U.S.-IRANIAN RELATIONS, 1911-1951

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This paper surveys U.S.-Iranian relations in the first half of the twentieth century, correcting the common tendency to see the relationship as emerging during the Cold War, and to perceive the 1953 coup as a starting-point for analyzing it. It traces the U.S. diplomatic, economic and cultural involvement in Iran since the late nineteenth century, arguing that it was often the Iranians themselves who pursued and encouraged U.S. involvement in Iran, in attempts to counterbalance obtrusive British and Russian influence there and advance Iranian nationalist claims. This prior U.S. involvement in Iran, in turn, facilitated its involvement in the 1953 coup.

The U.S. support for the Pahlavi dictatorship in Iran from 1953 to 1979, the Iranian Revolution of 1978-79, and the cessation U.S.-Iranian diplomatic relations after the seizure of the American embassy in Tehran in 1979, have variously nurtured skewed and amnesic historical memories in both the U.S. and Iran concerning the nature and evolution of U.S.-Iranian relations in general. The frequently essentialist U.S. media coverage of Iran since 1979 has been matched by equally essentialist “Islamist” and other Iranian characterizations of the U.S. as being quintessentially antagonistic to Iranian nationalism. While the overriding interest of scholars in U.S.-Iranian relations after the 1953 CIA-sponsored coup in Iran is understandable in light of the subsequent political developments and the much more extensive interactions between the two countries after that date, the less-circumspect and sensationalist accounts focusing on the developments after 1953 tend to obscure the origins and nature of U.S.-Iranian relations prior to that time. These sensationalist accounts often inaccurately imply that features of post-1953 relations between the two countries have been emblematic of the general trend of relations between the U.S. and Iran.

This essay is a brief synopsis of the evolution of U.S.-Iranian relations from the time of the Iranian Constitutional Revolution of 1906-1911, that marked the widespread manifestation of Iranian nationalist and reform-oriented aspirations, up to the period of the Iranian oil nationalization crisis of 1951-53, which culminated in the 1953 CIA-sponsored coup that toppled the nationalist government of premier Mossadeq and lay the foundation for the authoritarian rule of Mohammad Reza Shah Pahlavi, which lasted until the Iranian revolution of 1978-79. The main theme of the essay is that Iranian nationalist aspirations prior to 1951 were partly responsible
for facilitating the eventual extensive U.S. intervention in Iran. This is not to say that without prior involvement in Iran the U.S. may not have acted similarly once the Cold War got underway, as examples of U.S. involvement in Vietnam and other places indicate. Nonetheless, in Iran's case, it appears that Iranian attempts to embroil Washington in Iranian politics prior to 1951 placed the U.S. in a more responsive and favorable position to act the way it did in 1953.

One of the peculiarities of Iranian nationalism for much of the period prior to 1951 (whether at the state level or among the opposition groups) was that many nationalists, with the notable exception of those who may have had “nationalist” pretensions in ranks the pro-Soviet Tudeh communist party that came into being in 1941 or the small number of uncompromising nationalists committed to a platform of absolute neutrality, considered the U.S. as a benevolent benefactor and were highly desirous of increased U.S. involvement in Iranian affairs. Washington, on the other hand, was highly reluctant to assume extensive responsibility in Iran until the months leading up to the 1953 coup, while periodically endorsing Iranian nationalist and democratic aspirations.

The origins of U.S.-Iranian diplomatic relations date back to the second half of the 19th century, when Tehran sought to establish relations with Washington as a potential ally in opposition to British and Russian imperialist intervention in Iranian affairs. During the Second Anglo-Iranian War of 1856-57, Tehran even probed the possibility of a U.S.-Iranian military alliance against Britain. But nothing came of this attempt. The establishment of U.S.-Iranian diplomatic relations progressed very slowly after the conclusion of the primarily economic treaty of friendship signed in Constantinople in 1856. Formal relations between the two countries commenced with the opening of the U.S. legation in Tehran in 1883 during President Arthur's administration. The first Iranian representative in Washington arrived at his post in 1888.

