British Policy in Iran and Relations with the Soviet Union, 1945-46

by

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This thesis is an investigation into British policy towards Iran between the Yalta Conference and the resolution of the Iranian Crisis of early 1946 and the subsequent impact of those policies upon her relationship with her enigmatic partner, the USSR. It investigates the development of ideas within the British Embassy in Tehran and more especially within the Foreign Office relating to the future of Iran, which had been the subject of an Anglo-Soviet occupation since August 1941 and which had been, through its bounteous supply of oil, of vital economic importance to Britain since the late nineteenth century. The paper calls in to question the assertion that British foreign policy in the immediate aftermath of the war was based entirely upon the principles of the so-called ‘New World Order’, and its instruments, the Atlantic Charter and the United Nations. Instead, the paper contends that elements within the British government actively sought a compromise arrangement with the Soviet Union in which Britain and Russia would share in the exploitation of Iranian resources. However, in the final analysis it is argued that the British government abandoned this stance when the US government resolved that Iran must not fall, even in part, into the Soviet orbit. The failure of British policy is exposed; British influence in Iran was discredited to the extent that she was forced to abandon the south western oilfields in 1951, US planners sought to distance themselves from their partners at every turn and the Soviet Union had been alienated even further from the allied mainstream.
Mum, Dad, Jenny.

Thank you.

I cannot do any more than this.
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INTRODUCTION

It is a little known fact that the Gulf state of Iran was subject to an Anglo-Soviet occupation between August 1941 and March 1946. At the time of invasion, these two countries, thrown together in unlikely alliance by the necessities of global war, represented the overwhelming mainstay of the anti-fascist alliance. The invasion and occupation of Iran was a unique event in the scheme of that alliance and the logistical practicalities of such different peoples combining in a foreign environment became manifest from the outset. Soviet Russia had bewildered the British government from the moment that she joined Hitler’s assault on Poland. When Germany’s Panzers turned their guns towards the Soviet Union, Britain and Russia entered into what was, below a superficial veneer of diplomatic cordiality, one of the most contrived and mutually contemptuous alliances in military history. Yet both powers were intrinsically aware that each could not survive the German onslaught without the backing of the other, resulting in the solidarity of an alliance which stretched from the signing of the Anglo-Soviet Treaty in May 1942 through to the calamitous months approaching the end of the war in Europe.

The occupation and withdrawal of Allied troops from Iran was in many ways the litmus test of the practicability of the relationship in both war and, later, in peace. For four years and more troops and officials from both sides worked in close proximity. Relations at both a diplomatic and political level were often strained, never less than tense, but simply forced to work. The British people, lost in their admiration for the manner in which the Soviet masses had withstood and then, at a terrible cost, repelled the Nazi menace entered the post-war world believing that the ideological divides which had split capitalist Britain and Communist Russia since 1917 could be overcome. However, behind the closed doors of Whitehall, Moscow and Tehran the governments of Britain and Russia had already concluded that close co-operation was unlikely if not impossible; the great alliance, stretched by mutual paranoia, crumbled within a year of peace. Nowhere was the deterioration of the Anglo-Soviet alliance better illustrated than in Iran.
This paper is not an examination of British policy upon the people or government of Iran. It is an exploration of the collapse of Anglo-Soviet co-operation in Iran and the reasons behind the descent of the occupation in to what has become commonly labelled the 'Iranian Crisis'. Due to the limitations of the material available, the scope of this study is limited to the development of inter-allied relations in so much as they were affected by developments in Iran. British Iranian policy, with its frequent concern for the continued development of British interests in the southwest, had a detrimental impact upon the development of those relationships. This leads to the crux of the paper; did British planners decide, between January 1946 and the depths of the crisis in March 1946, that the basis of British policy should not be the strict adherence to the ethos of the new world order, but instead the belief that the continued development of British possessions in south western Iran, and especially the refinery in Abadan? In short, did the British government disregard her altruism, the well-being of the Iranian people, the Allied mandate to return the world to peace and so on, with the aim of short-term economic aggrandisement?

This thesis will show that British policy was far from homogenous and that, consequently, the question of British moral conduct cannot satisfactorily be addressed given the information available. The Foreign Office was under-prepared for peace and the evolution of its Soviet policy painfully slow. Few contemporary observers had predicted the extreme direction of Soviet policy in Germany and Eastern Europe and, fewer still, the Middle East. The FO reacted indifferently to American charges of British duplicity in Iran and was again slow in recognising the significance of American policy in what had been a British concern. Ministries more directly concerned with reaping the benefits of Iranian oil, especially those of the Treasury and the Ministry of Fuel and Power, actively encouraged the amicable division of Persia between Britain, the Soviet Union and, if politically expedient, the United States. Overall, British policy was reactive rather than proactive and inadequate for its task, which was the safe delivery of Iran to peacetime and the continued harmony of inter-allied relations.

The vast majority of the primary research undertaken for this thesis revolves around British Foreign and Cabinet Office files located in the Public Record Office. As wide an array of secondary sources have been consulted, however, with a view to avoiding an over-reliance
upon these sources. One is aware that the young historian must heed Robert Skidelsky warning that:

The release of official papers has led to the writing of some very official history. On any but the most resolute historian, all these memoranda had the same effect that they had on the Ministers for whom they were first produced: to show that nothing different could possibly have been done.¹

The key challenge in compiling this thesis has been avoiding making a blind acceptance of the doctrines prescribed by Foreign Office officials without applying, in rigorous manner, the benefit of hindsight which we are so fortunate to possess. One must heed Skidelsky’s warning that ‘A historian who comes, naked, to the corridors of power is almost as likely to write conservative history as is the politician who arrives in the same condition to make conservative history’.²

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¹ R. Skidelsky, “Going to War with Germany: Between Revisionism and Orthodoxy”, in Encounter, 39 (July 1972), p 58
² Skidelsky, p 58
CHAPTER ONE

Iranian history in the post-war period was characterised by the failure of British policies, the gradual retreat of Soviet influence, especially from the south of the country, and the solidification of US power. Resentment at the British exploitation of commercial interests, in particular of south-west Persian oil which was refined in the massive Abadan refinery, was an important motivation behind the rise of a hitherto unknown quantity; Iranian nationalism based upon the reclamation of Iranian resources from foreign powers for the Iranian government and people. The eventual evacuation of the Abadan fields in October 1951 and the consequent withdrawal of British influence from Iran was the direct result of British policies failing to achieve any of its objectives. British policy failed to discourage the Soviet-sponsored insurgence in Azerbaijan. British commercial interests were first threatened and then, remarkably, in 1951 ripped from the British grasp. And Britain was left without even the solace of the sympathy of the United States, whose patience was eroded by perceived British hypocrisies and violations of the fluid moral code embedded in the international consciousness by the Atlantic Charter. By the end of the 1940’s Britain had slipped from her hereunto dominant power in the Middle East and the purveyor of the richest supply of oil in the region to a marginalised, discredited imperialist intruder about to be put out to grass by the rise of Iranian nationalism, augmented by a common hatred of the British imperial policy. Britain had appeared to be the natural watchman of the Middle East but, partly through the handling of the Iranian situation, the United States found it increasingly hard to entrust their interests in Britain’s hands. As Iranians, and the many Iranian governments in particular, became increasingly desperate at the level of Anglo-Soviet interference it was to America that the occupied nation turned. By the time that the schedule for withdrawal neared in March 1946, the key factor in Iran’s future had shifted from Britain’s diplomatic policies to a question of the US’ commitment to its altruistic public declarations.

One should appreciate the level of British economic and political concern for the course of Anglo-Iranian relations throughout the Twentieth Century in order to comprehend some of the motivations that underpinned British planning during and after the Second World War. Britain had assumed the dominant position in Iran during the 19th Century as the principle beneficiary
of a Tobacco Reggie and other economic concessions by the Qajar dynasty in Iran. The most crucial of these concessions was in the drilling for oil, leading Britain to conclude a spheres of influence arrangement with Russia in 1907. The Anglo-Iranian Oil Company (AIOC) began trading after the award of a major concession by the Qajar Dynasty in 1901. The discovery of oil in copious amounts in 1908 was followed by the assumption of a fifty-one per cent stake in the Company by the British government in 1913. Centred upon the abundant wells of South Western Iran and the enormous refinery on the island of Abadan, the AIOC management, with the support of the FO, created an quasi-autonomous region in the south of Iran, operating almost entirely unfettered by the Iranian parliament - the Majlis. By 1938 Iran accounted for the production of 4.4 per-cent of the non-communist world’s total oil supply and clearly had the potential to increase its output. The Company exploited thousands of indigenous workers and utterly failed to reinvest in the local community or provide adequate welfare facilities for its workforce; a fact that was to alienate leading Iranian statesmen for decades and which provided an easy target for Soviet propagandists in the 1940s.

Centuries of decline relative to the west had certainly scarred Iran and had left her open to exploitation by foreign powers. Moreover, the incumbent Qajar dynasty were the last in a long line of absolutists and despots which had welcomed foreign exploitation so long as their power based had been solidified as a result of economic and military assistance. Between 1906 and 1911, early nationalists expressed revulsion at British and Russian exploitation that was one of the most oft-quoted motivations behind the Constitutional Revolution, which was to sweep away the Qajar dynasty. The Revolution gave birth to the first Iranian Majlis, which was to be the voice box of the anti-imperialist opposition. However, there was no escape for the population of Iran from the First World War. Some estimates claim that as, successively, Russian, Ottoman, German and British troops occupied parts of Iran, up to a quarter of the entire population perished.³

Bolshevik Russia, despite proclaiming her ideological commitment to ending global imperialism, was not quick to withdraw Soviet influence behind its own borders after the

1917 revolution. A Soviet inspired revolt in the Gilan region found a popular focus Anti-British sentiment and also in a hatred of the Tehran regime which allowed Britain to develop this position of pre-eminence. For a brief period in May 1920 the region was proclaimed a Soviet Socialist Republic and received extensive support from Lenin’s Russia. The unsound foundations of the rebellion though soon led to its collapse, accompanied by Lenin’s repeal of the Anglo-Russian Spheres of Influence deal agreed in 1907 and with it the temporary retreat of the Soviet government from Iran.

As a consequence Britain enjoyed a pre-eminent position in Iran. The British Foreign Secretary, Lord Curzon, recognising Soviet Russia’s internal and therefore external vulnerability, attempted to consolidate Britain’s near monopoly in 1919 by proposing a Treaty which would have given Britain control of Iran’s finances and armed forces. The treaty, negotiated with the subservient Cabinet of Vusuq l-Dawle, entered the Iranian constitution only briefly and yet appeared to cement the view amongst senior Iranian officials that Iran was destined to be Britain’s economic tool. As a teacher in Switzerland at the time, the future nationalist Prime Minister Mohammad Mussadiq recalled in his memoirs that upon hearing of the passage of the Bill he immediately attempted to obtain Swiss citizenship.4

Although the British military withdrew from Iran in 1921, British influence solidified on the political and economic levels. The usurpation of power in Iran by Reza Khan and Sayyid Zia al-Din Tabatabai in 1921 has been used as evidence by some of British complicity in the affairs of Iran with a view to establishing the Anglo-Iranian Oil Company in the fabric of Iran. Michael P. Zirinsky argues that the FO instructed the British mission in Tehran to persuade Ahmad Shah to remove Russian Cossack officers from his army in late October 1921, that the British government paid towards the upkeep of the Cossack garrison and provided individual advice to the plotters in Tehran. Zirinsky further shows how British officials backed Reza Khan at the expense of Zia, who was forced into exile after finding himself without outside support and confronted with an army, armed with British weapons, lying solely in the hands of Reza.5

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4 Homa Katouzian (ed), Mussadiq’s Memoirs (London, 1980) p4
5 Ibid, p 646
Historians find it somewhat difficult to agree to the level of British support for any one group in early-Twentieth Century Iran and Reza Khan is no exception to this. The Iranian historian Katouzian stresses that Reza, whilst receiving a measure of support from British officials in his 1921 triumph, was actually a Soviet stooge throughout his first decade in power. The British historian M. E. Yapp, by contrast, argues that Reza Khan was able to play the British and Soviet Union off against each other over many years but considers that ultimately the Foreign Office held a respectful and distanced watching brief during Reza’s initial rule. For figures such as Mussadiq though the balance of power in Iran, both in terms of the Reza Khan’s autocracy and the Anglo-Iranian Oil Company, engendered an unhealthy departure from the progress made during the years of the Constitutional Revolution. Uncertainty about the future intentions of Reza in part accounted for the collapse of several Iranian legislatures and dictated that Iran was drawn back to autocracy. Despite the vociferous verbal opposition presented by prominent members of the Majlis, many of whom were to become key figures in later Iranian history, Reza Khan ascended to his omnipotent position of Reza Khan on 31 October 1925.

It was during the occupation and subsequent evacuation of Iran that Britain was to realise the cost of its imperialistic pre-war policies in Iran. By time of the conclusion of the Anglo-Soviet Treaty in mid-1942, even the most traditional members of Churchill’s government were aware that Britain’s position in the world had changed forever. As the war drained Britain’s financial reserves, she became increasingly dependant upon the Lend-Lease arrangement with the US for financial salvation. Militarily, whilst British troops faced the German foe directly only in North Africa, the principle theatre of the war in Europe up until the invasion of Italy in 1943 was the Eastern Front. For the first time in centuries, British politicians were forced to recognise that the survival of the British way of life was not entirely in their own hands. It was as a direct result of this realisation that many figures in the British government argued that in a post-war settlement, Britain would be forced to make extensive concessions to communist Russia. Lord Beaverbrook, for example, resigned in February 1942 when it

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6 Katouzian, op cit, p6
7 Katouzian, op cit, p10
became clear that the FO hesitated over the question of recognising some of Russia’s war gains. Even from the legation in Iran, where British officials were becoming embroiled in a tense relationship with their Soviet peers, suggestions were made to the effect that Russia be compensated at the expense of occupied countries.

The issue of satiating Russia’s need for security after the war at the expense of Iran was to become a matter of great diplomatic and moral concern. The central issue revolved around balancing two questions. Firstly to what extent should the new world order, should it ever come to exist, be prepared to recognise the demands of those countries which had fought on the Allied side in the interests of satisfying their urgent need for security? Secondly, how effective would the apparently lofty idealism of the Atlantic Charter prove when confronted with the machiavellian tendencies of regimes driven by xenophobes? The varying perspectives of each power to these issues to each power which dominated the interaction of Great Britain, the Soviet Union and the United States when it came to deciding on the basis upon which the reconstruction of the post-war world would take place.

Martin Kitchen has asserted that the guilt resulting from the Allies failure to open a Second Front in Europe left Britain in a disadvantaged position when dealing with Stalin’s government during the war. The invasion of the Soviet Union on 22 June 1941 was the beginning of the bloodiest conflict that man has yet embarked upon in which the central issue was not only the winning of political control over land and people but the survival of the Slavic race. Until the entry in to the war of the United States, Britain’s survival depended almost entirely upon the Soviet people’s ability to withstand the Blitzkrieg tactics which had swept through the Ukraine within weeks and left Hitler’s troops approaching Moscow and Stalingrad. Churchill predicted that Russia would fall within six weeks. Yet this was, thankfully, an inaccurate assessment of the resolve of the Soviet people and State to tolerate the intolerable and to ultimately repel the Nazi onslaught. Russia though, to a greater extent even than France and Belgium in the Great War, paid the ultimate price in terms of the impact

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8 Katouzian, op cit. p10
of the war on its people, its land and its resources. Soviet planners, from Stalin and Molotov downwards, had no intention of allowing post-war uncertainty amongst its allies to catalyse another conflict or of allowing the Soviet Union to be susceptible to attacks along its frontiers as it had been in 1941. The dilemma for British planners was to establish the extent to which they would allow Stalin to go before confronting him.

The invasion of Iran on August 25th 1941 was motivated by many factors including the need to sustain the Soviet war effort and to add credibility to Britain's commitment to the war effort; a matter which had been in considerable doubt after the Hess landing in May 1941. However, Britain's failure to open a Second Front in Europe and the instability of Anglo-Soviet relations throughout 1941 rendered the opening of a supply route through Iran of the most crucial significance. Moreover, the British Secret Service had alerted the FO to the increasingly influential German presence in Iran that had developed a close association with Iranian nationalists. Reza Shah, who had become isolated from the British after his accession, had been a particularly strong admirer of European nationalism and had looked to Nazi Germany as an economic counter-weight to British hegemony since 1933. This fact had not been lost on the then Foreign Secretary Lord Halifax, who asserted in August 1940 that Iran's association with Hitler's Germany would help make Britain's case in the court of public opinion even if occupation resulted in the end of Iranian democracy:

The result of the dual occupation might be the disappearance of the Iranian government, perhaps temporarily, perhaps forever. But I cannot say that their conduct [by promoting Irano-German ties] leads me to defend their cause.  

