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“Playing the Devil: How Iran Came to See the United States As the ‘Great Satan,’ and How Despite This, A Nuclear Accord Might Be Reached”

This evening I propose to undertake an ambitious task: tracing the relations of the United States and Iran since 1950, with particular attention to the recent standoff between our country and Iran over the latter’s nuclear program. As we shall see, the most astute analysts in this area doubt that Iran can ultimately be dissuaded from its nuclear ambitions, because Iran has been pursuing a nuclear program since the 1970s, when the Shah was in power. At the same time, despite the bellicose rhetoric of its president, Mahmoud Ahmadinejad, Iran has never engaged in direct hostilities with Israel, and in view of the military retaliation that doing so would bring down on it from many corners (including the U.S.), it is the judgment of these analysts that Iran is unlikely to do so for the foreseeable future (although it continues to engage in terror). In view of these factors, and the fact that Iran and the U.S. have cooperated even during their most antagonistic periods, there is reason to believe that the outlook for reaching an acceptable accommodation with Iran is more positive than it appeared to be a few years ago.

When I began thinking about this essay, my original intention had been to present a paper on the diplomacy of Dwight Eisenhower, a President I admire and for whom the regard of the American public has only grown in recent years. However, as will become evident later, the root cause of many of our problems with Iran’s current leadership can be traced to the Eisenhower Administration’s decision in 1953 to join with the British in orchestrating the coup d’etat that led to the removal of Premier Muhammad Mosadeq from power in Iran. Although Mosadeq was difficult to deal with, he was a fierce nationalist and patriot, and is much admired by Iranians today. It was the 1953 coup, along with the essentially uncritical support the United States gave the Shah over the next 25 years, that caused the U.S. to be seen as the “Great Satan,” and most of our actions to be viewed by Iran through a conspiratorial prism.

The Truman Administration, Mosadeq, and the Anglo-Iran Oil Company

The circumstances that led the Eisenhower Administration to support the 1953 coup date back to the Truman Administration, and so we need to begin our story there. Unsurprisingly, Iran was not a significant focus of U.S. policymakers until its oil became a strategic concern after the outbreak of the Korean Conflict in 1950. The development that brought events to a head was the renegotiation by Saudi Arabia of its oil concession with Aramco in December 1950. Under the new agreement, Aramco agreed to pay half of its net operating income to the Saudis, just as the U.S. had agreed to split oil profits evenly with Venezuela during World War II.^[1] The Iranians soon became aware of this new arrangement, and naturally they sought a better deal. What stood in their way, however, was the rigid attitude of the Anglo-Iran Oil Company (AIOC), of which the British Government held more than half the stock. AIOC provided much of the petroleum for the Royal Navy at hefty discounts, while charging world-market prices for its products in Iran. It was also very profitable, earning profits of £100 million in 1950, even though it had paid Iran only £50 million in royalties during the past five years.^[2]

The Secretary of State, Dean Acheson, knew that Britain was heavily dependent on the hard currency that AIOC generated, but he implored the British Government to strike a more equitable deal with Iran through AIOC. That pressure increased after talk of nationalization by Iran became more widespread, although Britain's Labour Government (which had nationalized many industries) claimed Iran had waived its right to nationalize under a 1933 agreement. Events came to a head in April 1951, when Iran's parliament, the Majlis, passed a nationalization bill and the Shah appointed the 69-year old Mosadeq as Prime Minister.

From Mosadeq's appointment until the Truman Administration left office in 1953, relations with Iran were rarely placid. In June 1951, when Mosadeq ordered payments for AIOC products to be made directly to the National Iranian Oil Company, shippers and other parties refused, and oil flows ebbed to a trickle, along with Iran's revenues. Although the Truman Administration gave Mosadeq some financial assistance, in July it sent Averell Harriman to Tehran to serve as a mediator between the Iranians and the British. In late July, the Atlee Government dispatched ships to Persian Gulf in late July. In September, Mosadeq ordered British technicians out of the country, and Britain froze Iran's assets in England and threatened reprisals and lawsuits against anyone purchasing Iranian oil. Mosadeq also seized the large refinery at Abadan. In early October, the British went to the U.N. Security Council seeking enforcement of an interim injunction they had obtained against Mosadeq from the International Court of Justice. However, Mosadeq was very effective in personally defending his position at the U.N., and the British were forced to withdraw their resolution. On October 25, the Labour Government led by Clement Atlee lost the British general election to the Conservatives, led by Winston Churchill.^[3]