Washington's interest in Iran in the 19th century was almost entirely restricted to concerns with the well-being of the American Presbyterian missionaries who had been arriving in Iran in the 1830s. Tehran, on the other hand, regarded the U.S. as a potential third power leverage in countering British and Russian influence in Iran. In his very first audience with President Cleveland in 1888, the Iranian representative in Washington called for a U.S.-Iranian alliance against continued British and Russian meddling in Iranian affairs. Given the absence of American imperialism in the Middle East at the time, despite heightened U.S. imperial aggression in Latin America and East Asia in the closing years of the nineteenth century, Iranian nationalists considered the U.S. as a benign imperial power, disinclined to encroach upon Iran's sovereignty. Until 1951 most Iranians committed to the policy of “positive equilibrium” or the “third power strategy,” which consisted of playing the great powers against one another for preserving Iran's independence, continued to regard the U.S. as the most
viable candidate for the task, though some Iranian nationalists intermittently looked to Germany for support between 1906 and the end of World War II. Washington's policy towards Iran after the American participation in World War II fast eroded this image of a benevolent great power, and after 1953 Iranian nationalists of various ideological orientations opposed to the Pahlavi autocracy almost unanimously regarded the U.S. as an unwelcome imperialist interloper in Iranian affairs.

It was not until the Iranian Constitutional Revolution of 1906-1911 that the U.S. first found itself briefly on the verge of involvement in Iranian politics in opposition to British and Russian imperialism. A revolution in Iran in 1906 resulted in the proclamation of a constitutional monarchy in that country. In the summer of 1907 Britain and Russia divided Iran into their respective spheres of influence, with St. Petersburg stepping up its assistance to the beleaguered Iranian autocracy in opposition to the constitutional/nationalist camp. Among their other campaigns, by late 1910 Iranian nationalists hoped for Washington's diplomatic support in curbing British and Russian intervention in their country. Many Iranian nationalists had already formed an excessively positive image of the U.S. as a disinterested defender of the weaker nationalities. This image was buttressed by the death of an American Presbyterian missionary teacher, Howard Baskerville, while fighting on the side of the Iranian revolutionaries in opposition to the Russian-backed royalist forces in the civil war of 1908-9. Baskerville came to inordinately embody the presumed national trait of Americans as champions of the rights of the oppressed peoples. This part-truth part-legend was reinforced after the employment of a team of American financial advisers by the Iranian constitutional authorities in 1911. The determination of the American advisers, led by William Morgan Shuster, to resist Anglo-Russian machinations resulted in a major showdown between Tehran and St. Petersburg, culminating in a military coup staged by a renegade Iranian nationalist camp in December 1911 that terminated Iran's constitutional experiment and resulted in the dismissal of the American advisers. The Shuster episode, despite its dismal outcome, molded the expectant attitude of Iranian nationalists towards the U.S. for a generation to come and braced future Iranian attempts to engage American advisers.

Even though president Taft and the U.S. House of Representatives opted to remain afloat from the Iranian developments and refrained from taking a public stance on the Shuster affair, the American House Committee on Foreign Affairs briefly considered possible ways of defending Shuster's actions. The nationalist and reformist objectives of the Iranian revolutionaries and Shuster's cooperation with them elicited expressions of support and solidarity in the pages of the American press, ranging from the New York Times to the smaller-circulation Nation, Independent, and Outlook. W.P. Cresson's 1908 Persia: The Awakening East, and, above all, Shuster's 1912 The Strangling of Persia (subtitled: Story of the European Diplomacy and Oriental Intrigue That Resulted in the Denationalization of
Twelve Million Mohammedans), also contributed to the favorable impression of the Iranian revolutionaries in the U.S.

These accounts of the desire and ability of Iranians to implement reforms, and/or defend their national sovereignty, counteracted the frequently cynical characterizations of Iranians appearing in the American missionary narratives. The missionaries regularly reviled the entire Iranian society and dominant cultural traits for their own pandemic failures and the widespread antipathy of Iranians towards them.\(^1\) A few missionaries, however, left behind a positive legacy. In addition to Baskerville, Dr. Samuel Jordan, the founder of the American College in Tehran (now the Alborz school), and his wife, Mary Park Jordan, are among the more celebrated American missionaries in Iranian historical accounts.