However, between 1940 and the end of the war, the complexion of British politics was to shift towards an overriding dependence upon the United States. Lord Halifax and his equally antiquated partner, Leo Amery, failed to understand that the tradition in which they had conducted diplomatic affairs for decades would be altered beyond recognition, even before the end of the war. The US' involvement in Middle Eastern affairs up until this point had been

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10 Katouzian, p37
11 FO371/24580, Halifax to Amery, 29.8.41
minimised by the dominance of isolationists since 1918 and also through her geographical
dislocation to the area. Of course the US, unlike Britain, was utterly self-sufficient in terms of
petroleum. Yet, as historians such as Barry Rubin have showed, the United States had
privately decided that, having been dragged in to two wars they considered to have been
caused by European imperial rivalries, the influence of British imperialism was about to be
checked.12

The US had displayed signs of interest in Iranian commercial development since the late
nineteenth century but had managed to preserve their reputation as a non-imperialist power in
the Middle East up until the outbreak of World War II. A series of unsuccessful missions,
mainly under the guidance of Presbyterian ministers, led the way for a succession of larger
scale missions throughout the 1920’s. In autumn 1922, Arthur Millspaugh was appointed the
Iranian Director General of Finance with responsibility to guide Reza Shah through the
adolescent period of Iranian industrialisation. Barry Rubin argues in ‘Cauldron of Turmoil’
that up to the war, US Middle Eastern policy had been naïve, over-trusting of indigenous
regimes in Saudi Arabia and Iran and over-reliant upon British elements.13 US policy had truly
marked them as ‘Innocents in the Bazaar’ as Rubin described them, full of good intentions
without grasping the realities of imperial intrigue. However, the Division of Near Eastern
Affairs (DNEA), headed until March 1942 by the Anglo-sceptic Wallace Murray, had
resolved to steer US policy away from the British whom, he argued, would be forever
synonymous with imperial policy. Harry Hoskins, an advisor to the Administration on Middle
Eastern Affairs and a confidante of President Roosevelt, ascribed that ‘the British had done
nothing in the Middle East and were, therefore, completely discredited throughout the Arab
world’.14 Most importantly of all came the realisation in American circles of influence that
Britain would not accept the global context of the Atlantic Charter - namely that all countries,
regardless of their geography or politics, should have the right to determine their future so
long as they pursued a democratic mode of government. The British Prime Minister Winston
Churchill openly claimed that he understood the Charter only to apply to Europe and yet by
early 1942, the US State Department had made the avocation of the Charter the bedrock of

13 Barry Rubin, Cauldron of Turmoil (New York, 1992)
their future foreign policy. The five-year long British and Soviet bids for influence in Iran was to an epiphany for the US which resulted in American policy makers in the Middle East actively seeking to avoid shadowing the British line.

The immediate impact of the invasion stemmed from the removal from power of Reza Shah and his replacement by his eldest son, Mohammad Reza Shah. The exigencies of war made the direct administration of the newly occupied country by the Allies difficult, leading the British Foreign Secretary Anthony Eden and the FO to support the installation of a friendly indigenous government. Eshraghi has shown how the dismantling of the Iranian military undermined the Iranian government's attempts to maintain political independence and to thereby oppose any British, Soviet or American attempts to interfere in the running of her internal affairs; which had been the primary outcomes of the Tripartite Treaty which legitimised the occupation. Her actions in doing so, argues John Beaumont, made Britain a partner in an attempt to undermine Iranian sovereignty and this in turn undermined British claims to have been the defenders of the principles of the Atlantic Charter and the new world order. In a brilliant exposition of the diplomatic realities facing Britain in August 1941, Beaumont refutes the FO's claim that:

Britain was fighting the evils of Nazism and Fascism not simply to safeguard her own national interests but to ensure the stability of the international system.... to protect the rights of the weak nations against the strong.. to make discussion the means of settling disputes between nations .. to re-establishing the rule of international law.

Beaumont claimed that for Britain to have justifiably claimed the moral high ground, she would have needed to have displayed a high-level of diplomatic integrity or else be discredited as a viable partner in international arbitration.

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14 Cited in Rubin, The Great Powers, p24
15 F. Eshraghi, “The Immediate Aftermath of Anglo-Soviet Occupation of Iran in August 1941”, in Middle East Studies 1984 20 (1) p28
16 ibid, p35
History has judged the Allied invasion of Iran unfavourably. However, the important allegation to be examined throughout this paper is that British planners harboured secret ambitions and ulterior motives for the occupation of southern Iran that went beyond the immediate concerns of supplying the Soviet Union and participating in the war. There is evidence, which has been ignored by some official histories, which suggests that, at various stages before and after the occupation, British officials strongly considered Iran to be a vital component in a post-war settlement involving the Soviet Union. In late August 1941, the Secretary of State for India, Sir Leo Amery, began this debate. He asked ‘whether we should not deliberately do a deal with Russia over Iran as Grey did in 1907 (or Ribbentrop over Poland in 1939) encouraging her to do what she likes in the north, so long as she recognises our interests in the south’. 19

Amery’s plan, in the cold light of day, amounted to a spheres of influence arrangement, which had been a fashionable solution to diplomatic rivalry in the previous century but which were incongruous with the ethics of western leaders approaching the end of the Second World War.

Amery’s view, were it proven to be the foundation of FO policy, would amount to a grave indictment of British policy in Iran. In the first instance, any plan to use Iran as a bargaining chip in an international settlement was a contradiction of Britain’s pledge in the Tripartite Treaty ‘not to adopt an attitude which is prejudicial to the territorial integrity, sovereignty or political independence of Iran’. Iran had been a neutral country, caught innocently in the maelstrom of global war. International opinion had tolerated her invasion as part of the crusade against fascism but would condone the use of an independent country to meet British needs in breach of Treaty obligations. The United States, in particular but not alone, expressed their concerns for British policy in Iran as early as December 1942. They stated their belief that Britain desired a puppet government in Iran.20 The State Department further believed that in the British mind, ‘Iran’s needs are of a low priority’. 21

18 ibid, p 213
19 FO 371/27233, India Office to War Office, 29.08.41
20 SD891.00, Washington, 14.12.42
21 FO 371/31431, Tehran to FO, 20.10.46
In the second instance, British planners showed little respect or support for Iranian efforts to establish parliamentary democracy through the Majlis. A form of democracy had existed in Iran since the Constitutional Revolution and, whilst some distance from a model Parliament, the Majlis had outlasted Reza Shah as the most important source of power in the country. As the self-proclaimed sponsors of liberal democracy in Iran, Britain should have supported this body to the hilt or, alternatively, have pressurised the Iranian ruling classes to modernise the Majlis. Yet there are strong indications that Britain perceived Iranian political independence as nothing other than a hindrance to British policy. Several figures within the FO argued that Iran had ‘only a thin veneer of civilisation’ and was incapable of reform, modernisation or of scaling the heights of democracy. Some members of the Foreign Office openly stated that Iran could only be effectively governed by an autocrat. Another senior British official in Tabriz described the Majlis as ‘a monkey house where the politicians chatter, quarrel, and leap about intent on their immediate consequential whims, without any effective sense of responsibility for their country at large.’ Certainly the FO failed to consider that, given that the Majlis had been in existence for less than forty years, the achievement in retaining their parliament at all was considerable. And regardless of the shortcomings of Iranian democracy, Britain had agreed as part of the Tripartite Treaty to preserve an approximation of the Iranian political status quo.

These outbursts became symptomatic of influential senior figures in the Foreign Office. Sir Reader Bullard himself, perhaps the single greatest influence upon the shaping of Britain’s Iranian policy, held a startlingly low opinion of the ‘average’ Iranian and an even lower one of Iran’s ruling classes. Throughout the occupation, one can trace the evolution of Bullard’s condescension towards Iranian democracy. By 1945, Bullard had determined that Persia ‘was not ripe for democracy’ and ‘was too underdeveloped to enjoy free speech’. As for the Majlis, Bullard believed that unless it is ‘sat upon, it becomes an obstruction to the occupying powers’; hardly the greatest endorsement of British morality or adherence to the principles of the Atlantic Charter which advocated self-determination and the promotion of the liberal-democratic ideal.

22 FO 371/27206, Persian Gulf Resident to Indian Government, 16.08.41
One might consider John Beaumont’s claim in isolation that ‘there is a discrepancy between Britain’s use of force against Iran and her conduct whilst in occupation and its claim to be representing a higher moral order in the conduits of international relations’. Yet taken together with a series of other controversies detailed below, a case can be compiled against the British wartime government suggesting that there existed a subtext for the invasion and occupation of Iran which transcended the normal exigencies of war. What if Britain’s agenda in Iran extended beyond the provision of supplies to Russia to the point where the occupation was in fact made in preparation for an expected Soviet collapse? Iran would then have become a battleground fought over by enemies from another continent engaged in another stage of the international game. Iran, to all intents and purposes, would have been no different than other neutral countries caught up in war such as Belgium and the Netherlands. The international community roundly condemned German occupation of these countries. Also, what would be the historical repercussions of our view of British diplomacy if one could show an agenda of long-term British economic self-interest superseded British concerns for long-term Iranian political integrity, social welfare and economic development?

Those who advocate this point of view point to the policy change that came about in the days following the invasion of Iran on August 25th, 1941. Preceding this was a series of notes passed between the British legation and the Tehran government in which the British government attempted to obtain control of the Abadan and Naft-I-Shah oilfields. The rejection of these proposals resulted in the invasion and the immediate re-statement of the British proposals complete with extra demands for the withdrawal of Iranian troops from the north and east and the expulsion of German nationals. There was a complimentary pledge from the British government to continue to pay oil royalties and to respect and protect Iranian territorial integrity. However, as F. Eshraghi has argued, the almost immediate adjustment of the British demands upon the Iranian government was a radical departure from these demands. Within days of Reza Shah calling a cease-fire on August 27, Churchill and the Chiefs-of-Staff had undercut the Eastern Department and HM. Ambassador in Tehran and increased the

24 FO371/27155, Bullard to FO, 22.10.45
25 Beaumont, p 220
demands upon the Iranians. The British now required the full and unfettered use of the Iranian transport system, control of air and naval bases, the use of captured Iranian ships and the retreat of homogenous forces from an even wider area. The use of the brand new Trans-Iran railway also necessitated the occupation of Tehran, which had been previously set aside from the bounty of the occupation. Bullard, realising the consequences of these proposals objected, claiming that ‘it was difficult to reconcile the list of requirements with the British Notes’. Yet Churchill clarified for his representative a fundamental premise of the occupation when he replied that ‘any idea of pleasing the Iranian government should be dismissed’. 27

This episode is indicative of British wartime planning and policy in Iran. Churchill believed that Soviet forces would capitulate in the summer of 1942 and that consequently, the massed ranks of British troops necessary to police territory in Iran would be in direct conflict with German forces flooding in to the southern Soviet Union. Thus, Churchill would not have considered the long-term risks attached to Soviet troops moving in to northern Iran. He and the Chiefs of Staff engineered the withdrawal of Iranian troops from the British zone so that, when the Soviet capitulation came, Britain would be in full control of the southern oilfields with a natural barrier assisting British defence stretching across the Caucasus to the Caspian Sea.

The British not only failed to deliver a fair deal for Iran during the immediate aftermath of the invasion, but continued to do so over the following five years. The influence of the British legation and the presence of 30,000 troops in southern Iran had a destabilising effect on the highest echelons of Iranian politics leading to ten separate administrations during the occupation. Of these, six were openly pro-British. 28 Yet Bullard continued to castigate the Iranian officials whose country was paying a high price for the Allied war effort. Fawcett ascribes this to a belief amongst the legation that ‘if British policies were unpopular, it was because the Persians did not know what was good for them’. 29 Above all, Britain made ‘strong and stable’ indigenous government impossible by firstly promoting the presence of large

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26 Eshraghi, p 327  
27 Cited in Eshraghi, p 331  
28 Fawcett, p 147  
29 Fawcett, p 148
numbers of allied troops and secondly by placing an intolerable strain upon Iran’s resources. This was despite their publicly expressed desire to see Iranian affairs disrupted as little as possible by the inconvenience of the occupation. In society too, Iranians were paying a heavy price for the occupation and suffering as a result of British policies. Between 1941 and 1944, wholesale prices rose 400%; the cost of living by 600%.\textsuperscript{30} Foreign Secretary Anthony Eden accepted the advice of Bullard and blamed Persians for ‘hoarding, obstructionism and smuggling’.\textsuperscript{31} Inflation had clearly been the product of an overstretch of Iran’s resources coupled with successive harvest failures. And yet despite this strain upon the Iranian people, sections of the FO continued to believe that Britain owed the Persia nothing.

\textsuperscript{30} Fawcett, p 148
\textsuperscript{31} FO 371/31416, Eden to Sir A. Clerk-Kerr (Moscow), 03.11.42
CHAPTER TWO

The Soviet war effort had begun badly and showed every indication throughout the latter half of 1941 and 1942 of imminent collapse. Without Russia’s distractions in the east, British planners knew that German guns would soon be retrained on Britain. The cornerstone of British policy and to support the Soviet Union and if the occupation of a neutral country helped meet that requirement then the price was worth paying. British policy makers, for the most part at least, held no hidden agendas concerning Iran entering the year of Allied victory in 1945. Few members of the Foreign Office realised what a hornet’s nest was being stirred up in the Middle East by a combination of Soviet interference and apparent indifference from the British delegation in Iran providing the economic concerns they had in the region remained intact. When the enforced wartime cordiality of Anglo-Soviet relations began to sour in 1945, Iran was to become one of the first regions in which cooperation was put to the test. This Chapter will examine in detail the role of Iran in the formation of post-war inter-Allied relations from the end of the crucial Conference at Yalta until the Moscow Conference of Foreign Ministers in December 1945. This section will also examine the extent to which the British course in Iran was directed by economic concerns for the preservation of the oilfields in a year which was to prove decisive in shaping not only Iran’s future, but also the post-war world.

Louise L’Estrange Fawcett contends that British planners held as their objective economic gratification at all costs. However, even Fawcett’s polemic concedes that all Departments did not necessarily share identical objectives. The Foreign Office’s concerns were multi-layered and complex, ranging from the diplomatic consequences of weakening Anglo-Soviet ties in Iran to the repercussions which would accompany the withdrawal of the British military from her zone of occupation. The Treasury, and the Ministry of Fuel and Power (MFP), as one might expect, was ever mindful of the potential of the Anglo-Iranian Oil Company. Later in 1945, a document circulated in the Ministry of Fuel and Power was to illustrate the true value of Persian oil. As peace dawned, Iran produced more oil than the other Arab nations combined
and Britain reaped the seed it had sown in 1907. Moreover, the MFP informed the FO of their fears for British economic interests in Persia as early as October 1944. ‘We are naturally very concerned’, wrote the Ministry, ‘that any designs which Russia may have on Persia should not adversely affect our established position there’. Moreover, they stated, ‘the possibility of our getting the additional concession now being negotiated with Shell’ should not be discounted. As a solution to this problem, the memorandum questions whether if ‘the Persian Government is going to deny the aspirations of the Russians in the north, it might not have the effect of increasing Russian interest in areas beyond that with which they are not apparently concerned.’

On approaching 1945 therefore, at least one of the major Departments concerned with the future of Iran advocated the pursuit of a spheres of influence deal. The Ministry of Fuel and Power asked whether ‘If means could be found for an amicable negotiation, resulting in the granting of a concession to Shell, one would have thought that from the point of view of British interests in oil, such a solution would have much to recommend it.’ Yet on the political side of the argument, the Foreign Office and the British delegation in Tehran remained officially opposed to any such policy. This belief may well have been the result of knowledge that their chief partner in international affairs, the United States, would not countenance any British involvement in Treaty violations.

As a consequence of this fear of the US objecting to British methods in Iran, British officials may have been involved in the implementation of a number of top-secret lines of policy, which were directed against the Soviet insurgence in Iran. These policies stood in clear violation of Britain’s Treaty obligations under the auspices of the Tripartite Treaty of 1942. Furthermore, Britain’s conduct was a serious indictment of her public support of the moral foundation of the Atlantic Charter, United Nations and the new world order. It will be shown that, whilst Foreign Ministers clinked glasses and patted backs at Yalta and Potsdam, events in Iran were already casting a shadow over inter-allied relations.

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33 FO 371/40241, Ministry of Fuel and Power to FO, 10.10.44
34 FO 371/42041, Ministry of Fuel and Power to FO, 10.10.44
An examination of British aspirations and objectives in Iran entering 1945 provides further evidence that sections the British government continued to follow a hidden agenda in Iran. In late 1944, British planners had been alerted to the Soviet ambition to secure an oil concession from Iran by the arrival of the Soviet diplomat Kavtaradze in Tehran. A combination of British opposition and uproar in the Majlis, under the guidance of Mussadiq, led to the rejection of the concession and the passing of legislation outlawing the grant of additional concessions whilst troops remained in occupation. One should be careful not to underestimate the legacy of this perverse diplomatic entanglement upon Anglo-Soviet relations in Iran. Eden claimed in his memoirs that Stalin had informed him at Yalta that ‘You should never talk to Molotov about Iran … Didn’t you know that he had a resounding diplomatic defeat there? He is very sore with Iran.’ 35 It has even been claimed that by limiting Soviet interest in Iran proper, the Foreign Office only served to direct Russia towards the more vulnerable and dislocated Azerbaijan. Certainly, the failure of the Kavtaradze Mission had highlighted the precariousness of the position of the Anglo-Iranian Oil Company and the potential for social and political instability engendered by Soviet interference in the south. Traditional studies of the British occupation of Iran have argued that the British stiffening of the Sa’id government in 1944 and their reassurance that the Kavtaradze mission could be successfully repelled illustrated Britain’s desire to preserve Iranian integrity and to discourage the Soviet Union from exploiting her position as an occupying power. 36 These studies failed to consider the inherent contradiction between the continuing expansion of the Anglo-Iranian Oil Company oilfields parallel to the rejection of the Soviet application for a concession. 37 Furthermore, the moral triumphalism expressed by the British, which surrounded Mussadiq’s Bill, would have been dampened had a simultaneous application for a rival concession by the British Shell Oil Company been made public knowledge. This truly was, as Fawcett describes, part of ‘an allied scramble for Persian oil which made a mockery of earlier guarantees’. 38 The Kavtaradze Mission served only to highlight British self-interest undermining publicly altruistic declarations.