In the meantime, President Truman had invited Mosadeq to Washington for talks. He stayed for about six weeks while obtaining medical treatment at Walter Reade Army Hospital. Although he was very charming and amusing, Mosadeq eventually lost the support of the Administration because he insisted on receiving retail rather than wholesale prices for Iranian oil. Before that happened, however, Mosadeq apparently agreed to a deal that would have substituted the Dutch for most of AIOC's functions and resulted in a 50-50 profit split. In several meetings in Paris, however, Foreign Secretary Anthony Eden made it clear to Acheson that the British would not accept the proposed Dutch arrangement. Acheson said at this time that he regarded the British as "unrepentant colonialists," and he feared their obstinacy had made it more likely that Iran might fall into the Soviet orbit. Before Mosadeq left Washington, he made a direct appeal to President Truman for financial assistance to his government, but the Administration delayed in responding, mainly out of fears of further antagonizing the British.^[4]

In January 1952, Churchill and Eden came to Washington for a summit meeting with Truman and Acheson, and although the tone was cordial, the British rejected all of the Administration's proposals for compensating AIOC for its nationalization by Tehran. In the Spring, plans collapsed for an arrangement that would have let the World Bank run Iranian petroleum operations as a trustee, while the British and Iranians worked out a settlement.

In the Summer of 1952, Mosadeq became embroiled in a dispute with the Shah over who would control the Iranian army. Mosadeq resigned as premier in July, just before some thought

he was about to be dismissed. However, riots encouraged by Mosadeq greeted the Shah's choice of a new premier, and within two weeks Mosadeq was back in office.^[5] Acheson feared that if he were to be dismissed again, Iran might come under the control of Iran's communist party, the Tudeh. While all of this was going on in Iran, King Farouk was deposed by a group of young officers in Egypt.

With Mosadeq back in power, Acheson revived his attempts to have the Iranians and the British reach a settlement. Under his new proposal, the U.S. would provide Tehran with \$10 million in aid, talks between Iran and the AIOC would determine a final settlement, and the International Court would determine the compensation to be paid for nationalization. However, Mosadeq – who by now had grown much more suspicious of the Americans – formally rejected the plan in late September. Acheson then turned his attention to trying to persuade American oil companies to make purchases from Iran, but that approach came to nothing because of the companies' reluctance to deal with Mosadeq, their fear of lawsuits by the British, and a pending antitrust suit that the Justice Department had filed against the oil companies. In late October, Mosadeq broke off diplomatic relations with Britain.^[6]

Acheson refused to consider an outright break with the British over the Iranian issue, but he made further attempts to persuade American companies to purchase Iranian oil. However, these attempts were also unsuccessful. During the transition between administrations, Acheson told President-elect Eisenhower that he considered the Iranians unreasonable, but he also thought the British and the AIOC were too rigid in their negotiating positions. Although some new proposals were discussed in January, this stalemate was essentially the situation that the Truman Administration handed over to Dwight Eisenhower on January 20, 1953.^[7]

The Eisenhower Administration and the CIA-Led Coup Against Mosadeq

Ironically, one reason no progress was made on Iran in late 1952 and early 1953 was that *both* Mosadeq and the British believed they could get a better deal from the new Eisenhower Administration. Shortly after Eisenhower took office, he received a cable from Mosadeq laying out Iran's position, and asking at least implicitly for financial assistance.^[8]

However, the sympathies of the new Administration clearly lay with the British. Less than a week after Eisenhower took office, John Foster Dulles (the new Secretary of State), his brother Allen (the new CIA Director) and Kermit Roosevelt (Teddy's grandson and a senior CIA official), met to discuss a plan to get rid of Mosadeq through a coup.^[9] Although Acheson had worked to keep Mosadeq in office because the Truman Administration considered him preferable to an Iranian government led by the Tudeh, John Foster Dulles thought that Mosadeq was already too close to the Tudeh, and that further turmoil in Iran was likely to strengthen the Tudeh's influence and bring Iran under Soviet control. These concerns were consistent with what Eisenhower was hearing from friends in the oil business like Sid Richardson, and by the concern of Eisenhower and his Secretary of State that the new battleground between the western democracies and the communists for the allegiance of non-aligned countries would be in the developing world.