Despite its declaration of neutrality in World War I, Iran was occupied by Russian and British forces. The American entry into World War I in 1917 was facilitated by President Wilson's insistence that the post-war arrangements between the Allies would safeguard the rights of the weaker nations and curb the imperialist appetite of the Allied powers. This expressed Wilsonian ideal, which further nurtured positive assessments of the U.S. in Iranian nationalist circles, was soon put to test in the Iranian arena. The outbreak of the Bolshevik Revolution in October 1917 had long-term ramifications for U.S.-Iranian relations. The Bolshevik revolution and the subsequent Soviet rule in Russia gave rise to British and American attempts to contain the spread of communism into neighboring territories, particularly after World War II, hence contributing to Washington's tempered and tacit recognition of Iran as a sphere of British imperial ascendancy after the end of World War I. This posture, coupled with Washington's continued desire to forestall the loss of Iran's sovereignty without becoming embroiled in that country, resulted in an irresolute American policy formulation towards Iran that continued until the CIA-sponsored coup of 1953.

In preparation for the Paris peace talks, in January 1919 Tehran turned to Washington for assurances that Iran's wartime grievances and its independence would be honored by the great powers. The American delegation to the peace talks, though finally acquiescing to London's wish that Iranians be excluded from the talks, nonetheless echoed Tehran's concerns on a number of occasions and refrained from endorsing additional British intervention in Iranian affairs.\(^2\) It was clear that Washington was neither willing to assume new international responsibilities in places such as Iran nor would it challenge what it considered as Britain's established interests in Iran in the aftermath of the Bolshevik seizure of power in Russia, despite Washington's desire to honor Wilson's pledge to weaker independent nations. London, however, was determined to tighten its imperial grip on Iran. Taking advantage of the Russian civil war of 1918-1920 and the Bolshevik renunciation of some of the Tsarist treaties imposed on Iran, London attempted to impose its absolute hegemony over Iran by masterminding the Anglo-Iranian Agreement of August 9, 1919. In contrast with
its vacillating attitude during the Paris peace talks, Washington openly championed Iran's independence in opposition to the Agreement.

The Anglo-Iranian Agreement, negotiated between London and the Iranian prime minister, Vusuq ul-Dawlah, was tantamount to a British protectorate over Iran. The Agreement, which was immediately denounced by Iranian nationalists, happened to coincide with the mounting opposition in the U.S. Senate to Wilson's globalist vision and U.S. participation in the League of Nations. The Anglo-Iranian Agreement was seized upon by Wilson's domestic critics as yet another evidence of the continued determination of Britain and France to advance their imperialist policies and exploit the League of Nations as a new means of legitimizing European imperialism. Pressured by his domestic critics, urged on by Iranian nationalists, unwilling to completely renege on his wartime pledge to weaker independent nations, and concerned with the Anglo-Iranian Agreement's potential for the future exclusion of American economic undertakings in Iran, Wilson challenged the Agreement. In 1921 the newly-reconvened Iranian majlis (parliament) refused to ratify the Agreement, foiling London's imperial ambition.

Hoping to reduce Britain's influence in Iran, and desperate for new sources of revenue, the Iranian authorities encouraged extensive U.S. economic investments in their country. Oil was the biggest economic incentive Tehran could offer to the U.S. for augmenting American interest in that country. In 1901 a British company had acquired an oil concession in southern Iran. In 1914 the British government became the majority shareholder in the company, now renamed the Anglo-Persian Oil Company (APOC) and subsequently known as the Anglo-Iranian Oil Company (AIOC). The British oil concession, which exploited Iran's major natural resource with only a meager return to Iran itself (16% of the net revenues), constituted a leading source of grievance for many Iranian nationalists.