36 For example Sir Reader Bullard, Britain and the Middle East (London, 1951)
37 A Ministry of Fuel and Power Report in 1946 claimed that Abadani oil accounted for all British petroleum save for that used as motor spirit.
The fall of the pro-western Sa’id government, under the most intensive of Soviet pressure, illustrated the range and penetration of the Soviet political arsenal. It also provided much of the inspiration for the Russian sponsorship of the newborn Tudeh Party and their effort to end what she perceived to be the ‘one-sided’ politics of successive Iranian administrations. Ironically though, Bullard was to soon after indicate his belief that a spheres of influence arrangement, regarding oil at least, would be the most effective way of preserving British concerns in the south. He wrote after the Kavtaradze Mission that ‘As to Russia’s need for oil, it is certainly no part of our policy to prevent Russia from obtaining oil from northern Persia.’ ‘Indeed’, Bullard claimed, ‘the Soviet Union is the natural market for north Persian oil.’ Obviously, the sensitive nature of Anglo-Soviet relations during the war may have influenced the British Ambassador’s line. Yet there was an undoubted certainty in Bullard’s tone when he declared that ‘We do not wish to put any obstacle in the way of Russians obtaining a concession in Persia by normal methods if and when the Persians are prepared to negotiate.’ 39

The US Department of State, who had exerted an increasing level of influence upon Iranian affairs themselves through the Economic Development Committee (EDC) headed by Millspaugh, was showing genuine signs of concern about British policy. By October 1945, leading US figures in both Tehran and Washington were convinced that British policy in Iran was determined entirely by economic self-interest. After a tour of inspection one US official, after a tour of inspection in the Middle East, found that British policies would soon have a dramatic impact not only on the Middle Eastern region itself but also in the broad sweep on Anglo-US relations per se. Pepper predicted that ‘if this situation continues, feelings and conflict will result which will seriously weaken co-operation and friendship between the British and ourselves. It will also endanger help both of us must give to the peoples of the Middle East.’ 40

With Russia smarting over her refusal of an oil concession in Iran and the US convinced of British imperialistic motivations, the British reputation in the Middle East dangled

38 Fawcett, p 156
39 FO371/Tehran to FO, 10.11.44
precariously over the precipice of accepted standards of diplomatic morality. Yet British planning remained in a state of flux throughout 1945. British officials failed to seize any of the frequent opportunities that emerged to establish themselves as defenders of the western ideals of liberal democracy or self-determination for smaller countries. Sir Reader Bullard’s hastily produced list of Soviet Treaty violations in Iran since January 1942 detailed a set of serious misdemeanours that clearly impinged upon the political integrity of the occupied nation. The alleged incidents included complaints from the Persians that gendarmes had been obstructed by Soviet troops whilst attempted to suppress Kurdish rebels and had implicated Russia in the emerging movement for Kurdish separatism. The British had failed to even raise a note of protest. Consequently, when the desperate Iranian Prince Mozaffar Firiouz wrote to the British Member of Parliament Harold Nicholson to call for a display of British strength of purpose, he did so with plenty of ammunition to discharge at British planners. ‘It is imperative’, wrote Firiouz, ‘that no conflict of interests between Russia and Britain surface in Iran because it is perhaps no exaggeration to say that Persia may rightly be regarded as the thermometer of Anglo-Soviet relations’. The Crown Prince claimed that in the common Iranian perception, ‘Anglo-Soviet relations are not based on reciprocity but are simply a one sided affair in which Great Britain gives and Soviet Russia takes’. Yet despite this view, ‘anti-British propaganda has been met with a sang froid which is interpreted as a deplorable sign of apathy and weakness.’

But Pyman’s frustrations with the manner of British propaganda were not simply a flippant expression of anger but instead a deeper reflection on the nature of the game being played out in Iran. The Russian press, armed with full State backing, could follow as caustically ardent an approach as they saw fit. Their Treaty violations, though explicit, were never reported in the Moscow press whilst rigid war-time censorship laws in Iran allowed the Soviet contingent in Tehran to veto the broadcast of anti-Soviet propaganda thus:

Any communication considered to be detrimental to the interests of Iran or her Allies, such as giving away state or war secrets, or spreading anti-Allied

40 FO371/45487, Enclosure in Halifax to Bevin, 19.11.45. Telegram from Pepper.
41 FO371/45432, Bullard to FO, 09.05.45
42 FO371/45432, Copy of letter, 02.05.45
propaganda, and any message likely to weaken the political or economic strength of the Allied governments, or to prejudice their friendly relations, may be condemned.43

Bullard wrote in April 1945 that the Moscow press was 'certainly behaving in a way which is far from indicating a desire for compromise'.44 The British press though were conspicuous in their absence in Tehran, meaning that Soviet misdemeanours went unreported. This was supplemented by the fact that public opinion at home was so clearly pro-Russian in the wake of VE Day that few papers would have wasted their newsprint on such stories.

Frustration with this under-reporting of the Iranian situation may well explain the blatant British failure to oppose the Soviet Union when it entered its most cantankerous form in May 1945. Without an official organ to disseminate its views, the British delegation in Tehran appeared resigned to allowing the Soviet Union to engineer events in the northern part of Iran. For example, the news that Soviet troops had obstructed Persian gendarmes in the Kurdish region of Mahabad was greeted with the enthusiasm of a trout for salt water. ‘If Russians were to attack Persians who had incurred the displeasure of the Tudeh Party’, claimed Bullard, ‘it would be for the Persian government to protest.’45

The inference of Soviet conduct in obstructing gendarmes was that the Russians had a vested interest in encouraging Kurdish separatism. That stance was a clear breach of Article VI of the 1942 Tripartite Treaty which committed the Allies ‘not to adopt an attitude which is prejudicial to the territorial integrity, sovereignty, and political independence of Iran ... and to use their best endeavours to safeguard the economic existence of the Iranian people against the privations and difficulties arising as a result of the present war.’46

Any such encroachments upon Iran’s rights could have been treated as an opportunity to stamp British authority on the situation, to display Britain’s commitment to the Tripartite Treaty and to the new world order. Yet whilst, on May 7th, Whitehall digested the news of a

43 FO371/45432, Anglo-Iranian-Soviet Treaty on Joint Censorship (1942)
44 FO371/45432, Tehran to FO, 29.4.45
45 FO371/45432, Tehran to FO, 02.05.45
46 Fawcett, p 144
Soviet-organised Iranian underground network in Tehran, British planners were still attempting to establish whether it was morally justifiable to launch a propaganda counter-attack on Russians stationed in Iran.

Their plan, such as it was, highlighted the failure of the Eastern Department to take a realistic view of the post-war Anglo-Soviet relationship. Bullard requested that the Foreign Office sponsor a British journalist to offset the imbalance in reportage from Tehran. The plan was to feed the journalist in the same way that Maximov, the Russian Ambassador in Tehran, briefed the Russian press corps. Bullard proposed the compilation of an academic study by his former FO colleague Elizabeth Monroe designed to answer Soviet challenges about Britain’s imperial heritage in the Middle East.\(^{47}\) In Bullard’s estimation, this plan would be sufficient to ‘show the rest of the world what Soviet methods have cost Persia, and it might make the Russians behave themselves better.’\(^{48}\)

British attempts to regulate Soviet media coverage of events in Iran took several months to come to fruition. The abolition of the Anglo-Iranian-Soviet Censorship laws in Autumn 1945 has been held out as a triumph of British firm-handedness and indeed some praise should be offered in the direction of the officials who backed the ‘go-it-alone policy’. But it took until August 15\(^{th}\) before Bullard realised that this should be the course of action he should recommend; painfully slow even allowing for the Ambassador’s notoriously conservative approach.\(^{49}\) More revealingly, it took the Foreign Office precisely a year after Bullard’s recommendation to establish the ‘Propaganda to Persia’ sub-committee which came far too late in the day to effectively rebuff the great damage inflicted by unopposed Soviet propaganda. There is no real evidence to suggest that the objectives outlined in W.H. Young’s minute entitled ‘Publicity in Persia’ were ever satisfactorily attained. ‘The object of recent efforts to guide the press’, wrote the Eastern Department official, ‘is to corrupt the one-sided impression given by Tass messages (which are practically all that has reached the outside

\(^{47}\) FO371/45432, Tehran to FO, 07.05.45
\(^{48}\) ibid
\(^{49}\) FO371/45433, Tehran to FO, 15.08.45
world from Persia as late); to encourage the Persian government; and to educate Persian public opinion here, particularly in relation to the withdrawal of British troops.⁵⁰

On the same day that Young completed his minute, the FO authorised Bullard to support the Persian’s desperate appeal for the normalisation of broadcasting restrictions and the banning of Persian-language broadcasts by the occupying powers.⁵¹ But the horse had already bolted as swathes of judicious Soviet propaganda had swept through Radio Tehran, *New Times*, and other Tass organs in Tehran. It is worth considering an example of this propaganda to gauge the kind of impact upon the average Persian waiting for their country to be deconstructed by the occupying allies:

Regarding the statement in *The Times* concerning Persian politician’s complaints alleging (sic.) they are not free to be masters in their own house, it would be appropriate to recall that most Persian politicians are oppressing the Persian people more than the foreign soldiers do. They have usurped the Persian people’s rights and authority and have surrendered them to the British Empire’s political representatives …. These statements by *The Times* remind one of a great English poet’s words: “Whenever England speaks of freedom, she is forging chains”.⁵²

One can also find reason for the FO’s torpid response to Soviet propaganda in the desire to maintain friendly Anglo-Soviet relations. Certainly, telegrams sent between London and Tehran during this phase of the post-war scenario held this to be the justification for the continued procrastination of British officials. However, there are several reasons to dispute this contention. In the first place, it is insufficient to argue that the FO was without a precedent on which to base their assumptions *vis-à-vis* Soviet conduct in Iran. The FO had been served notice of the Soviet model of domination by the Polish example and the installation of the Lublin Government at the expense of the London Poles. There too, the incumbent government, though in exile, were labelled ‘fascist’, ‘anti-democratic’ and so on to the point where their credibility was reduced to zero. In both cases, the proximity to the Soviet Union of the occupied country was claimed to represent a threat to Soviet security. But unlike the Polish example, where no Treaty obligations existed for the Soviet Union to obey or

⁵⁰ FO371/45433, Young Minute, ‘Publicity in Persia’, 25.07.45
⁵¹ FO371/45433, FO to Bullard, 15.07.45
⁵² FO371/45434, Soviet Monitor Extract, 02.08.45
disobey, Iran was the subject of a Treaty considered an essential cornerstone of alliance. For the British contingent, the dominant partner in the Tripartite Treaty and the occupier of 70% of Persian territory, to allow several months of unfettered anti-British and anti-Persian propaganda was a gross denial of her responsibilities to Iran.

It could be argued that the British government’s failure to challenge Soviet propaganda resulted from a sure knowledge that Soviet sources would merely intensify their anti-British campaign. One factor that most certainly did undermine the British position was the failure of the Anglo-Iranian Oil Company to develop its welfare conditions for its vast assortment of Iranian employees. This afforded easy pickings for eager Soviet observers and their cohorts amongst the Trades Union-based Tudeh Party, who were determined to portray the British as imperialist exploiter of indigenous labour. So poor were the living conditions amongst Anglo-Iranian Oil Company employees that the timely visit of a Soviet Trades Union delegation sent shock waves through the Eastern Department. Bullard recommended that the delegation be refused permission to visit the site, claiming that ‘Unfortunately welfare facilities for Persian labour in the Anglo-Iranian Oil Company were not so good that they would be convincing to the Soviet authorities’.53 Baxter, realising that this situation meant it would be open season for Soviet propagandists, minuted his alarm; ‘I thought that the A.I.O.C. facilities were better than this.’54

By late July, the Tudeh claimed to have the support of some 70,000 members and to have a disproportionately high membership amongst Anglo-Iranian Oil Company employees.55 Bullard denied this to be true yet, when in the summer of 1946 a General Strike was called by the Tudeh, A.I.O.C. employees were quick to respond and in great number. When, in 1946, the British Foreign Minister Ernest Bevin learnt of the conditions that Iranian employees were expected to suffer, he declared himself ‘appalled’.56 By then though, reform was to be too little, too late and the Tudeh had accrued a formidable battery to attack the British who were

53 FO371/45433, Tehran to FO, 20.07.45
54 ibid, Minute by Baxter, 20.07.45
55 FO371/45433, Bullard to FO, 26.07.45
56 FO371/52735, FO Minute, 2.07.46
vulnerable to 'be accused in Soviet propaganda of all the crimes of imperialist and colonial exploitation'. 57

The British delegation’s attempts to regain their status as the defenders of freedom and democracy were further undermined by the clever association in Soviet propaganda of British influence in Persia and unpopular former Persian leaders. Most notable amongst these figures was the former Persian Head of State and reviled dictator, Reza Shah, and his cohort Sayyid Zia. 58 Both were leading figures in the 1921 deposing of the Qajar dynasty but had become deeply unpopular after Reza Shah’s promised modernisation plans produced limited results at a vast cost to the average Persian taxpayer. 59 Iran’s troubled inter-war period was considered a bleak false dawn and the most prominent personalities involved could easily be dismissed by the Soviet press as ‘reactionary’ or ‘fascist’. Thus, when the Soviet Union claimed that Britain was supporting the return to power of Reza Shah, or had been involved in Sayyid Zia’s return from exile in 1944, they were striking very negative chords amongst the majority of Persians. Conversely, the Soviet press in Tehran was filled with associations made between the Russian contingent in Iran and movements for ‘democracy’ in Azerbaijan and Kurdistan and for improved Labour rights through the Tudeh in the south. For example, the Tudeh wrote to the British Labour Party in early August to congratulate them on their election victory and to ask them for support:

Persia has been during the past years been suffering from internal elements under the influence of British agents and reactionary policy ... The Tudeh appeal for British help in establishing real democracy and freedom and eradicating internal reactionary elements and Fascist feudal system in Persia. 60

An association was successfully established between the British delegation in Persia, the ‘reactionary’ agents named above and a dangerous and ‘anti-democratic’ movement in Iran. A British listening post picked up a Soviet transmission in August 1945 that claimed that ‘It is known that the activities of the Iranian reactionary and pro-Fascist elements, headed by the

57 FO371/52661, Roberts to FO, 16.01.45
58 Sayyid Ziya al-Din; Jointly led the coup d’état against the Qajar dynasty with Reza Shah but then fell from favour and was sent into exile by the new Shah.
59 Fawcett, p16
60 FO371/45433, Bullard to FO, 04.08.45
adventurer Said Zia ed-Din, far from ceasing, have been increasing recently. His followers‘ claimed the Soviet authorities, ‘and other reactionaries are trying to prepare in the country a favourable ground for their anti-popular dictatorship. Sa’id’s terrorists are waging a stubborn struggle against the growing democratic movement, against the working classes and its free Trades Union organisation.\(^\text{61}\)

The unpopular Hakimi regime too was claimed to have close links with the British government. ‘Hakimi’s cohorts’, claimed the Soviet news-agency, ‘have usurped the Persian people’s rights and authority and have surrendered them to the British Empire’s political representatives.’\(^\text{62}\)

The problem with the British response to this propaganda is that one might justifiably have expected accusations linking representatives of the British government with alleged ‘fascists’ would have been swiftly rebuked. However, this was far from being the case. Pyman, knowing the limitations of the British position, revealed much in his reaction to a report from Bullard that the Russians were attempting to usurp control of Radio Tehran to use exclusively to produce propaganda. ‘Nothing much could be done to stop this’, admitted Pyman, ‘save the abolition of censorship and the withdrawal of troops by February.’\(^\text{63}\)

In August 1945, a P.I.C.M.E report claimed that the Russians were proving highly successful in depicting ‘British missionary, medical and philanthropic activities .... to be officially directed and inspired by political motives’.\(^\text{64}\) One wonders how far Mrs Monroe’s academic study had progressed? Also co-operation with the press in Persia had sunk to an all-time low after Quilliam, The Times’ Middle East correspondent and contributor to the widely read P.I.C.M.E Report, was criticised by Bullard for being ‘too ready to bring about a not guilty verdict against the Russians’.\(^\text{65}\)

\(^{61}\) FO371/45433, Soviet Monitor Extract, 08.08.45

\(^{62}\) FO371/45434, BBC Monitor Extract, 02.08.45

\(^{63}\) FO371/45434, Pyman Minute, 06.08.45

\(^{64}\) FO371/45434, P.I.C.M.E Report, Russian Activities in the Middle East, 10.07.45

\(^{65}\) FO371/45435, Bullard to FO, 02.10.45
With the type and limitations of material available, it is difficult to establish the real link between the British government and the shadowy figures of Iranian politics. There are, however, a number of strong hints. Of the association with Reza Shah, there are a number of contradictory opinions about the level of British co-operation in his reign and recuperation in exile. On August 7th, Pyman minuted his frustration with the association of Britain and Reza Shah ‘who most people regard, wrongly as our mouthpiece’. Yet, if the official line was to deny any complicity in the rise and rule of Reza, FO staff were failed to fully toe the line. L.F. Pyman began to minute his concern over the handling of the Soviet allegations by Bullard’s delegation in Tehran. He confessed that the British government had failed to discredit links between Britain and Reza Shah. The argument, wrote Pyman, ‘in which we have excused ourselves so vigorously as to confirm any Soviet suspicions’ fortunately appeared ‘to be dying a natural death.’

