RE-EXAMINATION OF THE 1953 IRANIAN COUP D’ÉTAT

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Abstract

The Iran coup d'état of 1953 has remained a controversial issue that has not yet been fully deconstructed. It is advisable to examine this crisis objectively in order to reach a fair conclusion. Mohammed Mossadeq, the leader of the National Front, had nationalized AIOC without taking into consideration the political and economic ramifications of such an undertaking. The US tried to mediate the dispute but to her chagrin found Doctor Mossadeq unwilling to negotiate in good faith. As the Cold War was raging, the Anglo-Americans shared the same vision about the Iranian case that called for overthrowing the current irreconcilable regime. The domestic opposition to Mossadeq paved the way for his removal with the help of the US and Britain. Mossadeq was mostly responsible for his fall as long as he chose to cling to his decisions stubbornly in a conflict with great powers at the wrong time.

Introduction

The Iranian oil nationalization crisis, which began in 1951 when Prime Minister Mohamed Mossadeq nationalized the AIOC, culminated in the CIA-assisted overthrow of Mossadeq. It coincided with the emergence of the trends of anti-colonialism and nationalism in the fifties, which led to the spread of calls for nationalization among third world countries. Doctor Mossadeq, who founded the National front in 1949: a coalition of several parties and different political actors, had led the movement that called for restoring Iran’s sovereignty over its oil resources. The Nationalization bill that was a far possibility at that time soon found a receptive audience that would adopt it mainly due to the rising political consciousness among the Iranians. The decline of British influence in the world encouraged the political elite to proceed with its plan, convinced of the fairness of their cause and their ability to stand up to any strong power.

The Iranian people from all political persuasions and walks of life had welcomed the nationalization of the AIOC. Prime Minister Mossadeq was determined to nationalize the oil industry and thus stubbornly defying the West that held the oil industry in its...

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grip throughout the world. OPEC would break their monopoly over this industry a decade later. This event should be viewed in its wider context in order to locate the main details and actors that were responsible for it without disregarding the homegrown plots that contributed considerably to the removal of Mossadeq from power by paving the way for the Anglo-Americans to execute their coup d’etat. The aim of this paper is to study the AIOC crisis objectively without trying to absolve Mossadeq or to blame the Americans and the British for their role in the coup but to describe the details of the coup by relying on descriptions taken from different accounts.

**Historical Background**

Reza Shah waged a losing battle against the British in 1932 to cancel the D’Arcy concession that angered the British who had resorted to gunboat diplomacy to force him to sign a new agreement in 1933. It consisted in increasing the royalties from four to six shillings per ton, reduce the concession area and extend the concession for another thirty years. Britain’s revenues in taxes were more than Iran’s share of royalties from this industry. In 1949, the nationalist, who were spurred by their parliamentary majority and driven by dire economic circumstances, expected a dramatic reversal in the terms of the concession. They reached an agreement in October 1950 that was named the Supplemental Oil Agreement (SOA). Kenneth Pollack, Iran authority, explained that:

> All they were willing to offer was an increase in the minimum annual royalty to £4 million, a further reduction in the area in which AIOC could drill, and a promise to train more Iranians for administrative positions... Iran had made £16 million that year, so the increase in the minimum royalty was irrelevant; the reduced AIOC concession area would still contain all of Iran’s proven oil fields; and the company had repeatedly flagrantly disregarded its previous promises to train and promote Iranians.

The shah eventually succumbed to their pressure and asked his prime minister to submit the bill to the Majlis for ratification. The oil Committee rejected it on the grounds that they look for a fair deal similar to that of Venezuela with the oil foreign companies in 1948 and the prospective deal with ARAMCO that was officially signed one month later. The fifty-fifty profit split deal that was reached between Saudi Arabia and the US had killed the deal definitively according to Foreign Office. US companies had cautioned Washington against the spread of calls for nationalization in the Middle East, which might jeopardize their interests throughout the Third World.