To counteract Britain's dominant economic position and conclude an alternative and more favorable oil deal, in late 1920 Tehran began discussing the possibility of an American oil concession with Washington and in late 1921 the majlis approved of granting a concession to a U.S. company. The State Department, the Standard Oil Company of New Jersey, and the Sinclair Consolidated Oil Corporation, responded favorably to the possibility of an oil deal in northern Iran, which was outside APOC's area of operation. However, both Britain and Russia, which had recently fortified its influence in Iran, opposed the move, placing real and specious political and contractual obstacles in its path. Given the United States' substantial oil reserves at the time, the existing American oil concessions elsewhere, the State Department's unwillingness to challenge Britain's established position in Iran, and the uncertainty surrounding the production capacity of the northern Iranian oil fields, neither the American companies, nor the State Department, were willing to persist in obtaining an Iranian concession.
Tehran also expressed its desire to engage another team of American financial advisers. The State Department’s endorsement was obtained before the end of 1917, but it was not until 1922 that a second team of American financial advisers arrived in Iran, led by a person less willing than Shuster to take sides in the factional politics of Iran but equally, if not more, determined to have his own way. The new team of American advisers arrived in Iran at a time of momentous political transformations in that country. In February 1921 a military coup was staged by Reza Khan, an ardently patriotic military officer, and Sayyid Zia Tabataba’i, a pro-British journalist and political dilettante, who would eventually be cast aside by his co-conspirator. The coup, enjoying covert British support, was in reaction to the impotence of the central authorities, the rapid regional fragmentation of Iran, and the establishment of the Soviet Socialist Republic of Gilan with the assistance of the Bolshevik forces in the Caspian province. After the coup’s success, Reza Khan would also attempt to end British military presence in Iran and curb London’s imperial influence, the former task proving easier than the latter. Reza Khan’s swift consolidation of political and military power over the next few years resulted in the overthrow the ruling Qajar dynasty (1796-1925) and inauguration of Reza Khan’s own Pahlavi dynasty (1925-1979).

It was in the midst of these political upheavals that the second American financial mission to Iran, led by Arthur C. Millspaugh, a former adviser at the U.S. State Department’s Office of the Foreign Trade, proceeded with its assignment. This mission, which was ostensibly engaged in “a purely private capacity” and acted independently of the State Department, lasted until 1927, when the new Shah (Reza) terminated it on grounds of Millspaugh’s increasingly domineering conduct and his repeated noncompliance with the Shah’s requests for increased military expenditure. Millspaugh managed to implement a number of reforms, including a new taxation law that hit the poor hard but financed Reza Shah’s Trans-Iranian Railway project, which got underway in 1927. The mission’s accomplishments were repeatedly hampered by internal political rivalries in Iran, wide-spread system of patronage and graft among many leading Iranian politicians, and Millspaugh’s abrasive conduct. Another source of complication in U.S.-Iranian relations during these years was the murder of the American vice consul, Robert W. Imbrie, by a fanatical mob in Tehran in 1924, an event that substantially undermined American press appraisals of Iranians in general.

Fancying himself the successor to Shuster’s unfulfilled legacy of restructuring Iran’s economy, in 1925 Millspaugh published a book on his assignment in Iran, *The American Task in Persia.* The book appeared prior to the termination of the American financial mission’s contract and before the complete deterioration of relations between Millspaugh and Reza Khan, who was then still both the prime minister and the war minister and had earlier been highly supportive of Millspaugh. Discussing Iran’s shattered economy, the real and imaginary obstacles he had to overcome, and
attributing excessive credit to himself for various reforms, Millspaugh's book provided a moderately sympathetic portrayal of Iran and Iranians, while extremely critical of the Iranian bureaucracy. Millspaugh's 1925 book was highly influential in shaping American political opinion towards Iran. Commentaries on Iran appearing in American foreign policy journals, such as *Foreign Affairs* and *Foreign Policy Reports*, or in leading journals such as *Time*, frequently relied on Millspaugh's accounts as a principal source.  

Millspaugh would continue to comment on Iranian developments after 1927. In 1932-3 Reza Shah unsuccessfully attempted to re-negotiate the terms of the Anglo-Iranian oil concession in Iran's favor. Millspaugh published an article on the Anglo-Iranian oil dispute in the *Foreign Affairs*. While venting bitter dislike of his erstwhile Iranian antagonist, Reza Shah, Millspaugh criticized the AIOC for its refusal to grant more equitable terms to Iran. This view of the AIOC's misguided pertinacity and its potentially volatile political implications would predominate in both official and unofficial circles in the United States right up to the Iranian oil nationalization crisis of 1951-53.

After Millspaugh's departure from Iran in 1927, Reza Shah gravitated towards Weimar Germany, in the hope of restructuring Iran's military and economy and curbing British and Soviet influence. Hitler's rise to power in 1933 and Germany's rapid militarization and industrialization evoked Reza Shah's personal admiration for the German dictator, while providing added incentive for improved relations with Berlin, which was now ideologically antagonistic towards both the Soviet Union and Britain. Meanwhile, Washington continued its policy of detached observation of Iranian developments, even if increasingly grasping the significance of Iran's oil. U.S.-Iranian diplomatic relations were temporarily suspended by Tehran between January 1936 and January 1938 over the brief detention of the Iranian representative in the United States for a traffic violation in late 1935.