Again, Britain’s pre-war imperialistic intrusion in the running of Persian affairs was to produce a legacy of exploitative deeds which the new Labour government was to find hard to paper over. Sayyid Zia’s support of the 1921 revolution against the Qajar dynasty had been achieved with British support. Britain had supported the Reza Shah dictatorship, despite his despotic tendencies, as British economic development in the Abadan oilfields was unrestricted. So when, after the war had ended, a Party was founded under Sayyid to provide an extreme right-wing opposition to the emerging Tudeh, it was difficult for the British delegation to deny complicity in the foundation of the Hizbih-I Iradih Milli (National Will Party).

Furthermore, there is evidence that suggests that the Foreign Office was courting the idea of setting up a rival Party to the Tudeh throughout 1945. This would indicate a British desire to influence Iranian politics to the point of breaching her 1942 Tripartite Treaty obligations. The most compelling example followed a disturbing meeting between the US Ambassador in Moscow, Averill Harriman, and the British Charge d’Affaires there, Frank Roberts, on September 13th. The US Ambassador believed that British policy was regressive in Persia and

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66 FO371/45433, Pyman Minute, 04.08.45
67 FO371/45432, Pyman Minute on Bullard to FO, 31.05.45
that she should not be sure of US support for her plans in the Middle East unless Britain showed ‘more evidence of our favouring serious reform’ and a stronger commitment to ‘defending smaller countries’.

Harriman asked, rather pointedly, whether Britain was ‘not making the mistake of backing the government in power however badly it governed and however little it carried out the radical reforms which were more necessary there than at most places?’ The British response assumed that the US were keen to look outside the establishment of Iranian politics, which had been characterised by a succession of weak-kneed administrations which made little use of the Parliamentary functions of the Majlis. Pyman was in no way dismissive of what he assumed to be a US plan to permanently alter Iranian politics. ‘If Mr Harriman’s criticism of our policy in Persia’, pondered Pyman, ‘means that he would like us to select one of the progressive Parties, finance it, organise it and incite it against its own government he should say so.’ Added to this, Pyman admitted to his frustration with more publicly digestible lines of British policy; ‘Short of this, I think we have done everything possible.’

Frank Roberts wrote to the FO a month later to outline the ever-growing scepticism with which the US perceived British policy in Iran and predicted that the US now wanted to see ‘an indigenous progressive movement which will offer a concrete alternative to Moscow and its stooges’, the Tudeh. Here again is an example of Foreign Office indecision that may, in part at least, have been attributable to the need to co-ordinate a joint Anglo-American policy in Persia. Pyman’s initial response to Roberts’ telegram was to repeat his belief that if the US desired to see a western-sponsored alternative, then they should be more explicit about it. Then, in his reply to Roberts, Pyman claimed that it would be immoral for Britain to offer ‘encouragement to any one such movement to the exclusion of others’, despite believing Sayyid Zia’s National Will Party to have a suitably ‘progressive programme’.

But what is more important than the actual fact of illicit British involvement is to understand that the Iranian people, through the medium of the Soviet press, were repeatedly informed of that involvement and of British liaison with a Party who were ‘notorious in Iran as and

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68 Fawcett, p 12
69 FO371/45435, Roberts to FO, 13.09.45
70 FO371/45435, Pyman Minute on Roberts to FO, 13.09.45
71 FO371/45435, Moscow to FO, 16.10.45
unconcealed paid agent of foreign powers and [who] systematically plot and conspire against
the People’s Party and the Trades Unions.\textsuperscript{73}

A further symptom of the situation in which the British found themselves in 1945 was the
suspicion with which the United States treated their supposedly closest ally regarding their
plans for Iran. As Pyman had indicated in connection with plans to support Sayyid Zia’s
party, the British were dependent upon the United States for both financial and political
support. Throughout 1945, the US retained its military presence in Iran with some 30,000 men
manning the Persian corridor and the Trans-Iranian railway which allowed for the passage of
crucial supplies to the USSR.\textsuperscript{74} Aside from this, the US remained the key players in a series of
missions designed to provoke economic development in Iran. Moreover, the US was in the
most advantageous position to extend its interest in Iran at the expense of her allies. US policy
was without imperialist undertones, and the Iranians, who associated both Britain and the
USSR with exploitative policies, considered the Americans trustworthier.\textsuperscript{75} Of course, US
policy in Iran may well in truth have been dictated by an equally selfish agenda as was British
planning. Yet as early as 1943, American planners were keen to plough a separate furrow in
Iran from the British so as to avoid lowering ‘our own prestige and share to some extent the
historical onus which is certain to attach to British action’.\textsuperscript{76}

By October, Bullard and other British officials in Iran were forecasting an increasingly
gloomy future for Azerbaijan and her neighbouring provinces. A telegram despatched from
Tehran on 21 October claimed that the Russians had begun to bore for oil in the northern
provinces, whilst Soviet troop movements in Azerbaijan, claimed the British Military Attaché.
‘hinted at a looming political move’.\textsuperscript{77} Bullard also began to doubt whether the Russians
intended to honour their commitment to withdraw from Iran along the guidelines established
at Potsdam. ‘Anything can happen in Persia’, admitted Bullard; a statement he based upon his
belief that ‘it is odd that Molotov has refused from mentioning March 2\textsuperscript{nd} (established as the

\textsuperscript{72} ibid, Pyman to Roberts, 16.10.45
\textsuperscript{73} ibid, \textit{Copy of New Times}, dated 30.09.45
\textsuperscript{74} Fawcett, p 108
\textsuperscript{75} Fawcett, p 108
\textsuperscript{76} SD891.00, Washington, 16.11.42; Fawcett p 114
\textsuperscript{77} FO371.45435, \textit{Military Attaché Report}, 30.10.45
date of withdrawal at the Potsdam Conference) as the date by which evacuation should come to an end. 78

Despite the foreboding of these predictions, British planners failed to re-direct policy to meet the Soviet challenge. Bullard and Howe exchanged a series of notes outlining frustration with the failure of British propaganda to counter the claims of the Moscow press in Tehran, yet there was no tangible sign of increased resolve within the FO. Bullard lamented the failure of the Reuters agency to make use of his frequent offerings to them. ‘I myself’, he complained, ‘devote much time to publicity from which Reuters benefits or might benefit but much of it is thrown away’. 79

The Tabriz Consul attributed Russia’s ‘arbitrary attitude towards Persia’ as being partly caused by the absence of Iranian news in the British press due to ‘crowding out’ by other major stories. 80 Yet despite the failure of the propaganda campaign, no other policy emerged to stiffen Iranian resolve or to indicate to the Soviet government that Britain aimed to hold fast in Persia. The Russians were clearly playing a clever game in Iran. Aware of British susceptibilities in the south and the weakness of the Hakimi regime without a strong message of support from the British, the Soviets realised that she could continue to poke and prod areas of weakness in Iran without fear of tough opposition. Molotov, in the lead up to the Moscow Conference, had determined to keep prodding until a threshold was crossed. His belief was that when a raw nerve was touched, Russia could safely climb down having attained most, if not all of her initial objectives in Iran.

When R.G. Howe, the Superintending-Under-Secretary at the Eastern Department, outlined his plan to confront the Soviet-inspired insurgence in Azerbaijan in late November 1945, several flaws had begun to undermine the British position. Firstly, the Atlantic Charter itself had become a potential tool for Soviet propagandists, who successfully claimed that Azeri ‘Democrats’ and Kurdish nationalists had the right to secede from Iran, which, under British guidance, had oppressed the ethnic minorities in its regions for decades. This made Britain’s

78 FO371/45435, Tehran to FO, 02.10.45
79 ibid, 20.10.45

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determination to ‘beat the Atlantic Charter drum’ to the Americans, with a view to ensuring their co-operation in opposing the Soviet inspired insurgence all the more difficult. Howe’s reaction to the continuing movement of Soviet troops in Azerbaijan was at least realistic. ‘If this movement continues’, Howe predicted, ‘it seems likely to lead to the secession of Azerbaijan.’ Howe based this view on his belief that ‘without wishing to be alarmist, I cannot help thinking that the Russians are playing the same game in Persia as they have been doing in Bulgaria and other countries in the Balkans and that we may soon be faced with the same sort of fait accompli in Persia.’

Howe planned to cajole the Persian government to send troops northwards. This was designed to invite Soviet forces to obstruct their path and to therefore confirm on an official level the suspicions of the world. In theory, and to Whitehall officials the plan made sense. However, Howe’s plan was crucially undermined by the low confidence of the Persian government and the suspicion of British conduct widespread in the US. The second of these factors became manifest days later when James Byrnes, the US Secretary of State, refused to commit himself to making a joint protest about the Soviet troop activity in Persia at the forthcoming Moscow Conference of Foreign Ministers. This rebuttal came despite the direct appeal of Foreign Secretary Bevin and paraphrased American concerns over the imperial reputation of her ally.

The short-sightedness of British policy in Iran was highlighted by the heightening of Anglo-US tensions in Iran, particularly between the respective delegations, at precisely the time when Russian troops threatened to force elections in Azerbaijan before the Treaty withdrawal date; the ultimate nightmare scenario which British planners had all year sought to avoid. Seizing upon the breakdown of Anglo-US co-operation, the Soviet Union was further able to apply pressure on the Hakimi regime in the capital with a view to installing a pro-Soviet regime in Tehran under the leadership of Qavam, who the FO believed to have been nursed by the Russians for over a year.

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80 ibid, 11.11.45
81 FO371/45435, Howe to Bullard, 19.11.45
82 FO371/45436, Halifax to FO, 23.11.45
83 FO371/45436, Bevin to Halifax, 21.11.45
It is worth tracing the decline of Anglo-US relations in Iran throughout 1945 to highlight just how obvious inter-allied tensions were to the Persians and, more explosively, to the Russians. At the outset of 1945, the US Department of State had claimed that its position in Iran was ‘permanent and ephemeral’ and that her objective was to ‘straighten Iran so as to enable the country to maintain internal order and so avoid weakness that invites foreign aggression’. Pyman approvingly minuted this report that ‘it really means that they intend, after the war, to take positive action with a view to strengthening Persian independence’. The enthusiastic response of the FO to the American resolve to support Persian independence underlined how crucial the backing of the US was to the British cause in Iran. But this level of harmony and mutual understanding lasted only a few months. A measure of decline came with the installation of Millspaugh’s former right-hand, Wallace Murray, as the US Ambassador in May 1945. Bullard attributed his appointment to his being ‘anti-British’.

However, through autumn 1945, Bullard’s uneasy relationship with Murray continued to emblematic of Anglo-American relations deteriorating on several fronts. The catalyst in this was an emerging conflict of commercial interests in Iran and throughout the Middle East, ostensibly centred upon the oil rush but also concerning commercial air rights. The former aspect was the culmination of several years of US policy, which necessitated the end of British hegemony in Persia and the relative decline of British influence throughout the Middle East. In February 1945, then Secretary of State Cordell Hull wrote that ‘From a directly selfish point of view, it is to our interest that no Great Power be established on the Persian Gulf opposite the important American petroleum department in Saudi Arabia’. US scepticism regarding British intentions in Iran first surfaced in January 1943 when a British expedition in the Middle East, which the FO claimed to be responsible for locust control, was found to suspiciously contain a number of geologists. Consummate with that episode came a parallel Anglo-American dispute over the US plan to build an air base at Dharahn to replace

84 FO371/45431, FO to Tehran, 27.04.45
85 FO371/45487, Squire (Kabul) to Baxter, 04.01.45
86 FO371/45432, Bullard to FO, 10.04.45
the smaller British bases in Bahrain and Abadan. Stettinius, of the State Department, informed the British Minister in Washington Sir John Balfour in autumn 1945 that:

-a covert contest which begins to assume unpleasant proportions is prevailing over air fields in the Middle East … unless this contest was brought to a speedy conclusion, the generally co-operative live-and-let-live attitude that characterised Anglo-American relations in the region would be superseded by a dog-eat-dog policy which, if continued, has possibilities we are not presently able to appraise. 89

Such a distinct warning of the strength of the American determination to counter-balance British dominance in the Gulf resonated throughout the Foreign Office. The Eastern Department first expressed its concern about the implications of the American stance during the Kavtaradze Mission, which has recently become considered as a counter-measure by the Soviet government in response to the simultaneous approach to the Iranian government by the American Sinclair and Vacuum and the British Shell oil companies for concessions in the south. 90 By October 1945, with failed bids to obtain oil concessions frustrating all parties and with future bids likely to be swayed by the amount of influence exerted by each government on the incumbent Persian administration, the US was clearly in competition with both of her war-time partners.

As Russian troops began to obstruct Persian military manoeuvres in Azerbaijan, Anglo-US co-operation was at its nadir. Britain had found herself in an unenviable and lonely position; confronted with a cadaverous Soviet delegation in Tehran and an unresponsive regime in Moscow, a staunchly anti-British US presence in Persia and a wavering Persian administration that stood at a political precipice with Molotov waiting to apply the terminal shove. One must though be careful to illustrate that Britain was palpable in causing Anglo-American discord. If one is to argue that the weakness in the western alliance, if such a thing existed, positively invited Russia to turn up the heat of the Iranian pressure cooker, one must first be sure of the level of British accountability in the weakening of the Anglo-American alliance.

89 ibid, p 314
90 ibid, p 320
Sir Reader Bullard defended the British government’s input into its relationship with the US in Persia by claiming that the ‘Best proof that we are not in favour of reactionary policies in Persia would be that we have always given strong support to American financial missions’. Bullard believed that Britain had remained loyal to her ally after the Stettinus talks of April 1944, which had agreed the basis of greater S economic penetration in historically British areas of concern, providing that British interests were not challenged. The US State Department, however, did clearly not share Bullard’s view. On October 18th, the US official McCloy submitted a report on his tour of the Middle East during which he had become increasingly frustrated with the direction of British policy and those who framed those policies. In response to a US bid to relieve Britain of some of her economic responsibilities, McCloy claimed that the United States ‘participation in operations such as these (for example the Millspaugh mission in Iran) can only serve as a stimulus to the British’. ‘In the long run’, he claimed, ‘Britain’s overall strength can best be retained in this way.’ McCloy suffixed a critique as to why British attitudes remained so hardened to US financial penetration; ‘I imagine that high British officials may realise this but the idea fails to reach traditionalists of the Army and Civil Service in the Middle East. These people are hardened by a series of individual cases and unless they are vigorously prodded invariably follow a sure instinct to stifle the slightest move by us in this region.’

But there is evidence to suggest that the good-intentions engendered by the Stettinus Talks were quickly undermined by the vagaries of the Anglo-American relationship. Bullard, one of the ‘old school’ McCloy was so keen to decry, realised the reality of the American perspective towards British policy in Iran. He claimed that in the US, critics of British policy would attribute her support of American Financial Missions to ‘a sinister resolve to use the

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91 FO371/45487, Bullard to Baxter, 02.10.45
92 FO371/45487, Halifax to Bevin, 18.10.45
93 Cook’s ‘Sources in British Political History’ (Oxford, 1994) describes Bullard’s career in the Diplomatic Service - Bullard, Sir William (1885-1976) Levant Consular Service from 1906. Military Governor, Baghdad, 1920. Minister, Saudi Arabia, 1936-39. Iran 1939-44. Ambassador, Iran, 1944-46. A contemporary US official described Bullard as ‘a real old-school British Middle East expert, with all the virtues and the faults that characterised that breed. He looked upon Iranians as grown-up children, not to be trusted very far but to be protected against themselves and guide in the way they should go. Needless to say, they should also be guided in ways that would protect British interests; that, after all, was what he was paid for’ (Cited in Kuniholm The Origins, p155 and Louis, The British Empire, p59
Americans as a catspaw against the Russians'.  

Bullard confessed that Persia was likely to be added to the number of countries where British officials are accused of obstructing Americans struggling to be top dog.