The shah felt the need to secure the ratification of the bill because he was well aware of the economic and political ramifications awaiting Iran. The shah replaced his former prime minister, who was reluctant to support the SOA for fear of hurting public sentiments, with a General of a forceful character, Ali Razmara. Razmara vehemently defended the Supplemental Oil Agreement (SOA) in the Majlis arguing that Iran lacked the technological capabilities to run such industry. The demagogical speeches of Mossadeq and Ayatollah Kashani, which were filled with hatred against Razmara describing him as British stooge, led to his assassination a few days later upon leaving a mosque. Ayatollah Kashani celebrated his assassination hailing the perpetrator a national hero. Razmara had had a fifty-fifty profit split offer in his pocket but he was biding his time before making it public in order to let the emotional nationalist fervour of the Iranians diminish. US ambassador in Iran, Henry Grady, cabled the State Department stating that Razmara lack of popular faith in his government that had prevented him from acting decisively. Cottam argued that Razmara was aware that he could not accept a new offer and survive politically.
Hussein Ala who succeeded Razmara had resigned because he did not want to oppose nationalization and walk against the flow. Two weeks after Razmara’s assassination, The Majlis had ratified the nationalization bill. During the discussion of the bill in the Majlis, Mossadeq did not reject his nomination for the premiership but conditioned it to the ratification of the nationalization bill. His mainly-used rallying theme was to expel all the vestiges of imperialism from Iran, nationalize the AIOC and limit the shah’ powers. The shah finally signed the bill two days later, officially wresting the control of the AIOC from the British. CIA estimated that the elevation of Mossadeq to the premiership constituted a radical departure in Iran’s political development\textsuperscript{xi}. The British expressed their anger at this agreement threatening Iran of military retaliation to restore control over the AIOC that was taken “illegally” according to them. By contrast, The Americans showed understanding for the Iranian decision to nationalize their oil with the caveat that fair compensation be paid to the British, embarking on such initiative in order not to antagonize Iran for fear of driving it into Soviet arms and waiting to act at the opportune moment\textsuperscript{x}. Washington favoured the settlement of the crisis through diplomatic means because they viewed the problem through cold war lenses, which required a wise strategy on their part.

Negotiations

The British regarded nationalization as a humiliating blow to their own prestige in the Middle East that might set an example for other countries to be followed if it worked. They toyed with the idea of a military attack against Iran to restore control over oil installations and resume the flow of oil to the West. Operation Buccaneer was planned to seize the island of Abadan and force the Iranians to let the Tankers sail for their destinations and recover the oil industry. McGhee reported to the US embassy in Washington that the US saw grave dangers in, and could not contemplate support for, any military action by Britain\textsuperscript{xii}. President Truman did not support a military strike against Iran for fear of a Soviet invasion that could be justified by the 1921 friendship treaty. In return, the US supported Mossadeq, offering US mediation in the dispute hoping for a diplomatic solution to the crisis.

The diplomat Averell Harriman was dispatched to see Mossadeq who seemed negligent of his lectures about the intricacies of the oil industry. He went to see Kashani also who protested angrily against the British arguing, “We have been opposed and robbed by the former oil company for fifty years\textsuperscript{xiii}. What Harriman had achieved was extracting a promise from the British to recognize nationalization as a fait accompli. It was pre-conditioned by Mossadeq to agree to negotiate with Britain. Thus, they could engage directly into negotiations with the British who were not ready to make concessions related to the issue of control. It can be inferred that the whole matter was about “control”\textsuperscript{xiv}. Mossadeq was negotiating from a strong position as long as most Iranians did not yet feel the economic impact as they took much pride in nationalization during its first year without any concrete results\textsuperscript{xv}. Kashani told Stokes who headed the British mission “if Mossadeq yields, his blood will flow like Razmara\textsuperscript{xv}. It seemed evident that Mossadeq was aware of the popular support for nationalization that hindered his ability to negotiate in good faith.

In October 1951, a new conservative government was installed in Britain under the leadership of Winston Churchill. In his election campaign, he castigated Attlee’s government for its soft attitude towards Iran. President Truman was known for his determination that the crisis be settled only through diplomatic means because any use of gunboat diplomacy as that advocated by Churchill would inevitably drive the Iranians into Soviet arms. The victory of Eisenhower in the American elections would change the political scene completely. Barry Rubin, an expert on Iran, stated in his
book; *Paved with Good Intentions*, the difference between Eisenhower and Truman as follows:

> while Truman and Acheson felt social change was inevitable— and thus should be encouraged in a manner consistent with American interests—Eisenhower and Dulles tended to see reform movements as disruptive and as likely to be captured by local Communists. The Iran experience marked the transition from a United States foreign policy based on the first perception to one based on the second.

Truman was determined to reach a settlement of the crisis. He gave a final offer to Mossadeq that was supported by Churchill in February 1953. It consisted in a fair compensation to be paid to AIOC in addition to loans from the US that could be repaid with oil. Mossadeq rejected it out of hand. It marked the last diplomatic attempt to end this dispute amicably. More importantly, Mossadeq did expect another advantageous deal under the incoming president Eisenhower. Eisenhower was convinced of the futility of negotiating with Mossadeq as long as all the diplomatic solutions were exhausted.