World War II was a major turning point in U.S.-Iranian relations. Hoping to steer a neutral course in the war, Iran was occupied by British and Soviet forces as an Allied transit route to Russia after Moscow's entry into the war in June 1941. Reza Shah's continued dalliance with Nazi Germany and Berlin's anti-Allied espionage activities in Iran provided London and Moscow with a pretext for removing the Shah from the throne in 1941, to be succeeded by his son Mohammad Reza. In fact, fearing the repercussions of Iran's association with Germany, Reza Shah had been making pliant gestures to Washington as early as the outbreak of the war in Europe in 1939, a policy which he pursued in earnest in the immediate aftermath of the Anglo-Soviet occupation of Iran.

With the United States' entry into the war in 1941, by 1943 American forces were stationed in Iran with the primary task of overseeing the transport of supplies to Russia. The economic burdens of the war further plagued Iran's faltering economy, which was now commandeered by the Allies with the promise of substantial assistance towards the country's eco-
nomic rejuvenation after the war. By 1945 the war would also drain Britain’s financial resources, thereby making the post-war Labour government in London, which was committed to costly and extensive nationalization schemes at home, averse to offering Iranians a greater share of their own oil wealth, pushing the two countries towards an irreconcilable confrontation in 1951 and eventually inaugurating a new direction in U.S. policy towards Iran. In light of Britain’s depleted military resources and the strengthened Soviet position in Iran during the war, the American State Department was actively exploring possible means of containing Soviet influence in Iran even before the war came to a close. Prior to 1941, Iran occupied a marginal role in Washington’s foreign-policy considerations. In 1941 the annual volume of trade between the two countries amounted to only “about $15 million.” Although U.S.-Iranian trade considerably expanded during the war, Washington’s extra-war objectives in Iran were beset by lack unanimity at the State Department and the absence of long-term criteria. In the initial stages of the war, Washington was content to rely on British analysis of Iranian developments, given London’s established role there, rather than following the alternative advice of the U.S. representative in Tehran, Louis Dreyfus. Until the latter stages of the war, Washington was determined not to trespass on the existing interests of its British and Soviet allies in Iran. Yet the circumstances made it impossible to maintain such a detached posture for too long.

During the war, Iranian politicians committed to the policy of “positive equilibrium” turned to the U.S. for a guarantee of the Tripartite Agreement between Moscow, London, and Tehran (the negotiations for which got underway in late 1941 and were completed in January 1942). According to this Agreement, the Allied powers would evacuate their troops from Iranian soil within six months after the termination of the war and would render adequate financial assistance to Tehran in return for their war-time requisitioning of Iran’s resources and the acute war-time inflationary economy. The Secretary of State Cordell Hull’s endorsement of the Tripartite Agreement in December 1941 and the subsequent formal U.S.-Iranian understanding in 1943, were tantamount to Washington’s assumption of responsibility for honoring Iran’s independence and ensuring the fulfillment of the pledge made by the other two occupation powers. Another significant development in U.S.-Iranian relations during the war was the engagement of American advisers by Tehran. Just as in the 1920s, Tehran again hoped that by hiring American advisers the State Department would assign greater importance to Iran. In 1942 five separate teams of American advisory missions were dispatched to Iran. These consisted of a mission to overhaul the Iranian army; to reorganize the Iranian gendarmerie; two smaller missions to the Ministry of Food and Supply and the police department; and a financial mission, led by Arthur Millsbaugh. This time around, Millsbaugh’s financial mission and the other American advisory missions, which also contributed to the smooth opera-
tion of the Allied war effort in Iran, were clearly connected with the State Department and were not acting in private capacities, despite official American statements to the contrary. All the missions were hampered by internal political rivalries in Iran, the entrenched vested interests of the Iranian political elite (economic, military, political, and tribal), frequent cabinet reshuffles in Tehran with seesawing political orientations (with 11 prime ministers between 1941 and 1946, ranging from centrists and independents to pro-court conservatives), lack of cooperation among the different missions and their competition for the available meager resources, constant staff shortages, inadequate tangible support from the State Department, the U.S. War Department’s refusal to share military staff and resources in Iran with the missions, and the absence of coherent objectives.