However, whilst US officials had their altruistic reasons for seeking the mutual retreat of Soviet and British influence in the Middle East, US economic self-interest was probably of equal importance. A memorandum emanating from the Department of Near Eastern Affairs in 1933 claimed that Iran 'was a country of outstanding interest from the economic viewpoint today'. And at the Head of that Department, from 1929 to 1939, was one Wallace Murray. Attacks on British policy made by Murray, Pepper, and McCloy should be treated with some scepticism. The direction of US policy in Iran is lost on the historian amidst a barrage of American high-mindedness and lofty ideals which, though admirable in principle, are rarely applied to the letter in the orchestration of international relations. One cannot accept claims made by US officials about British policy being 'imperialistic' or 'divorced from the principles of the Atlantic Charter' without establishing the level of economic self-interest hidden behind American rhetoric. It is just possible that, as Barry Rubin claims, behind US professed altruism lay a resolve to ensure that governments 'empowered' by self-determination eventually decided to grant concessions to their American godfathers. There may also be a case for arguing that the US secretly encouraged and covertly supported Mohammad Reza Pahlavi in his efforts to return Iran to autocracy and that consequently they little valued Iranian democracy in spite of their public declarations of absolute support. Historical scepticism must apply equally to British and American claims.

What is clear is that a concerted Anglo-US objection to the exponential rise of the Azerbaijani Democrat Movement in late 1945 may have been the only response sufficient to ensure the avoidance of the much feared fait accompli; Azerbaijani elections held whilst Soviet troops

94 FO371/45487, Bullard to Baxter, 21.07.45
95 FO371/45487, Bullard to Baxter, 21.10.45
96 SD891.00, Memorandum by the Department of Near Eastern Affairs to the Department of State, 18.03.33, cited in Fawcett, p112
97 Barry Rubin, Anglo-American Relations in the Middle East, 1919-1939, p 245 in U. Dann (ed.) The Great Powers in the Middle East (New York, 1988)
remained in occupation. Yet the FO’s response to the issuing of the ANC’s demands on 24 November 1945 was disorganised and owed little to Anglo-US co-operation. The Azerbaijani demands were cleverly phrased so as to avoid alienating international opinion. They called for political autonomy for Azerbaijan, but not for independence, and for the wider acceptance of the Azerbaijani identity and their unique Azeri language and culture. They asked for Azerbaijani deputies to remain in the Tehran Majlis and claimed that Azerbaijani taxes would continue to be sent to central funds. Bullard responded to the ANC proposals realising the extent to which public opinion had been swayed by the tone of Soviet propaganda and its intelligent allusions to the ideals of the new world order. The ‘Russians of course have had all the cards in Azerbaijan but they had played them well’ The ‘ANC Declaration is ingenious’, conceded Bullard, ‘with its talk of Democracy and its appeal to the Democratic Powers and the Atlantic Charter’.  

Yet Bullard’s claim that the application of the ANC proposals would ‘represent a base return for the services rendered by our Persian ally’ rings somewhat hollow when contrasted with his frequently disparaging tone regarding Iranian efforts at democracy. Bullard had, of course, claimed some years earlier that the British debt to Russia utterly overshadowed any debt to the Iranian people. And despite support for an Anglo-American policy in all areas of global policy from Foreign Secretary Bevin, the FO instructed Bullard to avoid approaching the US delegation to make a joint protest against Russian interference in Iranian affairs. Instead, Cadogan instructed Bullard to ‘insist that the Persian government be allowed to conduct their own affairs without interference’; thereby leaving Azerbaijan defenceless against the forces working furiously inside her and Iran essentially without foreign support against Soviet intervention.  

To summarise the period up to the publication of the ANC proposals, the historian has to attempt to make thin brushstrokes with a thick paintbrush. There are indications in Foreign Office documents and in many of the historical works referenced above that Britain was complicit in a number of plots which would have run contrary to the post-war watchwords of

99 FO371/45436, Bullard to FO, 24.11.45  
100 FO371/45436, Bullard to FO, 24.11.45
democracy and self-determination. There is certainly evidence to suggest that British policy in Iran failed that country and jeopardised her chances of forging a path based upon parliamentary democracy that Iran had managed to preserve throughout the occupation. Whatever the reasons for the failure of the British Foreign Office to forge closer links with the Americans in Tehran and to mount a successful retaliatory propaganda campaign against the Soviet Union in 1945, a golden opportunity had been missed to establish the purity of British purpose in the Northern Tier. This suggests that the FO held the motivation not to be ousted in the southern and central area of Iran and to secure that territory for British purposes, whatever the price to be paid to the Russians in the north. One should remember the significance of the Middle East to the British, best summarised in the words of Bevin’s biographer, Sir Alan Bullock:

The USA would now replace them as the leading non-Asian power in the Far East and the Pacific. But the Mediterranean and the Middle East were a different matter. Britain’s role in that part of the world was of such a long standing that it was taken for granted by most Englishmen as part of a natural order, a belief confirmed by the effort the British had put into its defence during the war as the main theatre of British operations up to the invasion of Europe.102

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101 FO371/45436, FO to Tehran, 25.11.45
The disturbing developments in Iran in the latter half of 1945 had illustrated to many observers the decline in British influence in the Iranian political circles, in the Middle East in general and, in association with a number of other factors, had underlined her decline as a Great Power. Despite the emergence of Ernest Bevin as one of Britain’s most celebrated international statesman, Britain had found herself increasingly alienated from the Soviet Union and shell-shocked by the pace of developments in the post-war era. Nothing illustrated that fact more starkly than the division of British and American policy in the Middle East and, in particular, the diverging attitudes towards the role of the United Nations in the capitalist world’s opposition to what was becoming a clear challenge posed by the Soviet Union to the Northern Tier; Iran, Turkey and Greece. The Soviet government had become impassive in its attitude towards Tehran and would settle for nothing less than a monopoly over northern Iran and a controlling stake in the government of the south. Their sponsorship of the Azerbaijan Democratic Party (ADP) and the Tudeh represented an unmistakable challenge to Iranian integrity and afforded Stalin the opportunity to undermine the British position in Iran using the exploitation of Persian labour by the Anglo-Iranian Oil Company as their principle justification. The British position was becoming increasingly untenable, leaving the United States as the chief confidante of the desperate Iranian governments of Hakimi and Qavam.

This section will illustrate the shortcomings of British policy in Iran throughout 1946 resulted in not only divergence from the crucial American position but also in the dislocation of the A.I.O.C from the mainstream Iranian political consciousness. Within six years of the end of the war, Britain would abandon Abadan - defenceless against the forces of Iranian nationalism, which Bullard and his cohorts had so frequently disparaged and dismissed.

The year began in the wake of the frustrating Moscow Conference of Foreign Ministers (MCFM), attended by Jimmy Byrnes, Molotov, Bevin and their ever-increasing entourages. American policy at this time was firmly entrenched in the second of Barry Rubin’s three phases of development, typified by a perception of Russia’s grizzly objectives and of Britain’s diffidence but unconvinced of the extent to which US policy was capable of altering the seemingly inexorable tide towards Soviet domination. American policy was based upon the
briefing memorandum prepared for Byrnes by Loy Henderson, the post war Director of the Office of Middle Eastern and African Affairs. His advice was to urge moderation, to promote compromise and to advertise the primary US goal of Iranian integrity and unity. The US should, argued Henderson, push for complete and immediate troop withdrawal with a spin-off compromise for the Soviet Union of access to the oil resources of northern Iran. The region, claimed Henderson, was ‘a logical area for the development of petroleum for exportation to the Soviet Union’.

Henderson felt that the Iranian government would also find consolation in the American definition of ‘sovereignty’, which included their right to refuse the Soviet concession. Although Barry Rubin is critical of this phase of US policy in that it did not offer sufficient guarantee to the Iranians against the Soviet backed insurgence in Azerbaijan. Henderson’s brief and the resulting US attitude at the MCFM at least delineated the assumption by the Americans of the policeman role in Iran.

The fall out of the MCFM was unsatisfactory. A British proposal that a tripartite committee be established to negotiate a settlement to the Iranian situation found limited support from the US. However, Molotov failed to concede that external intervention was required, and found ample diplomatic shelter behind his claim that were he to permit Iranian troops to the northern provinces they would be able to sabotage Soviet assets in the Baku region. Byrnes, in his memoirs, described this as ‘the weakest excuse I ever heard him make’. The Americans left Moscow as cynical as ever about the Soviet Union’s intentions and resolved to harden their line through the new systems of international arbitration enshrined in the UN. The Russians believed that they had diplomatic law on their side in the shape of the 1921 Soviet-Iranian Treaty, which allowed Soviet troops to occupy northern Iran if Russian interests were threatened. Nobody was convinced that Russian troops would withdraw or would not further incite the indigenous army. As the Foreign Ministers flew back home after a rather sombre Christmas, the Iranian situation appeared destined for peril.

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103 Henderson to Byrnes, 11.12.45, 891.00/12 - 1145
104 James Byrnes, All in One Life-Time (New York, 1958) p165
105 DBPO 1, 2, No 308, pp748-55, Record of a Meeting between Bevin, Clark Kerr, Cadogan, Stalin and Molotov, 19.12.45
Whereas at various stages in this paper the British government has been criticised for failing to act decisively at crucial times, the MCFM was clearly not such an occasion. The Tripartite Committee comprising British, Soviet and US officials was proposed by Bevin on 19 December; the only time at which the thorny but relatively speaking minor issue of Iran was raised. British calculations of American policy were though inaccurate. Bevin confided to his inner circle that he doubted that the US would take the lead at Moscow on the Iranian situation. He felt that the matter would need to be kept outside of the UN, which he considered unready for such a challenge and instructed Bullard to discourage the Iranian government from making an appeal without Great Power backing. Bevin asserted that the Tripartite Committee would result in an increased British influence compared with discussion in the United Nations Security Council and would ingratiate him with the US, whom he felt were also opposed to recourse to the infant UN. This was a crucial error in judgement on the part of Bevin and his officials. Byrnes' assertion on 4 January that Russia will not play on [the] tripartite commission came as a hammer blow to the FO, who reacted with incredulity. Byrnes insisted that the Persians be allowed to appeal to international arbitration, effectively leaving the British proposals dead in the water. 106 Wallace Murray, the Ambassador in Iran and, since his days as head of the widely conceived anti-British Division of Near Eastern Affairs (DNEA), a critic of British policy in the country, reported that the British aimed at a ‘deal leaving Soviets [a] free hand in north while they consolidate British position in south’. 107 The US and Britain had moved one further step apart and once again the British attitude appeared to savour of the self-serving motivations for which they were renowned in Iran.

The situation in Iran was to provide the United Nations with the first test of its resolve and also of the commitment of its members to make the organisation work. The new British Prime Minister, Clement Attlee, urged colleagues to ‘make the success of the UNO the primary object of their foreign policy’. 108 However, several historians have cast doubt over the level of British commitment to the organisation when issues with a direct bearing upon British interests were mooted as candidates for UN consideration. The Iranian example is certainly one which has been used to illustrate indifference towards the UN at the highest levels of the

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106 FO371/52661, Halifax (Washington) to FO, 3.1.46
107 FRUS 1946 VII, Murray to Byrnes, 10.1.46, pp 299-301
British establishment. In January 1946, the Foreign Office was prescribing to the tortured Hakimi administration the inadvisability of a complaint to the UN. Under instruction from the Eastern Department, Bullard explained to the Iranian government that ‘the filing of [a] claim would probably embarrass the infant UNO without bringing Persia any satisfaction in the end’. The United States, argues Louise L’Estrange Fawcett, were harbouring grave reservations about the British reluctance to report to the Council. She claims that postponement was borne out of ‘the American belief that the selfish pursuit of its own interests still motivated British policy’. Bullard himself noted that ‘it would be most unfortunate if ... the impression which is already prevalent be intensified that the British are lukewarm and desirous merely of protecting their influence in the south’.

However, it is uncertain whether British policy makers disapproved of an Iranian appeal upon the basis of self-interest, believing that a deal could be reached with Molotov to assure the continuation of British interests, or due to a fear that the UN-route would prove ineffective in satisfying either Iranian or international expectations. In early 1946, frustrations with the Iranian Prime Minister Hakimi, whom Bullard described as being ‘in a mental fog’ and with the ‘naïve’ Americans contributed toward an uncertain air within the Eastern Department. The waiting period which followed the British proposals for the establishment of a Tripartite Committee of Enquiry only served to heighten those frustrations. Indeed British policy in Iran during the early days of 1946 appeared to be based on no fixed agenda and was reactive rather than pro-active in its dealings with the US, Iran and the USSR.

At Potsdam, Bevin had claimed of the Middle East that ‘Britain’s role in that part of the world was of such a long standing that it was taken for granted by most Englishmen as part of a natural order’. He was adamant that despite the imminent setting of the sun on parts of Britain’s global Empire, the Middle East should have remained under British influence. And yet by late 1945, Bevin and the Minister for Fuel and Power, Emanuel Shinwell, hit upon a

108 DBPO 1,7, Annex to No 82, Letter from Sir A. Cadogan (New York) to Mr. Bevin, 23.09.46.
109 FO371/52661, Bullard to FO, 04.01.46
110 Fawcett, p.115
111 FO371/52661, Bullard to FO, 04.01.46
112 Descriptions offered in FO371/52661, Pyman to Halifax, 05.01.46
113 Bullock, Ernest Bevin, p.113
plan to encourage US commercial penetration in the Middle East simultaneous with the ‘United States accepting greater political responsibility in the Middle East’. The charge against British policy makers is that no clear direction came from the top. Also the coordination of Anglo-American strategic method was disjointed and tarnished by a history of imperial entanglements from which British planners failed to disassociate themselves.

But there were clearly factors other than a concern for the economic repercussions of disruption to the Abadan resource affecting British policy. One was clearly an acknowledgement in the FO that the British troops in Iran up to March 1946 were in no position to oppose the Soviet Union’s troops in occupation or the war-ready Red Army who sat watchfully across the border. In December 1945 5,000 British troops sat resident in the south western region and in Tehran comparing unfavourably with the 30,000 Soviet troops in Azerbaijan alone. It was this fact that guided British policy towards two crucial decisions in the first three months of 1946; that troops should be withdrawn on a unilateral basis if required but as per the Anglo-Soviet treaty obligations in the worst case scenario and that conflict with Russia in Iran was not an option. Yet this does not explain the British government’s failure to realise that the only road to salvation for their interests in Iran and in their hopes of placating the Soviet Union lay in the stiffening of the American resolve to see international law prevail in the Middle East.

What does explain the British government’s miscalculation of American resolve? W.R. Louis has argued that one consideration may have been jointly held Anglo-Soviet scepticism about America’s staying power. Many senior figures in the FO, especially those who believed that the US intended to return to its policies of isolationism, believed ‘America’s enthusiasm for the principles of the United Nations to be ephemeral’. R.G Howe prepared a brief towards the end of January in which he argued that the British should not take the lead in the UN as this would result in the United States allowing Britain to do all the work. Howe, expressing very real doubts about the future direction of US policy, doubted both the American

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114 CAB 38 (45), Minute of Cabinet Meeting, 04.10.45
115 W.R. Louis, The British Empire, p70
116 Louis, ibid. p71
commitment to the UN and their desire to see the Iranian situation referred to it. However, a more persuasive argument for the underrating of American resolve lay in the misjudgement of both the frustration of the United States with British policy and the increasing value attached to American economic and political plans for Iran and the Middle East in general. Earlier Chapters have dealt with the evolution of American scepticism concerning British intentions even during the war. The State Department, and the DNEA in particular, had developed a distrust of and opposition to the continuation of British imperial policies, especially in Palestine but also in the Northern Tier and elsewhere. British planners had to contend for the first time with an assertive US influence in foreign affairs and it weighed heavily upon them.

Nowhere is this scepticism about US involvement in what had traditionally been considered British domain more evident than in the FO's attitude to Wallace Murray. Murray had been the Head of the DNEA between 1929 and March 1942, after which he succeeded to the influential role of Presidential Advisor on Political Affairs. As part of the former role he had acted as Deputy to Arthur Millspaugh, whose plans for economic reform in Persia have been discussed. The FO had throughout the war looked upon Murray as a nuisance and as being jaundiced against British imperial policy. An FO minute by Hubert Young claimed that 'Everyone who has had to deal with Mr Murray, in Persia or in Washington, seems agreed that he is a hopeless case ... We must overcome him by force of argument and even, I think, by pulling his leg and making his Division look a little silly'. Considered an ideal man to make the American case in Iran, Murray was appointed US Ambassador in Tehran in May 1945. Bullard continued his criticism in a familiarly eccentric format: 'I should have liked before I retired to meet as American representative here one of those executives of few words and speedy action that are sometimes seen in films'. Murray was considered a joke, a man whose views should be ignored in consideration of British-Iranian policy and, if necessary, ridiculed. In reaching this conclusion, although conceding that one has no personal experience of Mr Murray's character, it appears staggering that British officials could so underrate the importance of Murray's position; the US Ambassador in Tehran, who had the ear of the President, must surely have a role in the development of American Middle Eastern policy?