After the legislative elections in July 1952, Mossadeq submitted the list of his cabinet members. To the surprise of the shah, Mossadeq named also the minister of war. It was the prerogative of the shah to appoint to this post as long as the army is the sole guarantor of his dynasty. Middleton reported that the shah would not surrender his authority over the army as long as it is the sole source of influence. Doctor Mohammed Mossadeq was exploiting the popular support granted to him to acquire tyrannical powers. Consequently, he tendered his resignation and the shah appointed Ahmed Qavam in his place. A popular uprising calling for the return of Mossadeq followed. He was reinstated after four consecutive days of protest that left several people dead. His allies, who rallied people to his support, organized the demonstrations succeeding in weakening the shah politically. Kashani, who was threatened by Qavam before, rushed to support Mossadeq in his demand for extraordinary powers from the Majlis for six months. Mossadeq acquisition of those powers would later turn his allies against him, especially with the increasing impact of the worsening economic situation. This event demonstrated also the emergence of a new political force that was the mob. Acheson had concluded that Mossadeq “emerged in a strong position vis-à-vis the shah, the Majlis, and the public than any other time since the nationalization of oil in April 1951.” On the contrary, Ali Ansari argued, “there is little hope in forsaking the support of key social groups and relying increasingly on the Tehran mob, Mossadeq fatally weakened his own position and essentially invited the possibility of a successful coup.”

The National Front coalition began to fall apart. The army officers who had been purged by the shah after the July 1952 uprising were struggling to play a crucial role in the overthrow of the shah. Additionally, Ayatollah Kashani broke with him over cabinet appointments and the extension of the extraordinary powers. The religious class withdrew its support from Mossadeq as he strived to sideline them politically. The defection of Kashani deprived Mossadeq of the support of a large segment of the population. It was to prove decisive in the fall of Mossadeq. In Shi’a doctrine, people tend to follow the instructions of their Imams mindlessly. Moreover, Toiler’s Baqai and Nationalist Hussein Makki defection from Mossadeq had weakened him severely. The defection of his former National Front allies pushed him to rely on the support of the Tudeh party. The communists found a political vacuum that they could fill. Robert Zaehner estimated that the defection was caused by Britain, it did not happen spontaneously. The Americans were aware of the effective influence of Kashani hoping to recruit him even through granting him money because of his increasing
influence not as a spiritual leader but a schemer who is capable of obtaining the funds to call out mobs from the bazaar section of Tehran. It displayed the efforts that were made by the Anglo-Americans and his domestic adversaries to have him dismissed at whatever cost. The shah felt his throne threatened by his Prime Minister Mossadeq. He had learned from his father ascension to power never to let any powerful figure appear on the domestic political scene as a precautionary measure against future coup d’etats. Therefore, he chose to leave Iran, ostensibly for medical reasons but in reality as a traditional way of protesting against his prime minister. In response, Kashani gathered a large crowd that demanded the cancellation of the shah trip abroad and the removal of Mossadeq. This incident can be considered as a mini-coup against Mossadeq. After February 28, Dulles sent to Eisenhower “The Iranian situation has been slowly disintegrating” and “A communist takeover is becoming more and more of a possibility”. This statement was symptomatic of Mossadeq frequent invocation of the Tudeh threat in order to propel the Americans to give him support. Unsurprisingly, this policy would eventually backfire on him.

The sharp decline of oil revenues from 660,000 B.Pd. in 1950, 340,000 B.Pd. in 1951 to 20,000 B.Pd. in 1953 had strained the economy leading the government of Mossadeq to take austerity measures. Mossadeq started entertaining the idea of an oil-less economy in the hope of diversifying his sources of revenues. The deteriorating economic situation had lessened popular approval for his policies that weakened him more during the sensitive months of 1953. He strove to enhance his public image but to no avail because the AIOC dispute had become both political and economic. In April, The American Consul at Tabriz in a message sent to his embassy had stated:

“It was apparent the Prime Minister’s hold over Azerbaijan had “weakened visibly” during the previous two months. The Consul noted an increasing amount of publicly expressed opposition to Mossadeq indicating a decline in his personal prestige, and that the attempt of the Prime Minister to undermine the Throne had resulted in increasing the Shah’s prestige “to the detriment of Mossadeq”.

It became crystal-clear that Mossadeq would not be overthrown by peaceful means. Prime Minister Mossadeq had sensed that his adversaries at home were trying to oust him illegally by giving him a vote of no confidence at the Majlis. He called for a referendum on dissolving the Majlis in order to avert such a course of action. The crushing majority of voters favoured the dissolution of the Majlis. The referendum was a double-edged sword: it gave Mossadeq his coup de grace and provided his opponents with the justification to remove him afterwards. The CIA to give their coup an air of legitimacy exploited the illegality of the dissolution of the Majlis.

