researcher. It was found through another source of primary documents: the United Nations Dag Hammarskjöld Library, which has remarkable online access. I was able to find the transcriptions of the Security Council sessions here, as well as copies of Great Britain’s draft resolution and documents from The Hague. An altruistic UN
librarian sent me the National Press Club speech. Lastly, while my trip to Princeton’s Seeley G. Mudd Manuscript Library failed to divulge any material from the timeframe of this thesis, I was able to find some documents that added to the cultural elements of the crisis.

**Secondary Sources**

The literature written about the Anglo-Iranian oil crisis is daunting. Scores of books and articles have been published on the subject. Many of them fall into three categories: those that fault Mossadegh for being unrealistic while casting the Americans and British as the protectors of the Cold War status quo; those that castigate the United States and Great Britain for masking imperialism and economic exploitation in a shroud of anti-communism while putting Mossadegh on a pedestal; and those that place roughly equal blame and praise on all parties. I would like to think that this thesis is part of the third group, but there are times where it is firmly in the first or second camp.

Since my work argues that Mossadegh’s six weeks in America marked a turning point for United States policy towards Iran and Mossadegh, one of the works that this thesis directly converses with, builds upon, and updates is Chapter 4 of Mary Ann Heiss’s *Empire and Nationhood: The United States, Great Britain, and Iranian Oil, 1950-1954*, published in 1997. This chapter, titled “From Honest Broker to British Partner,” which covers July 1951 to November 1951, served as a sounding board for my research. While my work is in many ways parallel to hers and shares similar positions, my intense focus on Mossadegh’s trip to the United States allows me to add to the narrative and give nuance to her conclusions.
In her book, she states, “As Anglo-Iranian tension escalated, U.S. policy shifted dramatically. U.S. officials, who had grown increasingly disillusioned with Prime Minister Mossadegh, abandoned benevolent neutrality in favor of outright backing of the British position.” First, I debate the idea that the United States was ever in a true position of “benevolent neutrality:” for example, the existence of the international oil boycott, which the United States condoned and participated in, undercuts this argument. Second, the shift in American policy was subtler than Heiss suggests. Rather than an “outright backing of the British,” the Americans were deeply conflicted about acquiescing to British policy until at least mid-November. Heiss also downplays the Soviet threat, placing emphasis on Western frustrations of dealing with Mossadegh, and no one connects the diminution in American support for the premier with the State Department’s desire to “strengthen the shah.”

Heiss also asserts that “the British had accepted nationalization in principle,” but neither ally had truly accepted Iranian nationalization: the British and the Americans clung to the precedent of fifty-fifty and were partners in the oil boycott. To Mossadegh, profit sharing was not nationalization, and to the allies, “nationalization” was merely a business partnership and was not to be taken literally. Critiques of Heiss’s work, however, are splitting hairs for the most part: she has done exceptional work, especially in delineating “Western cultural prejudices” not only in this book but also in her 2001 chapter “Real Men Don’t Wear Pajamas” from the edited work Empire and Revolution. Her research proved to be a solid foundation upon which this thesis could be built, focused, and honed.23

22 Heiss, Empire and Nationhood, 78.
23 Heiss, Empire and Nationhood, 106.
Another work that highlights Mossadegh’s time in America is Mostafa Elm’s *Oil, Power, and Principle: Iran’s Oil Nationalization and It’s Aftermath*, published in 1992. Elm highlights not only the tensions in the Anglo-American alliance but also Mossadegh’s tactics at the UN. He argues that Mossadegh’s “strategy was to use Iran’s weakness as a banner around which the virtuous and the oppressed should gather.” However, Elm does not delve deeply into the week before the Security Council sessions, which this thesis suggests as the time when Mossadegh might have been willing to strike a deal and achieve his goal of getting the United States to abandon its British ally. Elm does not cite many of the American documents used in this thesis, and although he mentions Mossadegh’s quest for US aid, which is more than most authors do, he does not see it as an essential piece of the story.24

Another work that focuses on Mossadegh’s time in the United States – a journalistic account – is Stephen Kinzer’s best seller *All the Shah’s Men: An American Coup and the Roots of Middle East Terror*, published in 2003. Kinzer tells a compelling tale, but he sacrifices accuracy. For example, he asserts that when Mossadegh arrived in the United States “he devoured everything the American press was writing about his forthcoming performance” at the United Nations.25 Claims like this are not footnoted. However, Kinzer does a remarkable job of highlighting the premier’s health, thus building upon Heiss’s work, and he uses the press as a cultural lens, a practice that this thesis borrows and expands.

There is only one scholarly article about this time period: Kamrouz Pirouz’s “Iran’s Oil Nationalization: Musaddiq at the United Nations and His Oil Negotiations with George

---

McGhee,” published in *Comparative Studies of South Asia, Africa and the Middle East* in 2001. Pirouz focuses on the involvement of international organizations in the oil crisis, then explores the potential settlements that Mossadegh and McGhee discussed in New York and in Washington. While Pirouz uses UN documents, Iranian sources, and American memoirs, he leaves out *FRUS* and the Truman Library. He concludes that Mossadegh was motivated to reach an oil agreement while in the United States as long as he dictated the terms.

Other secondary sources about the coup and American-Iranian relations were essential for providing context and parameters for this thesis. Perhaps the leading American authorities on the coup, Mark Gasiorowski and Malcolm Byrne, have assisted many scholars with their edited work, *Mohammad Mosaddeq and the 1953 Coup in Iran*. William Roger Louis’s chapter, “Britain and the Overthrow of the Mosaddeq Government,” and Malcolm Byrne’s chapter, “The Road to Intervention: Factors Influencing U.S. Policy Toward Iran, 1945-1953,” were invaluable. Louis’s work provided an overarching view of British motivation. Byrne writes very little on Mossadegh’s time in America, but he provides a nuanced argument: the Americans were legitimately concerned with the Soviet threat but were also conflicted about rising nationalism in the Third World. He states that the United States often blurred “the distinction between independent nationalism and Kremlin cronyism in the emerging Third World” for the sake of streamlining and simplifying foreign policy.²⁶

The two newest additions to the historiography, Christopher de Belliague’s *Patriot of Persia* and Ervand Abrahamian’s *The Coup*, were published while I was writing this thesis. De Belliague, using new Iranian sources, paints a clear picture of Mossadegh. He shows that

---

Mossadegh hoped to settle the oil dispute while in the United States, especially in the first week he was in New York, but he does not mention that Mossadegh would do so only on his terms and that he would not settle for a fifty-fifty split. He omits entirely the fact that Mossadegh was seeking American aid while in the United States.

Ervand Abrahamian’s *The Coup* might prove to be as definitive for the revisionist side of the historiography as Gasiorowski’s work is for the realist perspective. Abrahamian’s evidence refutes the argument that Mossadegh was intransigent, arguing instead that “compromise was unattainable simply because at the very core of the dispute lay the blunt question of who would control the oil industry.” Resoundingly, he explains, “The United States had as much invested in the crisis as did Britain.” While Abrahamian’s work is laudable for framing the crisis “between imperialism and nationalism, between First and Third Worlds, between North and South, between developed industrial economies and underdeveloped countries,” he comes down decidedly on the side of Mossadegh.

Other secondary sources helped provide historical context and ideological precedent. In terms of early Cold War politics, Melvyn Leffler’s *A Preponderance of Power: National Security, the Truman Administration, and the Cold War* helped illuminate the perspectives of American officials towards protecting international capitalism and containing nationalism in the Third World. Daniel Yergin’s *The Prize: The Epic Quest for Oil, Money & Power* and Lloyd C. Gardner’s *Three Kings: The Rise of an American Empire in the Middle East after World War II* highlighted not only American oil policy in the early Cold War but also heightened the importance of Iranian oil nationalization as a threat to Western interests.

---

Another notable work that framed my analysis was Odd Arne Westad’s *The Global Cold War: Third World Interventions and the Making of Our Times*, as he highlights “non-alignment” movements like Mossadegh’s as the real agents of change during the Cold War.

Several works by Iranian scholars helped provide context for domestic Iranian politics and the life of Mossadegh. *The Shah* by Abbas Milani shed light on Mossadegh’s grievances against the Pahlavi dynasty. Ervand Abrahamian’s *A History of Modern Iran* and Nikki Keddie’s *Modern Iran: Roots and Results of Revolution* provided narrative and background, and were especially helpful when trying to decipher the roles of the Tudeh Party and the oil boycott. Lastly, Farhad Diba’s *Mossadegh: A Political Biography*, while a subjective account of the premier’s career, allowed the character of Mossadegh come to life.

Other secondary sources have given ideological foundations for this thesis. In its analysis of “Anglo-Saxonism,” Michael Hunt’s *Ideology and U.S. Foreign Policy* serves as an epic work. He argues that three “core ideas,” one of which refers to American policy being dictated by racial hierarchy, guided America’s “foreign-policy elite.” Also, two articles were helpful in contextualizing Mossadegh’s ill health and identifying gendered language in primary sources. Amir Arsalan Afkhami’s article “The Sick Men of Persia: The Importance of Illness as a Factor in the Interpretation of Modern Iranian Diplomatic History” argues that Mossadegh’s ailments were a part of his strategy but that they added to the perceptions of the premier as mentally unstable and physically incapable of withstanding communist pressures. Congruently, Frank Costigliola’s article “‘Unceasing Pressure for Penetration’: Gender, Pathology, and Emotion in George Kennan’s Formation of the Cold War,” analyzes gendered discourse in Kennan’s “Long Telegram.” It asserts that the United
States regularly depicted the Soviet Union as a rapist intent on forcefully violating the free nations of the world, and that Americans often evoked the concepts of pathology and illness to describe the spread of communism.

Scores of other books have aided my thinking and writing on this topic, but there is neither enough time nor enough space to do them all justice. *Epic Encounters* by Melanie McAlister, *Women with Mustaches and Men without Beards* by Afsaneh Najmabadi, *The U.S. Press and Iran* by William Dorman and Mansour Farhang, *American Orientalism* by Douglas Little, *The Cold War and the Color Line* by Thomas Bortselmann, *Imperial Brotherhood* by Robert Dean, and *Orientalism* by Edward Said, have all made contributions.

As a final note, allow me to admit the shortcomings of this work. I was limited by my ability with language: unfortunately, I could analyze no Iranian sources. This is an American perspective, for better or for worse. In addition, further research at the National Archives in College Park, MD would have made this story more complete. For potential PhD work, I hope to utilize my proficiency in Russian to look at the Soviet side of this time period, a story very much still silent. However, for now, my analysis of American documents from this six-week time frame will have to suffice. I can only hope that it is equal to the quality of work that many have come to expect from the North Carolina State University History Department.
CHAPTER 2: “Mossadeth,”¹ Prelude to a Crisis

It was a mission unlike any other mission. There was an Alice in Wonderland quality to it which led me after three days in Teheran to write back to Mr. Harriman’s secretary in Washington to ask her to send me a copy of that book so I would know what was next on the program.² –Colonel Vernon Walters, interpreter for the Mossadegh negotiations

On Monday, October 8, 1951, the Iranian Prime Minister’s arrival on American soil was front-page news. Journalists converged at New York’s Idlewild Airport shortly before noon to await one of the most controversial figures of early Cold War. Iranian émigrés also gathered to cheer for their hero – a man who had nationalized Iranian oil and built a political movement that challenged the foundations of Western economic power. But as Dr. Mohammad Mossadegh’s slumped septuagenarian frame emerged from the Royal Dutch DC-6 airplane, it appeared that the premier might not live long enough to reach the bottom of the jet stairs: he was clutching the arm of Iran’s UN representative, Nasrollah Entezam, for dear life. Clearly, the twelve-hour flight from Amsterdam had taken an intense toll on the elderly man. Though the New York Times had professed him to be the “symbol of Iran’s surging nationalism,” Mossadegh did not seem to have the corporal strength to lift his eyes from the ground, let alone lead an ardent nationalist movement that threatened the balance of the Cold War. Certainly, he was not in any kind of shape to plead his country’s case in front of the United Nations Security Council, as he was scheduled to do a week later.³

But the appearance of a nearly incapacitated premier was not unexpected. The American press had already depicted Mossadegh as “so frail that it seemed as if a gust of

¹ Original spelling in Memorandum of Conversation, October 24, 1951, Papers of Dean Acheson, Truman Papers. Student Research File: “The Oil Crisis in Iran, 1951-1953.” Harry S. Truman Library.
³ “Mossadegh, Here, Appeals to Americans to Back Iran” New York Times, October 9, 1951
wind could blow [him] over,” his face “sallow and flabby,” his eyes watery and his hands
trembling constantly.\textsuperscript{4} The day before his arrival the \textit{New York Times} ran a picture of an
exhausted Mossadegh being helped down the steps of his connecting flight in Rome by no
less than three members of his entourage. The newspaper reported that the “ailing premier”
would go directly to a hospital after his arrival in New York and “conduct negotiations from
his bed.”\textsuperscript{5} Most visiting foreign dignitaries traveled lengthy distances and still presented an
aura of strength upon their arrival. Mossadegh – Iran’s “elderly lunatic,” according to the
British Foreign Office – was departing from this traditional script by retiring to Cornell
Medical Center on East 69\textsuperscript{th} Street for unexplained reasons.\textsuperscript{6}

However, seeking shelter in a hospital bed was also nothing new for “Old Mossy:”\textsuperscript{7}
the premier had been greeting foreign emissaries in his pajamas for months. After he became
Prime Minister in April 1951, American officials in Teheran became so used to Mossadegh
holding meetings in his chambers that it seemed like a “ceremonial occasion” when he was
“fully dressed (not pajama clad).”\textsuperscript{8} In addition, his persistent but mysterious health issues
and fainting spells – which would occur after tearful yet bombastic speeches in the Iranian
Majlis – not only kept Mossadegh under the constant care of his son and physician, Dr.
Ghulamhusayn Mossadegh, but also created an aura of illness that became one of his
indelible characteristics. As Mossadegh gingerly exited his plane on October 8\textsuperscript{th}, the Iranian
leader looked as ill as advertised.

\textsuperscript{4} “Dervish in a Pin-Striped Suit” \textit{Time}, June 4, 1951
\textsuperscript{5} “Mossadegh Flying Here to Challenge British U.N. Move” \textit{New York Times}, October 8, 1951
\textsuperscript{6} Heiss, \textit{Empire and Nationhood}, 74.
\textsuperscript{7} Daniel Yergin, \textit{The Prize: The Epic Quest for Oil, Money, and Power} (New York: Free Press, 2009), 439.
\textsuperscript{8} Telegram 384 from Loy Henderson in Teheran to the State Department, August 18, 1953, \textit{Foreign Relations of the United States (FRUS), 1952-1954, Volume X: Iran} (Washington: GPO, 1989), 748.
But when the Prime Minister saw nine-year-old Mina Moazad, representing the local Iranian community of New York City, standing at the bottom of the jet way holding a bouquet of red roses, his weakness disappeared. With the buoyancy of a young man, he rushed to greet her, receiving her gift with warm, animated energy. Bending down to Mina’s eye level, his face broke into a luminous smile as he spoke rapidly in Persian.⁹ The Prime Minister had been jolted out of his geriatric haze and had instantly transformed. This would not be an isolated incident: Secretary of State Dean Acheson would describe a similar “instantaneous transformation” when he greeted Mossadegh at Union Station in Washington, D.C. later that month: “I watched a bent old man hobble down the platform supporting himself with a stick and an arm through his son’s. Spotting me at the gate, he dropped the stick, broke away from his party, and came skipping along ahead of the others to greet us.”¹⁰

Apparently, Mossadegh’s ailments came with an on/off switch. This would reflect the nature of the negotiations with Mossadegh during his time in the United States. One day, he would be conciliatory, the next, obstinate; one moment, he would be agreeable, offering new concessions, the next, intransigent. This perceived erratic behavior would lead the Americans to ask fundamental questions: was this elderly man capable of resisting communism and leading Iran while protecting Western interests? Was Mossadegh too unpredictable and unreliable to be worthy of Western trust? Regardless of the causes of Mossadegh’s behavior – whether it was strategic, designed to cultivate international sympathy and to stonewall his opponents; uncontrollable, produced by chronic mental and physical conditions; or a combination of all – American officials had to try to find

⁹ “Mossadegh, Here, Appeals to Americans to Back Iran” New York Times, October 9, 1951
¹⁰ Acheson, Present, 503-504.
a way to bring the prime minister into an oil agreement with the British government. Initially, the Americans engaged Mossadegh diplomatically and attempted to negotiate a compromise. Ultimately, however, when it became clear that the Iranian premier was stronger than he appeared and refused to bow to the West, the Americans, with their British allies, would overthrow the troublesome premier.

During the forty-one days Mossadegh was in America, from October 8th-November 18th, 1951, US officials would hold meeting after meeting with him, usually as he sat in a hospital bed, attempting to bridge the gaps in the crisis. The British – who had already judged Mossadegh to be incorrigible and irrational and thought that a “splutter of musketry” was the proper recourse when the Anglo-Iranian Oil Company (AIOC) was expelled from Iran in September of 1951 – had come to the conclusion that Mossadegh would have to go. They hoped that Mossadegh’s visit to the United States would enlighten their Anglo-Saxon counterparts as to the premier’s “intransigence and unreasonableness,” and that the Americans would adopt their way of thinking sooner rather than later.

As Washington got to know him, Mossadegh became equal parts bewildering head-case and maddening headache as he refused to compromise to the standards of the West and fought for Iranian dignity. By November 1951, while there remained some optimism within the Truman administration that a deal could be made, American officials were becoming increasingly wary of Mossadegh. The British had already communicated their attitudes quite clearly: to Ambassador Sir Francis Shepard, Mossadegh was “temperamentally incapable” of

---

12 Wm. Roger Louis in Gasiorowski and Byrne, 130.
13 Heiss, *Empire and Nationhood*, 83.
finding a resolution to the crisis and it was impossible “to get some of the facts of life into” his head. Also, by the time of his arrival in New York, some Americans viewed Mossadegh as their English compatriots already did: to Ambassador Loy Henderson, he was a “crafty…rabble rouser” who could not be trusted, and he was a threat to stability, order, and oil. He was already suggesting that perhaps the allies would be better off if “some responsible Iranian statesmen” would “come forward with sobering suggestions.”

Mossadegh’s interactions with American officials during his stay in the United States would contribute to a shift in American policy toward the viewpoint of their British allies. Although perceptions of Mossadegh’s ailments, mannerisms, obstinacy, Anglophobia, and instantaneous transformations would not explicitly usurp the realpolitik concerns over containment, the Anglo-American alliance, the sanctity of international contracts, the security of foreign investments, and the control of vital natural resources, Mossadegh’s tactics and surprising strength left an impression that helped color the opinions and judgments of American officials. This process would lead to a defining moment of the Cold War: the CIA/MI6-sponsored royalist coup that would remove Mossadegh in August 1953.

**Iran and Mossadegh, Pre-World War II**

The Anglo-Iranian Oil Crisis officially began with the passage of the Nine Point Resolution on April 27, 1951, when Iran’s government cancelled the 1933 AIOC oil contract signed by Reza Shah. This legislation would launch Mossadegh to the premiership, setting

---

14 Heiss, *Empire and Nationhood*, 64.
15 Telegram 1180 The Ambassador-Designate in Iran (Henderson) to the Department of State, September 27, 1951, *FRUS, Vol. X*, 175.
him on a collision course with Great Britain and the United States. The 1933 agreement updated the original 1901 concession that had given Persia only “16 percent of ‘annual net profits.’” Thus, Mossadegh’s nationalization campaign was fifty years in the making.

Indeed, by 1951, Mossadegh had already experienced a lifetime of upheaval. Born on June 16, 1882 to a father who was a finance minister for the Qajar government and a mother who was the granddaughter of a Qajar Shah, the future prime minister was exposed to the turbulent world of Iranian politics at a very early age. In a political system decimated by corruption in which most Persians rightly considered the offices of revenue officials to be “synonymous with ‘thief,’” Mossadegh’s father had an unusual reputation: “he could not be bought.” He impressed this ethic of incorruptibility on his young son, and the future premier would reflect this ideal during the Anglo-Iranian oil crisis. His father’s position in the Qajar government would allow Mossadegh to witness the debates that led to the Constitutional Revolution of 1906, the movement that created Iran’s legislative body, the Majlis. Then, unexpectedly, his father died in 1896. Mossadegh, at fourteen years old, was thrust into his father’s stead and became chief representative of the state treasury of Khurasan, an area in eastern Iran in which he would later be imprisoned by Reza Shah.

Mossadegh cherished his father’s example of incorruptibility while his mother taught him strong humanitarian values. She was the source of Mossadegh’s lifelong motto: “The weight of the individual in society is determined by the amount of hardship he endures for

---

17 Yergin, The Prize, 121.
18 de Bellaigue, Patriot of Persia, 19-21.
the sake of the people.” As she spoiled him with love and yet burdened him with expectation, she impressed upon him the idea that sacrifices were necessary to be a great leader and routinely pushed Mossadegh to fight exhaustively against the challenges of Iranian politics. One story that became mythologized cast his mother as his political catalyst: early in Mossadegh’s career, after he had suffered “virulent press attacks” and had “retired to bed, claiming to be suffering from a fever,” Mossadegh’s mother came to his side, but not to console or comfort. Instead, she began swearing and beating her son with her cane, saying, “Get up! You think you can cross the sea without getting your feet wet?” Apparently, “Mossadegh’s recovery was immediate.”

Mossadegh began his political career by admonishing the political corruption and royal manipulation that was the status quo in Persia. He believed in a liberal democratic ideology that not only undermined his own aristocratic status but also the monarchical privilege of the Shah: that “if the individual was to benefit from a political act or law, the people as a whole must first derive benefit.” This was a radical position, as it confronted the dominant groups in Persian society – the royal family, the military, the ulama (clergy), and the traditional aristocracy. His marriage in 1903 to a Qajar princess insured the continuance of his political development, and while the Constitutional Revolution succeeded in 1906 and the first Majlis was established, this time period also brought upheaval, and the chaos died down only because of the political influence of Britain and czarist Russia.

Subsequently, Mossadegh left for France and Switzerland in 1909. While studying in Paris,

---

22 Katouzian, Memoirs, 2.
23 de Bellaigue, Patriot of Persia, 23.
24 Diba, Mossadegh, 6.
the French Revolution became an inspiration, and Mossadegh worked tirelessly to make the most of his European opportunity. But the accomplishment came with a price: while in Paris, Mossadegh began to suffer from a “nervous disorder” that would be exacerbated by his political career, contribute to his hypochondria, and plague him for the rest of his life. He began to suffer from ulcers and extreme tension. These ulcers would disallow him from eating full meals, which led to the fainting spells the Western press regularly highlighted.

Exhausted from work, Mossadegh had a “complete collapse” in Paris, but returned to Iran before the outbreak of World War I with a law degree from the University of Neuchâtel in Switzerland. It was 1914, and at the age of thirty-two, he had become the first European-educated doctor of law in Persia. He became a professor of law at Teheran University, a position he kept returning to between his government appointments, which included a term as the governor of Fars (1920), minister of finance (1921), governor of Azerbaijan (1922), foreign minister (1923), and, most importantly, Majlis deputy (1924-1928).

While Mossadegh’s progressive political views and rapid upward mobility within government ranks made him a target for internal and external intrigue, another political figure made a parallel ascent. A political rival of Reza Khan from the beginning, Mossadegh “watched [his] rise with misgivings.” Although he would agree with some of the reforms Reza Khan made as prime minister, including issues concerning women’s rights and limiting

---

25 Katouzian, Memoirs, 3.  
26 de Bellagie, Patriot of Persia, 38.  
28 de Bellagie, Patriot of Persia, 24.  
30 Ibid.  
31 de Bellagie, Patriot of Persia, 73.
the power of the clergy, this approval would be short-lived.\textsuperscript{32} When Reza’s expanding power as premier led to the ousting of the last Qajar Shah and established a dictatorship shrouded in a façade of constitutionalism, Mossadegh announced his opposition forcefully in 1925:

\begin{quote}
Today, in the 20\textsuperscript{th} century, is it possible that anyone can accept that a constitutional country can have a governing king? [Reza Khan] wished to become the king of the country and, at that, a governing king. If we call him king, prime minister, and governor, as well as everything else, this is idolatry and cult of the personality and a return to complete tyranny and authoritarianism.\textsuperscript{33}
\end{quote}

The speech would make him famous, and the rivalry between the new Shah and Mossadegh grew: Reza Shah issued a decree barring “anyone with Qajar blood from ascending the throne,” and Mossadegh responded by refusing “to swear fidelity to Reza when taking up his seat in the sixth Majlis.” As the Shah knew it was prudent to keep his enemies close, he summoned Mossadegh and offered him the premiership: the deputy turned it down.\textsuperscript{34}

Reza Shah banished the future premier from politics in 1928 and exiled him to his home in Ahmad-Abad, a town eighty miles west of Teheran, for almost a decade. Thus, he was unable to fight the 1933 oil agreement: “I longed to warn people about the harmful effects of [the concession’s] renewal, but the circumstances didn’t permit this, and it was impossible for anyone to utter a word in defense of the nation’s interests.” He became isolated and despondent: “Life in this world is nothing but unhappiness…let us hope things are better on the other side.”\textsuperscript{35} As Reza Shah tightened his grip in the 1930s, Mossadegh’s

\begin{flushright}
\textsuperscript{32} Abrahamian, \textit{The Coup},
\textsuperscript{33} Diba, \textit{Mossadegh}, 57.
\textsuperscript{34} de Belliague, \textit{Patriot of Persia}, 79.
\textsuperscript{35} de Belliague, \textit{Patriot of Persia}, 94-99.
\end{flushright}
health deteriorated, and he suffered chronic insomnia. He would later recall this period with regret: “From those years I have nothing but sadness and misery to offer.”

On July 26, 1940, Reza Shah – his power slipping – imprisoned Mossadegh. He was ordered to Birjand prison, a desolate fortress in northeastern Iran. Mossadegh’s youngest daughter, Khadijeh, was a teenager at the time of Mossadegh’s arrest. News of his capture devastated her. After witnessing his rough transfer from the Teheran prison to the car that would take him to Birjand, Khadijeh had a psychotic episode and fell into a four-day coma. Mossadegh’s imprisonment would contribute to her descent into a “deep and chronic depression.” Even after he was released, her mental state persisted. She suffered from psychological breakdowns and became a “patient at various Swiss psychiatric hospitals.”

Mossadegh was heartbroken, and the fate of his daughter would accentuate his lifelong goal of removing the Pahlavi regime from power. In addition to his desire for democratic government and his wish to free his country from outside influence and arbitrary rule, Mossadegh held a personal grudge against the Pahlavi family.

In 1941, the Soviet Union and Great Britain invaded Iran in the name of preventing German influence and protecting the oil that facilitated their war-making efforts. The Iranian military panicked, and the allies forced Reza Shah from the Peacock Throne. This left Mohammad, Reza’s 21-year-old son, in his place. Mohammad Reza Shah released Mossadegh in September 1941, but this pardon would not prevent Mossadegh from protesting Reza Shah’s legacy or denouncing Mohammad Reza’s newfound most-favored-

36 Katouzian, Memoirs, 80, 87.
37 Katouzian, Memoirs, 14.
38 Ibid.
monarch status with the British government. Indeed, the new Shah was “holding his position at the sufferance of the external Allied powers.”

After being elected to the Majlis in 1943, Mossadegh renewed his mission of opposition, reminding Iranians that the Pahlavi’s had “deprived [them] of their freedoms, stripped them of the right to elect [their own] deputies…extended the oil concession by thirty-two years, and made millions out of [that] deal.” By the end of World War II, Mohammad Reza had made an agreement with the British that returned to him the control of the Iranian army if he fully cooperated with them. In addition, the Shah accepted a 600 million rial grant from the British government, of which he deposited $1 million in his New York bank account, just “in case of an emergency.” Like his father, Mohammad Reza Shah’s “reign” was turning into “rule.”

The Cold War in Iran and Oil Nationalization

Although the allied powers would dub Iran the “Bridge to Victory” for its role in World War II, they treated the nation more as a doormat – taking the oil they needed while wiping their feet with Iranian sovereignty. As World War II ended, Mossadegh called for Iran to regain its dignity. This would require a diminution of the Pahlavi’s legacy of royal absolutism and dependence on foreign power. He began to insist that the Shah “make the Majlis supreme” and proposed that “the army and police should be subject to civil control.” Mossadegh focused on three areas: electoral reform, a foreign policy of non-alignment, and

---

43 Wm. Roger Louis in Gasiorowski and Byrne, 127.
“a crusade against corruption and the pillage of public funds.” But the end of World War II brought another crisis that threatened Iranian sovereignty. During the Teheran Conference in 1943, the allies had agreed to end their occupations of Iran within six months of victory. But when the deadline arrived, Soviet troops lingered in Azerbaijan. Anxiety coursed through the international community, a crisis arose, and the international imbroglio would illuminate the incredible importance of Iran to the balance of the Cold War.

Tensions peaked in Azerbaijan when Soviet-armed members of the Tudeh Party – Iran’s communist party – clashed with Iranian gendarmerie, led by American General H. Norman Schwartzkopf, Sr., whose son directed US forces in the Gulf War of 1991. The Iranian army had been receiving American military missions since Mohammad Reza Shah ascended the throne in 1941, and the aid allowed the Shah to suppress Iranian nomadic tribes in the postwar years. Indeed, even early in his reign, the Americans had exhibited a pattern of strengthening the Shah. In December 1945 the Azerbaijani nationalists, backed by the Soviets, pronounced independence. In turn, the Iranian government, with encouragement from Washington, brought the issue before the UN Security Council. The allies justifiably accused the USSR of supporting the separatist movement: since the occupation of Iran during the war, Stalin had been strengthening the Tudeh Party in Azerbaijan.

The Soviet dictator withdrew his troops from Azerbaijan in May 1946. However, Iranian politicians had tricked Stalin by offering him a phantom oil concession: they

44 Diba, Mossadegh, 82.
45 Abrahamian, Modern Iran, 107.
47 Malcolm Byrne, “The Road to Intervention” in Gasiorowski and Byrne, 204.
48 Abrahamian, Modern Iran, 107.
promised the northern Iranian oil fields to Stalin knowing that the Majlis would never ratify the concession. A year later the Majlis rejected the contract, and Mossadegh stealthily wrote into the rejection legislation “a provision requiring the…review [of] the Anglo-Iranian concession of 1933 with a view toward safeguarding the rights of the people.”

The Azerbaijan incident resonated deeply within the Truman administration, and “constituted proof that Moscow harbored aggressive intentions toward its neighbors, particularly Iran.” Stalin’s actions were exactly the kind of venomous tactics that the American intelligence community was coming to expect from Moscow, and George Kennan’s “Long Telegram,” the cornerstone of containment policy, was in large part a response to Stalin’s covetousness in Iran. Thus, the crisis had heightened Cold War anxieties and shaped American policy. Also, the Soviets had strengthened their alliances with the Tudeh Party and positioned themselves for improved strategic possibilities within the region.

After Azerbaijan, the Americans would take extra care in helping to maintain political and territorial stability in Iran. As Truman saw it, Stalin had backed down only when confronted with an “iron fist and strong language.” Indeed, the episode helped “trigger a spiraling crisis of misperception and mistrust” between the two superpowers. Also, Iranian oil was now seen as an integral chess piece of the Cold War, and keeping Iran friendly towards the West was of ultimate importance. Iran, like other oil-rich countries occupying the periphery of the Cold War world-system, was now caught in the middle.

49 Acheson, Creation, 503.
50 Byrne in Gasiorowski, 205.
52 Leffler, 81.
The Azerbaijan crisis would be significant for another reason: it brought the Tudeh Party to the attention of the West. Its rise was so impressive that American Ambassador George Allen would remark, “Tudeh is the only large, well organized, and functioning political machine in Iran.” Drawing its support from the urban working class, oil laborers, students, and the emerging middle class intelligentsia, the Tudeh would be early proponents of oil nationalization. The party would also organize a massive strike of oil workers in 1946, forcing the AIOC to agree to an eight-hour workday, an overtime pay scale, better housing for workers, and a minimum wage. The Tudeh was also instrumental in illuminating the evils of the AIOC: it pointed out that Iranian workers lived in “shantytowns” and “desert tents,” subject to “racist attitudes,” and forced into “segregation…in major matters like employment or accommodation” as well as “the use of buses, cinemas, and clubs.” The Tudeh argued that the AIOC resembled “a typical ‘colonial’ enterprise,” and that the British viewed their more than 50,000 Iranian “wage-earners” as “a race apart, ‘wogs,’ ‘bastards,’ ‘lousy shits.” This “racial antipathy” would simmer beneath the surface of the crisis.

However, the Tudeh directly threatened royal power, and Mohammad Reza Shah exiled many of its leaders in the aftermath of the Azerbaijan crisis. After an assassination attempt on Mohammad Reza Shah at Tebriz University in Azerbaijan in February 1949, Tudeh momentum came to a full stop. The Shah took the opportunity of his survival to impose martial law, outlaw the Tudeh party, and crackdown on its followers. The AIOC

---

54 Abrahamian, Modern Iran, 110.
56 Abrahamian, Modern Iran, 112.
would assist him in this purge.\textsuperscript{57} It was a watershed moment for the Shah: having escaped death, Mohammad Reza Shah’s confidence would spike. The Shah used his newfound gumption to pass edicts limiting the effectiveness of the Majlis. He also came to the United States seeking the aid promised to Iran at the Teheran Conference.\textsuperscript{58} Arriving on November 16, 1949, the Shah insisted on increased military aid, but he would leave the United States with only a joint communiqué from President Truman assuring future aid.\textsuperscript{59} He returned to Iran to find the nationalization movement gaining momentum.

Mossadegh’s ascent would send the Shah into a tailspin. The future premier formed the National Front after leading a sit-in outside the Shah’s palace in October 1949, and adopted the platform that “if Iran did not control its own oil, it would be better if it stayed underground or was consumed by fire.”\textsuperscript{60} The Supplemental Agreement, a feeble attempt by the AIOC to quiet growing condemnation of the 1933 agreement, gave Mossadegh his first chance to attack. To the nationalists, the 1933 deal had been “negotiated under duress and signed by an autocratic regime that did not represent the will of the people,” and the Supplemental Agreement gave only a minimum of increased benefits to Iran. Mossadegh prevented its passage in the Majlis on November 25, 1950.\textsuperscript{61}

He was now the leader of a movement that championed constitutionalism, national independence, democratic reform, and, above all, full control of Iranian oil. By ignoring Iranian nationalism and trying to push the Supplemental Agreement through the Majlis with

\textsuperscript{57} Abrahamian, \textit{Modern Iran}, 112 and Abrahamian, \textit{The Coup}, 21.
\textsuperscript{58} Dean Acheson, Rough Draft of \textit{Present at the Creation}, page 5, Publications File, 1936-1971; Books File, 1954-1971; Research Notes, Binder 30, Iranian Oil Crisis, 1951; Box 119; Dean Acheson Papers, Harry S. Truman Library.
\textsuperscript{59} Kinzer, \textit{All the Shah’s Men}, 71.
\textsuperscript{60} de Belliague, \textit{Patriot of Persia}, 144.
\textsuperscript{61} Heiss, \textit{Empire and Nationhood}, 13
the help of the Shah and his prime minister at the time, General Ali Razmara, the British were strengthening a leader who would challenge their waning empire. Then, weeks after the Supplemental Agreement was rejected, Saudi Arabia announced its fifty-fifty profit-sharing deal with ARAMCO. The Saudis were now receiving “nearly double the amount Iran stood to earn under the Supplemental Agreement.” Ayatollah Kashani, a prominent cleric and integral member of the National Front, issued “a fatwa calling for oil nationalization.” The last impediment was shattered when Prime Minister Razmara was assassinated in March.

While the British tried everything in their power to help the AIOC stem the tide, the Americans became incredulous as to why Great Britain would cling to the AIOC’s tired methods of bribing Iranian officials and creating political unrest in Teheran. However, the allies did agree on one issue: the National Front was fast becoming a threat to the stability of Iran. The Americans feared specifically the “danger of serious Tudeh infiltration of the National Front and the government bureaucracy,” and they were alarmed by how Mossadegh’s platform appeared to incorporate many of the Tudeh’s governing principles. In fact, nationalization had allowed the Tudeh “to regain its strength in the oil industry,” and led to a debilitating oil strike in April 1951 as nationalization legislation passed in the Majlis.

Thus, as the crisis deepened, the Americans began to fear that it was only a matter of time until Mossadegh and the National Front became beholden to the Tudeh and the USSR. A few days into his stay in the United States, the CIA asserted that the National Front was

---

62 de Bellague, *Patriot of Persia*, 150.
63 “CIA National Intelligence Estimate, NIE-75: Probable Developments in Iran through 1953” November 13, 1952. President’s Secretary’s Files, Truman Papers. Student Research File: “The Oil Crisis in Iran, 1951-1953.” Harry S. Truman Library.
playing “directly into Soviet hands” by not finishing off the Tudeh Party. But Mossadegh’s values would not allow him to do so: he believed in freedom of the press and considered political pluralism essential to Iranian modernity. Still, the National Front was on a collision course with the mechanizations of containment. It did not matter that “the [Tudeh] not only considered the National Front as a rival but attacked its professed principles as well,” the United States could not underestimate the insidiousness of the Soviet Union.

These were just some of the factors that were weighing on the Truman administration by the time Mossadegh set out for the United States in October 1951. Another element involved the international oil companies: after nationalization, the AIOC enlisted its fellow titans of oil, including the large American companies, in imposing a worldwide boycott of Iranian oil during the summer of 1951. As anxiety spread “across the white world” over Iran’s “latest show of oriental bad form,” the fear of a domino effect emerged: as a London paper would print, “If we bow to Teheran, we bow to Baghdad later.” In the months that followed, British and American diplomats, encouraged by oil company executives, tried to convince Mossadegh that he was fighting a losing battle. The oil boycott was put in place to make sure the premier would fail.

In turn, the Iranian economy began to stall. The British attacked through legal channels as well, going to the International Court of Justice in June 1951 and complaining that the Iranian government was preventing the AIOC from carrying out its business.

---

65 CIA Report, Analysis of Iranian Political Situation, October 12, 1951; Iran; Foreign Affairs; Subject File; PSF; Truman Papers. Student Research File: “The Oil Crisis in Iran, 1951-1953.” Harry S. Truman Library.
66 Fakhreddin Azimi, “Unseating Mosaddeq” in Gasiorowski and Byrne, 69.
67 Mary Ann Heiss, “The International Boycott of Iranian Oil and the Anti-Mosaddeq Coup of 1953,” in Gasiorowski and Byrne, 178.
68 de Belliagioe, *Patriot of Persia*, 158.
However, when the Hague decreed that Iran should take no action that would “hinder the carrying on of the industrial and commercial operations of the AIOC” and that “operations in Iran should continue” according to the agreement signed in 1933, Mossadegh ignored it. The British responded by stationing warships in the Persian Gulf, but the Americans implored them to stand down, fearing this move would increase the chances of Soviet involvement. Mid-summer, Mossadegh sent a letter to Truman asking for assistance, and the president sent Averell Harriman to Teheran to broker negotiations between Mossadegh and UK envoy Richard Stokes. When talks broke down in late August because, according to the incoming British Deputy Prime Minister Anthony Eden, “Iran insisted on the literal application of their nationalization law,” Mossadegh increased the stakes: in September, the Majlis passed legislation requiring all AIOC personnel to leave Iran by October 4th. Great Britain complied, but submitted a complaint to the UN on September 28th, 1951.