Iran turned out to be the first test of Eisenhower's theory that covert CIA operations would be an important tool in preventing developing nations from falling into the Communist orbit. Stephen Ambrose notes that while under Truman the CIA "had concentrated on its first responsibility, gathering and evaluating intelligence from around the world,"

. . . Eisenhower believed the Agency could be used more effectively, indeed could become one of America's chief weapons in the Cold War. Partly this was based on his experiences in World War II . . . More important was Eisenhower's belief that that nuclear war was unimaginable, limited conventional war unwinnable, and stalemate unacceptable. That left the CIA's covert action capability.^[10]

The covert action that the Dulles brothers and Roosevelt had been discussing was called "Operation Ajax". Eisenhower ordered it put into effect in the Summer of 1953, shortly after Mosadeq dismissed the Majlis, began ruling by decree, and was offered significant financial assistance by the Soviets. While the Tudeh organized riots in the streets, Mosadeq called for a plebiscite. The Shah fled Tehran for Rome at the beginning of August, and Mosadeq won his plebiscite with over 99% of the vote on August 5.^[11]

This situation did not last long. Operation Ajax involved using several million dollars to bribe Iranian army officials and to hire a mob in Tehran to turn Mosadeq out of office and bring the Shah back. It was quite successful: the Shah returned to Tehran on August 22, by which time the Iranian army had placed Mosadeq under arrest.^[12] Mosadeq was later tried for treason and sentenced to death, but his sentence was commuted. He ended up serving three years in prison, and then was under house arrest until he died in 1967.^[13]

As the analyst Ray Takeyh points out, the U.S. decision to initiate a coup in the name of Communist containment has colored the view of Iranians toward the United States since 1953, and has elevated Mosadeq to mythic status:

Over the decades, as history faded into mythology, Mossadeq would assume a commanding presence in the Iranian imagination. To this day, many Iranians believe that an opportunity to forge a new independent and nonaligned foreign policy, employ natural resources for national development, and build a democracy were all lost due to the machinations of a rapacious superpower. The charge, however exaggerated, is not without merit, as American intervention did obstruct the progressive trajectory of Iranian politics. The events of 1953 have created an emotional barrier for Iran's masses and have made them inherently suspicious of American motives and conduct. The United States was once genuinely seen as a depository of idealism, a great power that resisted temptations of imperial aggrandizement. After August 1953, few Iranians would hold such a pristine image of America.^[14]

The Misleading Quietude of the Shah's Reign From 1953 to 1978

Like most Americans, I once thought that the period from 1953 to 1978, the portion of the Shah's reign I was familiar with, was comparatively placid. However, as we were to learn so dramatically in 1978, by the mid-1970s the Shah had become badly out-of-touch with his

subjects. His isolation and ultimate inability to retain his throne were the result of several factors.

The first was the incorrect impression, shared by many Americans like me, that the westernization and industrialization of Iran was occurring at an essentially uniform rate. In fact, it benefitted a relatively small percentage of the population, and created a good deal of social dislocation. In a 2009 essay in the *New York Review of Books*, Malise Ruthven observed that the western reforms that began with the Shah's father -- European-style dress codes for men, the compulsory unveiling of women, and the desegregation of the genders -- ultimately led to a serious bifurcation in Iranian society:

A new middle class, exposed to modern education, comprising less than 10 percent of the country's labor force, became increasingly secular in outlook and distant from the dominant religious culture, while the majority -- the rural peasantry and the small traders of the urban bazaars -- remained attached to the instructions of their mullahs. The outcome may be described as an era of profound psychic discomfort for a majority of Iranians going about their daily lives.^[15]

Besides maintaining a very exclusive court, the Shah was isolated in other important respects. For example, although he was discreet about it, the monarch had a fairly cordial relationship with Israel. As Ray Takeyh points out, Israel was receiving nearly 75% of its energy requirements from Iran by the late 1960s, and it reciprocated not only by maintaining close ties with the Iranian army, but also by helping to train the SAVAK, the Shah's dreaded secret police.^[16] Takeyh also notes that, ironically, it was about this time that the Iranian intelligentsia began to lose the sympathies it had previously had for the Israelis. While the intelligentsia had once viewed Israel as "a country on the move, easily reconciling its religious traditions with democratic norms," and a modernizing state with "a vibrant industrial economy in a region littered with stagnating Arab autocracies," that attitude changed after Israel's defeat of the combined Arab armies in the 1967 war. After Israel occupied with West Bank and Gaza, Takeyh states that Iran's intellectual class "began to depict the Israeli occupation as another European colonial enterprise."^[17]