The financial mission under Millspaugh’s supervision again became a source of irritation between Tehran and Washington and had to be terminated in 1945. While many of Millspaugh’s policy failures can be attributed to the difficulties already enumerated, his overbearing demeanor and insolence in dealing with Iranian officials, and the personal rift with Mohammad Reza Shah over Iran’s military budget, which Millspaugh drastically reduced, convinced Washington that it would be best not to insist on the continuation of the financial mission. Millspaugh’s second mission to Iran, as well as the other American advisory programs, considerably eroded the image of the U.S. as a benevolent third power in Iran and formed yet another rallying point for the nationalist majlis deputy Mohammad Mossadeq’s platform of “negative equilibrium” or absolute neutrality, while also serving as an expedient propaganda target for the pro-Soviet Tudeh party, which was the only well-organized political party in Iran at the time. The most successful of the American missions was the one in charge of reorganizing the gendarmerie forces, supervised by colonel H. Norman Schwarzkopf of the New Jersey police. This mission would be instrumental in suppressing the autonomous movements in Kurdistan and Azarbaijan in 1946, while Schwarzkopf, who left Iran in 1948, and the American military advisers attached to the Iranian army would subsequently play key roles in expediting the 1953 coup and propping up the autocratic regime of Mohammad Reza Shah.

By the close of the war, with the rapid perfusion of Cold War temperaments in the State Department, Washington’s Iranian policy was at best piecemeal and ephemeral, based on immediate expediencies and differences of opinion between the U.S. representatives in Iran and the State Department. In early 1943 the State Department had adopted the Jernegen memorandum of the Near East Division as a guide for future U.S. policy in Iran. This memorandum, prepared without consulting the U.S. representative in Tehran (Louis Dreyfus), was an idealistic recommendation for a disinterested post-war U.S. policy of aiding Iran’s economic development and preventing Britain and the Soviet Union from undermining that country’s independence. The fundamental idealism of the Jernegen memoran-
dum became patently clear before the end of the year, with the realization that such U.S. objectives were bound to clash with British and Soviet goals in the region, particularly in light of the mounting suspicion in the State Department by 1944 of the post-war Soviet ambitions. 38

At the October 1943 Foreign Ministers Conference in Moscow and the November Tehran Conference of the Big Three, the Soviets refused to clarify their post-war policy towards Iran. The only public statements on Iran emerging from these talks were the prosaic reaffirmation of respect for Iran’s sovereignty by the Allies and the acknowledgment of Tehran’s contributions to the Allied war effort. The lack of American unanimity on the direction of Washington’s post-war policy towards Iran is best illustrated by a private conversation between Stalin and Roosevelt during the Tehran Conference. Stalin expressed Moscow’s desire to have access to “a free port on the Persian Gulf” with some form of “an international trusteeship to operate the Iranian State Railroad.” Without consultation with his American aides or Tehran, Roosevelt acquiesced to these demands, which could have only emboldened Soviet ambitions in Iran. 39 Stalin’s position was, in fact, more in keeping with Millspaugh’s future prescription of a joint U.S., British, and Soviet trusteeship over Iran and was at odds with the Jernegen memorandum.

In the meantime, with the realization of the importance of oil in both the ongoing war and any future large-scale conflicts involving the U.S., the Near East Division of the State Department was advocating more resolute steps for securing an American oil concession in Iran. This coincided with renewed attempts by Tehran to use oil as a bait for encouraging greater U.S. involvement in Iran. In early 1943, Tehran and Standard Oil of New Jersey, Sinclair, and Standard-Vacuum Company entered negotiations for an oil concession. These drawn-out talks were eventually bogged down by underhanded competition between the American oil companies, Moscow’s position that the Soviet Union should have priority in any oil concession granted in northern Iran, and objections by the AIOC. The AIOC was concerned that an American oil deal would not only compete with the British output, which was now considered even more crucial to Britain’s post-war economic survival, but would also intensify Iranian demands for renegotiating the AIOC’s contract in Iran’s favor, since the American concession would offer more lucrative terms to Iran. 40

By the end of the war, American assessments of future U.S.-Iranian relations were still indeterminate and contradictory, a fact that was exacerbated by frequent cabinet changes and political realignments in Tehran and continued British and Russian determination to augment their leverage in that country. The Yalta and Potsdam conferences (February 1945 and July 1945, with Truman replacing Roosevelt as the U.S. president by the time of the second meeting), convinced Washington of Moscow’s uncooperative attitude regarding Iran. Moscow refused to make renewed pledges to withdraw its forces from northern Iran within six months after the termination
of the war, insisting that there was no need for reiterating the existing terms of the 1942 Tripartite Agreement. The termination of the war and the emergence of the Cold War made Washington much more attentive to the Iranian question.