The Security Council voted to debate the British draft resolution on October 1st, and scheduled the first session for October 15th. This is why Mossadegh came to the United States, and his visit gave him opportunities that extended beyond his chance to excoriate the British on the UN’s international stage. In America, he was able to explore the possibilities for an oil settlement on his terms. He was also able to implore the Truman administration for foreign aid in order “to fight the British imperialists” while using the threat of a potential alliance with the Soviets to drive a diplomatic wedge between the Anglo-American partnership. Furthermore, by representing his country at the United Nations and in

---

72 Acheson, *Present*, 504.
diplomatic talks with the Americans, Mossadegh symbolically supplanted his monarch, thus furthering his mission of making the Peacock Throne obsolete and establishing democratic government in Iran. But Mossadegh would ultimately fail, and the Americans would eventually come around to Britain’s way of thinking: “We have been the saints, and Mossadegh has been the naughty boy.”

**Mossadegh in Context: Another Cold War Battle for the United States**

Mossadegh was the harbinger of yet another Cold War crisis the United States could ill afford: its resources were already spread too thin. The Korean War was a constant reminder of how quickly the Cold War could become hot. The day before Mossadegh arrived in New York, the *New York Times* reported that the Defense Department had confirmed “940 more battle casualties,” including “175 dead” and “712 wounded.” Americans were being told that the Soviet Union and its allies would stop at nothing to defeat the “American atomic militarists.” In addition, the United States was still responsible for rebuilding Europe through the Marshall Plan, and numerous countries around the world were receiving assistance through the Truman Doctrine. Already, there had been significant defeats: the President had lost China, as Chiang Kai-shek had wasted American aid and armament, failing to stop the ascension of communism. The president could not afford to lose Iran as well. McCarthyism had created domestic communist witch-hunts, and the Soviets had developed a hydrogen bomb. The coming of Mossadegh was unwelcome.

---

The Korean War had also reprioritized American oil security. US civilian consumption of oil products had exploded in the early Cold War: in 1945, there were 26 million cars on the road and gasoline sales to consumers had been rationed during the war. By 1950, 40 million cars were rolling up to gas stations, and petrol was flowing freely.\(^\text{76}\) As operations in Korea and the rebuilding of Europe increased demand further, Truman considered reinstituting the wartime rationing program in order to reserve more fuel for the military.\(^\text{77}\) To further complicate matters, the United States had recently crossed the line into oil dependence.\(^\text{78}\) America, which had been an exporter of oil since 1870,\(^\text{79}\) had become a net importer in 1948.\(^\text{80}\) If postwar growth was to continue unabated, and if containment was to succeed, the United States required vast and secure sources of petroleum. Oil had become the key to economic security, military strength, global status, and social improvement – it was the essential piece required to achieve “mastery itself.”\(^\text{81}\) Therefore, the nationalization of Iranian oil and Mossadegh’s insistence that a fifty-fifty profit-sharing deal was unacceptable to Iran could not have come at a worse time for American security.

Truman’s speech to Congress on March 12, 1947 illustrates just how important oil access had become in the early Cold War. Commonly known as the Truman Doctrine, the address was delivered just as the United States government was realizing that its oil import/export balance was shifting. Edited out of the final version was a passage about the importance of oil in the fight against the Soviets:

\(^{76}\) Yergin, *The Prize*, 391.
\(^{77}\) Heiss, *Empire and Nationhood* page 58
\(^{78}\) Yergin, *The Prize*, page 392.
\(^{79}\) Yergin, *The Prize*, page 3.
Confusion and disorder might well spread throughout the entire Middle East...an area in which the United States has a vital interest in the maintenance of peace and good order. This is an area of great natural resources which must be accessible to all nations and must not be under the exclusive control or domination of any single nation.  

Truman, by eliminating references to such “crude” politics, pushed the script of protecting oil resources underground: it became implicit in American policy, rarely overtly mentioned as a motive for foreign relations. By the time of Mossadegh’s ascent, protecting access to oil was the silent backbone of US foreign policy.

Thus, by the time the Korean War began on June 25, 1950 the United States had been actively closing in on new oil deals with developing nations. Announced in November 1950, the ARAMCO fifty-fifty profit sharing deal was a bombshell for oil investments in the Middle East, particularly for the British in Iran. The protest emanating from London was that the United States had allowed one of its oil companies to ruthlessly undercut its closest Cold War ally. To the British, the Americans were cowering to nationalism, unnecessarily supporting the interests of oil producing countries. The ARAMCO deal thus caused resentment between the allies: indeed, a Cold War power struggle was developing between the Western allies. Mossadegh exacerbated this, and drove a wedge into the “special relationship.”

---

The British Force the Issue

On October 1, 1951, the Security Council agreed to discuss the British “complaint of failure by the Iranian Government to comply with provisional measures indicated by the International Court of Justice in the Anglo-Iranian Oil Company case.” The Hague’s “provisional measures,” handed down on July 5, 1951, had included three primary stipulations. The ICJ had asked both Iran and Great Britain to “ensure that no action is taken which might prejudice the rights of the other Party” or “which might aggravate or extend the dispute.” In addition, Iran should allow “the carrying on of the industrial and commercial operations of the AIOC” as they had existed prior to May 1st, 1951, the day the Majlis ratified Mossadegh’s Nine Point Law. Both parties had committed egregious violations of these measures: the Iranians had commandeered the AIOC’s oil fields and refineries and the British had instituted the informal worldwide boycott of Iranian oil while parking warships in the Persian Gulf. Thus, the UN was being asked to enforce the will of The Hague.

At the October 1st meeting, the president of the Security Council, Brazil’s João Carlos Muniz, asked, “Are there any objections to the adoption of the agenda?” Semyon Tsarapkin of the USSR raised his hand, saying that UN involvement constituted blatant “interference in the internal affairs of Iran and an infringement of the sovereign rights of the Iranian people.” From the start, the Soviets were supporting the Iranian cause. This became a theme of these meetings: the evidence of a new friendship between Iran and the USSR.

---

The topic of UN jurisdiction would also emerge in these meetings. At issue was whether or not Chapter 7 of the UN Charter – the passage that declared a nation “a threat to peace” and thereby justified mandatory sanctions and military intervention – could be applicable to economic disagreements between nations. Tsarapkin claimed that if his fellow delegates adopted the agenda they would violate the UN Charter, which stipulated that the United Nations should not “intervene in matters which are essentially within the domestic jurisdiction of any State.” The representative from Ecuador, Antonio Quevedo, disagreed, arguing that there was “an inherent danger” in the crisis that “may consequently threaten international peace and security.” The use of this language evoked Chapter 7.86 In 1951, the only time Chapter 7 had been utilized was upon the outbreak of the Korean War. Was the Iranian crisis – an economic disagreement that threatened capitalist standards – a “threat to the peace, breach of the peace, or act of aggression”? Did this crisis require UN intervention in order to “maintain or restore international peace and security”?87

On the issue of the Security Council’s “competence…to settle the complaint,” Quevedo of Ecuador was as unsure as many of his peers.88 But even by discussing the concept of “competence,” Quevedo and Tsarapkin touched on another contentious question: the Anglo-Iranian crisis would challenge the power and effectiveness of the Security Council and would test the reputation of the United Nations itself. The representative from China, Mr. Tsiang Tingfu, summarized the threat: “The adoption of the agenda as it stands…leaves any member of this Council or anybody invited to participate in this debate free to raise that

---

question of competency again and again, along with matters of substance.” A majority of the Council, however, was willing to procrastinate: as Great Britain’s Sir Gladwyn Jebb would say, “I think we should all agree that the question of competence can, if necessary, be decided later.” From the British perspective, UN “competence” had already been established, and Jebb wanted action. Warren Austin of the United States reinforced the arguments of America’s ally: “We are for peace…we wish this matter to be considered.”

The Empire Strikes First

On October 1st, 1951, the Security Council adopted the agenda, nine to two. Only the USSR and Yugoslavia voted against hearing Britain’s complaint. With Mossadegh in Teheran, President Muniz invited “Mr. Ardalan, representative of Iran,” to take “a place at the Security Council table” and allowed Sir Gladwyn Jebb to speak. A career diplomat who had studied history at Oxford, Jebb’s career began in the British Foreign Service in Teheran in 1927. Later, he rose through the ranks to become Foreign Secretary Ernest Bevin’s right hand man and became the UK’s first representative to the United Nations. Because of the rising popularity of television in the early 1950s and due to the fact that all the Security Council sessions were televised in New York, Jebb enjoyed “dazzling media success” during his 1950 stint as President of the Security Council, presiding over the Korean War debate. He scored “points with a mixture of easy urbanity and common sense which delighted the Americans and sent Jebb soaring up the ratings, preceded only by Bob Hope.”

---

Jebb made it clear that taking its case to the UN was “the only course open to the United Kingdom at the present time.” Because of Iran’s “insensate actions,” the operations of the AIOC had ground to a halt. Echoing 19th century imperialist rhetoric, Jebb argued that this crisis had to be resolved immediately; otherwise “the whole of the free world will be much poorer and weaker, including the deluded Iranian people themselves.” By ignoring The Hague, Iran had created an apocalyptic situation, as the AIOC had been forced, due to the threat of mob violence around Abadan, “to reduce the numbers of its staff…and the scope of its operations” to the point where only “the minimum essential to maintain the installation in working order” remained. Mossadegh’s government had ordered the full expulsion of British technicians by October 4, and Jebb sought “to draw attention to the ill effects” of this act, “not only on the free world as a whole, but also on Iran itself.”

If Teheran was allowed “to impose unilaterally its own will…a deadly blow will have been struck at the whole system of international cooperation which we have been seeking to build up since the last war.” He argued that Mossadegh was threatening world order and ignoring the principles of “justice and respect” that the United Nations was supposed to uphold. If nothing was done, “a grave step will have been taken towards anarchy,” and “the rule of law” would perish. Then, Jebb directly invoked the language of Chapter 7, saying that this “inflammatory situation” was a direct “threat to international peace and security.”

Jebb proceeded to give the Council “a historical survey of the dispute,” starting with the British version of the original D’Arcy concession in 1901 and the formation of the Anglo-Persian Oil Company in 1909. He admitted that the original concession, which gave

---

Iran only “16 percent of the Company’s net annual profits,” was “a source of difference of opinion” between Iran and Great Britain. But Jebb claimed that it was only because of the Great Depression and the consequent loss of oil income for Iran that controversy over the original agreement had arisen, as Reza Shah, in reactionary fashion, “declared the concession cancelled” in 1932. This had led to the 1933 accord, which Jebb redefined as a huge boon for Iran and a great sacrifice on the part of the AIOC: “The Company” had agreed to allow Iran to enjoy more of the AIOC’s “prosperity in good years” and yet had “protected” Iran “from serious…loss in bad years.” He did not mention, however, that this agreement extended the deal by sixty years and added only four percent to Iran’s annual income.93

The Iranians, Jebb contended, had caused an international firestorm without considering “the practicability” of nationalization. After May 1951, “the pace of events in Iran became alarmingly swift,” and violence was spreading: over the summer months, whenever Mossadegh “delivered a series of inflammatory speeches,” workers at the Abadan refinery, the biggest refinery in the world and the crown jewel of the AIOC, threatened British lives. The British had “made every effort to reach an agreement,” but even though the AIOC used the most “careful reasoning” when it told the Iranian government “it was essential…to retain the British technical staff,” Mossadegh continued to be “intransigent.”94

Thus, Jebb concluded that Mossadegh’s policies were an inherent “threat to the peace.” If he could convince the Security Council of this, the UN could impose sanctions that had teeth. Great Britain insisted, “The status quo should be preserved.” If UN

---

representatives were to follow the path of Iranian logic, there would be “no meaning in the rule of law.” The AIOC was not, as Mossadegh continually claimed, “a gang of unscrupulous blood-suckers whose one idea” was “to drain the Iranian nation of any wealth that it may possess.” Jebb pointed out that this rhetoric was “reminiscent of that employed by the Tudeh, or Russophil party.”

As for Iranian contentions that the AIOC had been detrimental to the development of Iran, Jebb had evidence to the contrary. Following the logic of imperialism, Jebb argued that the “Company” had brought “very great benefits to the Iranian people,” had provided nothing short of “a model of the form of development which would bring benefits to the economically less-developed areas of the world,” and had “strained every effort to improve the standard of living and education of its employees.” The AIOC had provided vocational training, workshops, and apprenticeships, had built hospitals, schools, houses, bridges, roads, a “technological institute,” and had granted opportunities for Iranian employees to study abroad “at universities and technical colleges in England at the Company’s expense.” Thanks to the AIOC, “a permanent contribution” had been made by a “raising of standards:” Iran had become modernized along a Western trajectory.

“To ignore entirely these activities,” as Jebb accused Mossadegh of doing, and to accuse the AIOC of “oppression, corruption, and treachery” was “base ingratitude” and “simply ridiculous.” Jebb was confident that “all fair-minded people” would agree. The Security Council must intervene in this “rash act of expropriation” that could bring the “most

---

sinister consequences.” Mossadegh’s policies threatened the West’s vision for new postwar world: “After all…we have been trying to establish…a free world…a world in which the big and powerful nations do not bully the small and the poor ones.” However, all weak nations had “to respect international agreements,” and thus Iran could not “pursue a negative and…isolationist course.” This would lead them straight into the arms of the Soviets.

Jebb urged his peers to imagine the possibilities of the new postwar world led by the West: “Since 1945…all of us in the free world [have been] employed in trying to construct a new world order, the essential basis of which will be the elaboration of some synthesis whereby [all] countries…can cooperate to the benefit of all.” However, “sacrifices” would have to be made by both rich and poor nations. Evoking the consequences of appeasement during the interwar years, Jebb said that the lessons learned from “Hitler’s war” were applicable: Iran had to understand that “self-sufficiency is an idle dream.” The “new emergent nationalities” had to “cooperate with the industrially older-established nations” in order to avoid “the tragedies of intemperate action.” This “new nationalism” in the developing world could easily be “pushed too fast and too far.” Mossadegh, by nationalizing Iran’s oil, had acted rashly. Jebb warned that if the Security Council chose appeasement, the world could soon find itself engulfed in another great war.

Jebb then challenged his fellow delegates to forsake “suspicions…of Western techniques;” humankind had to “rid [itself] of the Marxist conception that…the only relations between nations can be those of exploiters and exploited.” Britain’s intentions consisted only of improvement and advancement. “The action of my Government in handing over power in

---

98 Ibid.
the Indian sub-continent” showed that the British Empire possessed benevolent motivations. Jebb implored an absent Mossadegh to seek “intelligent cooperation” and accept the “sensible way out.” Britain had offered “very generous terms” but was now being smacked with “this odious label of imperialism.” Rather, Jebb argued, it was the Iranians who were playing the role of “‘exploiter’” by drinking “the heady wine of nationalism for their own selfish ends.” He painted Iranians as greedy yet cheap: they wanted “to extract more money…which would otherwise have to come out of their own pockets.” He accused them of attempting to “seize and realize assets to which they [had] no legal or moral right.”

There would be no oil industry without the AIOC, he said: at the very least, appropriate compensation was due to the former company for its decades of service to Iran.

In addition, the Iranians, Jebb asserted, were incapable of being able to “properly develop” their own oil without foreign help, and the National Front would prove to be “their own worst enemies,” as Abadan faced imminent shutdown. “The foreign goose will not lay any more golden eggs,” he said, and the Iranian “goose will not lay any eggs at all.” A “reasonable arrangement” was the only answer: how could Britain simply “hand over property…in return for a vague suggestion of compensation which…may well amount to nothing at all?” If only Mossadegh would stop rushing “madly down a steep hill in pursuit of an illusory object” there would already be a “genuine partnership” in place. The premier had to stop this “suicidal process.” It was essential that the United Nations uphold “the rule of law” and “reason,” the only buffers between the West’s “intelligent progress” and Iran’s proclivity for “blind [and] unintelligent reaction.” The future was at stake: Jebb claimed that

---

the Security Council, by taking action, would facilitate the “peaceful adjustment between the ancient East and the industrialized West…the major problem of our generation.”

Great Britain’s spokesman sat down. Mr. Ardalan, the representative from Iran, said only that as the chamber had voted to hear the United Kingdom’s complaint, his country needed “at least ten days…to enable the representatives of Iran to reach New York.” After four hours of sitting, the representatives rose, and the chamber filled with the sound of creaking chairs and hushed murmurs: Mossadegh was coming.
CHAPTER 3: The Naughty Boy in New York City

Herbert Morrison was furious. The Deputy Prime Minister of the United Kingdom “could not understand US attitude,” and felt that while “he [had] expected 100 percent cooperation,” he “was only getting 20 percent.” America’s ambassador in London, Walter Gifford, had just brought him a telegram from Secretary of State Dean Acheson, but Morrison, pacing his London office in a “petulant and angry mood,” refused even to look at it. Instead, he “launched into a tirade,” an outburst worthy of Mossadegh himself. “I will not be put in the dock with Mossadegh,” he said. “The United Kingdom has been comparatively blameless in this dispute, whereas Mossadegh has failed to live up to the International Court of Justice recommendations and has generally refused to cooperate in any way.” In fact, Morrison claimed, “We have been the saints, and Mossadegh has been the naughty boy.”

It was October 5, 1951 and the United Kingdom, by submitting a complaint to the United Nations Security Council on September 28th that refuted the legality of Iranian oil nationalization and demanded the AIOC be allowed to remain in Iran, had created a contentious issue. Britain’s “unilateral decision” displeased the United States: the Americans believed that London was involving the UN prematurely – giving Iran an international stage where it could air its grievances would backfire. The Truman administration, increasingly fearful of communist infiltration in Iran, wanted a settlement of the Anglo-Iranian dispute, and it believed – based on the modest progress made by the Harriman mission in Teheran during the summer of 1951 – that an agreement was still possible. The British, on the other

---

1 Telegram 1698, The Ambassador in the United Kingdom (Gifford) to the Department of State, October 5, 1951, FRUS, Vol. X, 205.  
2 The Acting United States Representative at the United Nations (Gross) to the Assistant Secretary of State for United Nations Affairs (Hickerson) in New York, October 2, 1951, FRUS, Vol. X, 191.
hand, were convinced that no deal would materialize as long as Mossadegh was still in power. The allies were bickering.

Indeed, as soon as Great Britain had submitted its complaint to the UNSC on September 28th, the United States had insisted that London water down its rhetoric. This had resulted in a second draft of the complaint, submitted on October 12th, which was less aggressive and changed a key component: whereas, in the first draft, the British insisted that AIOC staff members be allowed to remain at the Abadan refinery despite the Iranian expulsion order and to continue oil operations while the crisis was resolved, Washington saw this as impossible and asked London to limit its demands severely. The second draft would excise the requests that Iran “act in all respects in conformity with the [ICJ] provisional measures” and “permit the continued residence at Abadan of the staff affected by the recent expulsion orders.” These would be replaced by a generic call to resume “negotiations at the earliest practicable moment.” To put it mildly, the British had not appreciated this input, but the Americans desired to respect Iran’s wishes.

Thus, October 5th was the high water mark for this argument between the British and the Americans. Morrison argued that while London had accommodated Washington numerous times, “on Iran…you have persistently inveighed against the use of force and then when we reverted to an appeal to the Security Council to uphold the rule of law, you not only had doubts regarding the wisdom of the action, but came up with [an alternative] resolution which failed to make any distinction between relative guilt and innocence of the parties.”

---

his opinion, Iran’s “failure to act with the ICJ’s interim measures” could not be tolerated. He hoped Washington was “not trying to bring about the defeat of the Labor government.”

Gifford assured him that this was not the case and then told Morrison of an exciting new development: apparently, Mossadegh was “not only willing to resume negotiations but also [willing] to come to an understanding when he gets to New York.” Morrison, however, was dubious, citing the “extreme difficulty encountered in the past in holding Mossadegh to his word.” Nevertheless, the Deputy Prime Minister was willing to be optimistic, for now. If it was true that Mossadegh was “willing to enter into genuine and sincere negotiations…perhaps the Security Council action could be postponed,” giving the State Department more time to broker a settlement before Mossadegh was given a chance to justify Iranian actions in front of the world.

This hope was tempered by Morrison expressing his greatest fears: “He did not want to be made a fool of by Mossadegh, by ‘queering the pitch in the Security Council’ or by ‘being left in the lurch by the US.’” If Morrison were to follow the “defeatist” position that the United States was taking in the edited and diluted second draft of the complaint, “he would have to be convinced that Mossadegh was sincere” in his promise to negotiate. The Americans had fears as well, Gifford said, and the letter from Acheson that Morrison held in his hand expressed these succinctly: “I fear [that] if Mossadegh in [the Security Council] debate presents his case in the way to be expected, the Iranian position may become so firm as to make any solution impossible…[To] forestall debate in the Security Council is vital.”

---

5 Telegram 1698, The Ambassador in the United Kingdom (Gifford) to the Department of State, October 5, 1951, FRUS, Vol. X, 205.
6 Ibid.
7 Ibid.
8 Telegram 1633, The Ambassador in the United Kingdom (Gifford) to the Department of State, October 4, 1951, FRUS, Vol. X, 202.
Mossadegh’s reputation preceded him, and the United States preferred to avoid giving him the opportunity to put on a fiery display on the biggest political stage in the world. The Americans were also aggrieved that the British had not consulted them before sending a resolution to the UN: “We were advised after the fact,” said American UN representative Ernest Gross on October 2, 1951. London had betrayed Washington’s trust, and the Americans felt that the original complaint the British had drafted would inflame the emotions of Mossadegh and the National Front, thus pushing Iran towards the Soviets. London had submitted its resolution “before [the State Department] had an opportunity to give the British our views” on the language of the draft or the wisdom of submitting a claim to the United Nations in the first place.

In the short term, Britain’s unilateral decision to bring the Iranian issue before the UN Security Council would exacerbate the differences in policy and approach between the United Kingdom and the United States. In the longer term, however, the UN draft resolution would set in motion a process that would help bring the allies together. If it were not for Britain’s action, Mossadegh may never have come to American shores, and it was his stay in the United States that convinced the American foreign policy establishment that Mossadegh was not their preferred choice to lead the Iranian nation. After taking the measure of the premier, the Shah, though still young, vulnerable, and unconfident, would be deemed the more reliable choice.

---

9 The Acting United States Representative at the United Nations (Gross) to the Assistant Secretary of State for United Nations Affairs (Hickerson) in New York, October 2, 1951, FRUS, Vol. X, 191.
“The Possible Makings of a Real Anglo-American Rift”\textsuperscript{11}

From the American perspective, London had been reckless, “coerced by an inflamed public opinion in an election year.”\textsuperscript{12} According to American UN representative Ernest Gross, “the press and public in England [were] screaming for ‘action,’” but this should not have caused the British to sing “the last act of ‘The Twilight of the Gods’ in a burning theater.” Even though the Conservative Party was “watching every move waiting to pounce,” the Labor Government was playing into the hands of not only Mossadegh and the National Front, but also the Soviets and the Tudeh Party. Indeed, Gross reported that after the British delegation had submitted the resolution, “[Soviet UN representative Semyon] Tsarapkin was smiling…like a Cheshire cat.”\textsuperscript{13} This was not the time for shouting matches in the UN. It was imperative “that the British remain in a negotiating posture.” By demanding that AIOC technicians be allowed to remain in Iran and by refusing to accept nationalization, Britain was making “communists out of the Iranian people.” Moreover, “The UN would be demeaned…and its authority shaken” if the Iranians ignored the judgment of the council like they had dismissed The Hague’s provisional measures.\textsuperscript{14}

The United States had been trying to help the situation since April 1951. Truman had sent W. Averell Harriman to Teheran in the dead heat of summer to broker a settlement between Mossadegh and British envoy Richard Stokes. Therefore, the Americans felt that their efforts to lubricate British-Iranian negotiations deserved more appreciation than

\textsuperscript{11} Telegram 1698, The Ambassador in the United Kingdom (Gifford) to the Department of State, October 5, 1951, \textit{FRUS}, Vol. X, 205.
\textsuperscript{12} The Acting United States Representative at the United Nations (Gross) to the Assistant Secretary of State for United Nations Affairs (Hickerson) in New York, October 2, 1951, \textit{FRUS}, Vol. X, 191.
\textsuperscript{13} The Acting United States Representative at the United Nations (Gross) to the Assistant Secretary of State for United Nations Affairs (Hickerson) in New York, October 2, 1951, \textit{FRUS}, Vol. X, 191.
\textsuperscript{14} The Acting United States Representative at the United Nations (Gross) to the Assistant Secretary of State for United Nations Affairs (Hickerson) in New York, October 2, 1951, \textit{FRUS}, Vol. X, 192.
Britain’s unilateral action implied. Submitting a resolution that demanded Iran’s compliance with The Hague’s provisional measures and that demanded a reversal of Mossadegh’s ejection of AIOC employees from Iran was “at best questionable” and “might have extremely unfortunate results.”

This belied the American fear of Soviet aggression. As Gifford would say to Morrison, “Our concern is about Russia…this is uppermost in our minds.”

American officials were concerned that the call to “suspend the expulsion” of AIOC personnel “would be the acid in the mixture that would make the whole resolution corrosive.” Indeed, this issue proved to be a stumbling block in the negotiations: for Mossadegh and the National Front, removing AIOC employees from the country was paramount. For too long the company had influenced the politics of the Iranian nation, and as long as AIOC agents remained in the country Iranian sovereignty would be threatened. As Secretary of State Dean Acheson wrote on September 28, 1951, Iranian nationalists wanted nothing more than to “prevent a resumption of the economic and political hold on the country which the Iranians, rightly or wrongly, have attributed to the AIOC.” Iranians feared that “if an agreement is made with the British…the AIOC would simply be continued under a new name.” Therefore, London’s demand that Iran must “permit the continued residence at Abadan of the staff affected by the recent expulsion orders” was anathema to fundamental Iranian desires. The Americans were empathetic to this Iranian sentiment.

---

16 Telegram 1698, The Ambassador in the United Kingdom (Gifford) to the Department of State, October 5, 1951, FRUS, Vol. X, 205.
17 The Acting United States Representative at the United Nations (Gross) to the Assistant Secretary of State for United Nations Affairs (Hickerson) in New York, October 2, 1951, FRUS, Vol. X, 192.
However, some American officials disagreed with Acheson’s prediction that the British resolution “was bound to harden the attitude in Iran.”

Ambassador Gifford, for one, defended the United Kingdom. “I do not see how [our] government can agree to or acquiesce to a resolution which does not express or imply moral condemnation of Iran for the expulsion order,” he wrote from London on October 1st as he protested the American edited version of the resolution. The British had “conducted themselves responsibly,” and the choice for Gifford was clear: “Do we condemn Mossadegh for his continued irresponsibility or do we in effect condone it by associating ourselves with a resolution which attaches no blame and treats both parties equally?” Gifford wrote that British officials were “hurt and bewildered at this attitude” and that this was “no time for Anglo-American divergences.”

W. Averell Harriman agreed. He was one of the few Americans who had spent long hours with Mossadegh, and he had come to sympathize with the British point of view: Mossadegh was unreasonable and could not be brought to his senses. Indeed, Harriman personally embodied the gradual shift in American policy from attempting to be the “honest brokers” to aligning with the British. His initial telegrams from Teheran in late July 1951 criticized London, saying that Britain’s “failure to accept in a friendly manner the gestures of the Iranian government” threatened to “destroy the atmosphere essential to successful negotiations.” But by the time Harriman left Teheran in failure on August 24, 1951, his objective approach had disappeared. He was tired of Iranian paranoia and Anglophobia, saying that the “British proposals provide a good basis for negotiating for a fair settlement,”

---

20 The Assistant Secretary of State for European Affairs (Perkins) in Washington to the Ambassador in the United Kingdom (Gifford), October 3, 1951, FRUS, Vol. X, 195.
21 Telegram 1581, The Ambassador in the United Kingdom (Gifford) to the Department of State, October 1, 1951, FRUS, Vol. X, 189.
22 Telegram 380 from Averell Harriman in Teheran to Secretary of State Acheson, July 25, 1951, President’s Secretary’s Files, Subject File, Foreign Affairs, Iran: Harriman Folder, Box 158, Papers of Harry S. Truman, Truman Library.
yet the Iranians were reading “into the proposals concepts which were not intended.” He could not make Mossadegh understand that “in order to sell its oil in world markets, it must make arrangements with large organizations,” and that, given the worldwide boycott on Iranian oil, “British interests are the only ones that are in the position to market large quantities of Iranian oil.” To Harriman, Mossadegh was incapable of comprehending “well known commercial methods of the international supply and distribution of oil,” and he decided that a settlement was possible only “on the basis of the British proposals.”

Harriman, by the end of his stay in Iran, had sided with the British position: “Mossadegh expects a foreign [oil] staff to work on his terms, foreign oil companies to buy and distribute oil on his terms, and Iran to get all of the profits with compensation only to owners for property taken over. In his dream world the simple passage of legislation nationalizing the oil industry creates a profitable business and everyone is expected to help Iran on terms that he lays down.” A solution to the oil problem was possible only “if a more reasonable government should evolve.” Mossadegh’s “intransigence and utterly unrealistic concepts” were deal breakers.24

Harriman and Gifford were not the only Americans that were beginning to shift positions: the Psychological Strategy Board – an interdepartmental group made up of state, defense, and intelligence officials appointed by Truman that was formed in April 1951 and that carried on the legacy of psychological warfare that began during World War II – wrote a memo on September 21, 1951 that reflected a changing assessment of Mossadegh a week

---

23 Telegram 709 from Averell Harriman in Teheran to Secretary of State Acheson, August 19, 1951, President’s Secretary’s Files, Subject File, Foreign Affairs, Iran: Harriman Folder, Box 158, Papers of Harry S. Truman, Truman Library.
24 Telegram 756 from Averell Harriman in Teheran to Secretary Acheson, August 22, 1951, President’s Secretary’s Files, Subject File, Foreign Affairs, Iran: Harriman Folder, Box 158, Papers of Harry S. Truman, Truman Library.
before the United Kingdom called for UN help. The board was the first to assert that “there is limited agreement that Mossadegh will have to be replaced before the chances for an oil agreement can improve.” In terms of the British, the board “conceded that the US, in the absence of any overall plan of approach to Iran or the Middle East as a whole, has been placed in the position of following the British line.” While it would still take Mossadegh’s six-week stay in America to convince the rest of the Truman administration that the premier would not compromise and that the Americans would have to align with the British, the groundwork for this shift was already being established.

Nevertheless, Washington still wished London had not gone to the United Nations. For one, “The Soviets are bound to veto such a resolution.” The USSR would “have a popular veto and [it] would be handed an opening for an effective ideological propaganda campaign.” In addition, even if the resolution passed, Iran would most likely defy it, and this “would add to the moral decline of the UN.” If Iran flouted these declarations, other developing countries might do the same. But most importantly, the British resolution would “freeze Iran’s position…making further negotiations impossible.” It would also “strengthen the position of Mossadegh, as he would pose as the champion of Iran against the world.”

Indeed, when the prime minister learned that the United States was planning to support Britain’s UN resolution and had voted “to place the oil dispute on the agenda of the Security Council,” he was “outspokenly critical of the US for supporting the British position against Iran.” In a meeting with Ambassador Loy Henderson in Iran he said, “If the US

---

25 Memo from William Korns to Gordon Gray, Subject: Iran, September 21, 1951, Staff Member and Office Files: Psychological Strategy Board Files, Box 7, Papers of Harry S. Truman, Truman Library.
should continue to appear to support the UK position while Russians supported that of Iran, Russian influence will increase at the expense of the West...I know the mentality of my people, and whether we like it or not, Russian popularity is rising in Iran.” Even as Henderson tried to explain that this had been done begrudgingly, and that the United States was a friend to Iran, Mossadegh “did not seem much impressed by arguments that the US by so voting had not taken sides.”

In that same meeting with Henderson, Mossadegh warned: “Iran will never again permit any foreign company or any foreigners to operate or work in Iran’s oil industry on a profit basis,” he said: “When foreigners work on profit basis there is an irresistible temptation for them to interfere in [Iranian] internal affairs for the purpose of making sure that their profits would continue or to obtain larger profits.” This anti-capitalist rhetoric would reappear in some of his most important meetings with American officials while in the United States, and would inflame American fears that Mossadegh might lean towards the Soviets. He left Henderson with the same words he had spoken to Harriman a month before: “Iranian liberty is not for sale.”

American journalists in Teheran saw another consequence of Britain involving the UN: the opportunity for Mossadegh to present his country’s case to the world had temporarily stalled the mounting political opposition to the premier in the Majlis:

Actually, Britain’s complaint to the Security Council and the Council’s action in inviting Iran to take part in its deliberations were a godsend to Premier Mossadegh. In the hour of national danger the opposition in the Majlis collapsed completely and the Premier, who was about to grapple with serious

27 Telegram 1295, The Ambassador in Iran (Henderson) to the Department of State, October 5, 1951, FRUS, Vol. X, 204.
28 Ibid.
29 Telegram 1295, The Ambassador in Iran (Henderson) to the Department of State, October 5, 1951, FRUS, Vol. X, 204.
internal questions, was able to step forward again against the ‘adversary.’ Politically nothing could have been better.\textsuperscript{30}

The British were cementing Mossadegh’s role as the patriotic defender of Iran. Had it not been for their UN resolution, the premier might found himself in a more precarious position, facing rising opposition at home, a debilitating boycott abroad, and no oil deal in sight.

\textbf{“His Government was in a Very Tough Mood”\textsuperscript{31}}

In Britain, domestic pressure to get the United Nations involved with the Iranian problem had been building ever since July 5, 1951, when Iran’s government had ignored the ruling of the International Court of Justice. With the British elections scheduled for October 25\textsuperscript{th}, the Labour Government’s decision to utilize the UN was a last-ditch effort to save political face. But it was not just Iran who was guilty of noncompliance: Great Britain had been thwarting the ICJ’s injunction that called on each government to “ensure that no action of any kind is taken which might aggravate or extend the dispute.”\textsuperscript{32} In direct contravention of this, the British had been running covert propaganda campaigns against Mossadegh while organizing the worldwide boycott of Iranian oil. The premier responded by carrying out the expulsion of the AIOC in late September 1951. These events were pushing Iran to the economic breaking point and threatened to open the door to Soviet expansion.

As Mossadegh prepared to leave for the United States in early October, Mohammad Reza Shah was the only man in Iran powerful enough to undercut him, but “his great anxiety

\textsuperscript{31} Telegram 405, The United States Representative at the United Nations (Austin) to the Department of State, October 3, 1951, \textit{FRUS}, Vol. X, 197.
and his distress at what he seemed to consider his helplessness in the situation” suggested
that negotiating with Mossadegh was the only route forward. While the United States
ardently tried to psychologically strengthen the Shah, Pahlavi was “in seeming despair,”
repeatedly asking Loy Henderson, “But what can I do?” Despondent, Mohammad Reza was
resigned to the fact that his people had “rallied behind Mossadegh as the valiant defender of
Iran’s interests.” The Shah agreed that the Security Council was an inappropriate theater
for Mossadegh to air his grievances, as giving him such an international stage would
strengthen him. But Pahlavi was in a bind: if he were to “not allow Iran’s best champion to
defend it in the Security Council,” he would be moving “against the basic feelings of [his]
people” and thus subject the crown to derision. He was a captive of his own government:

I am convinced that an attempt on my part to remove Mossadegh just now
would give his friends and my enemies opportunity to convince the Iranian
public that the Crown has degenerated into a mere British tool and such
prestige as the Crown has would disappear. The only hope, as I can see it, is
for Mossadegh either to become more sober and reasonable or for him to
make so many mistakes that responsible leaders of Iran will overthrow him.34

As Western leaders bickered, chaos mounted in Iran. Laborers had been holding
massive strikes at the AIOC’s refineries. Violence flared. The British had decried the
“indignities of having Iranians ‘push them around’” in the refineries they had built.35
Apparently, the reignited Tudeh Party was inspiring the strikes and urban unrest. According
to Henderson, by October 1951 the Tudeh had made a comeback, boasting “8,000
hardcore…party members in Teheran and sponsored groups totaling 35,000 maximum.”

Henderson also reported that there was a problematic “popular misconception” amongst

33 Telegram 1215, The Ambassador in Iran (Henderson) to the Department of State, September 30, 1951, FRUS, Vol. X, 185.
34 Ibid.
35 Telegram 380 from Averell Harriman in Teheran to Secretary of State Acheson, July 25, 1951, Student Research File – Oil Crisis in Iran,
President’s Secretary’s File, Subject File 348, Papers of Harry S. Truman, Harry S. Truman Library.
everyday Iranians: many believed that the Tudeh party was an “indigenous political movement advocating reforms” instead of what the Americans deemed it to be: a Soviet-affiliated party. 36 This strengthened the American position regarding the British resolution: bringing Mossadegh to New York and the Security Council would only give the Soviets more credibility as the defender against Western imperialism. If Moscow’s representative vetoed the British resolution, communism would gain momentum in Iran.

As Mossadegh prepared to leave for the United States, a line had been drawn: from his perspective, the Americans had betrayed their rhetoric of “friendship” by supporting the British resolution. However, the premier still needed the Americans: he could not castigate them during the UN sessions like he was planning to berate the British. The elderly Iranian would have to skillfully play the two Western powers, one waxing and one waning, against each other. Mossadegh would attempt to get the United States to subvert Great Britain’s position by asking Truman to grant Iran financial aid. To this end, he would use the threat of Soviet involvement.

The Colonel on the Bed

Great Britain’s UN resolution steeled Mossadegh’s resolve but ultimately fulfilled his prophecy, “Tant pis pour nous. Too bad for us.” 37 One man would have to translate that phrase almost daily in the summer and fall of 1951. Colonel Vernon Walters was W. Averell Harriman’s translator in Teheran and deciphered every word of French spoken by Mossadegh while he was in America. He had grown accustomed to the premier’s idiosyncrasies and

36 Telegram 1478, The Ambassador in Iran (Henderson) to the Department of State, October 22, 1951, FRUS, Vol. X, 236.
37 Walters, 252.
could anticipate how negotiations would play out depending on the prime minister’s body language.\(^{38}\) Now he was about to see the premier again. It was 8:36 PM on October 8, 1951 when Walters and George McGhee walked into Mossadegh’s hospital room in New York.\(^{39}\)

Walters had been selected for the interpreting job in New York because “Mossadegh trusted me and I knew the old man and could contribute something to the atmosphere.” But as he and McGhee entered the room something unusual was happening: Mossadegh was performing a fluttering motion with his hands. As if he were trying to imitate butterfly wings, he raised and lowered his undulating hands like he was fanning his face. This was a first for McGhee, but for Walters it was nothing new: it was what Mossadegh did every time anyone entered the room. In fact, Walters had observed, over hours of negotiations, that the strength of the flutter corresponded to Mossadegh’s mood and receptiveness to his diplomatic guests. A strong, rapid hand gesture coincided with good days, but “a very weak flutter [was] a very bad sign…it generally meant that one was going to have a very frustrating time.”\(^{40}\) After a few moments he stopped flapping, and Walters formally introduced Mossadegh to McGhee. They exchanged pleasantries, after which Mossadegh leaned forward and patted the end of the bed. To McGhee’s surprise, Walters obediently climbed up on the bed, and sat yogi-style at Mossadegh’s feet.\(^{41}\)

Walters remembers that the Assistant Secretary “looked quite startled at the spectacle of this American lieutenant colonel getting onto the foot of the Iranian Prime Minister’s

---

\(^{38}\) Walters, 261.