A third factor, which was reinforced in 1953, was the perception that the Shah was too willing to do the West's bidding, and in so doing was denigrating the status and traditions of the great, ancient Persian state. Ayatollah Khomeini, who had first become a prominent cleric in the 1950s, was able to exploit this very effectively in 1963 and 1964, when the parliament passed legislation that exempted U.S. military personnel from being prosecuted in Iranian courts. In response, there was an uprising in the holy city of Qom. Of Khomeini's attack on these so-called capitulation laws, Takeyh writes:

The duality of Khomeini's evolving ideology was in full view, as he saw the accord as both a transgression against Islam and an assault on Iran's national integrity. Khomeini castigated the agreement, proclaiming, "They have sold our independence, reduced us to the level of a colony, and made the Muslim nation of Iran appear more backward than savages in the eyes of the world." Yet at the same time he transcended traditionalist language and condemned the accord as an "enslavement of Iran".^[18]

The Shah's final shortcoming was that during the 1960s and 1970s, he did not develop political institutions to match the westernization and industrialization he was imposing on his country. Political parties remained rudimentary, and all important government decisions were made by the monarch personally.^[19]

As the Shah was growing more out of touch in the late 1960s and early 1970s, Washington's need for a good relationship with him was increasing. In the mid-1960s, the British made clear they were no longer willing to pay for the sizable military presence they had long maintained "East of Suez". The response of the Nixon Administration to this power vacuum in the Persian Gulf, with its vital oil supplies, was to furnish additional military assistance, first to Iran and then to Saudi Arabia. Despite their rivalry, these two states were both considered sufficiently fearful of Soviet influence in the region to play the role of buffer states.^[20] By the time President Nixon resigned in 1974, the U.S. was selling the Shah very sophisticated weaponry, including F-14 and F-15 aircraft, which Iran's ample oil revenues made it possible for him to afford. The Ford and Carter Administrations continued this policy of selling advanced weaponry to the Shah.^[21]

It was also in the early 1970s that Iran began a nuclear program. The Shah's stated objective was to build 20 reactors with assistance from the French, the West Germans and the South Africans, and about \$40 billion was earmarked for this purpose. However, there were suspicions that the Shah's ultimate objective was to be able to construct a nuclear weapon, especially if his regional competitors moved in that direction. Several officials who served under the Shah have agreed with this assessment.^[22]

The Fall of the Shah

Despite the weapon sales, Washington remained essentially unaware of how weak the Shah's regime had become until the Fall of 1978. As late as October of that year, the new U.S. ambassador, William Sullivan, was advising the Carter Administration that the Shah was the one person who could restrain the military while leading a transition to a more democratic form of government. Sullivan was also opposed to making any overture to Ayatollah Khomeini.^[23]

The active phase of the crisis erupted on September 8, when troops opened fire and killed scores of demonstrators in Tehran's Jaleh Square. Although President Carter immediately assured the Shah of his support, the Shah came to believe over the next few weeks that the Administration's human rights policy was undercutting him. In early October, the Shah told Ambassador Sullivan that his military wanted to clamp down hard on further demonstrations, but that he was opposed. The demonstrations continued, and in late October an oil strike broke out that reduced Iran's daily production by two-thirds, from 5.8 to 1.9 million barrels per day. During this period, the Shah seemed to many observers to be suffering from dramatic mood swings. By late October, Sullivan reported that the Shah was inclined either to abdicate or to accept a military government.^[24] During this period, no one in the American government knew about the illness that was to kill the Shah in July of 1980.

The situation worsened in November. The Shah installed a military government, but he did not empower it to crack down. While the Shah continued to vacillate, the State Department

argued for pressuring him to appoint a coalition government, which Brzezinski thought was clearly a mistake. The Administration was handicapped by poor intelligence. In mid-November, the Soviet Union sent a note stating that since the U.S. appeared inclined to intervene militarily or otherwise in Iran, the U.S.S.R. would regard this as posing a security concern to Soviet Union.^[25]

In December, the military government began to crumble, especially after the general leading it suffered a heart attack. Washington began to conclude that the Shah wanted the U.S. to make the decisions about what he should do. The Administration instructed Sullivan to pose a series of hard questions to the Shah to get him to think through his options. However, at the same time that the monarch was meeting with Sullivan, the U.S. learned that the Shah had asked Shahpur Bakhtiar, a leader of the National Front, to form a coalition government. Bakhtiar made clear that one of his conditions for doing so was that the Shah leave Iran. The Shah told Sullivan he was willing to go, but it seemed clear that he was “still flirting with the iron-fist solution as a last resort.”^[26] In the final analysis, however, the Shah left the country on January 16, 1979.