Millspaugh again attempted to influence U.S. policy towards Iran. In 1946, his second book on Iran, *Americans in Persia*, was published by the policy think-tank Brookings Institution. Replete with “clinical” metaphors, in contrast with his first book this was a litany of accusations against Iranians in general, portraying them as incapable of self-government: “Persia cannot be left to herself, even if the Russians were to keep their hands off politically. … Persia has never yet proved its capacity for independent self-government.” Millspaugh proposed the recognition of Moscow’s economic claims in northern Iran and the adoption of an open-door policy of joint economic resuscitation of Iran by Britain, the U.S., and the U.S.S.R. under a U.N. supervisory committee. This recommendation was incompatible with the emergent Cold War mentality in Washington. Millspaugh’s ability to influence the State Department was further undermined by his public allegations of Washington’s ostensible policy of appeasement towards Moscow and the State Department’s complicity in the failure of his financial mission to Iran.

Alongside Turkey and Greece, Iran became an initial test-case in the Cold War. Moscow’s refusal to withdraw its forces from Iran by the deadline set in the Tripartite Agreement (which came to pass on March 2, 1946) and the formation of autonomous governments in the northwestern Iranian provinces of Azerbaijan and Kurdistan by the local Soviet-backed Democrat parties tended to corroborate the worst fears of the advocates of containment policy in Washington, who refused to seriously consider the domestic grievances of the autonomous movements in Azerbaijan and Kurdistan or to acknowledge the possibility of other Soviet objectives in Iran beside territorial domination. Tehran again turned to the U.S. for assistance. Despite American and British protests to Moscow, the two powers privately persuaded Iran to opt for bilateral talks with Moscow, rather than demand a U.N. Security Council vote in condemnation of the Soviet actions. Washington was concerned that Iranian crisis of 1946 could jeopardize the future of the United Nations as an effective forum for international reconciliation. As numerous commentators pointed out, the Soviet Union’s veto power in the Security Council could turn the Soviet-Iranian dispute into a complete fiasco, significantly undermining the U.N.’s ability to function as an instrument of conflict resolution.

The Soviet forces eventually left Iran in May 1946, enabling the Iranian army to enter Azerbaijan and Kurdistan and overthrow the autonomous governments. In actuality, it appears that the Soviet change of heart owed more to a pledge made to Moscow by the Iranian prime minister Qavam that he would push for a Soviet oil concession in northern Iran as a quid pro quo arrangement, than to repeated protests by Washington. The promised Soviet oil deal was eventually thwarted by the Iranian par-
liament, which had to ratify the arrangement in keeping with a law passed in 1944.  

From 1946 until the outbreak of the Iranian oil nationalization crisis of 1951, the United States continued its hesitant, stop-go policy towards Iran, which has been aptly described as “incremental decision making.” Despite the ideological fervor of the Cold war, Washington was convinced that given British economic interests in Iran, it was London’s responsibility to check Moscow’s influence in Iran, particularly since the United States had substantially relieved the British of military responsibility for containing communism in Greece and Turkey. Washington was also opposed to any military confrontation with the U.S.S.R. in Iran, which would prove costly and require large-scale U.S. involvement in Iran. Moreover, Washington was convinced that the primary solution to Iran’s problems was domestic economic development and reform and not the rapid build up of the Iranian military. The report of a Congressional Committee on Iran in 1946 advised against any significant increase in American financial or military aid to Tehran and stressed the legitimacy of Soviet concerns with any expanded U.S. role in Iran, comparing such a move with a hypothetical Soviet military presence in Mexico.