\(^{40}\) Walters, 261.

\(^{41}\) Walters, 260.
McGhee, who was about half Mossadegh’s age, was used to dealing with the unique dignitaries of the “middle world,” a term he used to describe the geographic region that stretched “on an east-west axis from Morocco and the Pillars of Hercules at the western end of the Mediterranean to the Indian subcontinent and the Bay of Bengal.” But, judging from Walters’ description, this was a first for the Assistant Secretary.

“**That Infant Prodigy**”

Born in Waco, Texas, McGhee was a geologist by training, so naturally he became an oilman, but only after he was awarded a Rhodes scholarship and received a PhD in geophysics from Oxford. He credited this time spent in England as a cause for his “very high regard for the British as a people,” and he got his start in the government by serving on the War Production Board during World War II after striking it rich by hitting a big oil deposit in Louisiana. In 1949, at the age of thirty-seven, he became Assistant Secretary for Near Eastern Affairs in Dean Acheson’s State Department.

By the time he walked into Mossadegh’s hospital room, he had helped implement the Truman Doctrine in Turkey and Greece and in late 1950 he had brokered the fifty-fifty ARAMCO deal, much to the dismay of the British. In fact, British and AIOC officials would partially blame McGhee for Iran’s nationalization campaign. While the British and the Iranians had been haggling over the terms of the Supplemental Agreement in the fall of 1950, McGhee had advised the British that all “oil companies must deal with this new situation

---

42 Walters, 260.
43 McGhee, 1.
45 McGhee, 325.
realistically, recognizing the legitimate demands of the oil producing states.”

He called the failure of the British to heed his warnings a “great tragedy,” for “if the company had moved quickly the crisis we both later faced could have been avoided.”

He was lambasted in the British Parliament and press as having “encouraged the Iranians to nationalize” and as a “millionaire oil tycoon” who had been “shooting [his] mouth” and telling the Iranians that “nationalization was a good idea.” According to McGhee, the British believed that he was hoping to achieve a windfall for American oil companies at the expense of the AIOC.

As much as McGhee admonished the British for their lack of foresight and for their outdated colonial attitudes towards the Iranians, his impressions of the people of the “middle world” were not exactly progressive. The foreign dignitaries with whom he negotiated were “not so sophisticated as those of the Western world…they were survivors of a different era.” However, he would describe Mossadegh as “a most interesting character” who was “tall, gaunt, always half smiling,” and prone to “convulsive laughter.” Although he remembered the premier as “intelligent” and “a sincere Iranian patriot,” he also suspected him of playing up his emotions and medical ailments: “[Mossadegh] had developed a reputation for emotional outbursts of crying in public, and for his preference for doing business in bed,” but “he never cried in my presence, perhaps because our meetings were not in the public eye and not worth the effort.” He implied that Mossadegh was a brilliant actor who enjoyed manipulating those around him, and who used his ailments and personality to keep his adversaries distracted. As for the opinions of his colleagues, McGhee painted a rosy

---

46 McGhee, 320.
47 McGhee, 325.
48 McGhee, 338.
49 McGhee, xix.
50 McGhee, 390.
picture: “Members of the [Near East] bureau felt themselves the protector of defenseless peoples, and this attitude included defending them from...colonial powers...we stood up for people who did not seem capable of governing themselves.”

Though McGhee acknowledged the demands of the developing world, he “found nationalization of oil concessions as distasteful as the British,” that it was “a bitter pill” that the West was being “forced” to swallow.

McGhee represented the inner-conflict that many American policy makers felt: while they saw nationalization as a democratic process and a necessary step in breaking the chains of European imperialism, it threatened free market capitalism. McGhee and his colleagues resolved this conflict by deciding that communism was worse than nationalization: “Our first priority was to prevent the loss of Iran to the free world, reasoning that if Iran was lost the AIOC concession would go also.”

Now that he was in charge of the negotiations, McGhee hoped that he could repeat his success with ARAMCO and turn Iran back to the West.

The Fly on the Wall – Vernon Walters’ Observations of Dr. Mossadegh

Vernon Walters had found his way to Mossadegh’s room in a more circuitous way. Born in New York in 1917, he lived in Europe from the ages of six to sixteen, achieving proficiency in French, Spanish, Italian, and German. When he enlisted for World War II, his specialty became interrogating enemy prisoners. By the end of the war he had become the chosen interpreter for most major international negotiations, and he traveled with General

---

51 McGhee, xix.
52 McGhee, 335.
53 Ibid.
George C. Marshall through Europe as he implemented the Marshall Plan. He was also the chief interpreter for the NATO meetings, translating for General Dwight D. Eisenhower.\textsuperscript{54}

Walters’ meticulous notes of his meetings with Mossadegh serve as a cultural lens: he witnessed first hand the effects of Mossadegh’s behavior and personality on members of the American foreign policy establishment. From his station at Mossadegh’s feet, Walters was a willing participant in the prime minister’s theatrics, and described the premier as “a consummate actor” and a “fiery, frail old man.” Citing his penchant for weeping and fainting in the Majlis, Walters, unlike McGhee, notes that this practice had direct cultural significance for Iranians, as it “indicated the depth of his feelings and sincerity.” American officials often overlooked this, thinking it indicated that Mossadegh was mentally off-balance and politically unpredictable. His interactions with Mossadegh also illuminated a pattern: “One minute one had the impression that Mossadegh was really trying to find a solution for the oil problem, that an agreement was in sight. But the next conversation would take up on a note that made clear that any agreement was remote. He seemed to enjoy this. It was like dangling a fish on the line.”\textsuperscript{55}

During the summer of 1951, after “Dr. Mossadegh and Mr. Harriman” had “played the same record on both sides for two hours,” Mossadegh provided an insight into his negotiating strategy through a personal story. During World War I, Mossadegh was in need of a preventative appendectomy and decided to go to Russia for the operation. He attempted to hire an American doctor to travel with him to Baku, but the doctor quoted him a sum that Mossadegh refused. However, the young Mossadegh learned that the doctor was traveling to

\textsuperscript{54} Walters, 211.
\textsuperscript{55} Walters, 250.
Baku anyway, so he laid a trap: he left for Baku early, and “at each relay station he made arrangements to make sure that the American doctor could not get horses fast enough to pass Dr. Mossadegh.” Therefore, at the end of each day, the doctor would find Mossadegh waiting for him at the local inn. After a few days of this, the doctor gave up: “Dr. Mossadegh, I understand your message…can I travel with you? It won’t cost you anything.” After telling this story Mossadegh roared with laughter and swelled with pride at the fact that he had outwitted and outlasted his American opponent. As Walters said, “This conviction that if one haggled long enough the other side would be worn down and would in the end give in was one of the difficulties in dealing with him.” Interestingly, Walters regularly noted that Mossadegh believed American friendship would cure his country’s ailments.56

Walters also noticed that Mossadegh used his mysterious health issues strategically: he used the excuse of his health as a way to cultivate sympathy and as an escape when he needed a diplomatic exit. A “very slight man,” Mossadegh “appeared frail and weak, and used this to great advantage.” Walters remembered a story told by an Iranian doctor who was a member of the Majlis and an opponent of Mossadegh’s policies. The man recalled an incident where Mossadegh was “pleading passionately” for a bill, and as he reached his forceful conclusion he fell into a “slow swoon during which he moaned that he was prepared to give up his life for his beloved Iran and sank to the floor.” The doctor felt obligated to rush to the premier’s side. When he did so, instead of finding “a faint, fluttering pulse,” he

56 Walters, 251.
felt “the healthy pounding of a strong, sound man’s” heart. Mossadegh was fine, and the legislation passed, as the doctor admitted: “I was so moved that I voted for his bill.”

Walters’ account provides another aspect of Mossadegh’s time in America: after his hospital stay in New York, Mossadegh moved to a suite at the Ritz Tower Hotel on Park Avenue. However, he refused the glamorous hotel’s luxurious comforts, and instead “slept on a camp bed so that he could be photographed in surroundings of great simplicity for the purposes of public relations in Iran.” By having himself photographed in such a humble bed, and making sure that he appeared as beleaguered and as ill as possible, Mossadegh stirred sympathy and pride in the Iranian people. If the pictures for the Iranian press were anything like the picture that ran in the *New York Times* on October 13, 1951, which depicted him almost menacingly grasping the wrist of UN Secretary General Trygve Lie, pulling the man closer to him while lying in his New York Hospital bed, then the prime minister was succeeding in projecting his unique mixture of weakness and strength.

In addition, Mossadegh projected a pitiable image that cultivated sympathy from everyday Americans. In the few months before his arrival in the United States, many American citizens had written letters to the State Department and the White House showing support for Iran, saying, “I strongly protest our backing England up in this matter…whatever happens to Iran, she [England] is doing it at her own peril and we will have nothing to do with it.” Another letter, written by a woman living in Basrah, Iraq, said, “We stand

---

57 Walters, 247.
58 “Mossadegh to Leave Hospital for Hotel,” *Los Angeles Times*, October 14, 1951.
59 Walters, 260.
61 Letter from Mr. Andrew Bergman to Secretary Acheson, August 21, 1951, White House Central Files: Official File, Box 690, File 134a, Papers of Harry S. Truman, Truman Library.
together, agreed that it’s time America helped the Persians, and forgot about England. England has never helped the living conditions of the people…let us help Persia as well as helping ourselves to 700,000 barrels of oil per day, and keeping it out of the hands of Russia.”

Many United States citizens responded emotionally to the crisis, expressing compassion for Mossadegh and his people.

Dr. Mossadegh also used the questions surrounding his health and mental status to avoid unwanted diplomatic interaction. One afternoon in New York, during a break from the negotiations, UN Ambassador Ernest Gross asked to see Mossadegh alone. Walters and Gross, who was “an engaging and likable man” according to Walters, called on Mossadegh in his hospital room, and received the ominous “weak flutter” from his hands. Gross introduced himself as an ambassador and as a “friend” who wanted to help “get a just share for the Iranian people,” but Mossadegh “peered cautiously from behind his enormous nose” and asked, “What are you Ambassador to?” When Gross replied with “to the United Nations,” Mossadegh “let out a shriek as though he had been stabbed with a carving knife, tossed convulsively from one side of the bed to the other and sobbed wildly, huge crocodile tears pouring down his cheeks.” This was the most extreme outburst Walters had seen, and Gross, “appalled,” hastily cried out over Mossadegh’s racket, “We’ll come back some other time when you feel better!”

---

63 Walters, 260-261.
Countdown to Mossadegh’s UN Appearance

On October 7, 1951 in Washington, the night before Mossadegh’s arrival in the United States, British Ambassador Sir Oliver Franks met State Department official George Perkins and Paul Nitze, the Director of Policy Planning for the State Department and author of NSC-68, the directive published in 1950 that affirmed containment policy and launched the United States on a spending spree for armament and defense. As the Iranian prime minister was flying somewhere over the Atlantic Ocean, the two longtime allies rehashed their differences on the Iran issue. The British placed blame on the Americans, implying that they were too accommodating to Iran: “[Franks] said our philosophy appeared to be to have an innocuous [UN] resolution on the theory that the Persians should not be upset in any way, which in turn appeared to result from apprehension on our part as to the Russians.”64

Sir Oliver Franks made himself quite clear: the British had gone to the Security Council as an “alternative to the use of force,” and if it had not been for the Americans insisting against sending troops, southern Iran would be under British occupation. “A whiff of grapeshot” would have solved the nationalization crisis long ago. However, because of Washington’s qualms, London had been forced “to appeal to the rule of law.” Regardless of whether the AIOC had been “myopic” in their dealings with the Iranians, American officials had been guilty of “over-playing the dangers, especially the Russian one.” Although Franks conceded that “the bringing of the case to the Security Council…will result in a temporary strengthening of Mossadegh,” the British viewed this as insignificant. They were confident

64 Memorandum of Conversation by the Director of the Office of British Commonwealth and Northern European Affairs (Raynor), October 7, 1951 FRUS, Vol. X, 209.
that the prime minister would not “bring home the bacon from New York” and that “the economic pinch” in Iran due to the oil boycott would soon force Mossadegh out of power.\footnote{Memorandum of Conversation by the Director of the Office of British Commonwealth and Northern European Affairs (Raynor), October 7, 1951 \textit{FRUS}, Vol. X, 209.}

Paul Nitze was unsure. Such a strategy was like playing Russian roulette: “There was not [enough] time for this process,” he said, and “the intervening period would be too dangerous from a point of view of developments favoring the Tudeh Party or even the Russians directly.” Franks dismissed this: the United States “overemphasized…the Russian angle.” The space between the two allies was becoming ominous: as Franks said, “Anglo-U.S. relations had reached a dangerous posture.”\footnote{Memorandum of Conversation, October 7, 1951 \textit{FRUS}, Vol. X, 210.} However, while the Americans had professed friendship both to Iran and to Great Britain, at the UN Security Council they would have to choose sides. Cold War politics, economic ideology, and cultural values tied Washington to London, and after Franks took his leave, Washington’s focus turned to New York and Mossadegh’s arrival.

That first week, between October 8\textsuperscript{th} and October 15\textsuperscript{th}, the premier spent most of his time talking with George McGhee. The State Department’s goals were modest: it “sought some sense of where the prime minister stood on the three issues he had earlier been willing to discuss – arrangements for the sale of oil to the British, the NIOC’s employment of British technicians, and compensation to the AIOC.” McGhee also had two specific goals in mind: to make Mossadegh realize that Iran had to deal directly with the British and to enlighten Mossadegh that “no oil settlement was possible that flew in the face of normal commercial principles or that gave Iran better terms than those in force elsewhere.”\footnote{Heiss, \textit{Empire and Nationhood}, 100.}

\footnote{Memorandum of Conversation, October 7, 1951 \textit{FRUS}, Vol. X, 210.} In addition, and
most importantly, the Americans were hoping that Mossadegh was in a new mood to make a deal before he had to appear before the Security Council.

The first night of meetings went better than anticipated. Mossadegh “appeared eager to talk…was in a good mood and apparently not affected by his long trip.” During the exchange of pleasantries, McGhee formally invited Mossadegh to Washington, “pointing out that we assumed it would be more convenient after the Security Council had taken action.”\(^\text{68}\)

This invitation had been somewhat controversial amongst American officials: Ambassador Gifford had cabled Washington from London on October 5, 1951 saying, “It would be a serious mistake to invite Mossadegh to Washington,” citing that it would damage to the Anglo-American relationship.\(^\text{69}\) But Ambassador Loy Henderson had done the opposite, cabling from Teheran that of course Truman “should tender an invitation” to Mossadegh.\(^\text{70}\)

The White House would invite Mossadegh to meet Truman, but reluctantly. As McGhee recalled, “Mossadegh had come to the U.S. uninvited and with little warning.”\(^\text{71}\) A note to President Truman’s personal secretary Matthew J. Connelly on October 16, 1951 explained: “It is quite probable…that the Prime Minister of Iran, Mr. Mossadegh, will come to Washington on October 18\(^{\text{th}}\). They have been asked to ascertain whether in the event that he does come, the President would be willing to invite him to a luncheon. It seems George McGhee…thinks it the courteous thing to do and feels it cannot be avoided.”\(^\text{72}\)

\(^\text{68}\) Telegram 438, The United States Representative at the UN (Austin) to the Department of State, October 8, 1951 \textit{FRUS}, Vol. X, 211.

\(^\text{69}\) Telegram 1698, The Ambassador in the United Kingdom (Gifford) to the Department of State, October 5, 1951, \textit{FRUS}, Vol. X, 205.

\(^\text{70}\) Telegram 438, The United States Representative at the UN (Austin) to the Department of State, October 8, 1951 \textit{FRUS}, Vol. X, 211.

\(^\text{71}\) McGhee, 392.

\(^\text{72}\) Memorandum for Mr. Connelly, White House Central Files: Official File, Box 690, File 134, Papers of Harry S. Truman, Truman Library.
After McGhee extended the invitation and suggested that his trip to Washington could follow the proceedings at the Security Council, the premier surprised everyone by saying that he preferred “to avoid Security Council action through prior negotiations,” as he feared that his speech “would in fact preclude the possibility of successful negotiations thereafter.” Not only did this indicate that Mossadegh was willing to negotiate, but also it was a point on which everyone agreed: all parties now wanted to keep the United Nations out of the process for as long as possible. This was especially true for the Americans: they were hoping to avoid a Mossadegh performance that would engender sympathy in the international community and allow the Soviets to champion Iran.\(^73\)

Delaying the Security Council meeting was now vital, because Mossadegh announced that he would have to present such a “vigorous and sharp defense” of his country that all subsequent attempts to bridge the gap in the oil crisis would fail. When McGhee tried to suggest that “it would be possible for him to make a strong statement…and still keep the door open for acceptance of an impartial Security Council resolution,” the premier dug in his heels. “The British are hoping to drag out the Security Council proceeding,” he said, “thus playing for time in which the economic pressures they are putting on Iran will make us more compliant.” Mossadegh said that a solution must be found before the UN session began. Otherwise “any chance for conciliation would be precluded by the slashing attack he would have to make.”\(^74\) The premier was placing incredible significance on this week.

The conversation then turned to the “substance” of the British resolution. McGhee assured Mossadegh that the British resolution, which had demanded the AIOC be allowed to

\(^73\) Telegram 438, The United States Representative at the UN (Austin) to the Department of State, October 8, 1951. *FRUS*, Vol. X, 211.

\(^74\) Telegram 438, The United States Representative at the UN (Austin) to the Department of State, October 8, 1951. *FRUS*, Vol. X, 212.
remain in Iran but had been watered down thanks to Washington’s involvement, would “not seek to cast blame on either party and would not require a defense of the type that the Prime Minister envisaged.” Mossadegh “was among friends,” McGhee said, and “the United States would see to it that an impartial resolution was adopted.” The premier, however, was more concerned with castigating the British: “It is absolutely necessary for me to make a strong defense of my country’s position,” Mossadegh said, “and…my presentation will humiliate the British,” potentially precluding further negotiations. When McGhee said again that his defense could be “vigorous” and “objective” at the same time, Mossadegh said resolutely, “This is impossible.”

The week before the UN sessions began was fast becoming a vitally important time period: possibly, it was the last week in which the crisis could be settled. While the Prime Minister seemed willing to explore the possibilities for a settlement during this week, he also appeared to look forward to his chance to tell the whole world the causes of his vendetta toward the British if no deal materialized. This appearance at the UN would help solidify his support at home and could engender sympathy abroad, especially amongst other developing nations who would view him as “a defender of weak and oppressed nations everywhere.” Therefore, for American goals, this week of October 8th was a window of opportunity. McGhee was under intense pressure to find a solution to the impasse before Mossadegh descended upon the UN.

That night, McGhee tried to ascertain whether Mossadegh was willing to restart direct negotiations with the British. But Mossadegh only listened; offering few glimpses of his
current position, content to let McGhee negotiate with himself. After a few minutes of
discussion, Mossadegh’s son and physician, Dr. Ghulamhusayn Mossadegh, declared that the
Prime Minister must rest. The premier professed a desire to continue, but his son insisted:
his father must regain his strength. The group agreed to continue discussions the next day.77
McGhee had a vivid memory of leaving this first meeting: “As I emerged from the hospital
into the dark canyons of New York streets, I felt that the weight of the world had been
transferred to my shoulders.”78

As the premier’s physician, Mossadegh’s son played an important role: he seemed to
be the only man the premier could trust, medically or politically, during his stay in the United
States. Except for his son, Mossadegh regularly disallowed any of his entourage from
participating in his discussions with American officials. It is possible that the premier gave
his son specific instructions as to when to intervene in these meetings, perhaps to avoid
topics that the prime minister was unprepared to address.79 Conveniently, because his son
was also his doctor, the interruption could be blamed solely on Mossadegh’s ailing health,
even though, as McGhee would say in his memoir, “doctors…could find nothing in particular
wrong with Mossadegh apart from the natural debilities of his age.”80

Even at home, Mossadegh had a “penchant for making decisions with a small group
of advisors without the full consultation of his cabinet,” and as the nationalization crisis
dragged on, Mossadegh would confer with politicians less and act unilaterally more.81 He

77 Telegram 438, The United States Representative at the UN (Austin) to the Department of State, October 8, 1951 FRUS, Vol. X, 212.
78 McGhee, 394.
79 Telegram 438, The United States Representative at the UN (Austin) to the Department of State, October 8, 1951 FRUS, Vol. X, 213.
80 McGhee, 392.
81 Telegram 165, Averell Harriman in Iran to Secretary Acheson, July 12, 1951, Foreign Affairs; Subject File; President’s Secretary’s File;
Iran: Harriman Folder, Box 158, Harry S. Truman Library.
had good reasons to keep his circle small, judging from the fate of Prime Minister Ali Razmara, the “constant state of ‘terror, terror, terror,’ in which he must live,” and the regular press leaks that subverted the chain of command in Iranian politics. By excluding his compatriots from these talks, Mossadegh also had the freedom to explore an oil deal without immediate repercussions from nationalists. This practice suggests that Mossadegh may have wanted to negotiate a settlement while in the United States, especially during this first week before the UN sessions occurred.

McGhee and Walters returned to Mossadegh’s hospital room the following afternoon on October 9, 1951. The New York Times would report that, in this meeting, “considerable progress was made today toward setting the stage for a resumption of talks between Britain and Iran.” Indeed, Mossadegh was eager to tackle a major issue – the compensation owed to the AIOC – and he suggested that perhaps if “the matter was settled ‘by the Presidency of the United States’” he would “abide by its decision.” McGhee immediately avoided this proposition: the issue was between Britain and Iran, and President Truman did not have the authority to adjudicate. Instead, McGhee brought up the upcoming British elections, and seemed to imply that the British would not be able to accept a deal if it materialized that week because the Labour government was too busy courting the British electorate: “Would Dr. Mossadegh be willing to continue talks even though it was obvious that no decision could be reached before the election?” The premier replied affirmatively, but he also said that

---

82 Walters, 249.
everything depended on the UN sessions, as he hoped that the Security Council would “declare its incompetence to discuss Iranian oil nationalization” before he appeared.\textsuperscript{84}

Despite the potential complications due to the British election, Mossadegh was still adamant that he wanted to explore a settlement before he had to “make a most vigorous defense of Iran.” Talks would then continue only “if the British were still willing to talk after he had said what he thought about them.” Mossadegh was putting his Anglophobia on display: Great Britain was “anxious to drag things out in order to give economic pressure more time to induce the Iranians to be compliant,” and he reminded McGhee of Iran’s experiences with the British: “You do not know how crafty they are…you do not know how evil they are…you do not know how they sully everything they touch.”\textsuperscript{85} McGhee took this in stride, and asked the premier how long Iran could hold out while its economy deteriorated. “A month,” the premier replied.\textsuperscript{86}

Mossadegh then revealed one of his motives for visiting the United State: obtaining American aid. Over the first half of his stay, his requests for aid would be modest, but after the UN meetings he would demand a large loan from President Truman. He regularly invoked the specter of communism in Iran to underscore the necessity of these requests, and the subject of American aid divided Great Britain from the United States. While American officials warned that without direct assistance Iran would succumb to Soviet intrigue, London believed aid would be counterproductive. Washington, however, was fearful that the oil boycott would push Iran towards financial ruin and into the Kremlin’s arms. Therefore,

\textsuperscript{84} Memorandum of Conversation by Colonel Vernon Walters, October 9, 1951 \textit{FRUS}, Vol. X, 214.
\textsuperscript{85} Walters, 247.
\textsuperscript{86} Memorandum of Conversation by Colonel Vernon Walters, October 9, 1951 \textit{FRUS}, Vol. X, 214.
the Truman administration seriously considered extending aid to Mossadegh’s government. This was anathema to Great Britain: in London’s opinion, America was feeding a rabid stray dog that the British were trying to starve into submission.

Mossadegh reminded McGhee that in the past American aid to Iran had been mostly of the military variety, as “many Americans thought the independence of Iran could best be protected” in this manner.87 He suggested that they take a different approach now, saying, “When you take the man away from the land to make him a soldier, you diminish agricultural production.” Therefore, he began his search for dollars by asking the United States for increased farming assistance. Not only was this contrary to the demands of the Shah, who desired military aid, but also it was more concordant with American policy. Through the Point IV program, which was designed to “help satisfy the developmental needs of the Middle East,”88 Iran had been receiving technical assistance in the form of agricultural expertise and crop dusting, which had proven successful in fighting Iran’s locust plague of April 1951. “U.S. military assistance to Iran…would not prove a real bulwark to defend Iran,” he argued. The only thing that would truly provide lasting stability for his country was if “living conditions were improved,” and “if Iran could mechanize her agriculture she could then make available the necessary manpower for defense.”89 After all, Mossadegh was not a soldier. He was a farmer at heart, and would bond with McGhee on this commonality: the assistant secretary would even take the premier to his farm in Middleburg, Pennsylvania later that month. National defense, while a priority for the Shah, was secondary to Mossadegh.

88 Leffler, Preponderance of Power, 291.
89 Memorandum of Conversation by Colonel Vernon Walters, October 9, 1951 FRUS, Vol. X, 217.
Mossadegh therefore began his quest to increase aid to Iran through an established pathway. McGhee answered that he had “appeared recently before three Congressional Committees defending a project which called for a grant of 25 million dollars to Iran for the purpose of assisting the mechanization of agriculture,” and that “early indications were that it would be” approved. The premier replied that this $25 million had been promised “for a long time” and that “a bad impression had been caused in Iran” by the delay. Nevertheless, he was “very appreciative” of McGhee’s efforts; it was more than the British were doing.

The conversation then turned to the newly formed NIOC and the technical aspects of operating the refineries in Iran. During these conversations with McGhee and throughout his time in the United States, it often appeared that Mossadegh was incapable of grasping the way the industry and its markets worked. However, his apparent lack of understanding was inconsistent: one minute, the prime minister would be following McGhee’s lessons and agreeing to oil industry standards, but the next minute he would be stubbornly befuddled or obstinately intractable. Then, inexplicably, after McGhee would finish carefully explaining an aspect of the oil business, Mossadegh would smile and say, “I don’t care about that. You don’t understand. It is a political problem.” It seemed that the premier often feigned incomprehension in order to make an ideological critique of the oil business and of international capitalism in general.

However, on October 9, 1951 they seemed to be making progress. McGhee was able to get Mossadegh to agree to use an independent purchasing organization that would act as

---

90 Memorandum of Conversation by Colonel Vernon Walters, October 9, 1951 FRUS, Vol. X, 215.
91 Ibid.
92 McGhee, 391.
an intermediary between the AIOC and the NIOC. The NIOC would sell its oil to the purchasing organization and then work closely with the agency to maximize profit and efficiency. However, the purchasing organization issue was part of a larger topic: the two world markets for oil, wholesale and retail. The wholesale market included developing nations like Iran selling unrefined crude oil in large quantities at long term discounts to companies like the AIOC, which would refine the oil for sale at the more lucrative retail level. Industry standard practice disallowed the country from whence the oil came to share in any of the retail windfall.

While this made perfect sense to Western capitalists, Mossadegh could not, or would not, grasp this practice. The premier, who regularly pointed out “the greed of the company” that restricted Iran’s income, thus putting his country “under heavy financial pressure” and forcing Iran “to submit to whatever [the AIOC] desired to force upon us,” would protest this market system as inherently unequal. Indeed, as he regularly claimed incomprehension as to why there were two oil markets and often questioned what oil companies did with the profits they retained, Mossadegh was routinely critiquing capitalism. This strengthened the American fear that the premier might seek communist help.

Mossadegh seemed to believe that Iran should receive a percentage of the profits made in the retail market and not just from the sale of its crude oil on the wholesale market. Averell Harriman had also run into this problem: during his summer in Teheran, he had been confused by Mossadegh “asking for a larger share from a barrel of oil than the total cost of the barrel” of crude. From Harriman’s perspective, crude oil had a fixed cost: there were no

93 Memorandum for the President, “Reply by Prime Minister Mossadegh of Iran to your message of May 31,” June 13, 1951, Iran; Foreign Affairs; Subject File; PSF; Truman Papers. Student Research File: “The Oil Crisis in Iran, 1951-1953.” Harry S. Truman Library.
residual profits for the producing nation after its oil was sold. He had chided the premier, saying “Dr. Mossadegh, if we are going to talk intelligently about these things, we have to agree...[that] nothing can be larger than the sum of its parts.” Mossadegh dismissed this statement: “That is false.” Harriman was taken aback, asking Walters, “Did he say false? What do you mean, false?” The Prime Minister then pulled the punch line, “Well, consider the fox. His tail is often much longer than he is,” and proceeded to erupt in convulsive laughter.\(^9^4\) When Harriman warned Mossadegh of the pitfalls of this unorthodox policy, the premier’s eyes filled with tears as he predicted the American’s worst fear: “The Party of the Left will take over and they will liquidate all of our friendships with the West.” When Harriman pointed out that “one of the first people they will liquidate will be you,” Mossadegh stopped weeping, made one of his instantaneous transformations, and cackled: “Yes, but that will fix your wagon when they take over!”\(^9^5\)

Mossadegh professed that he preferred to leave Iran’s oil in the ground rather than sell it on these terms. But then, in moves that were “typical of the contradictions in the man’s nature,” he would suddenly play the oil game.\(^9^6\) It was this side of Mossadegh – the astute lawyerly side – that agreed to a sales discount for the purchasing organization on October 9, 1951. This was – if Mossadegh was being genuine – a huge step forward. For someone who regularly refused the entire concept of a wholesale oil market and a retail oil market, agreeing to sales discounts was nothing short of a miracle. McGhee had steered the premier back into the reality of the oil business, at least for the moment.\(^9^7\)

\(^9^4\) Walters, 250.  
\(^9^5\) Walters, 252.  
\(^9^6\) Walters, 253.  
\(^9^7\) McGhee, 394.
McGhee pressed forward and got Mossadegh to agree that, “in lieu of compensation” to the AIOC, a large discount would be given to the United Kingdom on purchases of Iranian oil over an extended period. Thus, the problem of paying back the AIOC for nationalized property could be solved over several years. This was also a big step forward: the issue of “just compensation” had been intensely problematic. Next was the question of finding a technical director for the NIOC who would have “access to technical knowledge of the oil business.” Here, Mossadegh’s Anglophobia returned. He would be “willing to accept an American or a Dutchman,” but while “individual British technicians” could be hired by the technical director “he did not want the technical director to be an Englishman.” Later on, Mossadegh would rescind his offer that “individual British technicians” could return to Iran.

Mossadegh then revealed yet another way in which the premier sought to increase American involvement in the settlement and at the same time subordinate the British: he suggested that an international oil consortium that would include American companies could run the oil production in Iran. This pitted the two allies against each other. “The British are always acting with the interest of their own pocket in mind, whereas the United States is a disinterested party,” he said, flattering the Americans. In Mossadegh’s opinion, the Americans would refrain from manipulating Iranian politics. The United States was above such imperialistic tendencies.

But McGhee quickly anesthetized this idea that the United States might step in and pick up where Great Britain had left off, although in 1954 this is almost precisely what would happen: “I assured him that American companies were not seeking to take AIOC’s place,

---

98 Memorandum of Conversation by Colonel Vernon Walters, October 9, 1951 FRUS, Vol. X, 217.
99 Ibid.
since this would encourage ‘concession jumping’ on their own properties,” and that “our government would ask them not to, in view of the disastrous effect this would have on Anglo-American relations. We would naturally have been accused of using our role as mediator for our own advantage.” McGhee then redirected the premier back to the issue of technicians, and tried to convince Mossadegh that “the recruitment of technicians was an extremely complicated problem,” that “there were not many of them unemployed,” and that “it had taken the AIOC a long time to build up their staff.”

The remainder of the conversation covered familiar ground. After reiterating the importance of farming aid, he gave a subtle warning to McGhee: unless the impoverished conditions of his people were improved, “an agitator could put himself at their head, and there would be a revolution in Iran.” Although the Americans routinely envisioned a communist takeover, Mossadegh might have been predicting that the mullahs could also spearhead a coup. The Shah, since his coronation in 1941, had been strengthening the political position of the clerics. Mossadegh knew that such an “agitator” could be lurking in an Iranian mosque.

At the conclusion of the October 9th meeting, McGhee asked the premier to “give the West a chance to prove it was a friend of Iran.” Mossadegh said that friendship was still possible “in the case of the United States,” but he wanted to achieve this as equals. It was his “earnest desire to settle this whole question,” and they agreed that the next step was to see if the British would be willing to postpone the United Nations sessions for at least another few

---

100 McGhee, 395.
101 Memorandum of Conversation by Colonel Vernon Walters, October 9, 1951 FRUS, Vol. X, 217.
102 Ibid.
days in order to give them more time to work out a possible settlement. McGhee said he would work diligently on this issue and would see the prime minister before the Security Council session. Mossadegh replied with intimacy: “I have developed great confidence in you during the last two days. I have spoken to you as I would speak to my own brother, with the utmost frankness and trust.” McGhee said he would protect this confidence, and left Mossadegh “to recover his health.”

Meanwhile, Back in the Nation’s Capital…

While Mossadegh rested, McGhee flew to Washington and on October 10th met with Dean Acheson and five representatives of the biggest American oil companies. At this meeting, called at the request of the oil companies, Acheson would blame the AIOC for its “shortsightedness…which had resulted in their getting into their present difficulties.” Nevertheless, Acheson stressed the importance of maintaining “our relations with the British.” He argued that the “complexity” of the Iranian situation necessitated careful strategies that would not jeopardize “the continued independence of Iran,” the “U.S. oil interests in the Middle East,” or “oil and business interests elsewhere.” Resolving the Iranian nationalization crisis was paramount to maintaining the Cold War status quo.

The oil company representatives agreed, and they “emphasized the very grave consequences of giving the Iranians terms more favorable than those received by other countries.” This would seriously threaten “the entire international oil industry.”

---

103 Memorandum of Conversation by Colonel Vernon Walters, October 9, 1951 FRUS, Vol. X, 218.
104 Memo of Conversation, “Iranian Oil Problem,” October 10, 1951; October 1951; Memoranda of Conversations; Secretary of State; Acheson Papers. Student Research File: “The Oil Crisis in Iran, 1951-1953.” Harry S. Truman Library.
executives, like their British counterparts, “the sanctity of contractual relations” hung in the balance, and “even the loss of Iran would be preferable to the instability which would be created by making too favorable an agreement” with Mossadegh’s government.105 The other sisters were rallying around their wronged sibling. American oil companies were already an integral part of the worldwide boycott of Iranian oil, which had made it impossible for Mossadegh to sell Iran’s nationalized oil. While American companies “might wish to compete with Anglo-Iranian,” they “had no wish to do anything to prove to countries that nationalization could be a successful solution to the problem of handling their oil.”106

The oil giants of the United States had affirmed their alignment with British policy. This would eventually help bring Washington and London together. Despite all the diplomatic tension that Mossadegh engendered between the allies, there was bedrock loyalty between Western oil companies that was independent of bickering governments. For the sake of capitalism, the AIOC and the American oil companies presented a united front, and since the business of oil and the politics of government had become so intertwined during the early Cold War, this informal coalition amongst oil corporations had political implications.

However, some smaller American companies were interested in helping Mossadehgh, and in doing so they not only undermined McGhee’s statements to Mossadehgh that no private American companies had any interest in Iranian oil and that oil technicians were extremely hard to come by, but also they precipitated further tension in the Anglo-American relationship. One case is certain: on June 25, 1951, Thomas Woolard, the executive vice-

---
105 Memo of Conversation, “Iranian Oil Problem,” October 10, 1951; October 1951; Memoranda of Conversations; Secretary of State; Acheson Papers. Student Research File: “The Oil Crisis in Iran, 1951-1953.” Harry S. Truman Library.
106 Walters, 249.
president of the Los Angeles based engineering firm Lee-Factors, Inc., had written a letter to the “Honorable Chairman” Mossadegh of the Iranian National Oil Board:

In your present difficulty, may we offer you the services of trained technical personnel with broad experience in all phases of operations within the petroleum industry? We are prepared to negotiate a contract to supply up to 2,500 trained technicians capable of operating any and all equipment, and of teaching Iranian personnel American operating methods... We are not interested in politics, but in rendering efficient and capable service to enable your petroleum industry to function on a highly profitable basis.  

When Washington learned of Lee-Factors’ offer, it asked the company to back off. Thomas Woolard wrote to Truman, saying, “It is not our intention to embarrass American diplomatic officials nor to embarrass British officials, but in as much as Iran has seen fit to nationalize the oil industry we believe it their right to choose the technicians to operate the oil fields in their country... we are not interested in politics but solely in keeping the supply of oil available in Iran flowing to the Western allies.” Washington, however, made it clear that the Anglo-American alliance and the dominance of big oil meant that no American companies should rescue Iran.  

At the same time that oil executives were meeting with Acheson and McGhee, the Joint Chiefs of Staff (JCS) were assessing “the Anglo-Iranian problem” for the Truman administration. Their objective was to troubleshoot the implications of a nightmare scenario: what “if Iran passes to the domination of the USSR?” Using language that illuminates some of the gendered discourse that had been incorporated into the writings of the American

107 Letter to the Chairman of the Iranian National Oil Board, Lee-Factors, Inc. Correspondence, Papers of Harry S. Truman, Official File, Box 690, Folder 134b, Truman Library.  
108 Letter from Budd M. Lee to President Truman, July 11, 1951, Lee-Factors, Inc. Correspondence, Papers of Harry S. Truman, Official File, Box 690, Folder 134b, Truman Library.  
foreign policy establishment – most notably the tropes of domination and submission that depicted the Soviet Union as a “rapist” in such influential documents like George Kennan’s “Long Telegram” and Paul Nitze’s NSC-68 – the Joint Chiefs of Staff memo painted a hellish picture.\textsuperscript{110}

The JCS wrote that the loss of Iran to the Soviets would result not only in the loss of Iranian oil, but also the “eventual loss of all Middle East oil,” which would lead to “intolerable deficiency in oil resources” for the West. The secondary consequence was just as dire: if Iran were forced into the Soviet sphere of influence, it would be a “demonstration of the strength of the Soviet system and of the weak position of the Western World in opposition thereto.”\textsuperscript{111} As “language is neither transparent nor value-free,”\textsuperscript{112} and considering the fearful political culture of the time, it is not difficult to imagine what strength and weakness implied.