117 DBFO 1.7, No 8, Brief by Mr Howe, 22.1.46
118 Young minute on Campbell (Washington) to FO. cited in Rubin, The Great Powers, p23
This type of condescension towards US officials, whether justified or not, is symptomatic of the British superiority complex in Middle Eastern affairs and should have received short shrift from senior officials, who had realised that British policy could only be made practicable with the support of the United States.

Isolated from US political and popular opinion, Britain pressed on with her policy of non-intervention on Iran's behalf. Consequently, Howe instructed Bullard to advise Hakimi against raising their own case to the UN on the tenuous grounds that 'Persia is so sure of the justice of her case that she willingly forewent this opportunity confident that if she wished to raise the question later she could secure the necessary support'. To outside observers, the Tripartite Commission proposals, which Britain continued to back, and which included the establishment of Provincial Councils, would only serve to strip the Majlis of its power and reinforce pro-British administrations in southern regions. Fawcett claims this to be 'tantamount to a spheres of influence agreement with the Russians'. US officials were certainly furious that the British government found reason to advise against appeal, claiming even the remotest of hints at a spheres deal would 'savour too much of [our] past attitude towards Germany’s victims'; past attitudes embodied by Churchill's 'Percentages Deal' with Stalin over Eastern Europe or, more starkly, of Chamberlain’s policy of appeasement. A failure to report the issue to the UN would, claimed the State Department, 'cast serious doubts on intentions of our two governments to abide by their undertakings as members of UNO and would therefore be a blow at the authority of the UNO itself.' Bevin, Halifax and other senior FO officials were painfully slow in realising that the Tripartite Commission’s proposals were dead in the water after the US had expressed doubts about their efficacy. Bevin’s claim that an immediate recourse to the UN would 'have wrecked any chance of Russian acceptance of the proposal for a tripartite commission' was therefore superseded by both the American and Iranian rejection of the policy. Britain alone stood behind the proposals and FO officials

119 FO371/45487, Bullard to Baxter, 21.07.45
120 FO371/52661, FO to Bullard, 09.01.46
121 Fawcett, p126
122 The story goes that Churchill presented to Stalin in Moscow a piece of paper with a list of eastern European states, by the side of which were two figures detailing the relative level of British and Soviet influence he expected in the post-war period.
123 FO371/52661, Lord Halifax to Foreign Office, 03.01.46
124 DBPO 1.7, Calendar to No 2, Bullard to Bevin, 04.01.46
appeared mistakenly convinced that their support alone was sufficient to bring the Commission into being.

The forced reorientation of British policy in the wake of the collapse of the Tripartite Committee plans was undermined by unpreparedness, by Britain’s historical reputation for self-interest and by her failure to comprehend that the US had begun to dictate the direction of western policy. Britain had already gone a long way towards alienating the US over the Iranian issue despite an agreement within the FO that British policy should have been based on Anglo-American co-operation. As Ritchie Ovendale asserts, British economic dependence upon the US made a watertight co-ordination of policy the primary objective of British policy.125 And yet through a failure to support the Iranian appeal to the UN and through the continued promotion of British interests in Iran, British planners succeeded only in playing into Russian hands. The Hakimi administration, which had tottered on the brink of collapse throughout autumn 1945, fell in mid-January as the indirect result of increasing Soviet influence in Tehran. So with Azerbaijan in the hands of the ADP and the allegedly pro-Russian Qavam Al Saltana installed as the new Persian Prime Minister, Russia appeared to hold many of the winning cards. Bullard conceded that it was possible that ‘Soviet military and political pressure will secure [a] Government subservient to Russia’, it was a veiled admission that initial British policies had failed to achieve their objectives.126 The way was now clear for a redirection of policy and a general reassessment of Anglo-Soviet relations in the Middle East and beyond.

One of the most influential figures in the re-evaluation of Anglo-Iranian and more specifically Anglo-Soviet relations was the Chargé d’Affaires in Moscow, Frank Roberts. Roberts communicated his view on the Middle East situation on 16 January. Iran, he claimed, was one of a number of countries which the Soviet Union considered to be ‘client states’ of the British empire ‘which provide, in the Soviet phrase, springboards for aggression against the Soviet

125 R. Ovendale, The English Speaking Alliance: Britain, the United States, the Dominions and the Cold War 1945-51 (London, 1985) p57
126 FO371/52661, Bullard to FO, 21.01.46
Union’. Roberts predicted that any Soviet move towards expansionism would most likely come along its vulnerable southern border, which included Iran. This would be achieved with the justification of ‘a sense of mission bringing western civilisation and material progress to the backward peoples of central Asia’. The covert-sponsorship of Azerbaijani separatism was, claimed Roberts, an illustration of the Soviet intention to employ ‘Sudetan tactics’; the laying out of the grievances of minorities with the long-term intention to absorb the area in to the Soviet orbit. It was a grim, frank but alarmingly accurate prediction of future Soviet policy throughout the world but also a reflection of the tide of events in Iran. Roberts wrote to Sir Christopher Warner, the Head of the Northern Department which shaped British-Soviet policy, on 14 January 1946 that Azerbaijan was being directed towards nothing less than autonomy under Soviet supervision, whilst the main body of Iran was to be railroaded away from British imperialist hands. ‘The essential principle in regard of neighbours of the Soviet Union’, wrote Roberts, ‘was that the Soviet Union has spilt too much blood in this war to permit anti-Soviet regimes to be established on its flanks’. Despite his rising star in the FO, Roberts’ warning failed to force immediate stiffening in the British resolve to confront the Russian insurgence in Iran. Pyman, unrepentant and dismissive, minuted Roberts’ telegram thus:

the Soviet government are merely out for spheres of influence and the longer we delay agreeing with them the less will be our own sphere of influence.

Pyman therefore conceded that British policy in Iran was operating on two levels. The first was an attempt to make practicable the ideals of the Atlantic Charter through inter-allied co-operation in Iran directed towards the reconstruction and reinforcement of Iranian democracy, supplemental to a reforming British presence through the auspices of the A.I.O.C. However, the failure of the Soviet government to play by the rules, coupled the weakness of the British position engendered by her imperialist reputation, forced the devising of a second plan. This was the re-division of Iran into spheres of influence, allowing Britain the opportunity to

127 FO371/52662, Roberts to FO, 16.01.46
128 ibid.
129 FO371/56830, Roberts to Warner, 14.01.46
130 Pyman minute on ibid.
salvage at least its economic interests in southwest Iran. The key question for the FO was which of these goals was considered the more important?

However, observers also articulated suspicions about the changing tone of the British attitude towards the Iranian complaint to the UN. Despite Sir Alexander Cadogan’s definition of the British role at the UN as ‘seekers after truth’, some believed that political motivations lay behind the decision to endorse the appeal. In an important brief on the reversal of the British attitude, Howe described how any loss of face on the British side resulting from an unsuccessful unilateral anti-Soviet policy would cause a fatal injury to British prestige in the region. It was principally as a result of this fear that Howe expressed his ‘interest in internationalising the problem’. Howe’s logic ran that if an appeal about Soviet conduct in northern Iran were to come from Iran or the US rather than from the UK delegation, then suspicions of British self-interest in the appeal would be less prevalent with the ten other member states on the United Nations Security Council. Conversely, a non-British appeal would ‘avoid giving the other members of the council the impression that the problem is an Anglo-Russian one and not Perso-Russian one at all.’ The decision of the United Nations Security Council to allow bilateral Soviet-Persian negotiations with the understanding that the council could reconvene to discuss the matter at any time was a devastating blow to anti-Soviet elements in Iran. For Britain though, the lack of alarm voiced in response to this decision reflected a sinister under-current. This was at least in part due to the fact that whilst Iran was forced to discuss the reversal of the Mussadiq Bill and the granting of a Perso-Soviet oil concession, UK companies too were able to explore the possibilities for further expansion in Iran.

A chronology of events surrounding the Perso-Russian discussions of February 1946 highlights the British interest in extending oil rights in Persia. Following the failure of the Kavtaradze Mission in late 1944, the British government put on the back burner plans to push for a further concession from the Iranians to the Shell Oil Company. It was diplomatically

131 DBPO 1.7, Cadogan Minute, 23.01.46
132 ibid, Howe brief for UK delegation to United Nations Security Council, 22.01.46
133 The five permanent member states were the UK, US, USSR, France and China. The six non-permanent members elected for the opening session were Australia, Brazil, Egypt, Mexico, the Netherlands and Poland.
impractical to continue negotiating after the Soviet government had received a considerable public rebuke by Mussadiq and his nationalist cohorts. However, the Ministry of Fuel and Power privately advocated an enquiry into extending British interest in oil beyond the limits of the A.I.O.C. The Department believed that denying Russia any concession in the north would have the effect of increasing Soviet interest in the south where Britain had a practically free hand since 1919. Their unoriginal answer was that ‘...if means could be found for an amicable negotiation, resulting in the granting of a concession to Russia at the same time that the Persians grant a concession to Shell, one would have thought from the point of view of British interests in oil, that such a solution would have much to recommend it.’\(^{135}\) In short, the Ministry of Fuel and Power favoured the balancing of Soviet interests in the north with further British investments in the south with a view to satisfying the economic aspirations of the Soviet Union; a spheres of influence deal.

By March 1\(^{st}\), 1946, the Ministry of Fuel and Power had their wish granted when FO officials granted permission for the Shell Oil Company to re-open negotiations with the Iranian government, left dormant since October 1944. The plan was to counter the expected granting of a Soviet concession in the north with both the new British concession and, it later emerged, with a parallel US concession.\(^{136}\) This was the culmination therefore not only of Bevin and Shinwell’s meeting in late 1945, but also in a sense of the FO’s plans during the Kavtaradze Mission and the Stettinus Talks of April 1944.

This emphasis on the importance of oil adds a great deal of substance to the post-revisionist school’s argument that this factor was the most important for the British government in determining its Iranian policy. This has been the contention of the leading lights in Middle Eastern Cold War history, including Gary Hess and Bruce Kuniholm for whom British policy was geared towards securing the prizes of Abadan.\(^{137}\) the British outlook was Yet this view

\(^{134}\) op cit.
\(^{135}\) FO371/40241, Ministry of Fuel and Power to FO, 10.10.46. Cited in Fawcett, p 158
\(^{136}\) FO371/52663, Minute by Mr Baxter, 09.03.46
ignores the timing of the British policy shift of March 1946, which coincided with Stalin insisting that the new Persian PM Qavam be brought before him in Moscow and mercilessly bullied in to granting him a concession. On the very day before the deadline for the withdrawal of Soviet troops, Pyman wrote that the US should seek a concession in Persia and that Shell, a British company based upon Middle Eastern oil, combine in any prospective US bids.\(^{138}\)

The USSR was in many ways the most proactive player in the early years of the Cold War and, in northern Iran at least, the single most important influence over the course of the Iranian Crisis. Bullard claimed that ‘from the action of the Russians in Persia since August 1941 and from what we have seen of their policy elsewhere, that they intended from the beginning to utilise the presence of their troops to establish their influence in North Persia for good’. Their policy, claimed Bullard was to use ‘every means to weaken the influence of the Persian government in Azerbaijan by interference in the civil administration’ and to subsequently secure autonomy for the northern province.\(^{139}\) Fawcett claims that in the eyes of the British government, Soviet policy during the war fell in to two distinct phases. The first was delineated by the beginning of the occupation and the German defeat at Stalingrad during which Soviet policy in Iran was limited to what the British labelled ‘passive obstructionism’.\(^{140}\) This period was characterised by the kind of nuisance value interference which Bullard complained of bitterly after the war but which he saw no reason to make an issue of during the joint-occupation.\(^{141}\) The second period was typified by an upturn in aggressive intent in the Soviet attitude towards Iran as demonstrated by the Kavtaradze Mission, the launching of the anti-British propaganda campaign and the sponsorship of the ADP and Tudeh parties.

The Soviet Union was motivated in its Iranian policy by many diverse factors but in many respects their ambitions ran parallel with the British; the separating factor was their method. D’Arcy’s capture of the Iranian oil concession at the beginning of the Century had robbed

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\(^{138}\) Fo371/52265, Bullard to FO, 1.3.46  
\(^{139}\) FO371/52664, Bullard to FO, 15.03.46  
\(^{140}\) FO371/27154, Tabriz to FO, 07.09.41. Cited in Fawcett, p 85  
\(^{141}\) FO371/45432, Bullard to FO, 11.07.45
Russia of what transpired to be an astronomically plentiful source of fuel, in a neighbouring country that fell naturally into the Soviet sphere. Moreover, the area south of Batum and Kars on the Soviet’s vulnerable southern flank was not only oil rich. Molotov and his military advisors also considered this region to be the most likely centre of a western assault upon the USSR. The vulnerable oil producing regions of Batum and Baku were expected to produce two-thirds of all Russian oil and had been proven vulnerable after Allied plans to destroy the Caucasus oil fields had been leaked by the Germans in early 1940. The region was perhaps the most crucial source of energy in the Soviet bid to begin to recover from the physical devastation of the eastern war. Thus, Stalin may have been sincere in December 1945 when he told Allied Foreign Ministers that Soviet troops had to remain in Azerbaijan to guard against sabotage directed against Batum from Iranian nationalists. Molotov claimed that ‘a man with a box of matches could cause serious damage’; an argument ridiculed by Byrnes and generally derided in the FO. Molotov had a point when, in mid-January 1946, they cited the 1921 Anglo-Persian Treaty which allowed Russian troops to occupy northern Iran if a threat was posed to Soviet security; international law ironically worked in Stalin’s favour. Soviet conduct may therefore be characterised by a cadaverous streak which had been intensified by the success of their policies in Eastern Europe. Stalin’s ploy was to force negotiations with the new Prime Minister, Qavam al-Saltana under duress whilst Soviet troops were in occupation and, as Bullard described, to ‘get him to Moscow in order to screw some promise out of him’. There is no doubt that Russian methods in Azerbaijan were underhand and selfishly motivated. However, it is fair to conclude that Soviet policies were also encouraged by a genuine fear of a Perso-British threat from the south and by a sense of injustice; which was to an extent the result of inter-war British policy in Iran. When, in February 1946, Stalin finally managed to confront Qavam in Moscow, his demands were for a joint Perso-Soviet oil company in the north, for air transportation rights and for a port at Pahlavi. The USSR, whilst encouraging minority groups in Azerbaijan, actually only ever advocated autonomy for the region and not separation. Through clever politicking and by outflanking British efforts to expose her hidden motives, the Soviet Union managed to disguise her conduct. Outside of the

142 Lawson, p158
143 FO371/52662, Extract of a Conversation between Bevin and Molotov, Moscow, 19.01.46. Cited in Bullock, Bevin, p207
144 FO371/52664, Bullard to FO, 03.02.46
United States and Britain, many people accepted Russia's apparent attempt to create a defence-mechanism against potential western aggression.

Seemingly absolved of their traditional instinct towards isolationism, the United States had become an ever-more active player in the Middle East since the end of the Great War. The financial and religious missions described in previous chapters coupled with a growing desire to obtain overseas investments represented the level of US interest up to the next global war. However, commensurate with the presence of American troops in occupation came an ever-growing resolve to see a more tangible reward for their efforts in Iran. The State Department believed that 'The United States is the only nation in a position to render effective aid to Iran'. But furthermore, they also ardently believed that 'Only we can restrain Britain and Russia', showing that US interests in Iran could only have been enhanced through the progressive discredit of her competitors. As Fawcett argues, Roosevelt's decision to add the US' name to the Allied Declaration on Iran in 1943 'was less a reflection of allied solidarity than it was a demonstration of the administration's conviction that the US had a vital and permanent stake in Iran's future'. And despite F. D. Roosevelt's conviction that he was 'rather thrilled with the idea of using Iran as an example of what we (the United States) could do by an unselfish American policy', several of his advisors had a markedly different view of Iran's value to the United States.

The first indication of this came during the Kavtaradze Mission when the US had acted in conjunction with British authorities in seeking a parallel settlement to the expected granting of a Soviet concession. US officials defended their interest through claiming that the Sa'id government actually approached the US to bid for a concession to counter-balance Soviet interests. However, as with the British, the American's repeatedly high-minded, idealistic statements of support for the new world order was not matched with the expected high-level of active commitment. Parallel with the rising level of US commercial interest came a growing awareness that any advantage accrued in Iran would need to be reinforced by the support of an Iranian administration that was sympathetic to America.

145 FO371/52663, Bullard to FO, 18.02.46
146 Fawcett, p117
Habib Ladjevardi has gone so far as to argue that elements within the US government secretly abandoned its principles concerning self-determination and democratic renewal over Iran and sought to return the country to autocratic rule in the interest of US economic gratification.148 By December 1944, only a month after the Kavtaradze Mission, US Ambassador Averill Harriman had come under pressure to promote a return to power of the disempowered Reza Shah. An official close to Harriman wrote at the time that ‘Iran, like a small child, needs a strong governing hand until education has done its work, political consciousness has developed, and a group of properly trained public officials been established.’149 And that guidance, the US delegation believed, would have been better to come from one figure under US influence than from the Majlis, where rogue pro-Soviet or pro-British elements might have placed unwelcome obstacles in her path.