Tehran failed to persuade Washington that the 1947 Truman Doctrine, which provided substantial military aid to Greece and Turkey, should be extended to Iran. Similarly, Tehran’s repeated requests that it be included among the recipients of the Marshall aid plan of 1948 or join the North Atlantic Treaty or some other similar defensive treaty with the U.S. also proved futile. Iran would only receive modest U.S. economic and military assistance. Already committed to exorbitant anti-communist crusades in Turkey and Greece in the Near East, and unwilling to further incite Moscow or provide a fresh pretext for Soviet intervention in Iran, the U.S. Secretary of State George Marshall was averse to the idea of providing substantial military or economic assistance to Iran, even if repeatedly warning Tehran of the potential risks of appeasing the Soviet Union. Even the more sympathetic Dean Acheson, who succeeded Marshall as the Secretary of State, refused to go further than publicly dismissing Moscow’s accusations of “anti-Soviet activity in Iran,” despite recommendations for a tougher stance from the new U.S. ambassador in Tehran, John Wiley (who replaced George Allen). Having been repeatedly assured by the Allies during the war that Iran would be compensated for its war-time economic hardship, Tehran failed to secure the substantial U.S. financial assistance it anticipated, even after the introduction of Truman’s Point Four program in 1949. Neither did the Shah’s visit to the U.S. in the autumn of 1949 yield any substantial results.

The Iranian oil nationalization law of 1951, introduced by prime minister Mossadeq, the British reaction to this move, the domestic political forces in Iran, continued Soviet intransigence, the heightened Cold War tensions between Washington and Moscow in the aftermath of the Korean War which broke out in 1950, and London’s diminished ability to
engage in military or covert operations in places like Iran without American assistance after 1945, would herald a new phase in U.S.-Iranian relations, baptized by the 1953 CIA-sponsored coup.  

From 1911 to 1951 U.S.-Iranian relations were framed by a range of changing domestic, regional, and global considerations in both countries. What appears to have remained constant for much of the period, is the continued Iranian expectations of greater American involvement in Iran and Washington’s determination to avoid extensive entanglement in Iranian affairs. There is no denying that the Cold War was instrumental in shaping U.S.-Iranian relations after World War II. Yet, even in the period after the end of the war in 1945 and the CIA-sponsored coup in Iran in 1953 Washington neither was essentially committed to undermining Iranian nationalism in pursuance of its own regional interests, nor was it committed to promoting an autocratic regime in that country. The ideological parameters of the Cold War and the range of the U.S. objectives in Iran after 1953 do not provide adequate clues for understanding the nature of U.S.-Iranian relations in the years immediately leading up to the 1953 CIA-sponsored coup in Iran. We need to also take into account the continued Iranian attempts to reduce British and Russian influence in Iran, which contributed to the gradual U.S. presence in the Iranian political arena, and the ensuing emergence of U.S.-Iranian military cooperation after the arrival of American advisory missions in Iran in 1942, which later came to serve as an instrument of U.S. policy implementation in that country.

NOTES
4 Yeselson, United States-Persian Diplomatic Relations, pp.39-41.

6 See the cablegram from the president of the Iranian parliament to the U.S. Congress, *Congressional Record*, vol.48, pt.I, 7 December 1911, pp.88-89.


21 This book was published in the U.S. by the Century Co., the president of which was no other than W. Morgan Shuster, to whom Millspaugh paid homage in the book. Incidentally, in 1922 Shuster was engaged by the Iranian government as its U.S. “fiscal agent” in the oil negotiations with American companies. See *Papers Relating to the Foreign Relations of the United States 1923*. Vol. II (Washington, DC: Government Printing Office, 1938), p.711.


24 *Foreign Affairs* 11(3), April 1933, pp.521-525.

25 Ramazani, *The Foreign Policy of Iran*, pp.279-288. For an American view of Iran’s importance in international politics during this period, see Bruce Hopper, “The Persian Regenesis: Key to Politics in the Middle East,” *Foreign Affairs* 13(2), January 1935, pp.295-308.


Lytle, The Origins, pp. 11-12.


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Lytle, The Origins, pp.127-139.


See also New York Times, 27 January 1946, p.11; 29 January 1946, p.3.


1 January 1946, p.16.


50 See also “Iran May Alter Terms of Russian Oil Deal,” World Report, 31 December 1946, p.14.


56 Fred Halliday, Iran, chapter 4.