The JCS memo delineated other dangers, such as the “expansion of the Soviet empire to the Persian Gulf,” which would give Moscow the warm water port it had long coveted. India, Pakistan, Afghanistan, and even Saudi Arabia would face “almost inevitable collapse,” and the “pre-positioning of USSR military forces with oil immediately available” would “greatly increase” Soviet war-making capability. Turkey would be at the mercy of the Reds, “flanked and uncovered,” and thus not only would “the Truman Doctrine be…breached,” but also “the USSR would be provided with a springboard for domination of the entire Middle


\textsuperscript{112} Costigliola, “Unceasing Pressure for Penetration,” 1310.
East.” In addition, the British Empire would be weakened: “The position and prestige of the United Kingdom in the Middle East and possibly throughout the world would, in all probability, be further weakened…specifically…in Egypt.” This would shake the status quo and undermine British power: containment and the needs of a longtime ally trumped the aspirations of the developing world. If Iran was lost, Moscow’s “power position would be so improved that…the JCS would be forced immediately to reexamine their global strategy.”

Meanwhile, for McGhee and Mossadegh, time was running out: British UN Representative Gladwyn Jebb informed American UN Representative Ernest Gross that the United Kingdom could not delay any longer and that the Security Council would hear the Iranian case on Monday, October 15, 1951. Gross protested, saying that the “Iranian Prime Minister was anxious not to have to make his speech and would welcome added time for negotiations.” He asked Jebb to inquire as to the possibility of tabling the Security Council session “until after the UK elections” on October 25, but Jebb refused. The situation had dragged on long enough.

On the same day the Joint Chiefs submitted their assessment, Secretary Acheson and President Truman sat down to discuss the Iranian situation. Acheson announced that London’s diluted UN resolution, the version that did not demand that the AIOC be allowed to remain in Iran and continue its operations, was now “one which we could support.” However, he told the President that the United States was “obligated to go along with the British on it, to vote for it, and to help in getting votes for it.” Acheson said that they should

114 Ibid.
115 Telegram 443, The United States Representative at the UN (Austin) to the Department of State, October 9, 1951, FRUS, Vol. X, 219.
“let the British ‘call the shots,’” at the United Nations. Truman agreed, and Acheson continued, saying, “The entire Iranian matter is extremely complicated and serious…we do not understand all of it.”116 The President deferred to Acheson’s expertise.117

Acheson then informed the president of the status of the talks in New York. Acheson reported that two main questions surrounded the current negotiations: “whether the British have a chance of going back into Iran as an operator” of the oil industry, and “who gets what from whom in regard to the financial aspects.” He made it clear to the president that the policy of the United States was that “the Iranians should not result in doing better than Saudi Arabia has in its deal.” Acheson declared that a “50-50 split” was the best possible resolution and announced that the United States would have to go public with its support for Great Britain: “Our plan is to go to the British and say we will support them in the Security Council.” Acheson, however, hoped to avoid a vote at the UN. If the Security Council refrained from judgment, there would be more time to negotiate. The United States could then “try to get the British to let us be ‘brokers’ and try to get Mossadegh moving toward a 50-50 arrangement.” Truman agreed saying, “I cannot see anything else that we could do.”118 Throughout the meeting, Acheson was the leader.119 President Truman seemed invisible during this stage of the crisis. For the most part, he delegated the task of dealing with the Iranian situation to his cabinet.

116 Memorandum of Secretary’s Conversation with the President, October 10, 1951, FRUS, Vol. X, 222-223.
117 Leffler, Preponderance, 506.
118 Memorandum of Secretary’s Conversation with the President, October 10, 1951, FRUS, Vol. X, 222-223.
119 Leffler, Preponderance, 478-480.
Back in New York: A Clean Bill of Health

After the meetings in Washington, George McGhee returned to New York. Mossadegh was still in the hospital, but the doctors had found nothing wrong with the premier. Dr. Claude E. Forkner of New York Hospital announced that Mossadegh was “in a good state of health.” As George McGhee would aptly put it, “He apparently just preferred operating from a bed.” On October 11, 1951, McGhee, Walters, and UN Ambassador Ernest Gross prepared for another talk with Mossadegh. When they arrived at the premier’s hospital room, they found him looking “quite grim and irritated.” He informed them that the Brazilian UN Ambassador and president of the Security Council, João Carlos Muniz, “had just … shown him the first [version of the British] resolution,” the draft that demanded Iran allow the AIOC to continue its oil operations and permit AIOC employees to remain at Abadan. Muniz had then shown Mossadegh the second, watered-down draft resolution “which the British had intended to use instead of the first one.” This second document, however, Mossadegh rejected: “he did not recognize [Great Britain’s] right to” submit a second draft, and said that he planned to “answer the first resolution.”

This was a problem. The United States had augmented the original British complaint in order to insure that Mossadegh would not be affronted by Great Britain’s first draft resolution. The Americans had risked further tension with their allies by doing so. Now, their efforts had gone unrewarded: Mossadegh had not only seen the first draft, he was furious about it. In reactionary fashion, he was now entrenched in his resolve to answer the

---

121 McGhee, 392.
first resolution, second draft be damned. McGhee interjected, saying that the United States had seen the first draft early on, had noticed that it was “much sharper in tone,” and had “endeavored to obtain a constructive type of resolution” by working with Great Britain to achieve “considerable progress” in the second draft. If Mossadegh insisted on answering the first resolution, he “would be failing to recognize the progress that had been made.”

Mossadegh did not care. He asked Ambassador Gross if the swapping of resolutions was allowed, and Gross replied that it was well within “the right of any member” to withdraw, amend, or replace resolutions as they saw fit. Mossadegh was incredulous, and stated that he “did not feel that they had a right to do this and said that the Iranians must answer the first resolution.” In addition, the prime minister said, “The Iranians could never accept the competence of the Security Council on this matter.” The American hope that Mossadegh might still want to negotiate was dwindling. He was emotional and indignant.

At this point, Mossadegh’s experience as a lawyer took over, and he asked Ambassador Gross to show him the passage in the UN charter that allowed such redrafting of resolutions. This caught Gross off guard, as he replied that while “the Charter set forth the right of all members to present resolutions” it did not “specify anything regarding the withdrawal of these resolutions.” Gross then qualified this statement, saying that “in practice” the right to withdraw a resolution and replace it with another had been “recognized…since the inception of the United Nations.” But Mossadegh was proven correct: there was nothing preventing him from responding to the first resolution if he so desired. Then, in a sardonic moment, he “inquired whether there was restriction on freedom

124 Ibid.
of speech in the Security Council.” Gross replied, “Of course not…you can say anything you wish.” The Prime Minister retorted, “I am glad to hear this, as I feared this would not be the case. I will therefore reply to the first resolution.” Then, Mossadegh’s frustration boiled over: “He had hoped the United States would do something. He had talked to Mr. McGhee several times…and now nothing had been settled, and the matter was after all going to the Security Council.” Emphasizing the “rapidly deteriorating situation in Iran” and the fact that “the British were trying to drag this out” by refusing to recognize Iran’s right to nationalize and by instituting the boycott of Iranian oil, Mossadegh implored his American guests to help him settle a deal now, before the UN got involved.

McGhee explained that he had no real power, that “neither he nor the United States had any authority to negotiate as such, but because we were friends of both parties to this dispute we were attempting to use our good offices.” All he could do was facilitate the resumption of negotiations. Unfortunately, McGhee said, he was an oilman by trade, and “some of these differences were legalistic in nature and perhaps he did not understand them too well as he was not a lawyer.” This brightened the mood considerably, as Mossadegh broke into his inimitable convulsive laughter, saying, “That is why I like to talk to you, because you are not a lawyer.”

McGhee moved the discussion to the Iranian oil industry’s need for “efficient management and…access to technological developments.” To show Mossadegh that his nationalization policy might jeopardize his country’s ability to tackle these issues, McGhee

looked to history. “First there was Mexico,” he said, summarizing how it had nationalized its oil in the 1930s yet had made “no provision to insure for itself access to the technical knowledge of the business.” Mexico had fallen behind, barely producing enough oil to satisfy its own needs and jeopardizing the “living standards of the Mexican people.”

Here, Mossadegh interjected: “But if a ridiculously small price were paid the producing country for the oil, as in the case of Iran, it would be better to leave the oil in the ground.” Mexico indeed had been paid a paltry sum in its oil deal with the Mexican Petroleum Company, a consortium made up of American, English, and Dutch oil businesses. McGhee almost chided the prime minister as if he was a teacher scolding a student for speaking out of turn: “[he] said that he was coming to just that case, and he asked Dr. Mossadegh to be patient.” The premier laughed. McGhee’s next stop was Columbia, “a country with great natural resources in petroleum,” which had passed laws that made it nearly impossible for international companies to conduct any business within its borders. With no technicians and no industrial maintenance, “many fields had been abandoned and the petroleum resources of the country were practically no good at all.” The fate of the Columbian people now hung in the balance and their standard of living was declining, all because the government had believed that it could handle the oil industry by itself. This time McGhee continued without interruption.

The third case was Venezuela, which had “made an equitable arrangement, thereby insuring itself a tremendous revenue running into several hundred million dollars a year,

128 Memorandum of Conversation, by Colonel Vernon Walters, October 11, 1951 _FRUS_, Vol. X, 228.
129 Ibid.
131 Memorandum of Conversation, by Colonel Vernon Walters, October 11, 1951 _FRUS_, Vol. X, 228.
132 Ibid.
making it possible…to improve the living standards of [its] people.” But Mossadegh stopped him, “fished a paper out of his night table,” and cited numbers claiming that Venezuelan oil production was approximate to that of Iran’s. However, Venezuela’s oil revenue was much higher. This, to Mossadegh, “illustrated ‘the theft’ committed by the Anglo-Iranian Oil Company in Iran.” McGhee replied that “the arrangement in Venezuela was…satisfactory to both the Venezuelans and to the oil companies operating there.” The premier was silent.  

McGhee then emphasized the importance of oil “to the whole free world.” In his view, “petroleum was one of the sinews of the strength of the free nations,” and while the United States was “anxious to see Iran get a deal which would give her the largest possible revenue and conditions as good as those enjoyed by any nation in the world,” Mossadegh could not “hope for an arrangement which would be much better than any other prevailing in the industry.” In essence, McGhee was saying that the Iranian dream of full control over its oil was a phantom. Then, a veiled threat: if the premier attempted to hold out for better than fifty-fifty, “Iran’s oil could not be made competitive in the world markets.” In other words, Mossadegh was running the risk of Iran being blacklisted. McGhee said that all current geological reports indicated that there was plenty of oil in the ground elsewhere, reminding the premier that Iran was not the only purveyor of crude petroleum. Mossadegh was playing a dangerous game, and the Americans “could not support an agreement which would destroy the whole fabric of the oil business.”

Mossadegh dismissed this as self-interest: “The reason for this,” he said, “was that the United States also had oil interests throughout the world and if the Iranians got an

---

133 Memorandum of Conversation, by Colonel Vernon Walters, October 11, 1951 FRUS, Vol. X, 228.
134 Ibid.
arrangement much better than any other, this would tend to upset the pattern in other countries.” McGhee acknowledged that Mossadegh’s point was “partly” correct, but argued that the United States was, above all, interested in “stability” of oil production. He also pointed out that “the United States government did not own any oil companies; they were all privately owned.” But this remark played into Mossadegh’s strategy, as the premier asked if “the United States did not have any financial interest in these companies?” When McGhee replied that it did not, Mossadegh took the next logical step: “This should make the United States disinterested in the matter.”

This exchange highlighted not only Mossadegh’s skill as a politician and negotiator, but also illuminated the ideological details that were lost in cultural translation. The word “interest” meant different things to these men. To McGhee, “interest” translated myopically into its capitalistic and financial form: a controlling stake in a company, or ownership “by hundreds of thousands of small shareholders, widows, small businessmen, and so forth.” But Mossadegh’s definition was much broader: “Interest” to Mossadegh meant “interest” in the most general sense. Of course, by this definition, the Truman administration was very much interested in American oil companies.

It seemed as if Mossadegh wanted McGhee to admit that the United States did indeed have “interest” in its oil businesses for the well-being of its citizens, the growth of its economy, and its national security. By saying that the United States “did not have any financial interest in these companies,” McGhee was, in Mossadegh’s view, splitting hairs. But for McGhee to admit that the United States government had an interest in privately

---

owned oil companies would betray the ideology of free market capitalism that had been adopted as Biblical verse in America at the end of World War II. As Melvyn Leffler has written, “The war resurrected faith in the capacity of the capitalist system to serve the welfare of the American people,” and the Truman administration’s mission in the Cold War became “defending the nation’s core values, its organizing ideology, and its free political and economic institutions” as “vital to national security.” There was no grey area: to fight the communist threat, all Americans had to buy into the spirit of the free market. Any deviation from these capitalistic standards could, in Truman’s words, “change our way of life so that we couldn’t recognize it as American any longer.”

Mossadegh then asked the fundamental question: what was the best deal Iran could get? McGhee reiterated that “the fifty-fifty line” was now the industry standard. Mossadegh replied with his usual, “This is impossible,” and added, “Iran cannot accept this.” Then, the Prime Minster raised the specter of the Soviet Union: “The Russians had offered this kind of deal for the oil in Northern Iran” during the Azerbaijan Crisis, and if Iran accepted McGhee’s fifty-fifty proposal for the former AIOC oil fields, then the Iranians “would be obliged to accept it also in Northern Iran.” While Mossadegh also argued that “[Iran] should [not] share with anyone…[their] oil fields [should] be operated by the Iranian government, for the Iranian people,” he stood his ground: a fifty-fifty deal was not good enough for Iran, regardless of the nation that was offering it.

McGhee felt that “the Venezuelan type of arrangement was fair to both” the stockholders and the “countries who owned the subsoil resources.” He evoked the “principle

---

136 Leffler, Preponderance, 13.
137 Memorandum of Conversation, by Colonel Vernon Walters, October 11, 1951 FRUS, Vol. X, 229.
of equitable sharing:” splitting profits equally between nation and company was totally acceptable to other nations. Nevertheless, Mossadegh argued that Iran was a special case: “An exception must be made in the case of Iran because Iran was a neighbor of the USSR…Saudi Arabia and Venezuela were not.” McGhee stood firm: because there were core principles that were important to Mossadegh and the Iranian people – “to be masters of their own house, to be secure against outside interference in their internal affairs, and to derive the maximum possible revenue from their subsoil resources” – they would not allow the Soviet Union to undermine them.\footnote{Memorandum of Conversation, by Colonel Vernon Walters, October 11, 1951 \textit{FRUS}, Vol. X, 229.}

The tension in the room seemed to subside, and Mossadegh complimented McGhee, saying that he was “a reasonable man.” However, the premier now seemed to relinquish his hopes of settling the crisis before appearing at the Security Council. “I will defend my country,” he said, “and I will be obliged to deny [the UN’s] competence in this matter.”\footnote{Memorandum of Conversation, by Colonel Vernon Walters, October 11, 1951 \textit{FRUS}, Vol. X, 230.} McGhee said he understood, told Mossadegh that the administration was looking forward to his visit to Washington, and asked him when the prime minister might be calling on them in the District. His response was unexpected: “When I get out of jail. Will you help me get out of jail?” As Mossadegh broke into laughter, McGhee quickly understood: “jail” was the Security Council.\footnote{McGhee, 397.}

McGhee and Mossadegh agreed that they would be able to talk in a more serious manner “after the Security Council action.” However, the premier reminded McGhee of the “rapidly deteriorating situation in Iran:” the economy was suffering because of the oil
boycott, thousands of government employees were not getting paid, and the Tudeh Party was gathering followers while political turmoil was spilling into the streets of Teheran. Thus, he would still like to meet again before the session at the UN. Then, suddenly, Mossadegh announced that he wished to settle the oil crisis after his appearance at the UN. This, however, “was very confidential and he was only telling Mr. McGhee because he had full confidence in him.” It was as if Mossadegh was hitting the reset button, hoping to erase the diplomatic rollercoaster ride that had just occurred. He had been doing this for months.\footnote{Memorandum of Conversation, by Colonel Vernon Walters, October 11, 1951 \textit{FRUS}, Vol. X, 230.}

At this moment, McGhee might have been reminded of the famous quote attributed to Albert Einstein: “Insanity is doing the same thing over and over again while expecting a different result.” Or, perhaps he thought of Ray Bradbury’s definition: “Insanity is relative. It depends on who has locked who in what cage.”\footnote{Ray Bradbury, \textit{The Meadow}, Insanity – Wikiquote \url{http://en.wikiquote.org/wiki/Insanity} (accessed November 11, 2012)} Mossadegh seemed to be repeating the same tactics throughout 1951, and although his audience varied, he had been getting the same results. In each discussion, he had shown both a willingness to negotiate while at the same time flummoxing his opponents by reversing “Lenin’s adage that one must take a step backward in order to take two forward.”\footnote{Walters, 250.} The Americans could not hold him to one position, and he continued to elude a settlement. Was this the work of a “madman”?\footnote{Kermit Roosevelt, \textit{Countercoup: The Struggle for the Control of Iran} (New York: McGraw-Hill, 1979), 8.} Or was this the carefully calculated plan of a shrewd leader whose only hope of succeeding against the combined power of Western governments and big oil was to keep his adversaries guessing for as long as possible? Or, a third option: was the uncompromising spirit of Iranian nationalism imprisoning Mossadegh? As an editorial in the \textit{New York Times} on
October 13, 1951 would point out, “It is easier to start the fire than to control it. If the chances for a settlement of the Iranian oil dispute seem better here than in Teheran it is because the atmosphere is calmer, and Premier Mossadegh is not surrounded by shouting mobs threatening his life if he gives in.”

Mossadegh’s diplomatic vacillations and abrupt reversals were helping him avoid the same fate as Razmara, making his adversaries dizzy with confusion, and buying Iran more time to figure out a way around the international oil boycott. This was a delicate diplomatic high wire: Mossadegh was as shrewd and as calculated as any Western politician, and although he was perceived as eccentric, emotional, and unpredictable, the premier played the game of brinksmanship brilliantly. The allegations of Anglo-American officials that Mossadegh was insane appeared to be nothing more than frustrated attacks against a man who was making Western diplomats look like hamsters on an exercise wheel.

**Meanwhile, Back at Langley…**

George McGhee left New York on October 12, 1951 to give an update to Washington and attempt to “explore what the British present thinking was and see if there were sufficient grounds for hoping that talks could be resumed.” Meanwhile, the CIA was assessing the Iranian situation. One memo, circulated on October 12th, affirmed the report submitted by the Joint Chiefs of Staff and illuminated the state of the Anglo-American alliance. While the CIA lamented Britain’s intransigence, it also stressed the American bond with the British.

---

Written just days before Mossadegh’s address to the UN, the report indicates that the United States was beginning to acknowledge that the Mossadegh government was a dangerous liability. While Great Britain was already concocting plans to remove Mossadegh as soon as he ascended to the premiership in April 1951, the American government did not come to this conclusion until after Mossadegh’s visit to the US.\footnote{Milani, 151.} Still, this CIA document, coupled with the Joint Chiefs of Staff report, shows that the anxiety of the Truman administration was increasing.

The first section of the report delved into the “background” of the situation, and began by summarizing Iran’s recent history of “xenophobia.” Although Iran’s “anti-Western” sentiments were directed mostly towards the British, the report warned that “if the United States should continue to side spectacularly with the British…the brunt of anti-Western feeling could easily cover the United States as well.”\footnote{CIA Report, “Analysis of Iranian Political Situation,” October 12, 1951; Iran; Foreign Affairs; Subject File; PSF; Truman Papers. Student Research File: “The Oil Crisis in Iran, 1951-1953.” Harry S. Truman Library. Milani, 76.} Unfortunately, the entire oil nationalization crisis was occurring during a time when “the United States enjoyed a special position in the minds of many in the Iranian political class…many in Iran’s elite saw the United States as a potential ally in the country’s fight against the two chief colonial foes – Russia and Great Britain.” But Iranians “overlooked the vast and complicated web of U.S. relations with an ally like the British.”\footnote{CIA Report, “Analysis of Iranian Political Situation,” October 12, 1951, Truman Papers.}

The CIA defined Mossadegh, his government, and even the Shah as “prisoners of the streets.”\footnote{Milani, 151.} Mossadegh had limited options because any agreement he negotiated would not
be good enough “to sell to [his] fanatics.”\textsuperscript{151} The CIA stressed that these “fanatics” were “composed of two main groups: the followers of Mullah Kashani and the Tudeh Party.” Although “more numerous than that of the Tudeh,” Kashani’s minions were less organized, less disciplined, and lacked the “revolutionary and conspiratorial training” of the Tudeh. The CIA therefore determined that “of the two the more powerful is undoubtedly the Tudeh Party.” Iran was “now swinging dangerously toward the Soviet Union.”\textsuperscript{152}

The “fanatics” also influenced Mossadegh’s “powerful popular support,” which had swelled after Britain’s decision to take the matter to the United Nations. Furthermore, not only had the British strengthened Mossadegh by submitting their complaint, but this had tarnished the image of the United States in Iran, as the Americans were forced to choose the British side. Subsequently, political opposition to Mossadegh had withered, and its promise to renew the fight against the premier when he returned was empty. This pushed the Shah even further into despondency, and the crown’s power continued to decline in the face of expanding clerical influence and the rise of the prime minister.\textsuperscript{153} Indeed, according to the CIA, the Shah had resigned himself to the fact that his court was becoming his prison cell. The only position he could take was one that favored nationalization, and since September 1951 he had been forced to take “a stand in favor of Mossadegh and…refused to listen to British entreaties to rally opposition” against the premier.\textsuperscript{154}

The CIA declared: “The British position in Iran has collapsed.” The Shah “fears the ‘streets’ at present more than he fears the British…the influence of the British embassy upon

\textsuperscript{151} Walters, 262.
\textsuperscript{152} CIA Report, “Analysis of Iranian Political Situation,” October 12, 1951, Truman Papers.
\textsuperscript{153} CIA Report, “Analysis of Iranian Political Situation,” October 12, 1951, Truman Papers.
\textsuperscript{154} Milani, 154.
the Shah and his courtiers has practically ceased to exist.” Mossadegh, even while absent from Iran, was making the Shah his political prisoner, as “the Shah dares not talk back or step out of line” against his Prime Minister or against “the political wave which brought Mossadegh into power,” as that movement had been “in great part an anti-court wave.”

The last section of the report echoed the Joint Chiefs of Staff by warning of the danger of a strong Soviet Union dominating a weakened West. The CIA stated, “The Soviet Union is in a relatively strong position to reap advantages.” It cited the “great potentialities” of the Tudeh Party, including its abilities to foment successful labor strikes, organize “ten thousand demonstrators in the streets of Teheran,” and conduct “large scale propaganda” as reasons to be wary of Soviet strength. The CIA also acknowledged that the economic situation was worsening, and that this would “pave the way for further increase in the power of the Tudeh.” The next bullet point, instead of placing blame for the rise of the Tudeh on British obstinacy, implicated National Front policy as playing “directly into Soviet hands.”

Then, the CIA delineated explicitly how Mossadegh and his followers had wrecked havoc on the Anglo-American special relationship: “It has caused misunderstandings between London and Washington. The breach could be made to widen further. It calls for the physical expulsion of the British from Iran. It has undermined the prestige of the Anglo-Saxon powers in the Near East.” The term “Anglo-Saxon” brings to the forefront the racial hierarchies of that time. Domestically, the United States was a deeply segregated society. Internationally, imperialism, colonization, and capitalism had, over centuries, created a world-system of core and periphery characterized by a severe racial hierarchy. In addition,

156 Ibid.
men of Anglo-Saxon descent operated the governments of Great Britain and the United States. Mossadegh’s movement challenged a power structure that had been constructed by men of Anglo-Saxon heritage. Thus, the non-white peoples of the Middle East were threatening the identity and status of the most powerful white nations in the world, and whiteness bound the United States and the United Kingdom together. Mossadegh and the National Front were fighting not only international capitalism, but also the core of Anglo-Saxon power. Indeed, the CIA report warned that Mossadegh and the National Front were laying “the groundwork for a common front of nationalists in the Near East against Anglo-Saxon ‘imperialists.’”

During the years of the Iranian oil crisis, the United States was a very racist and sexist society. As historian Michael Hunt has documented, “the quintessential racist in the Truman administration may have been the president himself.” Truman also set the British apart, as “fundamentally…our basic ideas are not far apart.” Indeed, the nation that perfected imperialism, achieved Pax Britannica, and produced cultural artifacts such as Rudyard Kipling’s “White Man’s Burden” was close to the president’s heart. Yet the overt script of “the old racial hierarchy” that was acceptable during the first half of the 20th century went underground by Truman’s time and was replaced by rhetoric recast in “cultural terms supplied by development theorists” using words like “modernity” and “modernization.” However, every so often someone would use a phrase like “Anglo-Saxon powers.” For many, the belief remained: “Anglo-Americans were still on top” of the racial hierarchy.

158 Hunt, Ideology, 163.
159 Ibid.
Another CIA memo that contained “a monthly report of intelligence project initiations” lists a damningly titled CIA project. The memo was written to keep the State Department abreast of “those intelligence projects initiated by the CIA during November 1950,” around the time when McGhee was finalizing the ARAMCO deal and when Mossadegh was defeating the Supplemental Agreement in the Majlis. After listing National Intelligence Estimates, which dealt with topics such as “The Importance of Iranian and Middle East Oil to Western Europe,” the memo reports the existence of a CIA project entitled “The White Man’s Burden in Central Asia.” Why would the CIA frame American interests by echoing Kipling himself? Apparently, some American officials thought of themselves as inheritors of Britain’s civilizing mission and did so along racial lines.\(^\text{160}\)

The title of the CIA initiative provides further evidence that something deeper lurked within the Anglo-American relationship. However, the early Cold War was when British power faltered while American prestige skyrocketed: in many ways, the United States was supplanting the United Kingdom as the progenitors of civilization and modernity. It could be argued that America was taking up the “White Man’s Burden” because Britain could no longer do so: it was America’s turn to modernize the developing world. But the United States could not yet usurp the country that had once been its motherland, and this power struggle was becoming a Cold War of its own. Still, the United States and the United Kingdom were connected, and now the allies shared the burden of Mossadegh and Iran. The premier had been in the United States for only four days, yet his impact was already significant. His UN appearance was three days away.

\(^{160}\) CIA memo for the Executive Secretary, “Monthly Report of Intelligence Project Initiations,” National Security Council, December 1, 1950; National Security Council Files; Central Intelligence Agency File; Box 2; Papers of Harry S. Truman; Harry S. Truman Library.
CHAPTER 4: “Go, Cast Off the Chains Binding Persia’s Feet”

Last we left McGhee and Mossadegh, it was October 11, 1951, which was a Thursday. As a Muslim, the prime minister never partook in political business on Fridays, so there was no meeting on October 12th. On Saturday, October 13th, Mossadegh moved from his “six-room, $240 a day” New York Hospital suite to his Ritz Tower suite on 58th and Park Avenue. Thus, there was a calm before the storm, for the United Nations Security Council was scheduled to meet Monday, October 15, 1951 in what was sure to be a fiery clash between Dr. Mossadegh and the representative from the United Kingdom, Sir Gladwyn Jebb.

The next meeting was planned for Sunday, October 14th, and although the break in the talks was a welcome respite, McGhee and the premier were growing to like each other. A septuagenarian Persian aristocrat and a millionaire oil man turned State Department official were perhaps not the likeliest of friends, but as McGhee recalled more than thirty years later, “One could not help but like him. He was…an intelligent man and essentially a sincere Iranian patriot whose reasoning was influenced by his age and warped by his extreme suspicion of everything British.” McGhee remembers that every meeting featured “countless jokes and sallies on [Mossadegh’s] part,” often at the expense of the prime minister himself. These hijinks would always “be followed by Mossadegh’s convulsive laughter.” McGhee’s admiration for the premier was reciprocated: the premier often ended meetings by telling the assistant secretary how much he trusted him, saying that he could speak to the American as if

---

2 Walters, 257.
3 Mossadegh to Leave Hospital for Hotel,” Los Angeles Times, October 14, 1951.
4 McGhee, 390.
he was talking to “his own brother.” Their camaraderie would increase during the premier’s stay, and this would make the disappointing outcome of Mossadegh’s time in America that much more difficult to accept.

**Manufacturing Mossadegh**

While McGhee and Mossadegh seemed to be overcoming their cultural differences, the *New York Times* was manufacturing a negative – but not wholly inaccurate – image of the premier as a potential communist and an erratic leader. Editorials and stories about Mossadegh and the nationalization crisis flooded the front pages. A few particular pieces highlight how the media depicted the oil crisis not only as an example of the alarming political battles taking place across the Third World, but also as an indication of the danger Iran’s nationalism posed to the West. In addition, political cartoons that were published alongside these news stories reflected the cultural stereotypes that lingered in America in the early 1950s, indicating a form of Orientalism bequeathed from Great Britain and inherited by the United States.

It is not surprising that perceptions in the United States regarding the Anglo-Iranian oil crisis would be tinged with subtle cultural stereotypes, but they are worth examining for ways in which they might have influenced American policy and sentiment toward Iran and Mossadegh. The mechanisms that drove the formation of racial hierarchies at home were also subconsciously at work when the American government conducted its business abroad.

---

The United States judged nations like Iran as politically and culturally backward; inherently dangerous to the “new world order” that Sir Gladwyn Jebb would speak of at the United Nations. Just as certain groups of Americans stereotyped African Americans and fought to limit their political, economic, and social equality domestically, so too did Mossadegh’s progressive policies threaten the global racial hierarchy dominated by the Anglo-Saxon allies. Although this phenomenon is rarely explicit in the government’s written records, it was reflected in the popular press where Mossadegh was manufactured as a dangerous “other.” The political cartoons published by the New York Times provide evidence of this. Stereotyping made the premier and Iranians appear more comical, less human, and more susceptible to Soviet power. As the conflict deepened, familiar patterns of subtle racial and cultural denigration began to appear.⁸

**Oily Baba**

According to George McGhee “every move Mossadegh made…was highly publicized in the press.”⁹ Not only was he an enthralling figure, but also his policies challenged the racial and economic status quo, fomented debate on the merits of Third World nationalism, and heightened Cold War tensions. Thus, the press could not get enough of him, and the anticipation of his UN appearance sold newspapers. Since the beginning of Mossadegh’s tenure, he had been depicted – sometimes fairly and sometimes not – by the New York Times as an Iranian with extreme beliefs that threatened the economic well being

---

⁹ McGhee, 397.
of the West and could lead to widespread unrest, even war. Indeed, the article announcing
his selection as prime minister in April 1951 carried the headline, “Extremist Backed as
Iran’s Premier.”\textsuperscript{10} The Western perception that Mossadegh was a radical and a threat to
peace was reinforced in the press: from his entrance into the political consciousness of the
United States, he was cast as an extremist from a strange and backward world, and this was
expressed in a barrage of articles and cartoons.

Only a few days after that first headline, an editorial entitled “Emotion vs. Common
Sense” described the “almost pathetic delirium of the patriots” that led to nationalization, and
it described Mossadegh again as “an extreme nationalist.”\textsuperscript{11} Mossadegh’s emotional displays
and “histrionic talent” made him dangerous.\textsuperscript{12} Headlines like “Premier of Iran Airs Threat of
Death, Faints After Talk” began to appear, and the word “extremist” was repeated in almost
every article.\textsuperscript{13} The \textit{New York Times} repeatedly reported on Mossadegh’s emotional and
otherworldly episodes: before one fainting spell in the Majlis, the premier had said that “the
origins of his rise to power…went back to a dream he once had in which a radiant presence
appeared to him while he was ill, saying, ‘Go, cast off the chains binding Persia’s feet,’
whereupon he had risen from his bed and returned to the Majlis.”\textsuperscript{14}

Pictures and images reinforced powerful cultural stereotypes, and political cartoons
boiled down the crisis into neat vignettes that lampooned the prime minister, Iranians, and
people of the Middle East. These images helped build a perception of Mossadegh as a
destabilizing force. Although the first photograph of the premier to run in the \textit{New York

\textsuperscript{14} Ibid.
Times was flattering, depicting a young Mossadegh dressed in a suit and tie, images in the newspaper quickly began to focus on the prime minister’s ill health and proclivity to conduct political business from his bed. A May 29, 1951 picture shows Mossadegh in profile, illuminating the size of his “most extraordinary nose;” a nose that interpreter Vernon Walters judged as being “so large that it made Jimmy Durante’s seem like an amputee’s.” On June 2, the paper ran a picture of Mossadegh reading in his cast-iron bed with a caption that spoke to the premier’s fear of assassination: “Iranian statesman in seclusion…Premier Mohammad Mossadegh in his room in the Parliament Building, where he remained when he said his life was threatened.”

In addition to photographs, the New York Times ran political cartoons of Mossadegh that reflected cultural perceptions. Many were reprinted from British papers, while others were culled from American sources. The first ran on June 3, 1951, and originated from The Glasgow Bulletin in Scotland. Carrying the caption, “Something Behind Him,” it shows “Mossadegh” standing on a balcony, holding up a decree to his eager followers below that reads, “Persian oil nationalization at all costs.” A disembodied arm emerges from a curtain behind him, the word “terrorism” written on it, a revolver in its hand pointing at Mossadegh’s back. But the premier appears dressed inappropriately: the artist drew him in garb that made him resemble a member of the Russian Cossack brigade. This was misrepresentative: the premier dressed in pajamas when he was in bed or in a Western suit and tie when he appeared in public.

---

16 Walters, 248.
Depicting Mossadegh in stereotypical Middle Eastern or Islamic dress would become a staple of these cartoons. On June 24, 1951, the *New York Times* ran a drawing from *The London Daily Herald*. While the caption reads, “Drilling in Iran,” the image places Mossadegh – this time in a suit and tie but with grossly exaggerated buckteeth and crying copious tears – in the center of an oil derrick directly underneath a broken drill bit. Two technicians stand beside the drill, and a bespectacled man carrying a briefcase asks them, “Any sign of oil yet, lads?” Their answer: “Nix. Just tears and rock so far.” The cartoon accompanies an editorial that blamed not only the British for failing “to prevent the rot [of nationalism] from spreading” throughout Iran, but also pointed a finger at Mossadegh and his “fanatical supporters” for allowing the “possibility of a Communist regime.”

The press continued to make nationalism the culprit in the burgeoning crisis, calling it “a heady brew which Iranian patriots eagerly drank with exhilarating effect,” causing them to be “grimly determined to cut off their noses to spite their faces.” Journalist Michael Clark, a reporter in Teheran for the *New York Times* throughout 1951, provided evidence that there was truth to the “Something Behind Him” cartoon. Describing Mossadegh’s political position, Clark wrote: “Nobody knows better than the premier himself that at the first sign of procrastination on the nationalization issue the extremes of Left and Right will start clamoring for his scalp.” The accompanying cartoon from *The Nashville Tennessean* depicted a man, “Iran,” dressed in traditional Islamic attire climbing on top of a huge bomb.

---

labeled “OIL.” Alongside the caption, “Anything Could Happen,” the man carried a lit torch to the fuse, and the smoke emanating from its flames read, “Nationalization at All Costs.”

In July, while Truman was sending W. Averell Harriman to Teheran, a cartoon from Illinois’s The Peoria Journal ran alongside Michael Clark’s article entitled, “Mossadegh of Iran in Messianic Role.” While Clark described Mossadegh as a “demagogue with an unquenchable thirst for power and for a niche in history” who “has got his own destiny and that of his country hopelessly confounded in his mind,” the cartoon poked fun at Iran’s lack of trained oil technicians. Depicting a bearded old man in a turban and traditional robes standing over a barrel of “Iranian Oil,” the caption read, “If I Only Had the Key,” while a padlock securing the barrel’s spout came with a note reading, “Technical Know-How.” For Clark, the premier was “like a stuck phonograph record” repeating endlessly the crimes of the AIOC while encouraging “the nihilistic streak in the Persian character.”

A week later, on July 15, a cartoon from De Tijd in the Netherlands evoked the fear of communist infiltration in Iran, a fear that would be reinforced during the premier’s visit to the United States. The cartoon was presented in comic-strip fashion with Mossadegh as the main character in a five-panel storyline entitled, “Iran’s Premier May Be Conjuring Up the Wrong Kind of Genie.” The first box depicts “Mossadegh” – inappropriately dressed in a turban and robes – walking in Iran’s oil fields. He spots a can of oil, gets on his knees, and in the third frame starts rubbing the can as if it were a magic lamp. A genie emerges, but not the I Dream of Jeannie version: the apparition sports sickle and hammer tattoos on its shoulders, a giant beard, and in the final frame chokes Mossadegh to death with its ghostly

---

hands. Despite his declarations that he was as opposed to Soviet involvement in Iran as he was to British interference, Mossadegh was presented in the American media as susceptible to Soviet power. Depicted as delusional and culturally backward, the press indicated that there was no telling what he might do, especially if pushed to the edge, and suggested that death, danger, and violence were very possible consequences to the Anglo-Iranian crisis.

These cartoons implied that Mossadegh possessed a cultural inferiority that would play a part in his inevitable fall to the Soviets. On September 23, 1951, two weeks before Mossadegh arrived in America, the *New York Times* reprinted a cartoon from Australia’s *The Sun*. Mossadegh stands in the foreground: small, quaking with fear, biting his nails in a universal sign of nervousness, and dressed in a turban and robes. Behind him sinister threats emerge from amphorae: “unemployment” pokes his head out of one vase, “chaos” from another, and from another container a zombie-like arm reaches towards the vulnerable premier. Imperiled, Mossadegh’s only recourse is to say, “I’ll drown them in boiling oil – when I find out how to get some!” Titled “Oily Baba,” the cartoon indicated that the premier had unleashed uncontrollable forces. It implied that Iran might collapse under the weight of these forces and succumb to the powerful yet empty promise of communism.

There was truth in these cartoons: Mossadegh was pressured by terrorist groups, he was reckless in pursuing nationalization before there was a critical mass of trained Iranian technicians, he did unleash forces he could not control, and there was sympathy for communism among the struggling masses of Iran. However, these cartoons illuminate cultural stereotypes. They contributed to the subtle dehumanization and psychological

---

disfiguration of Mossadegh and the Iranian people in a way that was acceptable – even entertaining – to American readers. Domestically, as African Americans were challenging the racial hierarchy within the United States, Mossadegh and his virulent brand of nationalism was disrupting the global dominance of the West. The cartoons encouraged readers to consider characters like Mossadegh and countries like Iran to be socially backward, incapable of self-government, bereft of political responsibility, and ripe for communist defilement. They invited Americans to tap into the fast-thinking stereotypes embedded by years of Western economic, military, and cultural superiority.

The Prisoner’s Final Meal

By October 14, 1951, the date of the last meeting between Mossadegh and McGhee before the Security Council convened, American newspapers had made the connection between unrest in Iran and protest in Egypt: like a contagion, the infection of nationalism was spreading. In an article entitled “Drumbeat of Nationalism Echoes in the Near East,” C.L Sulzberger argued that these countries were incapable of handling the liberal ideologies that had preceded the ascent of Western modernity: “This area never truly felt the impact of the United States, French, or Russian revolutions. Vast spaces are still governed either along tribal lines similar to those prevailing in the region when the Old Testament was written or along those of absolute monarchy – discarded by Western Europe two and one half centuries ago.”24 The “Near East” had not evolved, and its people were inferior and dangerous. An accompanying cartoon from The Washington Star showed Mossadegh, in a suit and tie,

somewhere in the Egyptian desert, standing with an Egyptian man in traditional clothing. 
The British lion – looking less than fierce – stands between them, and the Egyptian man holds onto the creature’s tail with both hands. He turns to Mossadegh, with the pyramids in the background, and asks the Iranian prime minister, “Which way did you twist it?”25 The tail was about to wag the lion.