There is, though, insufficient evidence to conclude that had become an established goal of US policy. US State Department support was far from absolute and most officials appeared to be ready to support any Iranian leader who could fulfil America’s primary objective; ‘to prevent one more country from falling completely into the Moscow orbit’.150 This aim was uppermost in American thoughts when the elderly Qavam alSaltana was being touted as Hakimi’s successor as Prime Minister. The US chose to disregard repeated British warnings about Qavam being pro-Soviet or and trusted their own judgement that ‘if anyone can steer this ship of state through the dangerous waters it is now traversing, Qavam is the most likely instrument for the purpose’.151 Qavam was a figure of the Iranian establishment to whom hard-liners were attracted. So Ladjevardi’s argument runs in to difficulties when the basic question is asked: if America had resolved to restore an absolutist ruler, why back a parliamentarian, a democrat?

American commitment in Iran hardened around the desire to oppose a Soviet fait accompli and to promote US investments, both standing and future in Iranian oil and elsewhere in this

147 SD891.00, Washington, 12.01.44
148 Ladjevardi, p 239.
149 Cited in op cit. p 227
150 Cited in ibid. p 231, Quoting US Ambassador Allen, 06.06.46.

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delicate region. But the method of achieving this aim sent shockwaves through Whitehall; the US, for the first time in time of a major post-war crisis, had resolved to 'go it alone'. Uppermost in the minds of policy makers was a belief that to act in line with the British government would discredit any policy that claimed to be based upon the altruism which Roosevelt had wished to see employed in Iran. As Secretary of State Jimmy Byrnes was at pains to point out to his Ambassador in Tehran, 'American policy should not be based upon the same principles as that of Britain or the USSR'. With the eyes of the world momentarily fixed upon Iran and with the efficacy of the UN placed under the microscope of public opinion, Byrnes stiffened in his resolve 'that... no one should obtain a false impression that our determination to carry out our obligations under the Charter and the Iran declaration has been influenced in the slightest by a selfish interest on our part in Iranian petroleum.'

This conviction, shared by Byrnes, Roosevelt and later Truman failed to disguise the fact that commercial interests remained another motivation for many in the United States. The expansion of the economic and financial missions during the war, the endorsement of the Tripartite Treaty and the continuous pressure from US companies to obtain an oil concession are evidence of this. However, a distinction should be mad between British and American commercial ambitions. The Abadan refinery and its complementary oilfields were absolutely crucial to Britain's post-war recovery; a factor considered to be of longer-term value to the British government than a respect for the British mandate in the United Nations. The United States, by contrast, held as it's primary objective the strengthening of pro-western elements in Iran to the extent that she would not become an open sore in US-Soviet relations.

Britain had become marginalized in Iran; a region in which she had enjoyed a virtual financial monopoly since the 1907 Anglo-Russian agreement. As a result, the Anglo-Iranian Oil Company, the single largest overseas investment ever made by British government and business, stood on the brink of implosion. Lacking US support when she most needed it. facing the grant of a Soviet concession in the north and a direct threat to the Abadan fields

151 Cited in ibid. p 231, Quoting US Ambassador Allen, 06.06.46.
152 FRUS (1946), vol. VII. p 378.
153 Ibid
through the rise of the Tudeh Party and its Trade Union adjutants, British policy began to take upon a desperate complexion.

The direction of British policy shifted with a realisation that by prolonging the occupation of Iran, advantage would be accrued by the power with the largest force in occupation and the closest physical proximity; the Soviet Union. 154 With the question of Azerbaijan now under the scrutiny of the UN, Bullard believed that Russia would press the new organisation to see the justice of her case; namely that in the face of a global shortage of petroleum, the Soviet Union had an unanswerable right to exploit Iranian oil. On the advice of Bullard, Bevin redirected British policy on February 5, 1946. All British personnel were to be withdrawn before the Treaty withdrawal date of March 2nd so as ‘to give the Russians no excuse on that score’. 155 Bevin’s hope was that the Russians would have been shamed into withdrawal and that this would allow British influence in Iran to solidify in the resulting period of relative calm. Bevin placed such emphasis on this move that he told Attlee that ‘there must be no possibility of things going wrong’. 156 This was to be Bevin’s ultimate gamble. Unfortunately for the Foreign Secretary his senior officials, who had resolved to follow an agenda separate from Bevin, seriously undermined his position.

The first note of discord over proposals to bring British troops home that attracted support in the FO came in early January. A note from the Indian Viceroy, Lord Mountbatten, whose views were important owing to the criticality of Iran to India’s defence, criticised the plan on the grounds that ‘neither Russia nor Persia are likely to see our motives as altruistic, we should therefore gain little and lose influence in Persian affairs’. 157 Yet those who supported the retention of troops inside Iran failed to provide an alternative to withdrawal. Pyman and Bullard rejected the United States’ request that a report be made to the United Nations Security Council by the British government on the grounds that it would draw attention to British conduct in Iran. Separately, Bullard argued that the questions raised by a UN probe in to Soviet claims for oil in Azerbaijan ‘might lead to an unwelcome investigation into our

154 FO371/52664, Bullard to FO, 04.02.46
155 FO371/52664, Brief by Mr Bevin, 05.02.46
156 FO371/52664, Bevin to Attlee, 22.02.46
157 FO371/45462, Indian Viceroy to Secretary of State for India, 12.01.46.
interests in the south'. Both attitudes reeked of British culpability; self-awareness of their monopoly position and a desire to see British conduct in Iran kept under wraps. Thus, perhaps with Bevin in ignorance of this situation, many important figures in the FO were unwilling to support the withdrawal of British troops.

When informed of some of these stark realities, Bevin himself conceded to Cabinet that an appeal should come from Persia and not from a Great Power; a stance that considerably reduced the chances of action through the UN. British policy had consequently failed the anxious Qavam government, whose northern territory remained occupied by Soviet forces past the 2 March Treaty withdrawal date. Furthermore, the State Department, who had been so keen for Britain to absolve herself before the UN Security Council, barely concealed her continued disapproval of British policy. America for its part stalled in presenting the Iranian case themselves on the basis that they, unlike Britain, had not been a signatory of the 1942 Tripartite Treaty. Lord Halifax in Washington informed the FO that this would mean that the US appeal would have carried a good deal less punch than had a complaint come from the British. Yet despite Roberts’ stark advice that the Soviet government had committed a ‘flagrant breach of their Treaty obligations’, Bevin and his officials were adamant that the complaint should be ‘put forward by the victim himself in all the stark circumstances’.

The FO’s decision to advocate the extension of the British oil concession in Iran may not have been the result of long-term planning but instead the product of opportunism. On March 1st, whilst Qavam was being exposed to the most extreme of pressures in Moscow and a Russo-Persian oil deal appeared imminent, the FO was in close contact with the Shell Oil Company. By 9 March, British plans to benefit from the Iranian debacle had been refined to push for a joint Anglo-American concession. Mr Baxter of the Economic Relations Department, which had been closely involved with the formulation of British policy throughout, requested a more ‘explicit’ articulation of the British desire to draw the US in to Iranian affairs. Whilst Bevin objected to any ‘attempt by any power to extract an oil

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158 FO371/52664, Bullard to FO, 04.02.46
159 Cab 20 (46), 04.03.46
160 FO371/52665, Halifax to Bevin, 02.03.46.
161 DBPO 1, 7, No 23, Minute by Mr Bevin, 04.03.46.
concession by bullying’, there was seemingly no complimentary objection to Britain attempting to benefit from the consequences of that Russian misdemeanour. By the time Cadogan received instructions from London to press for all Soviet forces to be removed from all parts of Persia, negotiations between the Shell Oil Company and the Iranian government were already well advanced. As a consequence, it is fair to conclude that throughout one of the most turbulent periods of the post-war age, British officials attached a very high value to the furtherance of British interests in Iran. Yet, as US planners were equally aware, not to have obtained a concession parallel to the Soviet Union would have left the balance of power in Iran leaning precariously towards her northern neighbour.

Qavam’s defiance of Soviet pressure in Moscow was quite astonishing and the publication of the Qavam-Sadchikov agreement represented what was, at best, a hollow victory for the Soviet government. Whereas the FO and the State Department had been convinced that an oil concession based on the A.I.O.C model was inevitable, Molotov was forced to accept a Russo-Iranian company which was to pass into solely Iranian ownership after twenty-five years. Iran had a 49% stake in the company and a right to believe that in the near future, Iran would be able herself to assume control of her most plentiful and lucrative resource. Britain and the United States accepted the agreement without complaint. The only reservations came from the Ministry of Fuel and Power, who expressed the concern that the Qavam deal offered Iran a far better deal than had the Anglo-Iranian Oil Company; ultimately necessitating the redefinition of the A.I.O.C. By July, Bevin was privately advocating the abandoning of the A.I.O.C in favour of a mixed company that he confessed to be ‘based on the Soviet model’. Bevin ordered that welfare reforms of indigenous A.I.O.C employees be hastened and that the Company be more generally integrated with Iranian culture; necessary measures, long overdue.

However a dispute between British economic and political considerations was soon to surface over Iran. The Ministry of Fuel and Power opposed Bevin’s plans for reform. They claimed that ‘a mixed company of the kind suggested would make it impossible to secure the essential

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162 FO371/52665, FO Minute, 01.03.46
163 FO371/52665, Minute by Mr Bevin, 19.03.46
flexibility in the operation of British oil resources'. The Ministry feared that if the A.I.O.C was to become linked with and partly responsible to elements in Iran, then British interests would suffer. ‘It would hamper the British companies at every turn in task of obtaining the best possible results from an oil field, if the local government were associated with them in the ordinary day-to-day operations in the field.'\textsuperscript{165} In short, no advantage would be accrued by the British.

This belief explains in part a great deal of the direction of British Iranian policy that emerged between March and July 1946. In the first place, British concerns for the continuation of the Anglo-Iranian Oil Company in its undiluted form accounts for the FO’s continued reluctance to place its trust in the matter in the U.N.S.C. As late as April 3\textsuperscript{rd}, R.G. Howe claimed that ‘there is considerable doubt in this office as to the desirability of entrusting so highly political and controversial a question as Persian oil to the Council’\textsuperscript{166} British fears for the Anglo-Iranian Oil Company also account for the desire to extend its influence with further parallel concessions in the wake on the Qavam deal. A combination of a lack of British faith in the Council, an awareness of the US’ superior international reputation, and a desire to counter-balance Soviet influence cumulatively explain the decision to approach the US with a view to bid for an Anglo-American concession. On April 4\textsuperscript{th}, a Defence Committee Draft report on Persian Oil concluded that ‘From a political point of view … it is desirable that the Americans acquire a stake in south-east Persia’\textsuperscript{167} And whilst the approach of US Companies for concessions may hint at American economic motivations, their encouragement by the FO also hints at the British desire to retain influence in Iran through an Anglo-Soviet-American spheres deal. The agreement hammered out of the Persian Prime Minister whilst Soviet troops contravened the Tripartite Treaty commitments chapter and verse, was palatable to the FO. After all, ‘The territory’ involved in the settlement, Roberts wrote on April 8\textsuperscript{th}, ‘is considerably less than the Russian zone of influence under the [Anglo-Russian] 1907 agreement’\textsuperscript{168}

\textsuperscript{164} FO371/52735, FO Minute, 20.07.46
\textsuperscript{165} FO371/52728, Draft report on South East Persian Oil, 04.46.
\textsuperscript{166} FO371/52666, Minute by Mr Howe, 03.04.46
\textsuperscript{167} FO371/52667, Defence Committee Draft report on Persian Oil, 04.04.46
\textsuperscript{168}
Elements within the FO had clearly persevered with their attempts to bring off a spheres deal throughout the machinations of the crisis; no matter what the moral cost or the price paid by the unfortunate Iranians. It was clearly the case, however, that when confronted with the realisation that the USSR now posed a threat to the British strongholds of the Mediterranean and India, the redirection of British policy in Iran was swift and decisive. This decision to stand firmly behind the US in opposition to the rampant Soviet Union though owed little to a moral debt to Persia. Instead, the FO decision to help the US’ ‘get-tough’ policy was part of a more general consensus that the Soviet Union had played only the first of many cards directed at trumping the British hand. In mid-April, Warner warned that ‘the Russians were engaged in a general offensive against this country [Britain] which they regarded a weak limb in the Anglo-American capitalist bloc’. This realisation marked the resurrection of a theme which had lain dormant in FO circles for over a decade; a belief that the Soviet Union was following an overt policy of imperialism spouting from the dynamic thrust of Marxist-Leninist ideology.

Reassessments of Soviet intentions were to have a major impact on British Iranian policy. Frank Roberts, who was becoming ever more concerned by the events in Azerbaijan, painted a grim picture of Soviet intentions in the Middle East. Roberts highlighted the importance of ideology in Soviet planning and claimed that historical precedence also had a dramatic impact. ‘Russian historic ambitions to control the Dardenelles and to reach the Persian Gulf’, claimed Roberts, was an equal priority for the Soviet government as was their desire to secure its southwestern and most vulnerable flank. Roberts warned that the Soviet appetite was satiable only if they felt they had reached a point of over expansion and could not defend their borders against the assumedly crumbling capitalist powers. Roberts stressed that their plans were based in the long term and on the over-riding belief that their political system would inevitably triumph over corrupt western political cultures.\(^{169}\) Regarding Persia, Roberts predicted that Russia expected to completely absorb the country into her orbit. He argued that whereas ‘South Persian oil is no doubt of more immediate interest to the Soviet government than access to the Persian Gulf ... the two go together and the second is a historic Russian...

\(^{168}\) FO371/52667, Roberts (Moscow) to FO, 08.04.46
\(^{169}\) FO371/56831, Roberts to FO, 20.03.46
ambition and all such ambitions have been inherited by the Soviet regime'. The Northern Department and former Moscow Embassy official Thomas Brimelow summarised, Roberts believed that ‘The Soviet Union regards the Middle East as an artichoke to be eaten leaf by leaf’. Persia, the Foreign Office now accepted, was to be the first leaf.

By March 1946 therefore, most officials in the Foreign Office who were concerned with the formulation of British Soviet policy were convinced of the need to stand up to Russia in order to protect British interests in both the Middle East and the Mediterranean. There is clear evidence that a rift developed between the Prime Minister, Clement Attlee, and his staff at the FO; Bevin included. Attlee had determined in July 1945 that ‘if the Russians were to be confronted it should be with the requirements of a world organisation for peace, not with the needs of the defence of the British Empire at the forefront’. In his early tenure as Foreign Secretary at least, Bevin aligned himself with both the Chiefs of Staff and his most senior officials in arguing in favour of a ubiquitous anti-Soviet policy centred upon the need to retain Britain’s most viable and lucrative commercial assets. No compromise settlement would be countenanced. Bevin believed that ‘If Britain moved out of the Mediterranean [and the Middle East] then the Soviet Union would certainly move in and the Mediterranean countries, from the point of view of commerce and trade, economy and democracy, would be finished.’ The significance of this line in the context of Persia is obvious; the Anglo-Iranian Oil Company, potentially Britain’s most valuable overseas asset, was not to be drawn under Soviet influence as part of a global redistribution of resources commensurate to each power’s global stature. Attlee, on the other hand, showed signs of weakening in his resolve to see the Anglo-Iranian Oil Company preserved. Consequently, it may be possible to argue that as part of a process of Anglo-Soviet ‘appeasement’, Attlee wished to sacrifice British assets overseas in the name of his primary motivation in foreign policy; the insurance of a effective UNO.

Frustration with the lack of success of British policy in Iran since the end of the war was to become one of the pivotal factors in the redirection of British Soviet policy. Soviet

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170 ibid
171 Brimelow minute on ibid, dated 21.03.46
172 FO371/50855, Attlee to Eden, 18.07.46
173 CAB21/2086, DO (46) 40, Bevin Memo, 13.03.46
propaganda had been successful in seeking to ‘defend her conduct in Persia with a parallel
counter-offensive regarding our conduct in Indonesia and Greece’. And despite the US
sponsored United Nations Security Council interruption of Russia’s ‘big-stick’ methods in
Iran, the Soviets still cast a shadow over the Abadan fields. Indeed, by July 1946, the Russians
threatened to further assert their influence over workers in the A.I.O.C through their
sponsorship of the Tudeh Party that had organised a series of industrial strikes in the oilfields.
This fact was not lost upon the new Ambassador in Moscow, Sir Maurice Peterson. He wrote
that ‘The Russians had ... sponsored the Tudeh to concentrate on weakening Britain’s position
in the south, and especially in the Anglo-Iranian oilfields, where Soviet policy and
propaganda became increasingly dangerous and hostile to British interests.’ It was this type
of clever Soviet deception and manipulation of the world’s media, argued Peterson, which
would necessitate a reappraisal of the FO’s own methods, not only in Persia but everywhere
under Russian influence.