The Coup

The US was already engaged in subversive activities in Iran that were directed against the Tudeh party and the communists under a program that was called: BEDAMN. Its agents, Jalali Ahmed and Farokh Kayvani, were later instructed with working to undermine Mossadeq and his National Front. BEDAMN was a propaganda and political action program with a fund of one million per year. The SIS used the Rashidian Brothers who were charged with leading their intelligence network after the break of Iranian relations with Britain in September 1952. The station started attacking Mossadeq through grey propaganda. The propagandist activities were meant to outrage the clerics, and convince the Iranians of Mossadeq abuse of power and the danger of Tudeh rise to power. Cottam estimated that four fifth of the existing newspapers were under their influence and manipulation. They endeavoured to undermine Mossadeq to have the flow of oil resumed and the communist threat eliminated.
SIS approached Kermit Roosevelt, head of CIA Near East Division, in Britain to gauge his response to the idea of a coup to overthrow Mossadeq. The advent of Eisenhower led the Americans to give a favourable response to the British. After the election of Eisenhower, Christopher Montague Woodhouse, a SIS senior agent, came to Washington to meet top CIA agents and State Department officials illustrated that: “Not wishing to be accused of trying to use the Americans to pull British chestnuts out of the fire, I decided to emphasize the Communist threat to Iran rather than the need to recover control of the oil industry”.

Dr. Donald Wilber, CIA consultant and Norman Matthew Derbyshire, SIS agent, had convened to draw up the coup plan in Cyprus in May 1953. They wanted their operation to appear legal or quasi-legal rather than a coup. It was rectified afterwards in Beirut and London and was finally approved of by the US on July 1953. In Nicosia, they highlighted the crucial role that the religious leaders could play in the success of the coup. Both the US and Britain had contributed to finance the coup expenditure.

The shah met Kermit Roosevelt who urged him to dismiss Mossadeq and appoint Zahedi in his place. He had a long fruitless session with the shah who was reluctant to act for he was no adventurer. The shah was informed, “the Shah should realize that failure to act could lead only to a Communist Iran or to a second Korea. Roosevelt concluded by saying that his government was not prepared to accept these possibilities and that some other plan might be carried through.” He even warned him about having his throne overthrown by Mossadeq. According to Wilber, the author of the authoritative CIA document on the coup, Roosevelt insisted: “should the shah fail to go along with the US representatives or fail to produce the required documents, Zahedi would be informed that the US would be ready to go ahead without the shah’s active cooperation.” They even solicited the help of his sister who told the shah to meet General Norman Schwarzkopf who was coming to Iran on a similar mission. When he met him, Schwarzkopf told the shah that they should wait until the shah dissolve the Parliament first to get an air of legitimacy for dismissing him. He was also to guarantee to the shah the collaboration between Britain and the US in this mission.

The shah eventually accepted to sign the Farman and left for Karmanshah Island. General Nassiri delivered the Farman to Mossadeq on the night of 15 August. Mossadeq claimed the Farman’s were a forgery and arrested Nassiri. The shah fled to Baghdad and issued a statement telling the Iranians that he dismissed Mossadeq because he flouted the constitution.

Kermit Roosevelt never gave up in his mission to overthrow Mossadeq; he threatened to overthrow any member who harboured pessimistic feelings about the success of his mission. He exploited the domestic situation to his favour by leading fake Tudeh rallies in support of the shah. They looted shop and governmental headquarters, in addition to desecrating mosques. It was carried out by hired mobs under the supervision of Jalali and Keyvani in the name of Tudeh. Most religious leaders received threatening hate letters from alleged Tudeh activists as a part of the plan to make people feel the communist danger and to rebel against Mossadeq. These subversive activities polarized the situation. The pro-Mossadeq mobs clashed with the police and the army who displayed openly their sympathy for the shah. Roosevelt sent Ambassador Henderson to Mossadeq to complain about the way American nationals were harassed, and threatened to leave the country en masse. Mossadeq called the chief of police and ordered him to ban demonstrations. On the morning of the 19, Pro-shah hired mobs with the cooperation of the army and the police dominated Tehran. Zahedi declared himself the lawful prime minister. Mossadeq was finally overthrown.
Conclusion

Barry Rubin had concluded that overthrowing Doctor Mossadeq was like “pushing an already opened door” xxxviii. It is important to highlight the contribution of the homegrown plots to the success of the coup against Mossadeq. Most Iranians tend to blame the US for killing their embryonic democratic experience. Ironically, it is hard to believe that the US had single-handedly changed the regime in Iran. Mossadeq, driven by his martyrdom complex, was reluctant to reach a settlement for fear of being labelled a traitor: the same vocabulary he had used against Razmara. Mossadeq was also ignorant of the intricacies of the oil industry and the sensitive calculations of the Cold War. To America’s best interests, the coup had resulted in the entry of US companies into the Iranian oil industry. It resulted also in undermining the shah’s legitimacy that would haunt him for years to come. The memory of the coup led later to the Iran hostage crisis by the revolutionaries for fear of having the shah brought back to power in a repetition of the same scenario.

Bibliography


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xv Despatch from the embassy in Iran to the Department of State, FRUS 1951-1954, Iran, p. 130.