The Sunday, October 14 edition of the New York Times featured two cartoons taken from Iranian papers. Ominously, they linked Mossadegh’s policies with those of the communists and the Tudeh Party. Sporting the header, “As the Iranians See It,” the first cartoon depicted a Soviet bear grappling with the English lion, while a rat with the letters “U.S.A.” written on its spine sneaks off with an oil rig in its mouth. The caption below read, “A third thief came and made off with the prize.” The second cartoon showed a tall, strong man, “Iran,” striking a portly man who resembles Winston Churchill. As “Iran” pushes his nemesis down into miniaturized oil refineries, the caption reads, “This is the final answer to cruel imperialists.”26 These cartoons, printed the day before the premier appeared in the Security Council, reminded American readers of Mossadegh’s extremism. The images aligned Mossadegh with labor, against capital, and, most importantly, against the West. They reinforced the fear that Mossadegh – whether by recklessness or Soviet coercion – might disappear behind the Iron Curtain. In Iran, the laboring class was growing restless and the forces of nationalism were spouting Marxist rhetoric. By printing these two Iranian cartoons, the New York Times was stirring American nationalism.

But in the article accompanying the Iranian cartoons, Michael Clark argued that Mossadegh wanted the United States, not the USSR, as an ally. He reported that the premier and the National Front did not yet consider the United States to be a rat vying for Iranian oil. Rather, Mossadegh was hoping that the Americans would provide Iran with direct assistance through the Truman Doctrine as they had in Greece and Turkey:

Nothing has boosted the Government’s morale and self-confidence so much as its expectation of United States backing. Its thinking in this matter runs along these lines: ‘American economic-aid programs – like Iran’s own nationalization program – are essentially political undertakings. Their avowed aim is to contain Soviet communism. If her present economic deterioration is allowed to continue, Iran must ultimately disappear behind the Iron Curtain. This would be a major setback for United States global strategy. Therefore, sooner or later, overriding British objections, the United States will step in and pull Iran’s chestnuts out of the fire. Net result: Iran will at one and the same time be freed from the hated British influence and protected against the Soviet Union, and [Iran’s] national aspirations will have been realized.’

Clark’s analysis highlighted the central goals of Mossadegh’s trip to the United States. The premier continually invoked the Soviet menace hovering above Iran and argued that unless the Americans came to Iran’s rescue with immediate and substantial financial aid, it would be unable to resist Soviet subversion. But while his government was in dire need of oil revenues that would protect Iran from communism, the premier seemed to be incapable of making a deal with the British because the Iranian people might turn against him if he compromised the spirit of oil nationalization. He continued giving the most important ally of the United States the runaround while at the same time imploring the Americans for help. This put the Truman administration in an untenable position. In his attempts to acquire

American assistance, Mossadegh would eventually resort to almost blackmailing Washington with threats of involving the Soviets.

Mossadegh’s time in the United States illuminated his conflicted position: to convince the Americans to “pull Iran’s chestnuts out of the fire,” he had to make a deal with the British. But if he made a deal with the British, he would lose credibility at home. While he professed to offer friendship to the Americans with one hand, with the other hand he threatened an alliance with the Soviet Union. His attempts to juggle all these variables did not ingratiate him to the West.

The Sunday meeting on October 14th was the last before Mossadegh’s stint in “jail;” his euphemism for the United Nations. This conversation would feature the many polarities of Mossadegh’s personality, and if McGhee’s memories are pure, the encounter also provided the only chance to finalize a deal with the Prime Minister. This was the American’s last opportunity to find a solution before Mossadegh excoriated the British in front of the entire world. A final cartoon in that Sunday edition of the New York Times illustrated the symbolic weight of the Anglo-Iranian crisis and the incoming flood of Mossadegh’s rhetoric: dark storm clouds overshadowed the UN building. A giant raindrop, bearing the words “British-Iranian Oil Problem,” was about to douse the UN and submerge its offices. The cartoon, from The Nashville Tennessean, was called “Out of Control.”

---

The Final Attempt

The last meeting between Mossadegh and McGhee before the convening of the UN Security Council took place in the Prime Minister’s Ritz Tower apartment on October 14, 1951. McGhee had flown from Washington to New York that morning to show the premier that “he fully understood the urgency of the situation and Dr. Mossadegh’s need for speed in this matter.”29 After they had exchanged customary pleasantries while Walters took his usual place on Mossadegh’s bed, the assistant secretary told the prime minister that over the past few days in Washington he “had been exploring the British thinking,” and felt confident that he would be able to communicate the British position clearly. McGhee said that while the Americans were “doing everything we could” to facilitate a solution to the oil crisis, there were still “a number of points on which an agreement would have to be reached.”

Mossadegh’s response was unchanged: “The Iranians are absolutely unwilling to come to any agreement with either the British government or the AIOC. We cannot do this. No one in Iran would accept it.”30

Mossadegh the Extremist was back. Once again, he had pressed the reset button and the negotiations had come full circle: nationalization at all costs. The premier then reiterated the threat he had made a few days before, that “if they reached any agreement with the British they would have to reach a similar agreement with the Russians, this on the principle of reciprocity and equal treatment.” McGhee did not flinch. He explained that the Iranians had nationalized the British oil fields, and the Soviets held no prior concession. Therefore, “there could be no question of giving any concession or other arrangement of a similar nature

29 Memorandum of Conversation, by Colonel Vernon Walters, October 14, 1951, FRUS, Vol. X, 232.
30 Ibid.
to the Soviets.” The only country Iran could make an agreement with – even if it did not wish to – was Britain. 31

The prime minister’s attempts to threaten the United States with Iran’s potential involvement with the USSR bought him time while he attempted to find a “third way” for Iran. However, from the perspective of the West, Mossadegh was trying to make confiscation resemble nationalization, challenging the boundaries of sovereign rights, and violating the rule of law. While Mossadegh and many Iranians justifiably believed that the AIOC had stolen from Iran for decades, many in the West saw the arrangement purely as a contractual matter. Western law was clear: contracts were binding, and any threat to the sanctity of contracts was a threat to the capitalist world order and, in turn, international peace and security. Thus, in a weak bargaining position with no powerful allies, Mossadegh used “the traditional expedient of the less strong,” 32 and relied on the threat of a Soviet alliance.

While to the West it appeared that Mossadegh was stealing the AIOC’s equipment and threatening anarchy, to Mossadegh and Iranian nationalists this had always been a “political problem;” 33 Iran had sacrificed its autonomy and allowed the AIOC to recoup its investment several times over. Now, it was Iran’s turn to be in control of its oil, and oil would lead to international power. But for McGhee that Sunday afternoon, the problem remained that the United States was attempting to broker a deal between two adversaries, both of who believed they were being robbed. Now, both were demanding their pound of flesh. Mossadegh exacerbated “these tensions with operatic flair.” 34

31 Memorandum of Conversation, by Colonel Vernon Walters, October 14, 1951, FRUS, Vol. X, 232.
32 de Belliauge, Patriot of Persia, 169.
33 McGhee, 391.
34 de Belliauge, Patriot of Persia, 169.
That evening, even the definitions of simple words became divisive. As Colonel Walters reported, “The word ‘agreement’ was explained at some length to Dr. Mossadegh as it seemed to have for him some connotation of a concession type of arrangement.” Mossadegh’s questioning of this term, however, was justified: the only agreements that Iran had ever known with the West were imperialistic concessions that had been lopsided at best. For Iranians, any “agreement” would compromise their national integrity and signal continued subservience to the West. Mossadegh repeated his soliloquy on “the seriousness of the situation in Iran” and again threatened that “grave consequences…might ensue if a solution were not achieved.” He again blamed the British for the impasse: “He had come here filled with a desire to reach a speedy solution and now a week had passed and the British had done nothing.” McGhee’s only possible response was that the Americans, “as honest brokers sounding out both sides,” were doing the best they could, and, at some point, Iran would have to deal with Great Britain directly.35

The two men then began to discuss the issue of compensation due to the AIOC. The point of contention was the value of “the company’s installations in Iran,” and Mossadegh brilliantly offered that Iran would pay “compensation on the basis of the stated value…as set forth in the AIOC’s annual statement.” The AIOC had declared an official value of its hardware in Iran at only £27 million. While McGhee tried to explain that “there was considerable difference between the book value and the sales value or real value of assets,” Mossadegh argued that this was an example of AIOC cunning and Western hypocrisy: if the company professed to follow the rule of law, it should stand by its written records. In fact, if

35 Memorandum of Conversation, by Colonel Vernon Walters, October 14, 1951, FRUS, Vol. X, 232.
the installations were worth more than £27 million, the premier “asked whether the AIOC would be willing to say by how much they had committed a fraud in their statement.”

McGhee proceeded to make this a teachable moment – an opportunity to explain to the Prime Minister the inner workings of Western economic market valuations. But lost upon him was Mossadegh’s critique of the West’s way of doing business. From the premier’s point of view, the company had no claim to the oil in the ground or to the future earnings from that oil: the AIOC owned only the infrastructure that it had built. McGhee tried to explain that if the AIOC had put its refineries and oilrigs in Iran for sale on the world market, the company would recoup “perhaps over a billion dollars,” and that because of the potential income from oil revenues, the AIOC’s property in Iran was certainly comparable, if not more valuable, to any similar property in the United States.

McGhee then summarized the problem he and Mossadegh were facing: “It was not easy to arrive at the valuation of property of this type.” He said that, regardless of Mossadegh’s logic, the AIOC contract gave it legitimate rights to the extraction of and profits from Iranian oil until the 1933 agreement terminated in 1993. Based on rising global demand, Iran’s yet unearthed black gold could fetch incredible amounts of revenue for years to come, and the equipment necessary to obtain that precious commodity was potentially just as valuable. The AIOC’s refineries, like that at Abadan, were guaranteed moneymakers in a world fueled by petroleum.

Still, Mossadegh and the National Front viewed the AIOC’s claim as limited to the hardware that it had installed in Iran, and the premier would only agree to pay the company

36 Memorandum of Conversation, by Colonel Vernon Walters, October 14, 1951, FRUS, Vol. X, 232.
37 Ibid.
what it was owed for this machinery. If only, the prime minister said, “the President of the U.S.” was able to “arbitrate this matter.” McGhee dismissed this, saying that Mossadegh must know that “this was too great a responsibility” for any one man to adjudicate. Again, Mossadegh was asking for what he could not have, and as darkness fell, the conversation paused. Time was running out, and an ideological canyon had opened between them.

At that moment, Mossadegh dropped a diplomatic bombshell. Evidence of this revelation is confirmed by McGhee’s memoir, Dean Acheson’s memoir, and a few cryptic lines in the memorandum of conversation authored by Vernon Walters. After a lull in their conversation McGhee reiterated that Mossadegh had to acknowledge the “complications created by Iranian nationalization of the AIOC’s Abadan refinery.” This refinery required expert technicians to keep it running. Out of nowhere, Mossadegh said, “But the refinery hasn’t been nationalized.” McGhee sat before the premier, “dumbfounded.” He stammered, “What do you mean? The world thinks the Abadan refinery was included in the nationalist package.” Mossadegh, showing either genuine trust in McGhee or an astute ability to manipulate the desires of men, replied: “You can’t quote me, but you can take my word that it wasn’t.”

Mossadegh’s revelation was, at the very least, confusing, as the Iranian government had been attempting to occupy the Abadan refinery since June 1951, but had been thwarted by AIOC officials until they were expelled from the country that September. Few secondary sources mention this disclosure, and none speculate on Mossadegh’s intentions.

---

38 Memorandum of Conversation, by Colonel Vernon Walters, October 14, 1951, FRUS, Vol. X, 232.
39 McGhee, 395.
40 Memorandum of Conversation, by Colonel Vernon Walters, October 14, 1951, FRUS, Vol. X, 232.
41 McGhee, 395.
42 de Belligue, *Patriot of Persia*, 162.
Mostafa Elm mentions it in passing, and even Mary Ann Heiss, who deals most extensively with the nationalization program from the Western perspective, ignores McGhee’s recollection. According to Heiss, Iran’s Nine Point Law, the nationalization legislation passed on May 1, 1951 by the Majlis, called for “the transfer of the AIOC’s assets and revenue to the nascent NIOC and required a complete British withdrawal from all facets of the Iranian oil industry.” Heiss assumes Abadan was included in “the AIOC’s assets.” Her sources, however, are from British and American archives: she does not dissect the Nine Point Law itself. In order to ascertain whether Mossadegh was telling the truth, that in fact the Abadan refinery had somehow been left out of this legislation, the law would have to be examined in its original language.

For McGhee, this was an electrifying development: the Abadan refinery had not been nationalized – at least, not yet. He was elated: “I could scarcely contain my excitement.” This was “a real possibility for a breakthrough,” for if Abadan’s refinery was still an AIOC possession in the eyes of Iranian law, there were new options. The company could sell it to the NIOC for a large lump sum of cash or oil, the company could sell it to a third brokerage party, or the company could use it as collateral in the negotiations on the issue of yearly compensation. It made Mossadegh appear less extreme and made the Iranian position less threatening. For McGhee, “this might have made an agreement possible.”

McGhee scrambled to find a way to hold Mossadegh to his word, and he asked the premier, “Would he object to both of us initialing identical statements, one in French by him and another in English by me, that the refinery had not been nationalized?”

---

43 Heiss, Empire and Nationhood, 82.
44 McGhee, 396.
minister agreed, and Walters wrote out the terms. Once both men had signed their
impromptu documents, McGhee felt as if “Mossadegh had given back, via me, the largest
refinery in the world.” In the official memorandum of conversation, Walters wrote, “Mr.
McGhee pointed out that considerable agreement which encouraged him had become
evident” and confirms McGhee’s story that the two men transcribed “matters on which they
agreed.” However, this document does not specifically mention the Abadan refinery, and
the makeshift agreement has not been found in any archive. McGhee provided an odd
explanation for this: “The [State] Department apparently took the security of the slip [of
paper that] Mossade gh had initialed so seriously that it has never, to my knowledge, been
found again.” Supposedly, evidence of Mossadegh’s bombshell and the subsequent
agreement the two men reached was either lost or hidden.

McGhee and Mossadegh settled a number of other contentious issues that night:
indeed, seven agreed points were written down, showing distinct progress in the talks. First,
Mossadegh agreed to allow former consumers of Iranian oil – primarily the British – to use
“any intermediary the consumers may designate in writing” – such as the “Purchasing
Organization” previously discussed – to purchase their oil for them. Second, the two men
agreed that the NIOC Board of Directors would “consist of three Iranians and four neutrals.”
Third, on the issue of technicians and access to technology, Mossadegh agreed that the NIOC
would “enter into a contractual arrangement with an outside company on a fee basis,” and he
said, “A Dutch company would be acceptable.” This was a major breakthrough, as
Mossadegh seemed to relinquish his fear of a foreign company’s “agents” dominating the

---

45 Memorandum of Conversation, by Colonel Vernon Walters, October 14, 1951, FRUS, Vol. X, 233.
Iranian government. Fourth, they agreed that Iran would look to the World Bank “to borrow the working capital required” to run the NIOC. Fifth, the NIOC would sign a contract with a purchasing organization for no fewer than ten years, and Mossadegh agreed that the price of oil would also “be fixed initially by negotiations” and then subsequently subject to market fluctuations. Sixth, the technical director of the NIOC would be of “neutral nationality” and “chosen by the Board of Directors.” Lastly, and somewhat ironically, “payment for the crude petroleum” would “be made in sterling.”

It appeared that McGhee and Mossadegh had crossed into new, exciting territory. As the meeting wound down, Mossadegh again referred to the UN as “jail,” asking “laughingly…if McGhee would help get him out.” Like an old friend, McGhee replied that he would be “waiting for him at the door.” Then, Mossadegh’s Anglophobia seemed to disappear for a moment, as he expressed his fear that if the Security Council recommended negotiations it “would tie the hands of the Iranians by simultaneously preventing the return of British technicians and the hiring of other technicians such as Germans, from whom he had had many offers.” It was a candid statement: he seemed to have dropped his guard. He much preferred that the Security Council “adopt no resolution or merely take a non-committal position.” McGhee replied that the Security Council would do its utmost to “endeavor to help him solve his problem.”

The meeting was over. McGhee reiterated that while the United States “would not be a party to any solution which was unfair to him,” the prime minister needed “the cooperation of world petroleum to operate his business…he could not operate it alone in isolation.”

---

46 Memorandum of Conversation, by Colonel Vernon Walters, October 14, 1951, FRUS, Vol. X, 234.
Therefore, the arrangement that they had just agreed upon “must appear equitable to world petroleum” before it was made official. Without approval from “the whole petroleum industry,” and without “prompt, adequate, and effective compensation” paid to the AIOC, it would be impossible to get the NIOC up and running. If the premier wanted the best future for his country, McGhee said, Great Britain and Iran had to finalize the deal. “Mossadegh indicated agreement with all the foregoing,” giving McGhee a seemingly miraculous diplomatic breakthrough.48

There was an elevated sense of intimacy between the two men as they parted. McGhee told Mossadegh that “the President and Secretary [Acheson] were anxious to see him and talk to him,” and Mossadegh again replied that he “would like to as soon as he got out of jail.” Then, McGhee invited the premier to his farm in Middleburg, Pennsylvania, an invitation that Mossadegh accepted, saying that he was “also...a farmer and would like nothing better than to give up political life and return to his farm.” McGhee and Walters took their leave.49 When the American duo hit the streets of New York, they celebrated. McGhee “treated Walters to the most elaborate available meal at the Chambord, one of the best restaurants in New York.” His “elation was complete.” With Mossadegh’s signed “slip” in his pocket, McGhee believed he had averted disaster. He had proved that Mossadegh was willing to negotiate.50

However, the next day the atmosphere of friendship, cooperation, and compromise evaporated with the morning dew. As McGhee recalled, “Mossadegh leaked to the press that

49 Memorandum of Conversation, by Colonel Vernon Walters, October 14, 1951, FRUS, Vol. X, 236.
50 McGhee, 396.
Iran would not fail to nationalize the refinery [at Abadan].” While this “leak” does not appear in the American media, McGhee remembers hoping that this was Mossadegh’s “insurance against being shot by an Iranian nationalist,” implying that the premier issued his statement through Iranian outlets. McGhee claims that he remained “confident that [Mossadegh] would try to live up to his commitment to me,” but Mossadegh’s bombshell was another diplomatic runaround. While the other seven points delineated in Walters’ memo did serve as bona fide progress, and would comprise the basis of the proposal that would be sent to the British in the hope of renewed negotiations, the concession had been a phantom. As Mostafa Elm concludes, “Mossadegh told [McGhee] later that the Abadan refinery was in fact included in the nationalized oil industry.”

“Iran has stationed no gunboats in the Thames”

October 15, 1951 was mild for an autumn day in New York City. The mean temperature was 57 degrees Fahrenheit, with a high of 64. It did rain a bit, which fulfilled the foreshadowing in the political cartoon that depicted a giant raindrop hanging over a drawing of the UN building. The Security Council meeting was scheduled for three in the afternoon, and when Mossadegh pulled up to the United Nations building in Flushing Meadows, dozens of reporters clamored to take his picture. The anticipation was palpable: this was the international showdown between Iran and Great Britain – the weak versus the

51 Elm, Oil, Power, and Principle, 184.  
54 Pirouz, “Iran’s Oil Nationalization,” 111.
strong, the East versus the West, colonial protectorate versus unsustainable empire, David versus Goliath. Now, David himself was about to walk into the Lion’s Den.

Television camera crews taped the premier’s every move. With his son constantly by his side, Mossadegh entered the Security Council chamber assisted by UN Secretary General Trygve Lie of Norway. In the footage, the premier, holding the secretary’s arm, leans heavily on a cane for support. He appears weak, and after a few steps – amidst a flurry of flash bulbs – Mossadegh slips slightly, his head and body wobbling to his right in a near fainting, swooning motion. But at the last moment he rights himself, recovers his strength, and continues to his seat.\(^5^5\) From the start, Mossadegh was projecting an image of ill health and weakness, and he maintained this aura of elderly fragility both physically and rhetorically throughout the week.

Another newsreel shows Mossadegh just after he has taken his seat: the premier stares straight ahead for a moment after he sits down. Then, after another flash bulb bursts, he shuts his eyes and jerks his head to the right, as if he was trying to shake off the impression of light left by the camera. This happens twice, one head-jerk right after the other. While the premier performs this odd motion, the narrator of the newsreel says, in early-1950s television broadcaster vocal style, “The ailing statesman electrifies the Council as he denies the right of the United Nations to intervene in what he calls a purely internal matter.”\(^5^6\)

---


Allahyar Saleh, one of the premier’s more trusted colleagues, sat next to the aging leader. Behind them sat a plethora of Iranian representatives. In the same newsreel that shows the prime minister being blinded by the bulbs, Mossadegh’s son can be seen sitting behind his father. He “was very much concerned about his [father’s] well-being,” and told his father, “Dad, today is an important day, please be strong and whenever you get tired, please let me know.”57 Surely Mossadegh would rise to this momentous occasion, regardless of how drained and weak he appeared to be. If he was as messianic as Michael Clark of the New York Times claimed he was, then Mossadegh would give his audience one of the most emotional and dramatic speeches ever heard on this international stage.

President Muniz allowed Sir Gladwyn Jebb to speak first. The UK representative made a statement explaining Great Britain’s “new draft resolution.” Jebb announced that the original version, submitted on September 28, 1951, had asked the Council to permit “the continued residence at Abadan of the remainder of the Anglo-Iranian Oil Company’s staff.” However, Jebb purported that not only had “the position of these technicians” become “so difficult” due to Iranian mobs “that they had to leave,” but also the “Iranian Government” had, “to put it bluntly, expelled” the British experts from the country. Therefore, the original resolution was “out of date.” Jebb did not mention that the Americans had protested the first draft, and made it seem as if Iranian actions were the cause of Great Britain submitting a second complaint.58

Jebb then delineated Great Britain’s priority: the oil derricks at Abadan must continue to operate. The new resolution, submitted on October 12th, sought “a resumption of

57 Pirouz, “Iran’s Oil Nationalization,” 111.
negotiations” and suggested that Iran follow “the provisional measures indicated by the International Court.” Thus, while “seeking agreement between the parties…the flow of oil” ought “to be resumed without prejudice to the ultimate agreed solution of the dispute.” Great Britain was “not now insisting…on the return to the status quo which existed before 1 May.” It was, however, asking that Iran follow “the rule of law” and respect the sanctity of contracts by suggesting “a way by which reasonable people can…enable a great industry to resume its operations.” It was illogical for Abadan to shut down: if “the flow of oil” resumed, conditions in Iran would stabilize and Great Britain would regain a balance of payments.59

Jebb repeated much of his speech from October 1st, reiterating that Great Britain had forsaken the option of force to show the world that peace could be gained by following “the rule of law.”60 Then Lord Gladwyn spoke directly to Mossadegh, imploring him to forsake the caustic rhetoric and dangerous policies that had led to this showdown:

I appeal to the representative of Iran…not to take up an aggressively nationalistic and indeed, I might say, almost isolationist attitude; not to brood unduly on old imagined wrongs; but to concentrate on the broader aspects and to show by his attitude that he too welcomes a constructive solution which…will enable us to achieve some synthesis between the industrialized West and the as yet only partially industrialized nations of the immemorial East that will redound to the benefit of the world as a whole.

Jebb was resolute: either Mossadegh was on the side of progress and international cooperation or he was on the side of anarchic nationalism.61

Now it was Mossadegh’s turn. Sitting in a hunched posture and wearing black-framed glasses, the premier began reading his prepared speech in French. He expressed

60 Ibid.
gratitude to the Security Council for “adjourning discussion of this question” until he had arrived; their “kindness” would now allow him to “state…to the whole world” Iran’s answer “to the baseless complaint” of Great Britain. However, he asserted that the international body had “no jurisdiction to hear this complaint.” While Mossadegh admitted that the United Nations was the only “supreme body” responsible for “the maintenance of international peace and security,” the Anglo-Iranian oil crisis was not such an issue. The nationalization of the AIOC was a threat to, at most, the profits of the United Kingdom, not to “international peace.” This crisis did not involve two armies standing on the brink of war: the Security Council was not the last remaining bulwark against bloodshed. Thus, the Security Council had no jurisdiction to hear Britain’s complaint: this was an economic matter between Great Britain and Iran. If the chamber in which he sat was “the ultimate refuge of weak and oppressed nations, the last champion of their rights,” then any talk that referred to Chapter 7 of the UN Charter should be treated with suspicion.62

Mossadegh said that he appeared before the world “after a long journey and in failing health to express my country’s respect for this illustrious institution.”63 The Council had been “established so that small and great nations alike might sit round the same table and cooperate for the maintenance of peace.” But, even though Iran had already promised compensation to Great Britain in return for the right to nationalize its oil in accordance with international law, London was manipulating the language of Chapter 7, utilizing the Council for economic gain, and infringing on Iran’s sovereign rights. If the UN was to succeed in its primary mandate of maintaining peace, “the Great Powers” had to “respect the principles

---

63 Ibid.
which [the Council] was created to embody.” Otherwise, “the small nations” could not
“regard it as their refuge.” The UN could not allow itself to become “an instrument of
interference:” if the Security Council seriously considered Britain’s complaint it would “lose
the peoples’ confidence and fail in its duty as a guardian of world peace.”

“The Second World War changed the map of the world,” Mossadegh said, and
“hundreds of millions of Asian people, after centuries of colonial exploitation, have now
regained their independence and freedom.” Yet Iran was a land forsaken: “Iran
demands…the right to enter the family of nations on terms of freedom and complete
equality.” Just as the United Nations had helped other countries rise above the shackles of
imperialism, Iran expected the Security Council to help it “recover its economic
independence, to achieve the social prosperity of its people, and thus to affirm its political
independence.” Mossadegh was claiming that countries like Iran deserved reparations, and if
the UN was true to its principles it should allow Iran to reclaim its resources.

Then, just as he had entered the Security Council chambers exuding weakness and
fragility, he presented Iran and its people as “victims” who had endured “all manner of
natural obstacles and of hardships without number.” The Iranian people lacked “the bare
necessities of existence” and struggled to sustain a “standard of living” that was “probably
one of the lowest in the world.” Therefore, since Iran’s “greatest natural asset is oil,”
Iranians should enjoy all, not some, of petroleum’s great potential: the oil industry “should be
the source of work and of food for the population of Iran” and “the revenue should go to

---

66 Ibid.
improve our conditions of life.” But under British ownership, “the petroleum industry has contributed practically nothing to the well-being of the people or to the technical progress or industrial development of my country.”

The prime minister had statistics to support his position. Using “the actual balance-sheets of the former Anglo-Iranian Oil Company,” he substantiated his claim that Britain had subjugated Iran. “According to the accounts of the former Company,” Iran’s oil wells had produced “a total of 315 million tons” of crude “during a period of fifty years.” However, Iran’s “entire gain” amounted to “only £110 million.” Taking 1948 as an example, Mossadegh showed that while the AIOC’s “net revenue” was “£61 million,” Iran had “received only £9 million…from those profits.” Even the “United Kingdom Treasury” had collected more income than Iran: on “income tax alone,” it had accrued “£28 million.” Great Britain had been exploiting Iranian oil to sustain its economy and the British way of life.

Mossadegh then called attention to the torment of Iranian laborers. Workers “living in the oil region of southern Iran” were “suffering in conditions of absolute misery without even the barest necessities of life.” This was entirely the fault of the Company: “If the exploitation of our oil industry is to continue…then our people will remain forever in a state of poverty and misery.” A restless, angry, and exploited working class could ignite in a fiery Marxist revolution, and the prime minister warned: “If the foreign exploiters [continued] to take all the income,” Iran could become susceptible to Soviet influence.

---

69 Ibid.
70 Ibid.
“Nationalization” was the only way out. It was the “unanimous desire of the Iranian people,” and these citizens were “fully conscious of [their] rights.” Petroleum was Iran’s “national patrimony.” The only way Iran could “raise its standard of living” and “promote the cause of peace” was if it controlled the oil industry outright. Thus, Iran expected “the aid and support of the United Nations.” Indeed, the UN Charter required that “peace-loving nations…extend a helping hand to Iran today.” Iran had followed international law; it had offered “just compensation” to the AIOC. The Security Council should ignore Great Britain’s suggestions of implementing Chapter 7, admit that this economic issue was outside its jurisdiction, and offer assistance and moral support to Iran.\(^71\)

Then, something unexpected happened. To this point in his speech, the premier had been reasonably restrained: there is no record of histrionics. However, in his next breath he said, “Since my poor health will not permit me to finish my statement, I shall ask Mr. Allahyar Saleh…to read the rest of it.” The premier was known for being long-winded and was regularly able to filibuster in the Majlis for hours. His decision to delegate the task of reading the remainder of his speech to the Security Council was remarkable. The premier may have been using his ill health both as a metaphor for the suffering Iranians who had been oppressed by the AIOC and as a tactic to evoke the sympathy of the audience. Alternatively, he may have considered the remainder of the speech, which would attack Mohammad Reza Shah and extend friendship to the Soviets, too dangerous for him to say. Asking Saleh to read it could have been a matter of self-preservation: it gave him some cover.\(^72\)

---

But first, Mossadegh made his final sentences count. He blamed the deadlocked Anglo-Iranian oil crisis on Great Britain. Iran had shown “the utmost good will” and had “submitted constructive proposals” in its negotiations with the AIOC, but “this conciliatory attitude” was a “waste of time.” It was the British who had been intransigent. Their inability to acknowledge Iran’s rightful claim to its oil had aggravated “Iran’s economic difficulties.” While Mossadegh declared “emphatically” that he was “quite willing to reopen direct negotiations” on the issues of “compensation and the sale of oil to the United Kingdom,” he announced that it was imperative that Great Britain show “real desire and intention to reach a settlement.” Otherwise, “our economic situation will go from bad to worse,” thus inviting the amorphous specter of communism to materialize in more solid form. Like Soviet UN Representative Tsarapkin had done two weeks prior, Mossadegh concluded by asserting that the Council had “no justification for…intervention.” The British, by bringing their complaint to the UN, were only attempting to “delay the accomplishment of our task.” If the delegates respected the UN Charter and the concept of sovereign rights, they should “abstain from making any recommendations.”

The Soviets, the People, and the Shah

Saleh would begin reading Mossadegh’s speech at a crucial juncture: his first words would contend that Mohammad Reza Shah had no right to make any oil deals for Iran: only the people of Iran and their elected representatives in the Majlis possessed the power “to decide what shall be done with [Iran’s oil], by whom and how.” This was an incredibly

important distinction: Mossadegh was arguing that Reza Shah had made the 1933 oil deal without the consent of the Iranian people, and that therefore it was null and void. The premier wanted to insure that this mistake would never again happen in Iran: by leading the successful campaign for nationalization, he was taking the first step in wrestling power away from the Shah and placing it in the hands of the Iranian people and the Majlis. The rest of the speech, which Saleh read in English, not only described the corrupt relationship between the Shah and the AIOC, it also warned of a potential alliance between Iran and the Soviet Union. As Mossadegh, through Saleh, sought to label the Shah as a slave to foreign interests, he announced that Iran had the right to make oil deals with whomever it chose, including the Soviet Union. The remainder of Mossadegh’s speech would strengthen the American fear that Iran could become a Soviet ally.

His speech argued that the Shah and his father had perpetuated Iran’s weakness, but under Mossadegh’s guidance, “the oil resources of Iran, like its soil, its rivers and mountains” had become “the property of the people of Iran.” Any agreement, such as the 1933 accord, that had been made between the Pahlavi regime and the AIOC was forfeit because the Iranian people had not approved it: “They have never agreed to share that authority with anybody else or to divide their ownership of all or part of that property or what it produces with anyone.”

Mossadegh sought to make the Majlis the dominant power in the land, and nationalization was the first step in that process. Indeed, the premier was revealing one of the central motives in his championing of nationalization: to strike at the heart of the

---

75 Ibid.
monarchy’s power. It was from oil revenues that the Shah had built an army. It was from oil revenues that the Shah drew his economic power and ability to make social improvements. Nationalization was the first step in Mossadegh’s quest to rid Iran of the Pahlavi line and, possibly, of the monarchy itself. At that moment, the prime minister was announcing, albeit through Saleh, that it was his followers versus the Shah.

Refuting the claims of Lord Gladwyn, who had implied that Iran had nationalized without any thought of paying back the AIOC, Saleh claimed that “indemnification” and “payment of just compensation” was always forefront in the minds of the Iranian lawmakers. Saleh then reported that Iran had given the AIOC three choices. First, it had offered to “take the value of the Company’s shares prior to nationalization as the basis for determining the amount of compensation.” Second, the parties could make a deal using “the same method that had been employed by other countries, including the United Kingdom, in connection with their schemes of nationalization.” This was a phantom option; a way for Mossadegh to make the point that Great Britain had nationalized industries in the past and no international furor occurred. The third choice was a veiled threat. Mossadegh’s speech reported that the Iranians had “offered to determine the amount of indemnification by mutual agreement with the former Company after taking into account the claims against it of the Iranian government.” From Mossadegh’s perspective, if Great Britain wanted to talk about compensation, Iran would counter with a litany of inequities resulting from past oil deals.

The premier was seeking damages – reparations from decades of economic abuse.78

77 Ibid.
Mossadegh’s next point, as read by Saleh, was a reversal: Iran, he said, had “declared its readiness to take the British technicians employed by the former Company into the employ of the National Oil Company.” Mossadegh had told Harriman and McGhee repeatedly that he would not allow the British to return, and he would later tell Truman and Acheson the same. If Mossadegh were serious about employing British technicians, this was a significant shift in policy. Saleh then refuted Lord Gladwyn’s assertion that Iran’s nationalization program had been performed in a way that was “hasty, arbitrary, or injurious to others to others.” Iran had never been “motivated by blind emotion or by hatred or enmity to any government or nation.” Rather, Iran had shown that it was willing to “cooperate and maintain friendly relations with the rest of the world.” Iran was not seeking “to commit economic suicide or to kill the goose that laid the golden eggs.” Only the British were guilty of such conduct.79

Mossadegh’s speech then commented on the issue of UN jurisdiction. Copying the Soviet’s line of reasoning, the premier’s speech cited two paragraphs from the United Nations Charter: “the principle of equal rights and self-determination of peoples” and the principle that the United Nations should not intervene in the domestic affairs of any state. This aligned Iran with the Soviets: Mossadegh and Tsarapkin used the same evidence to argue that the Security Council should stay out of Iranian business. Again, Mossadegh’s speech denied that the Iranian people had ever made any oil “agreements of any kind, whether by treaty, contract, or otherwise.” The 1933 agreement had been “a private

agreement” between Reza Shah and “the former Company,” and therefore the Iranian people were “not a party to any contract.”  

Mossadegh’s speech then admonished the United Nations. By allowing Great Britain’s complaint to be heard, the United Nations was not providing “equal justice between the strong and the weak,” but rather it was permitting the West to trample “on the principles of international law.” London was “misrepresenting” its intentions and sought “to beguile the Security Council into approving…its lawless efforts.” If the Council should fall for these “devious arguments” and “legal subterfuges,” it would be adding to the “degradation and slavery” that Iran had been suffering for centuries.

Mossadegh’s speech then reminded the Council of the “extreme poverty” suffered by the people of Iran and reiterated that any talk by Great Britain of implementing UN Chapter 7 protocol was ridiculous. With a “tiny…budget,” a lack of “heavy industry,” and “no potential” for making war, it was laughable “to suggest that a nation as weak and small as Iran can endanger world peace.” Only the British were threatening peace, as their “ominous gestures” and “irresponsible threats to land forces in Iran” could have “most disastrous consequences.” Since “Iran has stationed no gunboats in the Thames,” it was clear of any wrongdoing. If it was true that Britain had forsaken force “as had been publicly declared,” then “the dispatch of paratroopers to nearby places and of vessels of war to the vicinity of our coastal waters” should be rescinded, as this was the only “menace to…peace.”

---

The premier’s speech then cast the Soviet Union in a positive light. First, it blamed “the weakness of Iran” on “destiny,” which had “placed Iran between two powerful empires” during the 19th century, Russia and Great Britain. Then, “to the joy of the people of Iran,” the “great Russian Revolution took place.” Subsequently, the Soviet Union rescinded in 1921 “all the tsarist agreements” and surrendered “all concessions.” Indeed, the advent of Soviet communism had been a great boon for Persia. Great Britain, however, had not been so “generous,” and had sought to make Iran a “virtual protectorate” after World War I through another burdensome treaty.\(^{83}\) Mossadegh’s speech also reminded the delegates of the “terror and intimidation” of the AIOC. Iran had been reduced to “economic servitude,” never seeing any financial benefits from the AIOC’s “subsidiary companies” or allowed to perform any “auditing…of the accounts.” The AIOC, instead of training more Iranian workers, had imported its own employees. Housing for Iranian laborers was “hovels made of old tents, matings, and discarded tin cans,” leading to “resentment felt in my country.”\(^{84}\)

The premier’s speech then attacked the Shah as constantly influenced by foreign powers and failing to acknowledge “the attitude of the people.” While the Majlis defended the rights of Iranians and rejected both British and Soviet involvement, the Shah not only failed to hear these voices but also had given both foreign powers equal opportunities. In 1947 on the heels of the Azerbaijan crisis, the Majlis had rejected “an arrangement with the USSR” orchestrated by the Shah that would have given the Soviets “a fifty-fifty” oil deal in northern Iran. The Majlis, by rebuffing this deal, had exposed the Shah as a monarch who

would ignore the desires of his subjects and as a leader who would potentially entertain and execute oil deals with the Soviets. Mossadegh’s speech then denounced the Shah for imposing martial law, censoring “the free press,” and undermining “national groups and organizations which sought to defend the national interests” after the failed assassination attempt in 1949. Since it was the Tudeh Party that had received the Shah’s wrath, Mossadegh was defending the communist party: this jab at “the subservient Government” of the Shah was aligning the premier with the Soviets further.

By casting the Shah in unflattering light, Mossadegh was also putting himself in a dangerous position: it was possible that his words could instigate a violent reaction from the royalists back home. However, the fact that Saleh was reading the premier’s speech gave the Prime Minister a modicum of plausible deniability. Still, as the premier publicly cast himself as the defender of the Tudeh Party, as he decried the Shah’s subjugation of the communist organization that had been instrumental in calling attention to “the suffering and privations of the Iranian people,” and as he associated himself with a communist group that was anathema to the West, he made himself appear to be a liability to American and British leaders.