The FO recognised the need to be more effective in combating Soviet propaganda and indeed
swifter in the creation of British Soviet-policy as a whole. The product of this recognition was
the formation of the Russia Committee, made up of senior FO officials and experts drawn
from all areas which had an impact on British Soviet policy. From its first sitting on April 2,
1946, the Russia Committee produced some very persuasive and hard-hitting reports that had
a decisive impact upon Ministers. Sir Christopher Warner, who chaired the Committee,
claimed that his team had a brief to ‘pool recent information regarding Russian doings .. in
order to collate a picture and consider what action, political, economic, or in the publicity
sphere should be taken as a result’. The Committee had become convinced, through the
Iranian Crisis as well as through their experiences in Central and Eastern Europe and the
Mediterranean, that Russia had returned to an ideologically driven foreign policy. As part of
that policy, the Russia Committee believed the USSR to have ‘opened an offensive against as
the leaders of social democracy in the world.’ At an early stage in proceedings, Sir N.
Ronald outlined the impact that this would have on British interests that bordered on Russia.

174 See CAB129/1, CP (45) 144, Attlee Memo, 01.09.47
175 FO371/56832, Roberts Quarterly Review of the Soviet Union, January to March, 1946. 26.04.46
176 FO371/56832, Political Review of the Soviet Union, April-June 1946, 22.07.46
177 FO371/71687, Warner to Jebb, 22.11.48
Persia in particular. The British policy was outlined during that first meeting; the United States was to be encouraged in its rise to commercial and political eminence in Persia but that the Persian example should be treated ‘as perhaps rather a special case’. At the Second Meeting on April 9, the Committee decided that this action would need to be immediate or else risk a scenario in which ‘Russian influence would be so great that the Anglo-Iranian Oil Company would be disbanded’. Given Bevin’s tacit agreement with his senior staff that British overseas investments were to be treated with the highest of priorities, one could easily see in this statement a scope for a desperate remedy to a desperate situation.

Remedial work was begun within weeks of the Russia Committee coming into being. On the highest diplomatic level, the Committee passed instructions to the new British Ambassador in Tehran, Sir John Le Rougetel, to approach the Iranian Prime Minister Qavam. Warner requested Le Rougetel ‘consider the means by which elements friendly to us could be induced to stand firm’; factions in Iranian society which ranged from the southern tribes to the Prime Minister.

Senior officials anticipated that this stiffening of friendly elements in Iran would be combined with a radical new wave of propaganda, based upon Kirkpatrick’s brief of April 15 entitled ‘Anti-Communist Propaganda’. This infamous plan outlined why Russian propaganda, controlled directly by the State, had proved more effective than more conventional British methods. He called for a fresh policy based on the longer term or, as Kirkpatrick put it, ‘we should aim at a steady drip rather than a sudden gush’. Whereas Kirkpatrick’s time scale was conservative, his intended methods were anything but. He advocated enlisting the support of the Governors of the BBC, of home and foreign press correspondents, of British politicians to avoid their ‘uninformed intrusion’, and of foreign politicians to ‘do propaganda’ in their countries. And the primary objective of Kirkpatrick’s plan; a wholesale assault upon the Soviet political ideology and a redressing of the balance in Britain’s reputation left in tatters by the success of Soviet propaganda.

178 FO371/56885, First Meeting, 02.04.46
179 ibid.
180 FO371/56832, Russia Committee, 28.05.46
181 FO371/56832, ‘Anti-Communist Propaganda’, 15.04.46
This was to be the bedrock of the Russia Committee’s advice to Bevin in his efforts to establish Britain’s policy towards Persia in the months after the withdrawal of Soviet troops. Kirkpatrick’s proposed mechanism for the effective dissemination of anti-Soviet propaganda was to prepare the ground for a campaign against the Soviet sponsored Tudeh Party. The Russia Committee attempted to impress upon Bevin the ‘vital importance and urgency of taking the most drastic steps to resist the growth of Tudeh influence in the oilfields and to maintain in south Persia an administration friendly to us’. On July 9, the Russia Committee informed Le Routegal that although ‘we could not go so far as to place armed force at the disposal of the [Iranian] government’, the Ambassador should stress to Qavam our determination to ‘give them every form of support which we were able to offer’. At last, a clear sign had emerged which indicated a stern British intent to retain its influence in the Middle East as a whole and, more especially, in Persia. Under the wing of the United States, armed with new powers of expression and repression and prepared and ready to offer covert support to the Qavam regime if it resolved to oppose the Tudeh, British policy had begun to solidify. Robin Hankey, who was soon to become Head of the Northern Department, wrote to his namesake Maurice informing him that he thought ‘Bevin would stand up to the Russians all right’.

Although initially encouraged by developments in British Soviet policy, officials were soon to become disenchanted with their master. By May 1946, Foreign Secretary Bevin was beginning to waver. Kirkpatrick’s blueprint for the opening of a propaganda war was returned to the Russia Committee with a decisive rejection and minuted abhorrence with the plan. ‘This programme’, noted Bevin, ‘lacks the positive side of the New Britain. The more I study this the less I like it’. Orme Sargent, the Permanent Under Secretary to the Foreign Office, protested strongly with his Minister and claimed that the entire Persian game would be lost without the backing that Kirkpatrick’s scheme would provide. But the Foreign Secretary was

182 ibid.
183 FO371/56886, Russia Committee, 11.06.46
184 FO371/56886, Russia Committee, 09.07.46
186 FO930/488, Bevin’s minutes on Sergeant’s minute, undated.
adamant and, to the consternation of the entire FO, Kirkpatrick’s scheme was rejected. From this point on, the initially promising relationship between Bevin and many of his most senior officials was to decline. Diplomatic reports from around the Commonwealth described the global perception of Britain’s stance over Persia as seeming weakness. Sir Ronald Campbell wrote from Cairo that ‘This campaign in Persia must gradually influence the peoples of the Middle East and even those who are favourably disposed towards us are puzzled by our failure to retort’. Campbell warned that ‘The impression must become prevalent that we are afraid of the Soviet Union and that the latter is the winning horse’. 187

This dispute between Bevin and his officials over Persia was one symptom of a deeper-seated conflict concerning Britain’s future role in the Middle East. Whilst this dispute intensified throughout the latter years of the Attlee government, the initial exchanges in 1946 had a very profound effect upon the shaping of British Iranian and British Soviet policy. Kirkpatrick’s scheme had been an extreme measure designed for an extreme era. Yet its plans to employ the BBC as a State-managed propaganda tool and to commit the government to a radical anti-Soviet and anti-Communist programme would have meant Britain playing Russia’s game; that was Bevin’s complaint. On the other hand, whilst some biographers may criticise at Bevin for not following through with his support for his official’s policies, not all of that criticism should be taken at face value. Subservient to and dependent upon his Prime Minister, who was committed to an internationalist and tolerant Soviet policy, Bevin was in an awkward position. Under the most enormous of pressure, he provoked the full wrath of the Russia Committee on July 28, 1946 when he rejected their plans for a ‘full dress anti-Soviet campaign’. 188

The Russia Committee’s resolve to oppose the Soviet Union’s emerging post-war aims had become strongly influenced from two directions. Firstly came Frank Roberts’ series of telegrams from Moscow alluded to earlier. Second, and more decisively, came a Joint Intelligence Committee (JIC) report entitled ‘Russia’s Strategic Interests and Intentions’ published in March 1946. The report concluded that Russia aimed to dominate the world

187 FO371/52319, Campbell to FO, 16.07.46
188 FO371/56885, Russia Committee, 28.07.46
within fifty years through a carefully engineered plan aimed in the first part at avoiding war though simultaneously planning to spread Soviet influence. The primary regions threatened by this plan were those not directly protected by both Britain and America; namely Turkey, the Mediterranean and Persia. Roberts’ prescribed a policy based upon reciprocity and superficial cordiality and above all on the presentation of a united front between Britain and the United States. However, the FO came to realise that as well as having a decisive impact upon the formation of Russia’s post-war planning, the Middle East had a vital role to play in British strategic considerations. The Chiefs of Staff wrote in July that in any potential war with Russia, a knockout blow to her southwestern oil-producing flank could only be launched through the air. Furthermore, ‘It is only from the Middle East area’, concluded the Chiefs Of Staff, ‘that effective air action can be taken against this flank’.

This impact of the indecisive formulation of British Soviet policy first became evident in Persia. On 29 May, Le Routegal wrote to Bevin to impress this fact upon his indecisive master. ‘It is indeed’, wrote the British Ambassador, ‘true to say that at the present time the security of the refinery and fields, and the safety of the British personnel depends on the goodwill and pleasure of the Tudeh Party’. Le Routegal despaired of his position; the Tudeh had organised series of disturbing strikes and had begun to issue threats to the A.I.O.C employees. Simultaneously, Soviet propaganda organs scored success after success in the Abadan region in exposing the conditions which A.I.O.C employees were forced to endure. Roberts was despatched to team up with Le Routegal to find the truth. The conclusions were bleak. ‘To the European observer’, wrote Roberts, ‘the general impression is of drabness and some squalor, which contrasts somewhat painfully with the excellent housing arrangements of the British staff’. Le Routegal added that such conditions provided ‘a fertile ground for the agitator and the propagandist’.

A JIC report published on June 6th was the first official acknowledgement that the Tudeh threat was an indication of the Soviet campaign against Britain’s position in the Middle East.

189 DBPO 1 6. Report by JIC (46) 1, Russia’s Strategic Interests and Intentions, 01.03.46
190 ibid, No 7, Roberts to Bevin, 28.03.46
191 CAB21/2086, Chiefs Of Staff (46) 80, British Strategic Requirements in the Middle East, 12.07 46
192 FO371/52714, Le Routegal to Ernest Bevin, 29.05.46
The report concluded that the forthcoming elections in Persia would see the election of a pro-Soviet government who would be briefed to undermine British authority in the region. The JIC believed that the Anglo-Iranian Oil Company was in imminent peril. A report published the following day indicated how drastic the Committee believed the situation to be. They estimated that 75% of the 40,000 strong indigenous workforce had joined the Tudeh by June 1946, as compared with only 1,000 in November 1945. The report contended that the majority of Tudeh members had been 'coerced or intimidated to join' and that the strong-arm tactics used by the leaders of the union meant that they 'constituted a government within government in south Persia'. Meanwhile, a measure of the decline in the level of British influence over the Persian administration came after a meeting between Le Routegal and Qavam on June 9. Le Routegal warned of the growing threat posed by the Tudeh and pleaded for a more determined opposition organised through the state. The Ambassador insisted that the Tudeh’s claim to be an agency of reform be ignored in the light of their primary objective. This was, Le Routegal claimed, ‘the attacking of all British connexions and interests in this country’. Qavam though, fresh from secret meetings with senior figures from the Tudeh, responded with the startling news that he was about to include a couple of Tudeh officials to his Cabinet. The deal, which became known as the June Agreement, went ahead within days and forced upon the FO another serious reconsideration of British goals in Iran.

A meeting of senior FO officials took place on June 14 to consider the British response to Qavam’s U-turn. The ageing Persian Prime Minister had insisted that Britain submit a detailed statement of what she perceived British interests in Persia to be. The same was to be asked of the Russians in an effort to force the wartime allies to lay their cards on the table. The British reaction was, to say the least, negative. The meeting concluded that ‘any attempt to redefine legitimate British interests in Persia would surely be challenged by both the Russians and the Persians, who would attempt to whittle away our definition in order to show that legitimate British interests in Persia are practically nil.’ In short, British officials were convinced that

193 ibid, Roberts enclosure in Le Routegal to Bevin, 05.06.46
194 DBPO 1, 7, JIC report on Russia’s Strategic Interest and Intentions in the Middle East, 06.06.46
195 CAB 81/133. JIC (46) 55 (0) (Final). Situation in North Persia, 07.06.46
196 FO371/52677, Le Routegal to FO, 09.06.46
197 ibid, Meeting of Officials, 14.06.46
they could not adequately defend those interests and that on a legal basis, Russia and Persia held the winning cards. For that reason alone, Qavam’s proposals were rejected.

Under the direction of Baxter, the Russia Committee resolved to fight for a spheres deal in a desperate bid to preserve the Anglo-Iranian Oil Company. Orme Sargent, the Permanent-Under-Secretary at the Foreign Office was similarly resolute in his determination to preserve the flow of Abadan-refined oil. He introduced a series of measures to senior colleagues on June 17 aimed at ensuring the continuation of British use of Persian resources. These included the continued application of political pressure upon Qavam to recognise the sinister resolve of the Tudeh; the support of an autonomy movement in south western Persia to create ‘an Azerbaijan there under British inspiration’; the replacement of Persian labour from outside; the long-term development of Iraq and Kuwait as sources of alternative supply; and the education of the indigenous population about the efforts at housing and welfare reform planned by the British presence in Iran. The Committee recommended to Bevin that he recognise the Soviet claims over northern Iran, so long as the Soviet’s response was an immediate counter-recognition of the Anglo-Iranian Oil Company. In short, little over a year after the end of war in Europe, Sargent and his colleagues conceded that the preservation of the Anglo-Iranian Oil Company had been their over-arching mission and that, as the dust settled, Britain had been powerless to prevent the cementing of the Soviet position in northern Iran. 198

American opposition to British self-interest in southern Iran had had a profound impact upon the formulation of a bipartisan US policy. At a crucial moment in July 1946, when the June Agreement appeared to have welded Iranian nationalist forces and pro-Soviet elements in Tehran into a cohesive anti-British force, America held back. Their justification for this; the fact that Byrnes believed that the British were unilaterally pressing for a ‘Spheres deal’, even at the cost of Azerbaijan and northern Iran being lost to the Soviet orbit. Barry Rubin has convincingly argued that the ultimate, some might say belated, American decision to go it alone in Iran and elsewhere in the Middle East was forced upon them by frustrations with British policy objectives. The point is that Britain had failed to convince the US that it was
prepared to assume greater responsibility for the policing of Iran. Even when Britain despatched a cruiser to Abadan in July 1946, to send a public message to the Tudeh, the US government were officially dismissive of their efforts. By October 1946, when American financial support to a newly invigorated Qavam government resulted in the expulsion of the Tudeh cabinet members, the FO had not been consulted. In December 1946, Iranian troops, financed armed and motivated by the US and, to a lesser degree, by the British, had reoccupied Azerbaijan. Yet Iranian nationalists, having repelled the Soviet threat and having been given the full backing an increasingly belligerent United States, now looked to drive its foe from the southeastern recess - blowing British power through Abadan and back to Britain. Britain had lost its capacity to resist.

The consequences of the Iranian debacle on the British side went beyond the redirection of her policy towards Iran. In the first instance, the Foreign Office perception of the role of the UN was darkened by the episode. A letter from Cadogan in New York in which he outlined his perception of the future role of the UN provoked a series of minutes relaying a pessimistic appraisal of the future. One official wrote, in an obvious criticism of the Soviet Union’s role at the UN, of a ‘disease which is quite incurable so long as the United Nations Security Council contains members of a totalitarian nature whose aims are purely ideological’. Sir Neville Butler, Assistant-under-Secretary at the FO since 1944, wrote of the serious limitation in the scope of UN action in the wake of the Iranian fiasco. The U.N.S.C would prove useful in ‘educating United States public opinion concerning Russia’, claimed Butler, but was seriously undermined by the Soviet Union’s obvious determination to use its veto. Sir Christopher Warner too expressed reservations about the future of the UNO. Warner believed the UN to be powerless to oppose Soviet misdemeanours. The Security Council’s importance was now limited to a theatre for the exposition of Soviet behaviour and for the education of world opinion. ‘We should not be inclined’, wrote Warner, ‘as a matter of principle, to refrain from using the Security Council to expose Russian malpractice’s, merely because they give rise to acrimonious discussions and end in the inevitable Russian veto.’ It was a rather dispiriting, if pragmatic, conclusion that Warner reached when he claimed that ‘The world

198 FO371/52715, Meeting of Officials, 17.06.46
will get used to accepting resolutions supported by a majority of the council as representing a fair judgement on a case’. 199

For decades, whilst the Cold War dominated international affairs, Warner’s assessment of the future value of the UN held true; as much of a ‘monkey house’ as the Iranian Majlis ever was. If this paper has hoped to underline one point it is simply that British policy in Iran played a significant role in the deterioration of inter-Allied relations. The determination of regressive elements in the British government to secure a settlement with Soviet Russia over Iranian oil, in disregard of her moral commitment to Britain’s public assurances of support for the instruments of the new world order and her legal commitment to leave Iran as she had found it in 1941, impacted gravely upon both Anglo-American and Anglo-Soviet relations. The Foreign Office, too, at the highest levels, produced a faltering response at crucial stages and did little to convince the United States of its altruistic intent. Nor did the British government show any sign of learning from its mistakes. The AIOC labour force continued to work in appalling conditions, contrasting sharply with those forced upon the British experts. Despite its socialist administration at home, Bevin, although reputedly troubled by this stance, and his officials refused to recognise the right of Iranians to assume control for and reap the financial benefits of nationalised resources. In 1950 British officials rejected a move by the liberal nationalist General Ali Razmara for a 50:50 Irano-British split of the AIOC, believing, wrongly, that a British monopoly could prevail. In 1951 British influence having declined the option to send troop in to Abadan to oppose nationalist forces. Britain left behind fifty years of muddled and self-serving quasi-rule, leaving the country subject to the vicissitudes of American foreign policy and ill-prepared to forge its own path.

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