Mossadegh’s speech saved the last of its ire for the AIOC, “a latter-day parallel of the former East India Company” that cared only for “securing…the highest possible income” while creating “an imperium in imperio” within the borders of Iran. From the premier’s perspective, there was no separation between the AIOC and the Shah: “The people of Iran had no choice…but to put an end to the usurpations of the former Company.”

---

was reframing the debate: this was not a dispute between the AIOC and the Iranian state; this was a power struggle between the Shah and the Iranian people. “In the name of the happiness and prosperity of the people,” Mossadegh had led his people to the promised land of nationalization, and neither Great Britain nor the UN could infringe upon this right.  

Then, the threat of a Soviet-Iranian alliance appeared. While the Iranians still desired to “preserve and further expand our friendly relations with the Government and the people of the United Kingdom,” this policy also extended to the Soviet Union: “We also desire to preserve and to expand our friendly relations with our great neighbor to the north, the USSR. We want to bring about its belief in our friendship.” Indeed, a few days earlier, on October 12, 1951, the CIA had noted: “The Soviet ‘siding’ with Iran at the Security Council in early October 1951 has increased sympathy for the Soviets even in the ranks of the National Front.” Also, Mossadegh’s speech seemed to apologize to the Soviet Union for Iran’s rejection of the oil deal that had been orchestrated by the Shah in 1947: “We were obliged to reject the proposal made by that Government for the formation of a mixed Irano-Russian oil company.” Mossadegh’s final words were threatening: if the Security Council fell for Britain’s ruse and made a ruling on the dispute, “the dangers to international peace and security” would increase, as Iran would be forced to “increase…our dependence on others.” It was quite clear to whom “others” applied.

Saleh was finished. Sir Gladwyn Jebb made a quick rebuttal: Mossadegh had not “heeded my appeal to forget old grievances and to concentrate on constructive proposals.”

---

90 CIA Report, “Analysis of Iranian Political Situation,” October 12, 1951, Iran; Foreign Affairs; Subject File; PSF; Truman Papers. Student Research File: “The Oil Crisis in Iran, 1951-1953.” Harry S. Truman Library.
The premier’s “accusations” had been “false” and “exaggerated.” The United Kingdom had in fact “accepted the principle of nationalization” and had forsaken the use of force. Jebb challenged the assertions that the AIOC had corrupted Iran’s government and kept the country’s people impoverished: “Without the AIOC the Iranian people would be not richer but incalculably poorer today that they are and would not possess any industrial potential.”

With those words, the Security Council adjourned for the evening.

**More of the Same?**

Over the next four days, Mossadegh and Gladwyn Jebb continued to battle. Neither man capitulated or compromised, and both sought to discredit the positions of the other. On Tuesday, October 16, 1951, Mossadegh asserted that because Great Britain had been “unable to persuade world public opinion that the lamb has eaten the wolf,” its only recourse was to use “any illegitimate means of economic, psychological, and military pressure that it could lay its hands on to break our will.” He admonished the British for their “hypocritical…performance:” they espoused the rule of law in the chambers of the UN while imposing an illegal oil boycott on Iran that was crippling Iran’s economy. This, Mossadegh said, qualified as “use of force.” Indeed, for the British, a phone call to an international oil company was as effective as a gunboat blockade. If the Security Council continued to bend to the British, Mossadegh said, “we shall have no alternative but to go home, and we think that others may well follow our example.”

---

Jebb’s response was swift and cutting: like he was scolding a child, he again reprimanded Mossadegh for ignoring his appeal to “forget old imagined wrongs.” He was “disappointed” in the premier, as Mossadegh had “devoted so much of his speech to a profitless and indeed sterile interpretation of past events.” The prime minister was lusting after AIOC property with “covetous eyes,” and was using the same techniques that the “communist sympathizers in Iran” used to create the “myth” of the “Colonial Exploitation Company.” Mossadegh was leading a movement bent on “expropriating a billion dollar” industry while demanding that Great Britain “agree not only to the act of expropriation but also to carrying it out on Iranian terms at whatever loss to the United Kingdom.” In addition, if there was economic decline in Iran, it was Mossadegh’s fault. The choice before the Security Council, Jebb alleged, was clear: a new standard of extortion or the rule of law. While nationalization was a right, it was not an “absolute” right. By breaking its treaties with Great Britain, Iran had lifted “the dispute from the realm of domestic jurisdiction” and into the competency of the Security Council. Using an ancient Persian proverb for emphasis, Jebb reminded Mossadegh, “The sheep are not to be used for the shepherd; the shepherd must serve the sheep.”

On Wednesday, October 17, 1951 the representatives of the Security Council debated the issue. Yugoslavia and the Soviet Union argued that the Security Council was not competent to deal with an internal domestic matter. Others, including Ecuador’s Mr. Quevedo, noted that: “This is the first time that the Security Council has dealt with a question essentially arising out of a dispute between a sovereign government and a foreign company.”

Indeed, the crisis raised questions about the proper relationship between “industrialized and non-industrialized countries, between a sovereign state and foreign capital.” Quevedo declared that the AIOC and Great Britain, by instituting an informal boycott of Iranian oil, were out of bounds. However, it was also necessary that “foreign capital and investments…receive fair treatment.” Herein lay Quevedo’s main point: this case fell under the umbrella of “disputes on economic questions,” and thus the Anglo-Iranian imbroglio “should be submitted to the International Court of Justice.” Because one party was a sovereign state and the other a foreign company, “it would…be inadvisable” for the Security Council to act. Quevedo would not allow the Security Council to “transform a dispute between one of these States and a foreign company into a dispute between the two states.” Since “the situation does not threaten the maintenance of peace,” Quevedo declared that Mossadegh was right: the Security Council had no jurisdiction.

Still, the Council could “exert its moral influence upon the parties to seek a fair solution of the problem.” Quevedo then proposed his own version of a draft resolution, and this would prove to be the essence of what the Security Council would recommend. He suggested that Iran and Great Britain not only wait for the ICJ “to express its opinion on the question,” but also to “reopen negotiations as soon as possible.” Quevedo was giving the Council a way out of its predicament: his resolution allowed the UN to give recommendations “without deciding on the question of its own competence.”

---

98 Ibid.
However, Mr. Austin, the representative of the United States, insisted that the UN act more decisively: “There can be no question about the competence of the Council” because “there clearly exists a dispute between the United Kingdom and Iran, the continuance of which is likely to endanger international peace and security.” Austin argued that there was no dividing line between the AIOC and the British government: “The parties to this dispute are States…the rule of law…does not any the less represent two governments disputing over this matter because one of them represents a great industry of its country.” Great Britain had a sovereign duty to “protect and defend…the property, the rights, and the lives” of its citizens “wherever they may be in the world.” Whereas Quevedo had argued that “this is not a dispute between two governments but between a government and a private corporation,” Austin said that it was “a dispute between two governments relating to the property of the citizens of one of those governments.” The United States was siding firmly with its ally.99

In addition, Austin openly questioned Mossadegh’s state of mind. He quoted the premier’s address from Monday, October 15, when Mossadegh had expressed the “hope that international law…may gradually be perfected” and eventually succeed in “extending protection to the rights of all nations, the little as well as the big,” granting them the power to “be truly the guardians of peace.” After reciting the prime minister’s words, Austin asked, “What was hovering in the mind of the representative of Iran when he made that statement? Did he have in mind that the situation, if continued, might give rise to a dispute that might challenge the peace of the world?” Austin would continue to quote the prime minister, using his own words against him to show the Council that Mossadegh himself had provided “a

complete admission of the dangerous nature of this dispute.” Indeed, Austin asserted that none of the premier’s words sounded “pacific.” Austin reminded them that even Mossadegh had said that because of Iran’s “poverty, misery, and destitution” it would be “extremely dangerous if present conditions continue” and could eventually “endanger international peace.” He asked, “Does the Security Council need any further evidence than that?”

Mossadegh, at first, did not personally defend his nation: “As I am very tired, I should be grateful if the President would allow Mr. Saleh to read the reply.” Iran’s rebuttal criticized the greed of London and gave more statistical evidence to prove the inequity of the AIOC’s operations. The reply even quoted a UN publication that illuminated the injustices of oil contracts in the Middle East: “The terms of their concessions give the foreign companies a freedom of action which substantially insulates them from the economy of Middle Eastern countries. Hence, the impact of the oil operations of Middle Eastern producing countries is mainly indirect, and the benefits derived by them are limited.” Mossadegh, through Saleh, also incisively charged that Jebb’s speech was reminiscent of “the cruder 19th century theological and philosophical projections of the biological doctrine of the survival of the fittest.”

Mossadegh then mustered the strength to take over. He repeated that “a dictatorship,” not the people of Iran, had made the original agreement with the AIOC, and any “agreement between the weak and the strong is an agreement between sheep and wolf.” He concluded, “We have made our final offer.” Compensation would be made to the former company

“provided that the legitimate counter-claims of the Iranian government are also considered.” If the Security Council were to retain its dignity, it would protect Iran’s right to “be free to make contracts with experts of any nationality so that oil may flow to the world.”

On Friday, October 19, 1951, the Security Council decided to “adjourn its debate…until the International Court of Justice has ruled on its own competence in the matter,” passing the buck to The Hague. The Council would “postpone the discussion of” Great Britain’s resolution “indefinitely.” Jebb argued that “a denial of justice” had occurred, and that they were letting Mossadegh “diminish the prestige of Security Council.” He complained that the premier’s “negative attitude” would be reinforced, as he would learn only that his “mechanical repetition of ultimata” was effective. Mossadegh and his entourage, however, were absent. Jebb criticized this: the premier “regrettably enough does not seem to display any marked interest in the affairs of the Council today.” What Jebb failed to note was that Friday was the Muslim Sabbath.

In many ways, Mossadegh had won: he had bought Iran more time and had stood up to a powerful international alliance. He had defended his country’s sovereignty, brought to light the inequities of the AIOC’s tenure in Iran, and pointed to the inconsistencies in the West’s ideology of the free market. On the other hand, the premier had exacerbated Washington’s fears that he was leaning toward the Soviets, he had defended the Tudeh Party, and he had denounced the Shah. He had left the impression that Iran was not only susceptible to communist penetration, but also that it was teetering on civil war. Instability

in that region was not in the interests of the West. As Mossadegh prepared to leave New York and to make his way toward Washington, the stakes were high. It was left to Truman and Acheson to try to salvage the situation.
CHAPTER 5: With Your Oil, Rather Like Texas

“Mr. President,” he said, “I am speaking for a very poor country – a country all desert – just sand, a few camels, a few sheep…” “Yes,” I interrupted, “and with your oil, rather like Texas!” He burst into a delighted laugh, and the whole act broke up, finished. It was a gambit that had not worked. No one was more amused than he.

Dean Acheson, recalling his conversation with Dr. Mossadeq, Washington, D.C., October 23, 1951

Dean Acheson was “deeply concerned.” For a man who had served in the State Department since 1941 and had presided over some of the most important and pivotal developments of the early Cold War, the Anglo-Iranian Oil Crisis was proving to be a frustrating, convoluted, and potentially “tragic affair.” An architect of containment and the Truman Doctrine, author of the Acheson-Lilienthal Report, champion of the Marshall Plan, and designer of NATO, Dean Acheson had redefined the role and expanded the authority of the Secretary of State. Yet the argument between Iran and Great Britain seemed to be a knot that this Connecticut man could not untie.

By late 1951, Acheson and President Truman had dealt with more than their fair share of domestic and international strife. McCarthyism had provided ugly anti-communist political theater and had helped paint the administration as weak and ineffectual against malevolent Soviet intentions, despite its early successes in Azerbaijan and Berlin. Then, the Korean War provided more problems: allied retreats, Communist China’s intervention, and the unpopular firing of America’s most famous and beloved general, Douglas McArthur. For the Truman administration, the Anglo-Iranian oil crisis could not have come at a worse time. While the prime minister was taking power in Iran, President Truman’s approval rating was

1 Acheson, Present, 504.
2 Acheson, Present, 501-506.
an embarrassing 26 percent. The last thing Truman and his administration needed was a crisis that strained Anglo-American relations, compromised the safety of overseas oil investments, and threatened to tip the delicate balance of the Cold War.

On October 23, 1951, as Acheson waited to receive Mossadegh at Union Station in Washington, D.C., the secretary was as conflicted as he was concerned. On the one hand, he lamented “the unusual and persistent stupidity of the [AIOC] and the British Government in their management of the affair.” While ARAMCO in Saudi Arabia had set a new standard for oil concessions by “graciously granting what it no longer had the power to withhold,” Great Britain had done the opposite in Iran, and the secretary was frustrated by the State Department only being able to offer “the helpless solicitude of a Greek chorus” during the crisis. He chafed against his government’s inability to influence British “officials who have allowed the government to follow the AIOC meekly into disaster.” As the “distinct cleavage” deepened “between the British and American governmental approach to the Iranian threat,” Acheson’s fear that “Britain might drive Iran to a Communist coup d’etat” grew more acute.

On the other hand, Acheson was also extremely wary of Mossadegh, “a demagogue of considerable shrewdness.” The prime minister had unleashed an “anti-foreign, xenophobic campaign” that had destabilized Iran and left it vulnerable to hostile forces. Not

---

3 Dean Acheson, Rough Draft of *Present at the Creation*, page 30, Publications File, 1936-1971; Books File, 1954-1971; Research Notes, Binder 30, Iranian Oil Crisis, 1951; Box 119; Dean Acheson Papers, Harry S. Truman Library.
5 Dean Acheson, Rough Draft of *Present at the Creation*, page 26, Publications File, 1936-1971; Books File, 1954-1971; Research Notes, Binder 30, Iranian Oil Crisis, 1951; Box 119; Dean Acheson Papers, Harry S. Truman Library.
only had the premier allowed “the Tudeh Party” to regain its strength, but also he had
brought the Iranian economy “to the verge of bankruptcy.”9 Observing the premier from afar
for much of 1951, Acheson had also heard about “the peculiar problem presented by
Mossadegh’s personality.” As Harriman and McGhee reported, negotiating with Mossadegh
was “like walking in a maze and every so often finding oneself at the beginning again.”10 If
this stonewalling continued, Iran, a country “always high on the list of Soviet objectives,”
could be compromised.11

The secretary’s task was complicated. Not only must he assess Mossadegh’s
willingness to achieve a settlement and assure him that the United States was still a friend of
Iran, but also he had to reassure the British that the United States would respect the sanctity
of international oil investments. In addition, Acheson would be measuring the likelihood that
Mossadegh might consider a Soviet alliance. The prime minister’s remarks at the United
Nations had been alarming, and Acheson feared that if an oil settlement were not reached
soon Iran would descend further into economic despair. Acheson and Truman would not
allow Iran to become another China. It had to remain “aligned with the West.”12

Mossadegh’s visit to Washington would spur Acheson to begin to conclude that
bolstering the Shah might be the only way to resolve the crisis. Acheson and others in the
State Department observed that “the Shah, (however weak and vacillating he may be), offers
our best hope to provide firmness and leadership necessary to control the situation.”

9 Dean Acheson, Rough Draft of Present at the Creation, page 14, Publications File, 1936-1971; Books File, 1954-1971; Research Notes,
Binder 30, Iranian Oil Crisis, 1951; Box 119; Dean Acheson Papers, Harry S. Truman Library.
10 Acheson, Present, 509-510.
11 Dean Acheson, Rough Draft of Present at the Creation, page 8, Publications File, 1936-1971; Books File, 1954-1971; Research Notes,
Binder 30, Iranian Oil Crisis, 1951; Box 119; Dean Acheson Papers, Harry S. Truman Library.
12 Ibid.
Although Acheson and the rest of his team were not yet willing to “support the British in any way in any stirring up of the tribes in the south and in installation of a new Prime Minister who would be pro-British, dissolve parliament and rule by force,” the Secretary and his staff were beginning to admit that “we must give fullest possible support to the Shah,” and that to “bolster the Shah” would be a positive course of action.\textsuperscript{13} Indeed, on October 22, 1951, Ambassador Loy Henderson reported that the Shah could potentially be a “factor for stability, continuity of leadership, and resistance to communism.” All Mohammad Reza Pahlavi needed was a boost of “confidence in his own influence.” After all, there was “still great loyalty to the Shah among [Iran’s] security forces.”\textsuperscript{14} As Acheson himself would say, “Hope for stability and progress in Iran lay in the young Shah.”\textsuperscript{15}

As Acheson watched Mossadegh’s dramatic transformation as he exited from the train at Union Station,\textsuperscript{16} the seeds for the removal of the premier had already been planted in London.\textsuperscript{17} Although there is no evidence the Americans were seriously considering this idea yet, and the record indicates that they still hoped that a negotiated settlement could be achieved,\textsuperscript{18} American policy makers were already starting to think that the Shah was the answer to their problems. This would become the focal point of Operation AJAX.

\textsuperscript{13} Dean Acheson, Rough Draft of \textit{Present at the Creation}, pages 22-23, Publications File, 1936-1971; Books File, 1954-1971; Research Notes, Binder 30, Iranian Oil Crisis, 1951; Box 119; Dean Acheson Papers, Harry S. Truman Library.
\textsuperscript{14} Telegram 1478, The Ambassador in Iran (Henderson) to the Department of State, October 22, 1951, \textit{FRUS}, Vol. X, 238.
\textsuperscript{15} Acheson, \textit{Present}, 507-508.
\textsuperscript{16} See Chapter 2, page 3.
\textsuperscript{17} Wm. Roger Louis in Gasiorowski and Byrne, 130.
\textsuperscript{18} Telegram 2256, The Acting Secretary of State to the Embassy in the United Kingdom, October 30, 1951, \textit{FRUS}, Vol. X, 255.
From the Big Apple to the Beltway

After Dr. Mossadegh’s appearance at the United Nations, which concluded on Friday, October 19th, 1951, the Iranian Prime Minister and his entourage spent most of the weekend recuperating in their New York hotel suite. News of Mossadegh’s valiant defense of Iranian sovereignty had reached Teheran, and Mohammad Reza Shah had cabled the premier saying that he was “exceedingly happy to facilitate and congratulate you on your success in the oil dispute.” The Shah praised Mossadegh for “the efforts and labor and service which you have put into this great venture.”

Meanwhile, Michael Clark continued to send troubling reports from Teheran: “Iranian officials…hold that unless the United States and other Western powers help make nationalization work, Iran will go communist.”

Early Monday morning, October 22nd, the Iranian cavalcade boarded a train bound for Philadelphia. Mossadegh wanted to visit the birthplace of the Declaration of Independence and give a speech in front of the Liberty Bell. He would remind the American people that they had once fought their own battle against oppressive economic tyranny. Mossadegh was photographed running his fingers along the crack in the Liberty Bell, then, on a stage in the middle of Independence Square, he spoke to a crowd of approximately 400 people “in a voice barely audible to persons sitting right next to him.”

Leaning “heavily on the arms of two fellow countrymen,” Mossadegh called on Americans to recognize the parallels between Iran’s struggle and that of the Founding Fathers: "If my contrast of your own abundant freedom with our shackled liberties is touched

---

by envy," he whispered, "it is because we share with you a love of liberty and because we have been less fortunate than you in wresting our prized freedom from that country which in 1776 had to yield it to you." He reminded the audience that the language of liberty and freedom was increasingly pervasive throughout the world: "The creed of national independence is a universal one and is held by all peoples." Later, Mossadegh answered questions at the Barclay Hotel and provided a glimmer of hope: not only was he willing to settle with the British, but also Iran was not yet directly involved with the Soviets. "If the British are sincere in their acceptance of the principle of nationalization then the way lies open to negotiate," he said. The premier also reported that the Soviets had "not offered to buy any Iranian oil, nor offered to put us into the oil business." Mossadegh was reassuring: "The west has the priority and will always have the priority." 

At 9:12 AM on October 23rd the premier boarded a train bound for Washington. In the meantime, Acheson issued a memo to President Truman about Mossadegh’s background, the history of the crisis, and the “recommended position in discussions with” the popular and now world-famous premier. Mossadegh’s “biographic outline” noted: “He is alert, witty, affable, and voluble…he has a lively imagination and is fascinated by ideas…he is emotional, impractical, and unrealistic…he is bored by routine.” As the memo touched on his European education, legal experience, and Muslim faith, it also reflected his penchant for

23 Ibid.
asceticism and generosity: “[when] he taught law [in Teheran] he turned back his salary for the purchase of library books…he is generally regarded as honest and idealistic.”

The biography informed Truman that Mossadegh was guided by “two burning convictions: 1) that Iran should be freed from interference in its political and economic life by foreign countries, traditionally Russia and Great Britain, and 2) that Majlis deputies should be freely elected by the entire population whose interests they should defend and promote.” While Mossadegh possessed fundamentally democratic impulses, he was skeptical of international capitalism, believing that “so long as there are strong foreign commercial interests in Iran there will be influential Iranians who, for personal profit, will support foreign goals at the expense of Iran.” The memo highlighted Mossadegh’s protectionism and nationalism – two ideologies that could clash with international commerce and the expansion of capitalism.

The memo warned: “The dangers in dealing with Dr. Mossadegh lie primarily in the character of his close advisers and supporters who include extreme leftist elements, unscrupulous opportunists, and rabidly anti-British figures.” The department thought Mossadegh helpless to operate independently of these powers: “While Dr. Mossadegh is the leader of the movement…he is at the same time the slave of the popular forces which had been released.” While “his current supporters are opposed to communism,” the memo reported that Mossadegh had “strengthened the power of the illegal Tudeh (Communist) Party.” The bio ended by saying that “Dr. Mossadegh will use every means at his disposal to

---


26 Ibid.
maintain his political power, carry out the Iranian conception of nationalization, and defend Iran against foreign interference.”

The memo’s treatment of Iran’s battle at the Security Council was cursory, reporting simply that “sharp statements” had been traded. More space was given to the fallout of the proceedings; specifically, that by supporting the British in the Security Council, the United States had tipped its hand: “This necessarily placed us in opposition to the Iranian delegation and has been resented to a considerable extent by the Iranian public and press.” Even though the State Department argued, “We have tried to make it clear…that such support did not relate to the substance of the dispute,” Iranians were now associating Americans with the loathsome British.

Progress had been made, however, as Truman was informed of Mossadegh’s productive talks with McGhee in which the premier had made “important new concessions.” Encouragingly, the memo reported, “The Prime Minister appears anxious to negotiate a settlement and has displayed a better understanding of the problems involved than has been the case in the past.” Mossadegh, despite America’s support for Britain at the Security Council, still possessed a “strong desire for the United States to play an important role,” preferring to negotiate with American rather than British diplomats. There was, however, always the possibility that Mossadegh might backtrack: “While Dr. Mossadegh’s present attitude lends hope…there is no assurance that this will in fact materialize.” Truman was warned: “He has in the past shown such willingness only later to revert to a rigid,

28 Ibid.
uncompromising position.” Truman was also reminded that London too was a model of intransigence, and that there was “no assurance that the British will be prepared to make concessions which we believe essential.” Still, even though the British elections were a mere three days away, “prospects for an agreement appear better than at any time in the past.”

Perhaps most importantly, the memo reminded Truman of the Shah’s role in the crisis. While “the vast majority of the Iranian people” supported Mossadegh and his ambitions, the Shah was “deeply concerned…and would earnestly like to replace the Prime Minister with a more moderate element.” However, the Shah feared “that any such action might result in a coup d’état with the consequent loss of his throne.” The memo then reported that the informal boycott of Iranian oil had “placed a heavy strain upon the Iranian economy” and that “the present situation cannot go on indefinitely.” The memo also warned that a further deterioration of the situation could lead to Soviet involvement: “The imminent threat of collapse is a cause of great concern to Dr. Mossadegh, who insists that any settlement with the British must take place very soon, or he will be compelled to seek other means of meeting Iran’s problem.”

“Part III” gave Truman his “recommended position.” The president was encouraged to remind Mossadegh of “the friendship” between the United States and Iran and of America’s “great interest in the welfare of the Iranian people.” Truman was told that the two nations shared a tradition “as free nations,” but that “the forces opposed to freedom” were “endeavoring to capitalize upon the situation…in an effort to bring disunity among the non-

---

30 Ibid.
communist countries.” A settlement must be reached, as “no one but the communists could gain by a continuation of the present situation.” Acheson wanted the president to tell the prime minister that if his stonewalling resulted in a communist coup, he would only have himself to blame.31

The memo concluded by giving Truman four main talking points. First, he should reiterate the “sincere and disinterested desire” of the United States “to assist the parties arrive at a solution.” Second, he should inform the premier that he possessed a “great opportunity” to restore and strengthen the reputation and prestige of Iran: “Through negotiation it is possible to avoid claims that Iran has unilaterally canceled contracts…or taken other actions which would tend to disunite the free world.” Mossadegh must reach an “amicable settlement” if he hoped to “receive the cooperation of the international oil business.” Third, Truman should commend Mossadegh for making significant “progress” in his talks with American officials and reassure the premier that “we would extend our good offices” to present a settlement to the British that was “satisfactory to him.”32

At the same time Truman was asked to remind Mossadegh that the United States would not “support a plan which was not equitable to the interests involved, or would have the effect of injuring seriously the fabric of the world oil industry.” Finally, the last talking point gave President Truman time. As it was now “unlikely that the British could be prepared to negotiate until after the elections” on October 25th, Mossadegh should “remain in

32 Ibid.
the United States for a sufficient time to permit negotiations.” Truman would stall while at
the same time pushing Mossadegh as much as he could. But the president could not go
further than expressing American friendship and offering American diplomatic assistance.
Neither could he negotiate on behalf of the British. Truman was limited: there was only so
much he could say.

Meanwhile, reports from journalists and diplomats in Teheran were heightening the
importance of Truman’s meeting with the premier. Michael Clark of the New York Times
reported that all Iranians were placing great emphasis on the summit and hoping that
Mossadegh would convince Truman to fulfill “expectations of assistance that constantly
repeated assurances of friendship and solicitude have kept alive.” By “reminding the United
States of the Communist danger here” and warning “that if abandoned…Iran will have no
choice but to turn to the Soviet Union,” Iranians believed that “the United States may be
induced to underwrite the nationalization of Anglo-Iranian oil holdings.” Indeed, the
“prestige of the United States in Iran” now depended on “some action favorable to Iran”
while at the same time “unfavorable to Britain.” These threats were not without teeth: on the
day that Truman received the memo briefing him on Mossadegh, “a trade and barter
agreement between Iran and the Soviet Union was approved…by the Iranian Supreme
Economic Council.” The timing of this deal was impeccable: Iran was actively cultivating a
renewed relationship with its neighbor to the north.34

33 Memorandum for the President – Subject: Luncheon Meeting with Prime Minister Mosadeq, October 22, 1951, Document 108,
Likewise, Ambassador Loy Henderson sent a discouraging appraisal of the situation in Teheran the day before Truman would meet with Mossadegh. The telegram repeated that the Shah was “indecisive and weak,” that there was indeed “Commie exploitation of the situation.” Henderson clearly noted, however, that Mossadegh’s “removal or defeat will not eliminate Iranian nationalism,” and reminded Washington of the “futility of hopes…that a ‘strong man’ government could succeed in restoring Brit-managed concessions on a basis similar to that of the past.” Henderson was also adamant that the Shah should be the primary focus for the State Department, because the “disappearance of the Shah would mean the loss to the western world of a potentially powerful anti-Communist element.” From his observations, it had been the Shah and “British influence” that had been the two factors most “effective in the past in keeping Russians from gaining control of all Iran.” Now that the British were gone, if the Shah fell from power an “ensuing struggle…might lead to chaos, which [the] Tudeh would exploit.”

Henderson also warned of another element that was being strengthened: religious leaders. He reported that the nationalization movement had “gained the significance of a religious crusade,” thanks to the reemerging political power of the mullahs. Henderson said that these “fanatics” would be ready to “assassinate responsible officials” if any British control of the oil industry was restored. While Henderson admitted, “Religious fanaticism can be used to combat communism,” he also gave a prophetic warning: “It cannot be employed as a constructive forger of a country’s progress.”

35 Telegram 1478, The Ambassador in Iran (Henderson) to the Department of State, October 22, 1951, FRUS, Vol. X, 238.  
36 Ibid.
Henderson’s observations were congruent with a Psychological Strategy Board report filed the very next day on October 23rd, which stated, “Basic values and aspirations of the Mohammedan religion are akin to those of the Christian religion, in contradistinction to the Communist denial of God.” Although the same report noted that “the Moslem world is currently responsive to Communist agitation,” it concluded that since “the peoples of the area are spiritually anti-Communist,” American policy makers “should consider a judicious use of this religious orientation” and at the same time “avoid public identification with the stereotype of imperial Britain.” Therefore, as part of the “psychological strategy” for an “effective cold war,” which included “all pertinent political, economic, and social actions…fused into a single, comprehensive policy,” it appeared that these “fanatics” might be of use to the United States. Henderson’s telegram reaffirmed this conclusion, yet advised caution: strengthening the mullahs was a powerful anti-Communist force, but the United States should be wary as these religious clerics could present challenges in the future.37

Henderson concluded his telegram by inflaming communist fears in Washington. Part of the problem was that many Iranians saw the Tudeh Party “as an indigenous political movement advocating reforms close to the heart of the populace,” and not as a communist group directed by Moscow. The other part of the problem was the arrogance of Mossadegh and the National Front leaders who believed in their own “superior astuteness and in their ability at the proper time to handle the Tudeh and Communists.” In addition, there was “a steady clever barrage of Soviet propaganda – the USSR is queen of the airwaves in this

area.” Unfortunately, the United States had recently strengthened the Soviet’s message:

Washington’s “substantive support of the UK” in the Security Council had resulted in many Iranians turning “toward the USSR.”

**The Blair House Luncheon**

After arriving at Union Station and being greeted by Secretary Acheson, Mossadegh’s party was escorted to Blair House on Pennsylvania Avenue. Truman met the premier at the front door, giving the press a one-time-only photo opportunity. The picture that ran on the front page of the *New York Times* showed the two men shaking hands, but while Truman looked toward the camera and grinned modestly, Mossadegh pulled the president’s hand towards his chest, smiled widely, and kept his eyes focused on Truman. While a few of Mossadegh’s associates would accompany him into Blair House, all would leave before the discussions with Truman and Acheson began.

The only other person that was in the room that day besides Truman, Acheson, and Mossadegh was the interpreter, Colonel Vernon Walters. Acheson in particular would vividly recall Mossadegh’s aura and the impression he made. He would remember this meeting, and the next day’s meeting at Walter Reed Hospital, as “quite entertaining.” The secretary first noted the premier’s “distrust of his own countrymen…he would never talk with any of them present.” At the luncheon, Acheson remembered dining with “many guests, including the Iranian Ambassador,” Mr. Entezam, but after the meal, when all the

---

40 de Bellaigue, *Patriot of Persia*, 176-182.
41 Dean Acheson, Rough Draft of *Present at the Creation*, page 57, Publications File, 1936-1971; Books File, 1954-1971; Research Notes, Binder 30, Iranian Oil Crisis, 1951; Box 119; Dean Acheson Papers, Harry S. Truman Library.
Iranians besides Mossadegh left the room, Acheson “intervened to retrieve this mistake, only to find it was no mistake at all.” The secretary was surprised by this, saying that “in a service often trying I found compensation, indeed joy, in the qualities of friendly colleagues.”

Walters and McGhee informed Acheson that Mossadegh had been consistently excluding his compatriots from their meetings as well.\footnote{Acheson, Present, 504.}

The premier reminded Acheson of “the character Lob in James Barrie’s play \textit{Dear Brutus}.”\footnote{Acheson, Present, 503.} Lob is a gnomish, mysterious old man whom the playwright described as “like what Puck might have grown into if he had forgotten to die.”\footnote{The Project Gutenberg, “E-Text of Dear Brutus, by J.M. Barrie,” \url{http://www.gutenberg.org/dirs/4/0/2/4021/4021-h/4021-h.htm} (accessed January 14th, 2013)}

The story revolves around a mid-summer’s eve party that Lob throws in honor of several couples at his enchanted estate, and the Barrie’s description of Lob as he makes his entrance in the play illuminates how Acheson might have perceived Mossadegh:

\begin{quote}
LOB is very small, and probably no one has ever looked so old except some newborn child...he has the effect of seeming to be hollow, an attenuated piece of piping insufficiently inflated; one feels that if he were to strike against a solid object he might rebound feebly from it, which would be less disconcerting if he did not obviously know this and carefully avoid the furniture; he is so light that the subject must not be mentioned in his presence, but it is possible that, were the ladies to combine, they could blow him out of a chair. He enters portentously, his hands behind his back, as if every bit of him, from his domed head to his little feet, were the physical expressions of the deep thoughts within him, then suddenly he whirls round to make his guests jump. This amuses him vastly, and he regains his gravity with difficulty.\footnote{Ibid.}
\end{quote}

The play also describes Lob as having a penchant for sitting alone, “chatting to himself among the blue smoke.”\footnote{Ibid.} By likening Mossadegh to Lob, Acheson might also have been making an oblique reference to what British ambassador Sir Francis Shepherd had reported.
earlier that year: that Mossadegh diffused “a slight reek of opium.” Although one historian has slammed Shepherd’s recollection as “casual defamation,” it is plausible.\textsuperscript{47} Opium use by Iranian elites, especially the elderly, was not uncommon: “For centuries in Iran, opium was regarded as a privilege of the elderly, a largely medicinal comfort for the pains and worries accumulated over a lifetime of work.”\textsuperscript{48}

The president opened the conversation by repeating almost verbatim the briefing memo that he had received the previous day. The United States was “vitally interested in seeing…a just settlement,” and was not only “friends of the Iranians” but also “friends of the British.” Truman claimed American impartiality in the Anglo-Iranian matter: “We [have] no national or private interest in the matter other than achieving a fair settlement.” Although this was disingenuous, Mossadegh, with “his legs tucked under him, making him more of a Lob character than ever,”\textsuperscript{49} let it slide, saying that he knew American leaders would be objective and that “it was with this hope that he had come to Washington.”\textsuperscript{50}

Here, Acheson took over. He reiterated the pretense of impartiality: “Our only interest was in seeing this problem settled between our friends.” Then, he pushed Mossadegh to confirm the progress the premier had made with George McGhee. As Acheson understood it, the only point that Mossadegh seemed unwilling to compromise was that “British operation of the oil industry in Iran…must cease.” However, on “other matters” McGhee had reported that “the Prime Minister was ready to come to a reasonable settlement.”

\textsuperscript{47} de Bellaigue, \textit{Patriot of Persia}, 160.
\textsuperscript{49} Acheson, \textit{Present}, 504.
\textsuperscript{50} Memo of Conversation, October 23, 1951: October 1951; Memoranda of Conversations; Secretary of State; Acheson Papers, Student Research File, Truman Library.
Mossadegh replied that “this was the case.” Considering the impasse that had existed between the premier and the British just a few weeks earlier, this was remarkable. Acheson and Truman assured him that they “would never tell the British what he had said to us.”

Mossadegh was grateful for this confidence, and the discussions took on a more serious tone. The premier thanked the president for the help the United States had given Iran “in some small matters” like “locust control and DDT,” but inquired as to why Iran had not been “given large-scale assistance” like some other countries had: why was Iran not worthy of the Truman Doctrine? It was a fair question: aside from a few military aid packages designed to strengthen Iran’s internal security forces and agricultural assistance through the Point IV program, the United States had left Iran to fend for itself after World War II.

Truman explained: “[The United States] had been faced with the problem of helping almost the whole world.” While those “small” aid packages might have appeared to the premier as insignificant, Truman assured Mossadegh that the military and agricultural aid would help insure the “long-term…development of the country.” Then, Mossadegh laid his cards on the table: “He had come to the United States not merely to talk about the oil question but also about other assistance to Iran.” He announced that he was asking for a sizable loan. He emphasized his request with an implicit warning of communist subversion: “The present situation in Iran…would gravely endanger the independence of that country and the preservation of peace.”

---

51 Memo of Conversation, October 23, 1951: Acheson Papers, Student Research File, Truman Library.
52 Ibid.
53 Ibid.
Truman mirrored Mossadegh’s anxiety, saying, “Russia was sitting like a vulture on the fence waiting to pounce on the oil.” It was for this reason that the United States was “so anxious to get these problems solved.” Conveying the conclusions of the Joint Chiefs, Truman delineated the disastrous implications of the Soviets acquiring access to Iranian oil: “They would then be in a position to wage a world war.” Mossadegh, in turn, used this to strengthen his request for aid. Boldly, he stated that this was “why [Iran] was asking the President and the Secretary of State to help them and protect them.” Truman’s reply went back to the script: first, they must settle “this major problem” – reaching an oil agreement – before “getting down to work on the others.”

Mossadegh had taken his first shot, and Truman had deflected it. At point blank range, the prime minister had asked for something that would undermine the interests of Great Britain, subvert America’s relationship with its ally, support the ideal of Iran nationalization at the expense of the international oil business, and underwrite Iran’s ability to protect itself against Soviet Communism. Truman did not flinch. By replying to Mossadegh that nothing could be done until an oil deal with the British was accomplished, he made the prerequisites clear: Iran would receive no additional dollars unless it agreed to play by the established rules. Mossadegh’s first attempt had failed. Truman had stood his ground.

But the premier pressed forward, launching into a diatribe against the British and conveying a litany of Iran’s woes. The situation was “extremely grave,” he said: “The armed forces and the police had not been paid for two months.” Budget deficits were rampant; “poverty and unrest” were increasing, causing many to “become sympathetic to

---

54 Memo of Conversation, October 23, 1951: Acheson Papers, Student Research File, Truman Library.
communism.” The United States, being “a very rich country,” was in a position to help Iran, “a very poor country.” Mossadegh insisted that “he had not come to beg” but to point out that even if he was able to procure a “solution of the oil problem, there would still be difficulties, as the oil revenue would not be sufficient to take care of all Iran’s needs.” In other words, regardless of whether an oil deal was reached or not, Mossadegh argued that Iran could not protect itself against Soviet aggression without a sizable aid package.⁵⁵

Then, Mossadegh, channeling his inner-Lob and “suddenly looking old and pathetic, leaned toward” Truman and said: “Mr. President, I am speaking for a very poor country – a country all desert – just sand, a few camels, a few sheep.” Acheson cut through the charade, saying, “Yes, and with your oil, rather like Texas!” Mossadegh, like Lob frightening his guests by a sudden change in mood and finding great entertainment in it, “burst into a delighted laugh, and the whole act broke up finished.” Acheson characterized this event as evidence of Mossadegh’s ability as “a great actor and a great gambler,” but in the end “it was a gambit that had not worked.” Truman “was having none of it.” Although “no one was more amused than” Mossadegh himself, this moment might have sealed his fate.⁵⁶

Truman was not laughing. This meeting, and that dramatic outburst, would help Acheson conclude later on that the premier was “essentially a rich, reactionary, feudal-minded Persian inspired by a fanatical hatred of the British and a desire to expel them and all their works from the country regardless of the cost.” Mossadegh, for the time being, had concluded his attempt “to work on the President for financial aid to fight the British

⁵⁵ Memo of Conversation, October 23, 1951: Acheson Papers, Student Research File, Truman Library.
⁵⁶ Acheson, Present, 504.
imperialists,” and Truman and Acheson dominated the remainder of the conversation. The president countered that Iran had “enormous potentialities of foodstuffs” and that “its farm potential was nearly as great” as that of the United States. What Iran lacked, Truman implied, was the common sense needed to make an oil deal that could help it achieve economic independence: “If the Iranians could settle this difference with Britain…we would be happy and willing to help them.”

Acheson agreed: “The first thing to do was to obtain an equitable solution of this major problem.” If Mossadegh did this, “the question of foreign aid would not present real difficulties.” Truman empathized with Mossadegh’s situation, and conveyed a parallel: the United States had suffered greatly from 1933 to 1939. There were “13 million unemployed, mortgage foreclosures,” and “desperate” people. But thanks to “the New Deal, then the Fair Deal…an equitable distribution of wealth” was attained. If Mossadegh desired such “a proper distribution of wealth” for the Iranian people, he could achieve this by settling with the British company. However, Truman said that he himself was “no socialist,” so Mossadegh would have to come to his own understanding of how this concept of “distribution” worked.

The meeting was over. Mossadegh said that he was “happy to hear what the President had to say,” and thanked his host for “giving him this opportunity to discuss his country’s problems.” One last time, he reiterated that his goal had been to “show that his problem was two-fold…to settle the oil question and…to obtain help to increase production

57 Memo of Conversation, October 23, 1951: Acheson Papers, Student Research File, Truman Library.
58 Ibid.
59 Ibid.
of foodstuffs.” Although this comment was in no way accurate, as Mossadegh had mentioned a bit more than “foodstuffs,” the Americans let it be, and Acheson told the premier that he would be meeting him the next day before leaving for Europe. Mossadegh and Truman would not meet again.  

**Back to the Hospital**

After the Blair House meeting, Mossadegh checked into Walter Reed Hospital and was put in the presidential suite so that, according to Acheson, “everyone petted and took care of him.” As usual he subjected himself to an array of medical examinations that would reveal, as Acheson surmised, “that he was an old man with nothing much wrong with him.”

The next day, Wednesday, October 24th, 1951, Acheson, George McGhee, Paul Nitze, and Vernon Walters traveled to Walter Reed for another round of talks. The premier “held court in pajamas and a bathrobe.” It is unknown whether Walters and McGhee sat on Mossadegh’s bed.

Acheson began by explaining that “he was anxious to clarify certain points…of Dr. Mossadegh’s position” so that they could “formulate an American proposal” – the terms for an oil settlement – that Acheson could take to the British. The prime minister indicated his willingness, and said that he hoped this proposal might bring about “a reasonable basis for settlement.” Acheson laid the groundwork: “We could not, as a government, take the

---

60 Memo of Conversation, October 23, 1951: Acheson Papers, Student Research File, Truman Library.
61 Acheson, _Present_, 510.
62 de Bellaigue, _Patriot of Persia_, 180.
63 Acheson, _Present_, 510.
64 Memo of Conversation, October 24, 1951: October 1951; Memoranda of Conversations; Secretary of State; Acheson Papers, Student Research File, Truman Library.
responsibility for making a proposal unless we were seriously convinced that there were reasonable chances of a settlement.” Therefore, he wanted to clarify that Mossadegh still agreed on a few key points.65

The first concerned “the composition of the National Iranian Oil Company,” its board of directors, and the “technical director” who was to be “of neutral nationality.” The issue of technical director had been especially sensitive, as it illuminated one of the main complaints Iranians held toward the AIOC: the company had restricted Iranian access to the technical aspects of running its refineries. This had left a dearth of Iranian technicians who were qualified to operate the machinery, and Americans like Averell Harriman had decried Mossadegh’s lack of foresight on this issue, saying, “The lunacy of these people thinking they could run this [oil industry] by themselves!”66 However, after the secretary had brought up the issue of technical director, the premier interrupted him, saying that he had no recollection of having agreed that the technical director would be “of neutral nationality:”

Dr. Mossadegh, surprisingly, said that he had never discussed this question, but upon pulling out some notes of a conversation which he had had previously with Mr. McGhee and having read to him by Colonel Walters his statement agreeing to this, he then, equally surprisingly, completely agreed.67

McGhee and Walters had seen this side of Mossadegh before; the premier seemed to be slipping back into his usual patterns. After he was reminded of his concession on the issue of technical director, the prime minister moved on to the issue of “the technical director’s right to hire foreign technicians.” Mossadegh – the man who excluded his countrymen from all discussions with the Americans – claimed that he had “spoken to his

65 Memo of Conversation, October 24, 1951: Acheson Papers, Student Research File, Truman Library.
66 Heiss, Empire and Nationhood, 52.
67 Acheson, Present, 503.
colleagues” and that “they did not feel that British technicians should be hired.” McGhee seemed taken aback, saying that “he had understood that Dr. Mossadegh had been willing to have some British technicians in the oil fields, though none in the refinery.” Mossadegh was steadfast: “If any British technicians returned, it would be a defeat for Iran.” Then he threw a wrench into the spokes of the negotiations, saying that “he could not make any written agreements with anyone” and that this “was an internal Iranian affair and could not be the subject of any written agreement with any foreign power.” Acheson said he understood but that “it would be helpful if Dr. Mossadegh could make some sort of statement regarding his intentions on these matters.” If the premier was not clear enough, “people might think he intended to hire Russians.”

Again, Mossadegh took the hard line: “This was impossible and he would not do it.” However, in his next breath, he said that he would be willing to “make a statement before he left the United States.” Acheson explained that the United States “had an interest in the stable production of petroleum” and could not allow Iran to “upset the whole world fabric of agreements in the oil industry.” Acheson hoped that “as we were willing to understand [his] problems, we trusted he would in a similar way understand ours.” At first, Mossadegh’s reply was measured, but quickly spiraled into a tirade that included attacks against the Iranian monarchy. It was not his intention, he said, to “upset the fabric of world oil agreements,” but perhaps Acheson did not understand the situation completely. Mossadegh proceeded to recite the entire history of “his reluctant entry into politics, the National Front’s formation of the government, the illegality of the 1933 agreement which was reached under

---

68 Memo of Conversation, October 24, 1951: Acheson Papers, Student Research File, Truman Library.
69 Ibid.
duress, and the evils of the dictatorship of the late Reza Shah Pahlavi, including his own imprisonment.” Then, “with some emotion,” Mossadegh reiterated the precariousness of the situation in Iran, warning Acheson that if America stood back and did nothing, “The United States would then have to fight a war in Iran like the war in Korea, equally without result.”

A discussion that had begun with hope had dissolved into a teary eyed premier excoriating the AIOC and the Pahlavi regime. But Acheson broke the cycle. After the secretary said that he “understood the problem with which Dr. Mossadegh had to contend,” he moved to the issue of the Abadan refinery. This, of course, had been a point of some confusion, as Mossadegh had told McGhee in New York that the refinery had been excluded from the nationalization package only to change his story the next day. Acheson had an idea: perhaps Iran “was willing for the refinery to be turned over to a non-British company which would then own and operate it.” Mossadegh, surprisingly, liked this option, and in addition agreed not only to forsake the Iranian counter-claims against the AIOC installations but also to cancel “revenues due the Iranian Government and still unpaid by the AIOC.” This was incredible progress.

Then came the price of Iranian oil; the “main question on which no agreement had as yet been reached.” Mossadegh claimed that “the price which he had been given by his experts was much greater than the price which had been indicated to him by Mr. McGhee and Mr. Nitze.” He produced a list of prices for petroleum products, and inquired why the figures from United States officials were almost half those of his experts. The Americans had encountered this problem before; both Harriman and McGhee had tried to explain to

---

70 Memo of Conversation, October 24, 1951: Acheson Papers, Student Research File, Truman Library.
71 Ibid.
Mossadegh the difference between the wholesale oil market and the retail oil market. Now, Acheson would try again, and the exchange between the two men would highlight the fundamental criticisms that Mossadegh harbored towards the inequality generated by the international capitalist system.  

Acheson explained that Mossadegh’s Iranian experts had given him “the list price, or the posted price” of $1.75 a barrel, while McGhee and Nitze had given him “the actual cost to purchasers who acquired oil in this area,” which was closer to $1.10 a barrel. Mossadegh said that he did not understand, and asked “whether a better price…could not be obtained.” Paul Nitze said that the price they had given Mossadegh was the only price that “would make Iranian oil competitive.” Acheson reinforced this: “There was a surplus of crude petroleum available,” and if Iranian oil was too expensive, “distributing companies…would simply increase production elsewhere.” Mossadegh gave his usual reply: “Tant pis pour nous – too bad for us.” Most of the Americans in the room had heard this before.

Mossadegh was making a political statement about the injustice in this system. Mossadegh “did not see this” idea of two markets for world oil. Fundamentally, he “could not understand why, even if we were correct, the price of the second market was nearly twice as much as the price of the first market.” Voicing the anger of his oppressed people: “He inquired as to what was done with the difference.” The answer was “profit.” Acheson explained that “the distributing companies have to make their profit.” Mossadegh said that “he could not understand this.” Furthermore, “his people would never be willing to accept” this price. Even though Acheson assured the premier that the Americans “were attempting to

---

72 Memo of Conversation, October 24, 1951: Acheson Papers, Student Research File, Truman Library.

73 Ibid.
get for him the best possible settlement that would give him maximum possible revenue,” Mossadegh was adamant: he could not “convince his people that he had made a good settlement on this basis.” He insisted that the issue of price was paramount to his people. 74

Acheson tried to assuage the premier’s anxiety. Perhaps the premier should use the late President Roosevelt as a template. The Secretary claimed that FDR’s genius rested on “his ability to present matters to the people in such a way as to make them acceptable.” Therefore, he suggested that Mossadegh place “emphasis…on the revenue rather than on the price.” This seemed to get the premier’s attention, and he replied, “What revenue?” The group then explained that their economic projections showed that Iran stood to accumulate as high as “64 million pounds” in revenue. In addition, Iran would acquire a yearly “55 percent tax on the profit of the refinery,” which could amount to another “10 million pounds.” 75

Acheson proposed that Mossadegh place himself in the role of the national hero. He could explain to his people that “as a result of his efforts, Iranian revenue from petroleum” would triple, and that “through his efforts British operations and interference in Iran had been stopped.” Using projections from the proposed settlement, the premier could show his people that he had secured “for Iran a revenue large enough to permit that country to make the large-scale social reforms” it needed. Acheson then made it clear that this deal was the best Iran could do: “Iran would receive many times more income than she had ever received or been offered in the past.” Acheson assured Mossadegh that the United States had a vested interest in being able to “secure for him the largest possible income.” More income for Iran meant more political stability, and this was the first bulwark against Soviet communism. The

74 Memo of Conversation, October 24, 1951: Acheson Papers, Student Research File, Truman Library.
75 Ibid.
price had to remain competitive “to assure the sales in sufficient quantities.” Otherwise, Iran would be weakened economically, and left susceptible to sinister powers. The free world could not afford this.\textsuperscript{76}

Mossadegh reiterated that he “did not think he could” sell this package to his people. Then, again, he asked about the difference between “the first and second markets.” Acheson offered a comparison: the secretary owned a cattle ranch in Maryland. After raising the animals, he sold them to a distributing company in Baltimore “at about 25 cents a pound.” The company then slaughtered the cattle, sold the hides, “the bones also, and the meat was cut up, with a retail sale price of 90 cents per pound.” Mossadegh thanked him for this story, but said he “was still unable to accept the price which had been indicated to him.” Then, seeing that he was getting nowhere, Acheson suggested that perhaps this issue “should be more a matter for executive action than legislative action,” implying that the Shah was perhaps more capable of understanding the matter.\textsuperscript{77}

Acheson had revealed his cards: he doubted that the premier was the right man for the negotiations. This casts his later assertions to “strengthen the Shah” in a clearer light.\textsuperscript{78} Mossadegh bluntly dismissed Acheson’s comment: “Things did not run this way in Iran.” If the Americans were so concerned about the state of Iranian politics, perhaps they should “come to Iran and spend some time there” in order to “see what the real situation was.” Then, “suddenly,” Mossadegh said that he refused to “go home empty-handed.” He wanted to leave the question of price for “a later date,” but wanted to have something to show for his

\textsuperscript{76} Memo of Conversation, October 24, 1951: Acheson Papers, Student Research File, Truman Library.

\textsuperscript{77} Ibid.

time spent in America. Indeed, the group had achieved some progress, especially in the realm of compensation and the structure of the NIOC. These new terms would be proposed to the British in the coming days.\textsuperscript{79}

Acheson closed the meeting by saying that he was leaving the following day, and regretted that he could not meet with the premier again. Mossadegh, on the behalf of “the whole Iranian Nation,” thanked the secretary for his “kindness…and for the time he had given him.” The premier, now apparently eager to continue discussions, asked George McGhee when they could meet again. The assistant secretary reminded Mossadegh that the next day they “would be going out to his farm” in Middleburg, Pennsylvania, “and that they could talk at that time.”\textsuperscript{80}

As the Americans left the Prime Minister in his room at Walter Reed Hospital, Acheson was frustrated. On the issue of price Mossadegh had “pretended to be very vague and stupid, though in fact we were only a few cents per barrel apart.” He had confirmed that negotiating with Mossadegh was “like walking in a maze and every so often finding oneself at the beginning again.” Although Acheson would leave for Paris with a skeleton of an oil deal, this was not much to show “for four hours” of repetitive and divisive discussion.\textsuperscript{81}

\textbf{An Election, a Farm, and a Hotel}

October 25\textsuperscript{th} was a watershed date in the Anglo-Iranian oil crisis. The day after Mossadegh’s meeting with Acheson at Walter Reed, the British electorate returned the
Conservative Party to power. Sir Winston Churchill, the man who had first secured Great Britain’s official stake in Iranian oil in 1913 and had declared that the black gold beneath Iranian soil was the key to “mastery itself,” replaced Prime Minister Clement Attlee. A significant portion of the Conservative Party’s election campaign had focused on the Labour Party’s inability to corral Mossadegh and the National Front, and Churchill had castigated their ineffectiveness while denouncing Iranian nationalization as illegal and a threat to all Western investments overseas.

On the day of the British elections, Mossadegh was accompanying George McGhee to his farm in Middleburg, Pennsylvania. McGhee also took Mossadegh to see Mount Vernon, George Washington’s birthplace in Virginia, the following day. He returned to Washington on October 27th to announce that he was staying in the United States for at least another week in order to keep “the way open for arranging a settlement of the controversy after Winston Churchill organizes his government.” The prime minister checked out of Walter Reed Hospital on October 28th and moved into the Shoreham Hotel. That day he received McGhee and Walters for more talks. The next three weeks would supply evidence for what Paul Nitze once said about the options facing American officials when confronted with crises: “Inaction is also policy.”

On October 28th, as soon as McGhee and Walters had finished greeting Mossadegh at the Shoreham and sat in their usual places on his bed, the premier said that “he was

---

82 Yergin, The Prize, xiv.
somewhat disquieted over the results of the British elections.” In his heart, he said, he knew that “the Conservatives would prove more intransigent.” He was also receiving reports on “the deteriorating internal situation in Iran.” American aid was more necessary than ever.87

Mossadegh began exploring ideas for how he could acquire loans. Perhaps he could “obtain an advance from the World Bank to provide him with funds;” maybe he could “post the Iranian gold in South Africa as collateral;” or possibly “the United States Government could advise some bank to lend him the money.” He was willing “to pay any rate of interest and would pledge the very first revenue from oil to repay this loan.” McGhee reminded him of “the problem of the title to the oil:” no loan would be forthcoming from any institution until “an agreement could be reached.” As soon as oil was flowing out of the ground and being sold on the open market, banks would be much more willing to see Iran as a safe bet. But until then, financial institutions would not wish to get involved in the imbroglio.88

McGhee cut to the chase: the premier “had two alternatives.” If he reached an agreement, he would secure the “cooperation of the world petroleum industry” and provide for Iran “a revenue many times larger than anything that had ever been available before.” Most importantly, Mossadegh would have accomplished his ultimate goal: protecting “his country against foreign interference” and insuring “its independence.” McGhee even promised that if Mossadegh reached an agreement while still in the United States, the Americans would “also sign the agreement [as] an additional guaranty.” Mossadegh had everything to gain by choosing this path. Then McGhee described the alternative. If no agreement was reached, Mossadegh would have “no revenue from the petroleum industry”

87 Memorandum of Conversation, by Colonel Vernon Walters, October 28, 1951, FRUS, Vol. X, 244.
and no means to operate the machinery. In addition, “no one would want to come and buy his petroleum with threats of [law]suits by the AIOC hanging over them.” Iran’s reputation would be sullied: international oil companies “would be hostile to him, feeling he had treated them badly.” Most importantly, the premier would be unable to “improve the condition of his country.” The correct path seemed obvious to the Americans.\textsuperscript{89}

On October 30\textsuperscript{th}, while the Prime Minister visited Arlington Cemetery and placed a wreath at the Tomb of the Unknown Soldier, more than 2,000 university students swarmed the streets of Teheran “to demonstrate their sympathy for Egypt in her fight against ‘Anglo-American imperialist warmongers.’” One thousand police officers dispersed the “leftists” who were throwing “a barrage of stones, bricks, and chunks of asphalt.” The mob was supposedly comprised of “the Students Association of Teheran University, a Tudeh (Communist) front organization.”\textsuperscript{90} A few days prior, the \textit{New York Times} had presciently published a cartoon from the \textit{Portland Oregonian} titled “How to Arouse a Bulldog,” which showed two men, “Iran” and “Egypt,” depicted in Middle Eastern attire, standing outside a doghouse named “Britain.” After “Iran” kicked the dog’s food bowl, “Egypt” thought it clever and did the same. This kick, however, caused the bulldog inside the doghouse to come out, snarling and ready to strike.\textsuperscript{91}

Simultaneously on October 30\textsuperscript{th}, the State Department was preparing a telegram for Acheson to deliver to the British, delineating terms that would be the basis for renewed negotiations. The agreement reflected “the principle of 50-50 sharing of profits” and

\textsuperscript{89} Memorandum of Conversation, by Colonel Vernon Walters, October 28, 1951, \textit{FRUS}, Vol. X, 248.


included a note that Mossadegh seemed willing to turn over control of the Abadan refinery to a third party. This reflected Acheson’s idea that was voiced on October 24th, and augmented the near-breakthrough achieved by McGhee on October 14th when the premier had told the assistant secretary that the refinery had not been nationalized. Although the telegram emphasized that the proposal had not been fully “agreed to by Mossadegh,” it said that, by far, these terms provided “the best opportunity for a settlement before the situation has deteriorated beyond recovery.”92

The bad news was that “the U.S. has regretfully concluded…that no arrangement with the Iranian Government is possible which would entail the return of the AIOC to Iran in any form.” This would become, as evidenced by Britain’s meetings with Acheson over the next ten days, the major sticking point. Webb reported that Mossadegh, “on this question,” had shown “no flexibility.” While the Americans acknowledged “the unfortunate precedent…this fact may have upon operations of oil companies elsewhere,” they also implored the British to consider the proposal despite “this conclusion.” If they did, a “settlement [could] be reached,” and the U.S. would “commend” Britain for it.93

The biggest item was the refinery, as Mossadegh was open to a new possibility: he would permit “the AIOC to sell it to another foreign company (preferably Dutch) which would operate it.” In so doing, the premier was acknowledging that Iran did not yet have the technical expertise to run the refinery on its own. The concession also had the bonus of “eliminating the question of compensation” for the refinery.94 Mossadegh also seemed to be

---

92 Telegram 2256, The Acting Secretary of State to the Embassy in the United Kingdom, October 30, 1951, FRUS, Vol. X, 252, 255.
93 Telegram 2256, The Acting Secretary of State to the Embassy in the United Kingdom, October 30, 1951, FRUS, Vol. X, 250.
willing to make further concessions, especially on the issue of royalties, if the British agreed in principle to the deal. The Americans assured the British that they were doing their utmost to “make it profitable for the AIOC to continue to buy large quantities of Iranian oil over a long period of time,” but that Mossadegh had “not agreed” to standard pricing “and that this will be the most difficult point.” However, despite this, the Americans were confident that the outline of terms provided “a basis for settlement,” and strongly urged their allies to consider it. ⁹⁵ Emphasizing the “extreme secrecy” of the matter while reiterating to the British that “the U.S. Government does not wish American firms to serve either as consultants to the NIOC or as operators of the Abadan refinery,” the telegram concluded by suggesting that American diplomats “should emphasize that the U.S. would be gravely concerned over the consequences of failure to agree to a settlement of the dispute before Prime Minister Mossadegh returns to Iran.” ⁹⁶

**An American in Paris**

After the proposal had been sent to Great Britain, Acting Secretary of State Webb informed the American press that “some progress had been made” in the talks with Mossadegh and that there were some “grounds for optimism.” ⁹⁷ Meanwhile in Teheran, opposition leaders had renewed their campaign, denouncing Mossadegh for failing “to take any effective steps to curb the activities of the illegal Tudeh Party.” The Majlis resonated with cries of the premier’s “helplessness in the face of the real and present threat of

---

Communist domination.” The opposition charged that the Tudeh were spreading propaganda in the schools and openly insulting the Shah. Hussain Makki, a loyal disciple of Mossadegh, fired back that the British Embassy had engineered the demonstrations in an effort to undermine the government.98

The next day, November 2nd, more demonstrations erupted in Teheran. An estimated five thousand people shouted “their hatred of British imperialists” and denounced Mossadegh for “making deals with American ‘imperialists’ behind the backs of the Iranian people.” The mob also called for the expulsion of US military advisors from Iran. The chaos overshadowed a noteworthy event: Iranian technicians – the few who had been trained by the British – had reopened the Abadan refinery, though in a severely limited capacity.99 Simultaneously, in Washington, President Truman was hosting a young Princess Elizabeth. It was reported that Truman was enamored of the future Queen, toasting her as “the realization of his Missouri boyhood dream of ‘a fairy princess’” and telling her, “Your family will always be welcome.”100

A few days later, on November 4th in Paris, Acheson met with newly elected British Deputy Prime Minister Anthony Eden to see if the British might come back to the negotiating table. His expectations were low: he knew that the Conservatives saw Mossadegh as “leading the attack on British foreign investments,” and they wanted him “to fail, to be crushed and punished.”101 Predictably, Eden said that the initial reaction was “that the proposal was totally unacceptable.” He stressed that “the elimination of the British

101 Acheson, Present, 511.
company and technicians [would] upset all foreign oil concessions in the Middle East.” Eden then acknowledged that “the fundamental trouble between the US and UK governments came from different appraisals of the facts:” the American “view was that the only alternative to Mossadegh was Communism,” whereas the British believed that “if Mossadegh falls, there is a real possibility that a more amenable Government might follow.”¹⁰²

Acheson strongly disagreed. The secretary argued that if the British broke off the negotiations, there would be no assurance that the United States would back them. In that event, it would be “very difficult” for the American government to continue to support the oil boycott because it could lead to “a collapse of the army, general assassinations by the Moslem brotherhood, and a rapid movement toward the Tudeh Party’s taking over.” Acheson also informed Eden that the Americans were considering extending “some support to the [Iranian] Government.” He added, “If the Government was able to sell some oil, it was quite possible that disintegration could be prevented.”¹⁰³

The secretary was proposing nothing less than breaking the international boycott. He acknowledged that this would cause “great friction…between the British and ourselves” and could endanger “our whole oil position in the Middle East.” But the secretary stood firm. The United States would not stand by and allow the Soviets take over Iran. Acheson implored the British to accept that “it was fundamental to any settlement that the Anglo-Iranian Company or any British company could not be permitted in Iran.” What Mossadegh was proposing was “not an exclusion to the British, but [rather] a change of legal ownership,” and Eden was failing to see that the proposal still allowed Great Britain to retain

¹⁰² Memorandum of Conversation, by the Secretary of State, November 4, 1951, FRUS, Vol. X, 256-258.
¹⁰³ Memorandum of Conversation, by the Secretary of State, November 4, 1951, FRUS, Vol. X, 256-258.
“the major elements of British interest, i.e. control, distribution, etc., of the oil.”

Eden was dismissive. The British were coming to the position that “Mossadegh should be allowed to go back to Iran with no agreement and that this might have a healthy effect upon producing a more favorable offer from him or some other government.” Acheson reiterated that “the United States could not let Iran collapse” and threatened “that it would have to lend Iran money if no agreement were reached.”

This barbed and fractious exchange between the British and the Americans indicated that Mossadegh was driving deeper the wedge between the allies. Meanwhile, Iran began to boil. In order to “prosecute rebellious students,” the government closed Teheran University.

Mossadegh’s nation was descending into chaos.

In Washington, the State Department praised the secretary for standing up to the British and reported that “Mossadegh…has given orders from here today authorizing the declaration of martial law in the city of Teheran.” The “British attitude” was “most concerning” not only because it might increase “anti-British sentiment” which would “seriously jeopardize Western interests,” but also because Great Britain’s “delays” could easily result in Iranian anger being directed at the United States. From the American perspective, the British were being dangerously unrealistic. No agreement could “restore British operation of the Iranian oil.” Iranian nationalism was real, and oil had become synonymous with Iranian dignity. Furthermore, if Mossadegh was ousted from the premiership there was a likely possibility that the old man would return to the Majlis and become an “even stronger force than he is as Prime Minister.” Mossadegh had been an

104 Memorandum of Conversation, by the Secretary of State, November 4, 1951, FRUS, Vol. X, 256-258.
105 Ibid.
inventive and progressive lawmaker, and giving him the power to “dictate legislation” might create even more problems. Perhaps, Webb suggested to Acheson, the secretary should tell Eden it was becoming more difficult to keep “US firms which have indicated an interest in…Iranian oil” from entering into negotiations with Iran.\(^{108}\)

On November 5\(^{th}\), a cable from Paris reported that Acheson had told Eden that British “inaction” was making a decision superfluous: it was becoming obvious that the British did not wish to negotiate with Mossadegh. But Eden kept hope alive, saying that he had “no desire to fade out of the negotiations.” He promised a full statement was forthcoming.\(^{109}\)

Meanwhile, Mossadegh stayed busy talking with McGhee and touring Washington. In addition, Associate Justice William O. Douglas invited the premier personally to attend a session of the Supreme Court. Douglas and Mossadegh would have several conversations over the next week as the premier waited on London’s response, and Douglas would subsequently write an impassioned letter to Truman urging the president to help Iran. Truman had an opportunity, Douglas wrote, to “become a symbol of salvation for all the people in that vast area of the Middle East, on one condition: that Mossadegh goes back with a good deal for Persia and the Persian people and does not return empty handed.”\(^{110}\)

Douglas argued that if Truman made the courageous decision to help Iran directly, “American influence and prestige will be what you made it to be in Greece.” On the other hand, if Mossadegh left Washington with nothing, “America and the British both will be effectively out of the picture and Russia will be in it.” The only salve, in Douglas’s opinion,

was to allow Mossadegh “time to work out the oil problem.” He implored Truman to realize that the United States now wielded more influence than the British, especially in Iran: “The British are anathema to the Persians and always will be.” For Douglas, the benefit of helping Iran outweighed the cost of undermining America’s ally, because it was the only way to keep Russian influence out: “Without that loan Mossadegh feels…that the consequences will be evil for Persia.” Douglas was convinced: there was “no political alternative to Mossadegh,” and if he fell, Iran faced “the Army on the right and the Communists on the left.”

Conditions continued to deteriorate in Teheran. Ten thousand National Front supporters, “not wishing to be outdone by their Tudeh rivals,” marched at the behest of Ayatollah Kashani. Through a recorded message, he rallied the crowd by affirming the “unprecedented liberation movement” that Islamic countries were leading, and said that “God would ‘help us fight Red imperialism, which is the enemy of our religion.” As the crowd chanted “death to Communists,” National Front deputy Hussein Makki was quoted as saying, “A foreigner is a foreigner, and we will fight all foreigners East and West.”

Ambassador Loy Henderson cabled from Teheran: “Soviet propaganda and Communist organizations are seeking to capture the leadership of nationalist movements…the emotional side of Iranian nationalism” was dominating, allowing “an opportunity for extremist elements.” Henderson surmised that the only way to control “these emotions” was through “firm government, since Iranians respect forceful authority.” He was troubled that the British still believed that “Iranian nationalism was artificially stimulated

rather than deep-seated.” While the British predicted that if Mossadegh “returned from Washington without an agreement” he would be overthrown, Henderson argued that he would not only “survive” but also “turn to the Communists for support.” Unless the United States gave immediate “aid to Iran, there would be strengthening of the already widely prevalent belief that [America] was cooperating with the UK in maintaining the economic and technical blockade.” The choice was clear: “deeply offending Britain or forfeiting such remnants of friendliness that still exist in Iran.” If the United States chose the latter, “it might take years of patient effort to win back Iranian confidence in the US.” He added, “During those years much could happen.”

Henderson argued that unless the “US and UK embassies as well as the Shah should intervene,” Mossadegh would twist his failure into an advantage and become “almost impossible to dislodge.” But even if he were somehow replaced, any new prime minister would be labeled “another British stooge,” especially if an oil agreement was “forced through the Majlis.” The Iranian public would become more open to a “turn toward communism” rather than “insist on what it would consider as submission to western economic imperialism.” Henderson recommended that the British “enter negotiations at once…with full understanding that no British firm” could return to Iran. If Mossadegh “should still refuse” to agree, “it would be easier for patriots and friends of the West in Iran to coalesce in bringing about his removal.”

---

113 Telegram 23, The Ambassador in Iran (Henderson) to the Secretary of State, at Paris, November 6, 1951, FRUS, Vol. X, 260-262.
115 Ibid.
was the intransigent one. Only then could the West hope to persuade their friends in Iran that their leader would have to go.

On November 7th, Acheson cabled the State Department at midnight to report on his most important meeting with Eden. Sir Leslie Rowan, the Treasury Minister, had “played the part of St. Michael, the avenging angel,” and had tackled the primary issue. There was a financial crisis in the UK, Rowan said, and the Iranian situation had put Britain at a crossroads: “If the UK is weak in respect to Iran, all confidence will be lost and the effect on their invisible earnings will be catastrophic.” While it is not clear what he meant by “invisible earnings,” Rowan argued that while the oil was important, Britain’s “position in the Middle East was vital.” If it lost Iran, Britain’s finances would be hurt, but “to make a bad agreement” would be devastating.

The single biggest problem was the “effect in other places of the exclusion of Britshers.” This would destroy “their prestige with other governments.” The British were worried about the effect of an agreement on their position in Egypt and the Suez Canal: if the British backed down in Iran, their foothold in the Middle East was in jeopardy. Eden then, surprisingly, said that the American government should “urge US companies to join them, in order to work out a joint Anglo-American deal with Iran.” He highlighted the alliance of the two countries, saying, “We were partners in the whole of the Middle East, and this should be no exception.” Perhaps the solution, Eden suggested, was for the United States to take the lead: “The Iranians had succeeded in driving a wedge between us and in playing us off

---

116 Acheson, Present, 511.
117 Telegram 8, The Secretary of State to the Department of State, November 7, 1951, FRUS, Vol. X, 265-267.
against each other.” Mossadegh was trying to divide and conquer. Therefore, the British and the Americans needed to unite.118

Acheson would not fall for the “special relationship” argument. He refused to follow blindly the obsolete ideology of a dying imperial power. “The real wedge,” he retorted, “is our differing political appraisal of the situation.” If the United States did as Eden suggested: “The Iranians would believe that they had been tricked by us.” This would endanger American interests everywhere.119 Eden reminded Acheson that “only the British and the Americans could make it possible for Mossadegh to obtain the fruits of his oil,” because the United States was supporting the informal boycott and because American oil companies comprised a large portion of the international oil industry. Acheson was frustrated, concluding that the British “probably would continue to endeavor to avoid negotiation” and were “perfectly prepared to continue to take all the risks of doing nothing.” To Acheson, the new British government would stop at nothing to avoid the label of “appeasement,” and they seemed to “really believe that to yield in Iran is to write a vitally important chapter in the decline of the UK.”120

“Con te partirò”

After receiving Acheson’s cable, Acting Secretary James Webb concluded that it was time for the premier to go home. While he assured Acheson that the Americans would “avoid any expression of blame for the breakdown,” they would also “discreetly point out

118 Telegram 8, The Secretary of State to the Department of State, November 7, 1951, FRUS, Vol. X, 265-267.
119 Ibid.
120 Ibid.
that [Mossadegh’s] positions…contributed to the failure.” Webb also seemed intrigued about the possibility of American oil companies getting more involved, but doubted that any of their participation “would make British companies more palatable to Iran.” In fact, this could be seen by Iranians as “a mere device to re-impose a British company on Iran.”

Webb also said that the State Department was beginning to tilt toward the British position, as the option of the United States purchasing Iranian oil was now off the table. To do so “would not be worth the weakening of the British position.” However, there could still be “grave consequences” if the United States did not use the “full weight of its position vis-à-vis the British to get them to agree to a proposal which” might be “as good as they may ever get.” The Americans should still “advise Great Britain that if they do not proceed with negotiations, the US Government may be compelled to render such economic assistance as it has at its disposal.” However, for now, the Department would continue “our position of…dragging our feet.”

The media broke the story of the breakdown in negotiations before the State Department was able to tell Mossadegh personally. The November 8th edition of the New York Times ran a headline on the front page saying, “Eden Bars U.S. Proposal on Iran; Role of Mossadegh is Basic Issue.” The newspaper reported that differing assessments of Mossadegh’s ability to resist communism was “the real stumbling block” and the source for “a fundamental disagreement between the United States and Britain.” In addition, the article gave a warning, saying, “If Dr. Mossadegh is allowed to go down politically for lack of a strong stand by the United States, the result will be a severe blow to American prestige in

122 Ibid.
Iran and the entire Middle East.” Comparing the Prime Minister’s leadership in Iran to “that of Thomas Jefferson or Thomas Paine in the early United States,” it reminded readers that Mossadegh had been “one of the few [in] Iran’s Parliament who came into office as a result of a free election.”123

News from Teheran was that the Shah had cabled Mossadegh, saying that he hoped the premier “would not delay his return.” The prime minister, however, was not finished. The previous evening he had attended a luxurious party at the Soviet Embassy, thrown in honor of “the revolution which brought the communists to power.” A large picture in the New York Times showed the premier shaking hands with the Soviet ambassador, and while the accompanying story stated that Mossadegh left after only ten minutes, it also mentioned that Acting Secretary James Webb had declined the invitation. Just a few weeks prior, Mossadegh had told the Security Council how the Bolshevik Revolution of 1917 had been a great boon for Iran, as the ousting of the czars had returned long lost concessions to the Iranian government.124

On November 9th, George McGhee, Paul Nitze, and Vernon Walters went to the Shoreham Hotel to update Mossadegh about Acheson’s talks with the British. McGhee told Mossadegh that the American government regretted that “in the limited time the Prime Minister could stay in Washington, it would be impossible to close the gap between” the British and the Iranians. McGhee stated that Mossadegh’s “refusal to accept British

technicians” and his obduracy about pricing were the key stumbling blocks. McGhee was “sorry to lose the opportunity,” but there was nothing more that they could do.125

While McGhee’s memoirs state that Mossadegh “accepted the result quietly, with no recriminations,”126 the official record shows a different story: the premier’s passions became inflamed. He argued that the Iranians had been quite willing “to keep the British technicians,” but British actions and policies had “compelled them to expel” them. While Iran had been “reasonable,” it was the British who “did not want to negotiate with him.” Instead, “they wanted time for economic pressures to make themselves felt,” and this would prove to be a “great error.” He knew the British desired a new government in Iran, one “more amenable to British desires,” but only a government “more amenable to the Soviet Union” was possible. This “breakdown…ended the possibility of further negotiations,” and the premier warned that the United States “would have to do in Iran what [it] had already done in Korea.”127

Mossadegh then made a surprising revelation: he said that all he had ever wanted was for the United States “to come and get the oil…for us to come in and help them run the oil business.” When Nitze stated that “the oil was not needed in the United States,” Mossadegh argued “that the petroleum had been nationalized in order to prevent the Russians from getting a foothold in the North.” McGhee stepped in, saying that “trying to fix blame” was unproductive, as was Mossadegh’s assertion that future negotiations were impossible. But

125 Memorandum of Conversation, by Colonel Vernon Walters, November 9, 1951, FRUS, Vol. X, 269-272.
126 McGhee, Envoy, 403.
the premier was convinced: there was no agreement because “the British did not want
one…there could never be a settlement directly between the British and the Iranians.”128

He had come to America, Mossadegh said, to achieve “United States intervention in
the matter.” But the Americans “did not want to irritate the British.” While “he could
understand” this, he still felt that “world peace should take priority.” His last recourse would
be to “write the President a letter asking for help,” as Truman professed a “desire to see
Iran’s independence maintained.” He would request “an advance, not a gift,” and said that he
“must make this appeal…for history and for his conscience.” He would ask for “$10 million
a month, or $120 million for one year.” McGhee expressed his “earnest regret” and
reminded the premier that all was not lost: “perhaps in two or three months the British would
repent and the Iranians would repent and then they might be able to work out something.”
Mossadegh replied that he was grateful to McGhee “for all he had done to try and help.” He
would return to Iran and tell everyone that the United States “had acted in a completely
disinterested fashion with its only interest being the preservation of peace and security.”
Hopefully, by that time, “he would have some answer from his letter to the President.”129

Meanwhile, the State Department had not totally foreclosed the option of giving aid
to Mossadegh. Webb summarized the American predicament: “While we believe
Mossadegh…is himself a sincere anticommunist, his inherent recklessness might well lead
him to [turn to the Soviets] if the alternative appears to him to be capitulation to Britain.”
Mossadegh’s reputation as unpredictable, emotional, and irrational was becoming his
Achilles’ heel as he applied pressure on the Americans to grant him foreign aid. However,

129 Ibid.
Webb advised that Mossadegh’s behavior actually served as a rationalization for why the United States should help Iran financially: perhaps the only balm for his recklessness was American aid. Although the “British would deeply resent our extending assistance,” Iran was asking for only “$10 million per month,” which was “small in comparison with the $2 billion” being thrown at “Greece and Turkey.” $10 million a month was a small price to pay to insure against “losing Iran.”  

It was his suggestion to Acheson, therefore, to inform the British that the United States would “at the appropriate time…go forward with such economic assistance to Iran…regardless of what government is in power.” Webb said that Acheson should also remind the British of how the United States had recently been coming to Britain’s rescue: America had been supplying them with oil “from US sources…to meet the deficit created by the loss of Iranian production” and had also been extending “US financial aid to meet losses imposed upon the British economy.” London had to understand that it could not recapture its former glory in Iran, but if it wished to recuperate at least a significant portion of those spoils, it must “make possible the resumption of negotiations with Mossadegh.” Webb then notified Acheson that the Department would immediately begin formulating “plans for such economic assistance to Iran.”

Mossadegh continued to seek other options. On November 10th, after meeting with Point IV administrator William Warne and receiving assurances of limited technical and agricultural aid to Iran, the prime minister welcomed World Bank Vice President Robert Garner at the Shoreham Hotel. They explored the possibility of the bank becoming a

---

130 Telegram 2837, The Acting Secretary of State to the Secretary of State, at Paris, November 9, 1951, FRUS, Vol. X, 275-278.
131 Ibid.
temporary manager of the NIOC until negotiations between Britain and Iran could be renewed. After meeting with Garner, Mossadegh sent his letter to Truman. It would take two days to reach the leader of the free world, however, because the president was on vacation in Key West, Florida. Mossadegh at first took a deferential tone, thanking the President for receiving him and for the help given by United States in the crisis. However, for the next ten pages, Mossadegh railed against the British, whose “imperialist agents” continued to create “havoc in our internal finances.”

Mossadegh made clear his feelings: “The Government of Great Britain is not willing to arrive at a settlement; but is rather procrastinating and awaiting the results of the foreseen economic crisis in Iran!” He asserted that this was because the British feared setting a precedent that would cause other “governments [to] want to have similar privileges, causing heavy losses to the revenues of the [British] concession owners.” Mossadegh implored Truman to look objectively at the policy of Britain and the West: “Such [revenues] are…insignificant in comparison with the heavy expenditures which the great powers are making for armament purposes.” If the West decreased military spending, it could then afford to “seek the satisfaction of the countries who have granted concessions, and in this way help the furtherance of world peace and security.”

Finally, Mossadegh repeated his request for aid. The premier reminded Truman that Iran’s economic crisis “started from the days of World War II” and that America shared some of the blame. The Iranians had “suffered great sacrifices” to help the allies achieve a

134 Ibid.
victory that was supposed to be “for the freedom and the independence of all nations.” They had put faith in “the Atlantic Charter and on the promises given by the great powers.” Lauded as the “Bridge of Victory,” Iran had expected to receive the financial help promised at the Teheran conference. His nation was “sorry and bewildered when we found that none of the wartime promises materialized in the post war era,” and Iranians were outraged that “the agents of old fashioned imperialism blocked Iran’s chances to develop its own resources.” The West, “through clever artifices and intrigues,” had kept Iran enslaved.\footnote{Dr. Mohammad Mossadegh, “Letter to the President,” November 10, 1951, Document 111, Documentary History of the Truman Presidency, ed. Dennis Merrill, Vol. 29, “Oil Crisis in Iran,” 1995, Truman Library.}

Mossadegh was adamant that “urgent remedies” were necessary to avoid outcomes “harmful to the cause of the free world, and to the peace.” Iran was now subject to “a serious internal crisis,” and as the United States had taken up the mantle of “great responsibility in world affairs,” Truman should seek to stabilize Iran “before it reaches a critical point.” Only American financial help could solve Iran’s problems. The United States possessed “good intentions,” and so too did Iran: Mossadegh assured Truman that he was “not seeking United States aid on a gratuitous basis.” He pledged to repay this “loan” with “our oil revenues.”\footnote{Ibid.}

As Mossadegh concluded his letter, thanking the president for his “generous hospitality” and wishing him “health and happiness,” there was no indication that the prime minister intended to resume negotiations with the British. The situation which ten days prior had generated a glimmer of hope now seemed beyond repair. Unless the United States granted Mossadegh the aid he had requested, it appeared that the premier would have no
choice but to explore the possibility of Soviet assistance. America’s attempt to solve the crisis had failed.\textsuperscript{137}

\textbf{The Roar of a Wounded Lion}

While Mossadegh wrote to Truman, Acheson telegrammed the State Department a summary of his talks with the British. The attitude of the new Conservative government was “clearer than that of its predecessor.” From Prime Minister Churchill came “the roar of a wounded lion.” Not only would Great Britain not compromise, Acheson said, but also it was becoming inevitable that the United States would have to acquiesce to its ally’s position. London stood “on the verge of bankruptcy.” Its only lifelines were “important overseas interests…without them she cannot survive.” While the loss of the AIOC was “a serious blow,” it was apparently “a loss which Britain can stand.” Losing Iranian oil was not crippling, as British “refinery capacity can be built elsewhere.” With “firm support from her friends,” Great Britain could “recover” from the damage wrought by Mossadegh and avert financial disaster.\textsuperscript{138}

But, Acheson explained, Great Britain could not risk the economic domino effect of an agreement with Iran. Indeed, if other countries saw that Mossadegh had been successful in expropriating British property, casting the British out of Iran, and making a mockery of international business standards such as compensation and contracts, then “she would have no properties left within a few months, and indeed the same would happen to all Western


investments.” Even to negotiate with Mossadegh at this point would lead to the destruction of “the last vestige of confidence in British power and in the pound.” If developing nations began to believe that “Britain would acquiesce in the despoliation of Iran and even cooperate to make that despoliation profitable to the Iranians,” the Western world would have a global mutiny on its hands. The sanctity of contracts and the rule of law had to be maintained.139

“The choice before you,” one anonymous British official had told Acheson, “is whether Iran goes Commie, or Britain goes bankrupt: I hope you would agree that the former is the lesser evil.” The official British position, however, was not so apocalyptic. Many in London argued that there was time – a communist takeover of Iran was not imminent: “The British do not believe that Iran is close to disaster…[Iran] will take a long time dying.” Therefore, taking “conciliatory action” with Iran would be much more “reckless” than “the danger risked” by slowly starving the rogue nation. A communist Iran was not the immediate danger; the immediate priority was “to preserve…the last remaining bulwark of British solvency.”140

The British were determined to show the world that national leaders who dismissed international agreements would not be tolerated: “They will accept no settlement by which it cannot be plainly shown to everyone that Mossadegh has not profited over rulers who abide by their contracts.” Britain would not agree to any deal in “which Britain is humiliated and discriminated against.” The fundamental sticking point remained: “It is impossible to induce

140 Ibid.
the British to accept the exclusion of British companies and British citizens.” Here, Acheson offered an analogy: “It would be like asking us to step aside in favor of Guatemala.”

Acheson despaired: “There is not the faintest possibility of getting the British…to change their attitude.” The new Conservative government was “depressingly out of touch with the world of 1951.” Their “truculent braggadocio” had helped them return to office, and they had not been elected to “complete the dissolution of the empire.” Still, the British were putting the Americans in “an impossible situation.” Eden had admitted that he knew “nothing about the situation in Iran” and was relying “wholly upon the advice of officials [who were] wholly wrong.” To Eden, “true Anglo-American solidarity means that [the United States] must accept the final word of the incompetents who have brought us where we are.” Therefore, Acheson would tell Eden again that the US “must be free to follow our own interest based upon our own info,” and he would suggest that Eden “inform himself” about the reality in Iran.

Acheson saw few options. He would see Eden on Tuesday, November 13th, and make one last attempt: the United States still recommended giving Iran aid, “however, it should not be done now.” Also, the secretary said that the Truman administration would now have to consult the British before any action was taken: “Before it is done, it should be thought over thoroughly and freely with the British.” Acheson had acquiesced to British policy: “We should delay for a time sufficient to allow existing circumstances to operate to the detriment of Mossadegh.” In the event that “such a delay” imperiled “too seriously Iran’s orientation to


142 Ibid.
the West,” the US would reevaluate, but Acheson had pulled back from the brink. Inaction was to be the American position.  

A Letter, a Disagreement, a Diatribe, and a Kiss

On November 12th, American newspapers reported that Mossadegh was going home. The Washington Post ran a particularly incisive editorial on the status of the crisis. While the premier’s victory in the United Nations “no longer glitter[ed] as it did a few weeks ago,” he could “not be blamed for all of… the many factors” involved in the “incipient tragedy.” Though it was true that because of Mossadegh’s stubbornness “the Iranian people are suffering undeservedly and their country is becoming riper every day for Communist subversion,” the British had also been intransigent. Their public demands that “Mossadegh be overthrown” had “made a settlement difficult,” and now it seemed that they were “so hurt by the blow to their prestige in the Middle East” that they could not approach the problem rationally. Mossadegh, however, was “surrounded by men who did not want a settlement except on extreme terms.” Perhaps he was “as blind and as reckless as his critics have pictured him.” His time in America had reinforced his image as “a whirling dervish…with his faints, his tears, and wild-eyed dreams.” He was a wildcard – a political liability.

That same day, President Truman, still on vacation in Florida, received Mossadegh’s request for aid. The response was drafted by Webb, signed by Truman, and sent to Mossadegh on November 14th, the day Truman was swimming in the Atlantic and

encountered an aggressive barracuda, causing him to cut short his daily exercise routine. Unlike Mossadegh’s ten-page soliloquy, Truman’s letter was four short paragraphs. While the president thanked the premier for “setting forth the situation which confronts your country” and expressed disappointment that the “efforts…to find a solution to the oil controversy have not succeeded,” he deferred on the issue of aid. Promising Mossadegh that “your request for financial assistance will, I assure you, be given most careful consideration,” Truman stalled by saying, “This is a very complex matter.” Although the request would be “handled in an expeditious manner,” there was nothing Truman could do but wish the premier “a pleasant return journey.”

In Iran, divisiveness reigned. In the Majlis, those opposed to Mossadegh flaunted his failure: the oil nationalization program had been “bungled” and the premier’s “month-long stay in the United States has been pointless.” To make matters worse, the Tudeh Party was allegedly strengthening separatist forces in Azerbaijan. While National Front supporters gathered outside the parliament building to chant “Long Live Mossadegh,” inside the legislature the opposition charged that Iran had “lost its trump cards” thanks to the “inept” leadership of the premier.

While Truman was having his barracuda mishap on November 14th, Acheson had one last meeting with Anthony Eden. The secretary chastised the British and stated firmly that the United States had every right to protect Iran from communism. More importantly, however, Acheson reframed the objectives: the allies needed to “strengthen the Shah.”

147 Charles S. Murphy to Hon. James E. Webb, “Letter to Prime Minister Mossadegh,” November 14, 1951, Papers of Harry S. Truman, President’s Secretary’s Files, Student Research File, Truman Library.
would become the common ground between the allies. Eden agreed, but also cast blame: if the United States had supported Great Britain from the beginning, “events would have been different” and British policy would have proven correct. Instead, “lack of support” from the United States “created the very situation” of the present moment.  

Acheson retaliated, saying that “the history of the AIOC troubles in Iran” was to blame. While the British had no “specific policy except to boycott Mossadegh” and were still convinced that the AIOC could return to Iran, the Americans were being realistic: “Without financial help, Iran would collapse,” and there was no chance that the Iranian people would accept the return of a British company. The British were taking “terrible risks” with communism and London was gambling without purpose. Acheson then illuminated an important difference in the US and British interpretation of events. The British believed that negotiating with Mossadegh “strengthened him,” while the Americans believed it would weaken him. Acheson was taking Webb’s suggestion: if Great Britain went back to the table and proved that Mossadegh was the intransigent party, the allies would be justified in their efforts to help Iran replace him. In other words, if the British were correct in assuming that “no deal could be made with Mossadegh” – which was “indeed probable” – this had to be “demonstrated.” But “this was not being done.”

Acheson argued that the Shah supported the American perspective: he “believed our view the sounder one,” that negotiations would weaken Mossadegh. As the Shah “had everything at stake,” Acheson suggested that Eden take his advice and explore the possibility

---


150 Ibid.
of moving “in the direction of specific proposals.” If the British came back to the table and offered the Iranians a reasonable deal, then either Mossadegh would accept it or show himself to be the unreasonable party. Then, either the Shah and the royalists would remove the prime minister or he would fall under the weight of his own obduracy. Mossadegh’s movement would then be obsolete. His disappearance would “strengthen the Shah” and ensure Iran’s alignment with the West.\(^{151}\)

Eden seemed to soften. Acheson reported, “He is beginning to see…that the British position must move.” Eden now understood “how impossible it is to look for our ‘support’ in the way he had been demanding,” and seemed to respect Acheson’s position that it was still possible that the Americans might be forced “unilaterally to give financial aid to Iran” if a Soviet alliance was imminent. Acheson’s underlying point was clear: all this bickering between the allies strengthened Mossadegh. If the British could reopen negotiations with Mossadegh and prove his intransigence, the tide might turn against the prime minister.\(^{152}\)

On November 14\(^{th}\), Mossadegh gave his final speech on American soil. Given at the National Press Club, The Washington Post would deem it a “dismal swan song” filled “almost as full of capitalist ghosts and goblins as the version that is peddled from Moscow…[Mossadegh] not only missed an opportunity…he mangled his chance and threw it away.” But while the Post was hoping to hear about the settlement proposals, Mossadegh had a different goal. At the Press Club, he deconstructed Iran’s plight in the context of world


\(^{152}\) Ibid.
history, human greed, decolonization, communism, poverty, and injustice. Mossadegh was not giving up.\textsuperscript{153}

After highlighting his record of promoting “press freedom in my country,” Mossadegh lambasted the Western press. In its reporting on the Iranian oil crisis, there had been rampant bias. This was, in part, due to the power imbalance between Iran and Great Britain: “If one party to the dispute is one of the great world powers which wields great influence with international corporations and cartels…it can present a more forceful case to the press.” Iran, on the other hand, was “a small country lacking the means.” This Western bias was also due to the failure of the press to “analyze what is happening in a large portion of Asia and Africa” and to acknowledge “the cause and depth of nationalistic spirit surging in these areas.” Mossadegh warned that this “failure” could have “dangerous repercussions.”\textsuperscript{154}

Mossadegh then launched into a lengthy soliloquy about “the mood of the Iranian nation.” Iranians were an “oppressed people.” Their goals were the “democratic principles…for which two world wars were fought.” They had been misled by the Atlantic Charter, given empty promises at the Teheran Conference, oppressed by a despotic Shah, and maligned by “secret organizations affiliated with the AIOC.” Mossadegh charged that the West had deliberately kept Iran impoverished: “By controlling the political and economic life in Iran, the imperialists aimed at the creation of poverty because the former Anglo-Iranian


Oil Company believed that the nation’s economic weakness was the key to the company’s maintenance of power.\footnote{Address made by Prime Minister of Iran, Dr. Mossadegh, at the National Press Club, Washington, D.C., Wednesday, Nov. 14, 1951,\textit{ New York Herald Tribune}, November 15, 1951, United Nations - Dag Hammarskjöld Library, New York, NY.}

While the British had engendered an ethos of “corruption…bribery” and “espionage,” the United States remained the best hope for Iran: “The American nation is in a position to perceive this truth...only two centuries have elapsed since you yourselves were fighting to rid your nation of imperialistic pressure.” He asked the United States to help Iran reach “that freedom similar to your own.” However, he also blamed the Americans for partaking in an economic system that kept developing nations under foot: the British had convinced the United States that if it complied “with the demands of the Iranian people” then all Western nations would have to meet “equal and similar demands from other countries, thereby contracting great losses in their extraordinary revenues.” Mossadegh then used his point about military spending, saying, “If we compare the loss of such revenues with the great expenditures...for armaments and its subsequent losses in human mortalities...the result would be appalling.” The premier skewered the greed at the heart of Western capitalism: “If human greed were to leave them for a moment to see the true situation, the concession holders would have realized that it is to their best interests to give what is due to the original owners.” Only by doing so could “peace and security [be] preserved.”\footnote{Ibid.}

Mossadegh was asking for American aid because the United States believed in “the extension of liberty and the abolition of the rule of force.” While Great Britain had “paralyzed” Iran, the US had been helping by educating Iranian students in American
universities and giving technical assistance through the Point IV program. Moreover, his people were showing self-sufficiency, successfully reopening the Abadan refinery “on a thirty percent basis of its original capacity.” The United States was the one nation capable of helping Iran “bring about social security which is the aim of every modern country,” and once a stable Iran was established, “world peace and security” would be one step closer.  

Finally, Mossadegh addressed the elephant in the room: communism. He had observed America’s preoccupation with it, and had a poignant critique of America’s “multifarious means” and “large appropriations” that were being spent “to quench this dangerous conflagration.” He implored the United States to reevaluate its foreign policy:

All of the means employed to achieve the desired aim will be of no avail, if one important factor is left out of our consideration. We must, first of all, try to find the source of communism, and the second step is to dry up that source. In my opinion, the root causes of communism are to be found in the general poverty and the dissatisfaction which exists among the nations because of the existing social injustices and the want of the most essential needs of an elemental living. The communistic threat in [Asia] is a direct outcome of these dissatisfactions. Hence, it is bewildering to me that, here in the Occident, this viewpoint is not given the due consideration; but, on the contrary, the statesmen here who are fighting this communistic menace, instead of ameliorating the circumstances in the Orient, are aggravating them through their policies.

Mossadegh warned: “Dictatorial regimes” were not the answer. The only way to combat communism was to acknowledge that “the various races in the Orient…have started to awaken.” If the United States allowed “archaic nineteenth century methods [and] colonial exploitation” to continue, it could expect “to breed hatred and spread dissatisfaction amongst them.” He concluded with quotations that reflected his heritage and education: from an Arabic proverb, “He who treads the trodden path will meet with nothing but

---

disappointment,” and from Rousseau, “The real conquerors are those who seek justice, and the rest are like passing torrents which soon disappear.”\textsuperscript{158}

The press reported that Mossadegh’s speech was another “dreary recital of the alleged misdeeds of the AIOC,” that he had reinforced his reputation of “blindness and recklessness,” and that he had made things worse for “the long-suffering Iranian people.”\textsuperscript{159}

In actuality, his remarks at the National Press Club were an incisive critique of US foreign policy and the global capitalist system. His arguments were nuanced, global in scope and ancient in perspective. He captured the essence of nationalism in the developing world while warning the West of blowback. Such words canonized him as a hero and as a threat.

As the premier prepared to depart, George McGhee was despondent. The failure to achieve an agreement was “almost the end of the world.”\textsuperscript{160} Vernon Walters made one last attempt. On the night of November 17\textsuperscript{th}, Walters went to bid Mossadegh farewell.\textsuperscript{161} “I know what you’re here for,” Mossadegh said, “and the answer is still no.” As Walters stated his case, Mossadegh interrupted him: “Don’t you realize that, returning to Iran empty-handed, I return in a much stronger position than if I returned with an agreement which I would have to sell to my fanatics?” As Walters bid Mossadegh farewell, the premier said, “Can I ask you one more thing? May I kiss you goodbye?” Walters concluded that “if it’s only on the cheeks, go right ahead.” Cackling “with delight,” Mossadegh kissed him “on both cheeks,” and Walters left.\textsuperscript{162}

\begin{flushright}
\textsuperscript{160} McGhee, \textit{Envoy}, 403.
\textsuperscript{161} Memorandum for the President, November 16, 1951, Papers of Harry S. Truman: President’s Secretary’s File, Subject File, Student Research File, Truman Library.
\textsuperscript{162} Walters, 262.
\end{flushright}
CHAPTER 6: Conclusion

I know you've taken it in the teeth out there, but the first guy through the wall always gets bloody, always. It's the threat not just to the way of doing business, but in their minds it's threatening the game. But really what it's threatening is their livelihoods, it's threatening their jobs, it's threatening the way that they do things. And every time that happens, whether it's the government or a way of doing business or whatever it is, the people holding the reins, those who have their hands on the switch, they go bat shit crazy.

–John Henry, owner of the Boston Red Sox, to Billy Beane, general manager of the Oakland Athletics, *Moneyball* ¹

My dear Mr. Churchill, I greatly appreciate the opportunity to have lunch with you today and to have had this good chance to exchange views. What you say always reflects the ripeness of experience and the vigor of a dynamic faith. I enclose, as you suggested, a copy of my talk last night before the English-Speaking Union.

Faithfully yours, John Foster Dulles

–Letter from John Foster Dulles to Sir Winston Churchill, June 8, 1951 ²

A few days after Mossadegh left the United States empty handed, Acting Secretary of State James Webb sent a telegram to Acheson, who was still in Paris. Webb assured Acheson that the State Department understood his decision to pull back from granting Mossadegh aid and applauded the secretary for telling the British that the United States retained the right to support Iran if a communist takeover seemed imminent. In addition, Webb clarified the position of the State Department by saying that any future discussions about giving aid to Teheran would have to involve the Shah directly: “Any such aid should be in response to an appeal by the Shah and should be used to the maximum extent possible to support the Shah and increase his prestige in the eyes of the Iranian people.” ³

Washington’s position had shifted. The Americans wanted to avoid any future direct entanglements with the premier if possible: if Iran could be stabilized and saved from communist subversion, the Shah would have to be the man to do it. After having experienced Mossadegh firsthand, the United States had decided that the Shah was their best

---

² Letter from John Foster Dulles to Sir Winston Churchill, June 8, 1951, John Foster Dulles Papers, Selected Correspondence, Box 52, Seeley G. Mudd Manuscript Library, Princeton, NJ.
option. He needed to be strengthened, his domestic image needed to be rehabilitated, and if the United States decided to extend aid to Iran it would do so in a way that would enhance the prestige of the Shah, not Mossadegh.  

Three days later, the State Department was more emphatic: the “definitive reply to Mossadegh’s recent request for direct financial assistance will not be made for some time if at all.” At that point, aid was “unlikely” and would be given only if “it becomes clear that such aid is essential to preserve Iran for the free world.” The United States preferred to grant aid “to a government more cooperative with us and more realistic on the oil issue.” In addition, Mossadegh was telling the Iranian people a different version of what happened in the United States upon his return to Teheran: “The Iranians apparently have deliberately misconstrued the courteous language of the President’s reply to Mossadegh to create the impression that he is not returning empty-handed and possibly to force the U.S. hand.” This further undermined the premier’s credibility. The State Department had approved a policy of inaction, and had “no particular desire to support the Mossadegh regime since he has by his own actions taken his country down the road to disaster.” While “the British must share some responsibility for the impasse,” the American position was now clearly defined.

Mossadegh kept trying to scare up American support. On November 28, 1951 he met with Ambassador Loy Henderson and told the Americans that “he had reason to believe that Iran could sell a fairly large quantities of oil at once to such countries as Czechoslovakia, China, and Argentina.” Henderson pointed out that if Iran “should sell oil to Communist

---

China at a time when that country was engaging in hostilities against the UN [in Korea], Iran would at once forfeit the sympathy of the American public and of most peoples of the free world.\textsuperscript{6} Two weeks later, on December 14, Henderson had another “frustrating and depressing” conversation with Mossadegh, filled with “considerable Mosadeqian repetition, backtracking, and evasiveness.” During this talk, Henderson told Mossadegh that Iran could receive immediate American aid if the prime minister signed a letter of intent pledging to act “in the interest of international peace and security” and return to the negotiating table with Great Britain. Mossadegh refused.\textsuperscript{7}

Then, on January 18, 1952, the CIA sent a memo to President Truman: Mossadegh had told Ambassador Henderson on January 13 that unless he received immediate emergency assistance, “Iran would collapse within 30 days and the Tudeh would take over the government.” The premier threatened that if “assurances of aid were not given soon (he first mentioned five days) he would be forced to seek Soviet assistance.” The CIA was not surprised that Mossadegh was couching “his request for US aid in the strongest possible terms,” and advised caution: “if denied US aid, Mossadegh almost certainly will press forward with negotiations now under way with Czechoslovakia and Poland for the sale of some two million tons of Iranian oil, and will probably also seek oil deals with other members of the Soviet bloc or with the USSR itself.”\textsuperscript{8}

However, the CIA was unconvinced: it was “unlikely that the Soviet bloc could provide enough tankers to move financially significant quantities of oil from Iran, and thus

\begin{itemize}
  \item [7] Telegram 2199 from the Ambassador in Iran (Henderson) to the Department of State, December 14, 1951, \textit{FRUS}, Vol. X, 291.
  \item [8] Memo for the Director of Central Intelligence, January 18, 1952, Foreign Affairs; Subject File; President’s Secretary’s File; Truman Papers. Student Research File: “The Oil Crisis in Iran, 1951-1953.” Harry S. Truman Library.
\end{itemize}
the sale of oil to the Soviet bloc would probably not provide Mossadegh with a lasting solution of his financial problems.” In addition to not possessing the ability to move the oil, the CIA explained that the Soviet Union, “although it might be willing to provide Mossadegh with limited advances against future oil deliveries in the hope of scoring a major psychological triumph,” was not economically strong enough “to give Mossadegh sufficient financial assistance to enable him to stabilize his position.”

The CIA also denied the prime minister’s assertion that the Tudeh had the capability to take over the government: “We do not believe that such a crisis would result in immediate assumption of power by Tudeh. It is unlikely that the Tudeh will gain enough strength during the next two or three months to take over the government by force.” The memo continued to support the British position, saying, “Unless Iran’s oil revenues are restored, emergency US aid would do little more than postpone a crisis.” Just as the British had concluded, the CIA suggested that it was better to wait in the hope that “the Shah and the conservative elements would take over the government in the event of Mossadegh’s downfall in the next month or two as a result of a financial crisis.” The CIA was affirming the wisdom of inaction, saying, “US aid to Mossadegh would not only tend to alienate the British but might discourage the Shah and the conservative opposition, reducing the chances for a more amenable government’s coming to power.”

---

9 Memo for the Director of Central Intelligence, January 18, 1952, Foreign Affairs; Subject File; President’s Secretary’s File; Truman Papers. Student Research File: “The Oil Crisis in Iran, 1951-1953.” Harry S. Truman Library.

10 Memo for the Director of Central Intelligence, January 18, 1952, Foreign Affairs; Subject File; President’s Secretary’s File; Truman Papers. Student Research File: “The Oil Crisis in Iran, 1951-1953.” Harry S. Truman Library.
The Americans had decided that Mossadegh was bluffing. Of the 1,500 oil tankers in the world, the Soviet Union possessed only ten. The rest belonged to the Seven Sisters, who were rallying around the AIOC. The Soviets could only harness Iranian oil through a pipeline, and that could take years to build. The CIA report had helped ossify the American position, and the United States was now aligned with Great Britain and the Shah.

Three Conclusions

1) While Mossadegh was in America, US policy shifted: initially, the United States hoped it could support the premier, convince him to temper nationalization, persuade him to reach an oil settlement, and enlist him as a protector of Western interests. However, concerns about his character, the threat of Soviet communism, the need to protect the standards of international capitalism, and the confines of the Anglo-American alliance prevailed.

Most often, the politics of realism have dictated United States foreign policy at the expense of the idealism professed in the rhetoric of its leaders and founding documents. Washington was unable and unwilling to follow a policy of “liberty and justice for all” with Mossadegh: the threat of a Soviet-Iranian alliance, the need to secure access to oil, the protection of international capitalism, the increasingly negative perceptions of Mossadegh, and the political, economic, cultural, and racial ties to their British allies precluded efforts to follow a virtuous course. Some were frustrated by these parameters: there were Americans who wished they could trust Mossadegh. Many in Washington wanted to believe that if they gave him financial aid he would be able to not only stop communism in Iran but also to

---

provide a democratic legacy in a land that had known only chaos, despotism, and theocracy. However, in the end, the Americans were persuaded by the bottom line: if they allowed Mossadegh to achieve the economic independence and control over oil that he sought, the potential domino effect might have been disastrous to profit and investments around the world. The global capitalist network would have been jeopardized. To maintain the standard of Western economic and political dominance, Mossadegh had to be put in his place.

There was possibly another reason behind Washington’s initial support of Mossadegh: they hoped he could be America’s ticket to supplanting the British in Iran and in the Middle East. The United States had a great deal to gain if Mossadegh succeeded in his goals. Indeed, there was more than one “cold war” going on at this time: Washington wanted to displace London as the center of the West, and there was a power struggle between these waxing and waning states. As the British Empire crumbled, the United States was in a perfect position to pick up the pieces, especially in the oil-rich Middle East. As the Iranian monarchy and aristocracy were traditionally tied to the British, the United States had minimal influence in Iran before Mossadegh appeared. Thus, when the prime minister began challenging the Shah’s power in fundamental ways, there was the possibility that Mossadegh could become the American dog in the fight with the British. This was reciprocated: as his time in the United States shows, the premier wanted American support.

Thus, there were powerful reasons behind the United States’ desire to help Mossadegh: not only did the Americans hope that he could be a bulwark against communism in the Middle East, but also he could have been Washington’s way into Abadan and Teheran, the horse it could ride to usurp the British. However, the United States would have to wait
until 1956 to fully supplant the British, when it refused to back Great Britain’s decision to invade Egypt during the Suez crisis. That episode became the marker for the official onset of American hegemony in the region, but in 1951 America folded to Great Britain regarding Mossadegh for the sake of protecting oil from the threat of Soviet communism and defending capitalism from the forces of nationalism in the developing world.

Thus, Mossadegh’s tactics of attempting to scare up American aid through the threat of Soviet involvement, his behavioral patterns that led officials to question his sanity, and his penchant for attacking the tenets of capitalism and Western economic practices were his Achilles’ heels. Although these elements worked effectively for a while to stonewall and confuse his opponents in the West, in the end they collectively helped persuade the Americans that the premier was not the man with whom they should be dealing. US intelligence reports eventually undercut Mossadegh’s bravado that he would save Iran by aligning with the Soviets, and his actions and behaviors, while politically brilliant and perfectly acceptable in Iranian culture, were alien and threatening to Washington. While his strategy of threats and confusion almost achieved its purpose – as late as mid-November the Americans were still seriously considering the aid package Mossadegh requested – in the end, the United States decided that Great Britain was the more reliable entity.

2) Mossadegh was, from the perspective of the Americans, difficult, and, from the perspective of history, ahead of his time. He sought an equality for all people that is yet unrealized.

The Americans found dealing with Mossadegh frustrating, and concluded that he was not serious about settling the oil dispute. He believed that the AIOC had stolen from Iran for
years, and that the Iranians were entitled to full ownership and outright control of their oil after decades of enslavement and hardship. In moral terms, it is hard to make a case against this assertion: like so many developing nations that are still struggling against the inequalities of the capitalist world-system, Iran was politically subjugated and economically suppressed for a long time. However, in a monetized world, Mossadegh’s idealism was not functional, and several institutions and interconnected mechanisms conspired to bring him down.

The Americans tried to warn him of this, to explain to him that he was picking a fight with a behemoth, and that he had no slingshot with which to kill Goliath. Time and again, they reiterated that a fifty-fifty profit sharing deal was industry standard, and would bring great benefits to Iran. A significant part of Washington’s shift towards London came out of this frustration: no matter what line of reasoning they tried, Mossadegh would not abandon his ideals or his goals. This made him seem not only ideologically similar to the Soviets, but also his strict adherence to his beliefs fundamentally threatened the system of international capitalism. It was in that first week after Mossadegh arrived on American shores that US officials began to realize the hopelessness in trying to bring the premier to a position of compromise: in many ways, that week before the Security Council convened was all the Americans needed to confirm what some in the administration were already thinking.

Yet while it appeared to Western diplomats that Mossadegh was intransigent, unstable, and reckless, he was in fact quite calculated and strategic, and his vision extended beyond the ideologies of capitalism and the binary nature of the Cold War. In his talks with the Americans, he was often feigning ignorance of markets and profits in order to make veiled judgments on the priorities of America as a consumer-driven, possession-coveting,
and acquisition-based society. In addition, his insistence on Iran’s outright control of its own oil was rationally sound: he knew he had something the West wanted, and he was determined to either hold out for the best deal any nation had ever received or pack up and go home. This was the approach of a well-reasoned and sharp-witted negotiator, not a madman.

Mossadegh’s appeals for aid also provide evidence that the premier was calculated in his approach: they were based on the hope that the United States would follow the idealism and promises inherent in the rhetoric of its leaders and founding documents. He believed that Washington would help a nation that was seeking independence and dignity. He was not looking for a handout: he requested aid in the form of a loan that he intended to pay back. He was also fighting for a people that had once known great glory, and he was, in many ways, attacking a historical trend: ever since Herodotus and the Persian Wars, history had been framed as the struggle between East and West. Against all odds, Mossadegh was trying to stem this tide against the East and level the playing field. However, this led the West to conclude that he was a threat to everything it knew and everything it cherished.

3) This time period was not only the beginning of the end for Mossadegh, but also it was the beginning of the era in which the United States looked to Mohammad Reza Shah Pahlavi as a leader who could protect Western – and particularly American – interests in Iran.

An analysis of Mossadegh’s time in America reflects the shift in American policy away from its hopeful support of the premier and clarifies American priorities in the early Cold War. The United States – by resisting the urge to grant the premier the aid he desired, risking the loss of Iran to communism, and prioritizing international capitalism and the
Anglo-American alliance – took its first step toward overthrowing the prime minister. American officials allied with the British and chose to strengthen the Shah, leaving Mossadegh to deal with the deteriorating situation in Iran by himself.

After experiencing Mossadegh, the United States began to hope that the young Shah would prove to be more malleable than his prime minister; that he could become a leader who could not only put Mossadegh and the Majlis back in a subordinated place, but also that he could become a powerful defender of Western economic and political interests in the Middle East. While the Americans did confront the British at key moments, giving evidence that the “special relationship” was not automatic, the power struggle in the Anglo-American relationship was one of the most influential agent that helped change Washington’s position. Great Britain gave the United States a choice: us or them. Since there was an alternative to Mossadegh – the Shah – the fact that the British stood firm and refused to capitulate was an important determining factor. The United States was not ready to break with Great Britain, as the standards of international capitalism required allied protection. This alliance, and all its perks, was one of the main reasons America abandoned Mossadegh.

The Derrick and the Damage Done

Mossadegh would survive in office for almost two more years, but he never received American aid, failed to make Mohammad Reza Shah obsolete, and never established stable, representative government in Iran. In July 1952, Mossadegh struck against the Shah’s control of the Iranian army, another step in his efforts to eradicate the Pahlavi dynasty’s power and promote the political ascent of the Majlis. In October 1952, he would break off
diplomatic relations with Great Britain. Still hoping for American help when President Eisenhower took office in 1953, Mossadegh eventually had to abandon the politics of populism and consolidate his power through plebiscite. In the end, royalist and foreign forces would conspire to remove him, and although it would be the Eisenhower administration – urged incessantly by Whitehall – that would give Operation Ajax the official green light, the road to intervention began during the Truman era. Mossadegh’s visit during the fall of 1951 was the turning point, the catalyst that shifted US policy. Years later, Dean Acheson would conclude that only the premier was to blame: “Mossadegh’s self-defeating quality was that he never paused to see that the passions he excited to support him restricted his freedom of choice and left only extreme solutions possible.”

In addition, John Foster Dulles’s reference to the “English-Speaking Union” in his letter to Sir Winston Churchill suggests that there was something subtle at work during the crisis. The forces of racism and Anglo-Saxonism helped the Americans turn away from Mossadegh – a man who was challenging the dominance of the white Western world – and towards an Iranian who would be more deferential – the Shah. While Dean Acheson was able to prevent a full alignment with Great Britain in 1951, he deferred to the tradition of the Anglo-American alliance by pulling back from the brink of giving aid to Mossadegh. John Foster Dulles, however, a regular at the English-Speaking Union, was anxious to “get rid of that madman Mossadegh” once he rose to the secretary’s chair. That internal and eternal battle within the human spirit – the conflict between selfishness and altruism – is reflected in

---

12 Acheson, Present, 504.
13 Roosevelt, Countercoup, 8.
the shifting position of the United States during the crisis. The Americans, in order to protect
their interests and those of their similarly skinned allies, fatefully chose the former course.

Even if he had survived the coup, Mossadegh might have had to follow through on the
promises he began to make in the United States that autumn: quite possibly he would have had to align with the Soviets. Thus, his dream of independence for Iran would have been dashed. He fought for non-alignment and self-sufficiency, but his only options at the end of his tenure were choices that would have left Iran in the position in which he found it. His, and Iran’s, are tragic stories, and it is the regular and romantic practice of wistful scholars who begin to imagine what the world might look like if the Americans had gone against their British allies, granted Mossadegh the aid he sought, helped him establish secular democracy in Iran, and given reparations for past imperialistic injustices. Perhaps the Islamic Revolution could have been prevented, perhaps not. Perhaps the religious extremism that has led to countless terrorist attacks throughout the world could have been tempered, perhaps not. Perhaps the poverty that Mossadegh so eloquently illuminated as the fundamental reason behind such extremism could have been alleviated, perhaps not. Unfortunately, the world will never know.

What is clear from the research presented in this thesis is that the outcome of the Anglo-Iranian oil crisis hinged on Mossadegh’s trip to the United States. His time in America caused a policy shift in Washington: after trying to negotiate on behalf of their ally and after experiencing Mossadegh’s dogged adherence to his tactics and principles, the Truman administration decided that supporting the premier was not worth the fight with Great Britain. Nor was it worth jeopardizing the economic practices and political dominance
of the West: the United States feared a communist Iran, but at the end of Mossadegh’s stay the Americans had not been convinced that the premier could keep the Soviets at bay, and they were far from persuaded that the prime minister would champion Western interests in Iran. Above all, the Americans desired stability and malleability in Iran, and Mossadegh provided neither. In the Cold War, the United States could not afford to support leaders in developing nations who sought a “third way:” there was simply too much at stake.14

Just recently, Michelle Obama presented the Academy Award for Best Picture to *Argo*, a movie that paints many Iranians as violent and terrifying. One can only hope that the legacy of Mossadegh will eventually help dispel this myth, and that ultimately this temporal world that values the accumulation of resources and rewards human acquisitiveness will evolve for the better. Indeed, if only American officials could sit down with someone in Iran like Mossadegh now: perhaps, compared to Khomeini, Ahmadinejad, and Khamenei, Mossadegh’s would be an “amenable government.” Attention to the philosophy towards poverty expressed by Mossadegh could also ease the millennia of tensions between West and East. Furthermore, an alleviation of the global reliance on Middle Eastern oil might not only improve the potential survival of the human race, but also would stop the pattern of exploitation and inequality that has plagued the region and the rest of the world since the early 19th century. The consequences of the Anglo-Iranian oil crisis, in many ways, have yet to be realized. However, it is this historian’s hope that Western leaders will learn from the mistakes of their predecessors and remember to choose the hard right over the easy wrong.

---

BIBLIOGRAPHY

Primary Sources

Archives

Harry S. Truman Library, Independence, MO
Harry S. Truman Papers
National Security Council Files, Boxes 1, 2, 4, 6, 9, and 13
Psychological Strategy Board Files, Box 7
President’s Secretary’s Files, Boxes 158, 212-214, and 220
Staff Member and Office Files, Boxes 1 and 10
Student Research File: “The Oil Crisis in Iran, 1951-1953.”
White House Confidential File, Boxes 40 and 43
White House Official Files, Boxes 690-691

Papers of Dean Acheson
Publications File, Box 119
Secretary of State File, Boxes 58 and 77

Papers of George M. Elsey
Subject File, Boxes 60 and 115

Seeley G. Mudd Manuscript Library, Princeton, NJ
John Foster Dulles Papers
Selected Correspondence, Box 52

Online Archives

United Nations – Dag Hammarskjöld Library, New York, NY

National Security Archive – George Washington University, Washington, D.C.
(http://www.gwu.edu/~nsarchiv/)

Newspapers

The New York Times, April 1951-January 1952

The Washington Post, April 1951-January 1952

The Los Angeles Times, April 1951-January 1952
Magazines

Time Magazine, April 1951-January 1952


Government Publications


Memoirs


Online Videos

Critical Past – www.criticalpast.com

Secondary Sources

Articles and Book Chapters


Ghasimi, Reza “Iran’s Oil Nationalization and Mossadegh’s Involvement with the World Bank.” *Middle East Journal* 65, no. 3 (Summer 2011): 442-456.


Books