The Carter Administration was concerned that the Bakhtiar government might fall very quickly, and some (like Brzezinski) thought if that occurred, the U.S. would need to encourage the Iranian military to stage a coup and take control of the government. Toward this end, in January the Administration dispatched Robert Huyser, a general with many contacts among senior Iranian officers, to make an independent assessment of the situation.

As things turned out, of course, there was no coup, even though Bakhtiar did not last long. In February of 1979, with the consent of Khomeini, Mehdi Bazargan was appointed prime minister. He was an engineer by training and a fervent nationalist who had frequently been jailed by the Shah. However, he also wanted normal diplomatic relations with the U.S., and told the Carter Administration so while he was in office.^[27]

The Iranian Hostage Crisis and the Rise of Khomeini

As events unfolded, the chaos swirling in Iran also caused the Bazargan government to have a short life. During 1979, many adherents of the Shah’s regime were executed, often after summary trials. For much of the year, the focus of the Administration’s attention was on whether the Shah should be admitted to the U.S. for medical treatment. After lots of internal Administration debate and pressure from Henry Kissinger, David Rockefeller and others, the Shah was finally admitted to the U.S. on October 23.

The response was immediate. At an informal meeting in Algiers a week later, Bazargan and his foreign and defense ministers made it clear to Brzezinski that the new Iranian government was troubled by the decision to admit the Shah, and was inclined to pursue his assets in the United States.^[28] But this correct and formal way of registering concern was overwhelmed a few days later by the Iranian students’ invasion of our embassy, which resulted in their taking 66 of our diplomats as hostages.

In *Hidden Iran*, Ray Takeyh argues that the hostage crisis – in addition to lasting 444 days and bringing down the Carter presidency -- was a godsend to Khomeini, because it enabled

him to purge moderates like Bazargan from the government and to consolidate his personal power:

In the realm of foreign policy, Khomeini was appalled by Bazargan's essential moderation; resisting the "Great Satan" was a defining and enduring tenet of Khomeini's ideology. . . The network of mosques, the revolutionary committees, and the vast organizational structure of the clerical militants now went to work agitating against Bazargan and his provisional government. However, Iran's revolutionaries needed a crisis to arouse the population, discredit their foes, and consolidate their power. The radical students and their impulsive conduct offered the plotting Khomeini his chance.

Shortly after the takeover of the embassy, Khomeini quickly endorsed the student's action, noting, "Today underground plots are being hatched in these embassies, mostly by the Great Satan." The Iranian demands for ending the hostage crisis seemed equally fantastic as Tehran called for the return of the Shah and his assets, the end of American interference in Iran's internal affairs, and an apology for past U.S. misdeeds. Khomeini's stance ensured that unlike previous assaults on the embassy immediately after the revolution, the current crisis would be prolonged. Khomeini's embrace of the embassy takeover stiffened the resolution of the students, who saw themselves as a vanguard of a great revolutionary struggle seeking the emancipation of Iran, if not the entire Third World.^[29]

Two days after the embassy takeover, the Bazargan government resigned, due in part to its inability to win the hostages' release. In early December 1979, the frenzied public ratified a new constitution, which gave the Supreme Leader, Khomeini, the power to override the elected president, parliament, and other democratic institutions.^[30]

As we all remember, the hostage crisis was one of the dominant themes of the 1980 presidential campaign, especially after the failure of the rescue mission known as Operation Eagle Claw. However, by the Fall of 1980, Khomeini was ready to release the hostages, because they were no longer useful in his consolidation of power. In addition, Iraq had invaded Iran on September 22, which forced the regime to alter its priorities drastically.^[31]

The Iran-Iraq War

Although no exact count is available, it has been estimated that at least 800,000 Iranians died during the Iran-Iraq War, which lasted until 1988. Although it initially strengthened Iran's revolutionary zeal, the war was devastating to Iran's economy, and the country was forced to fight it alone. After the indiscriminate killings of the Shah's supporters and the hostage crisis, other countries remained silent when Saddam Hussein used chemical weapons on Iranian troops and cities. Iran has estimated that it suffered 34,000 casualties as a result of chemical weapons.^[32]

The war went through three distinct phases.^[33] In the first, which lasted from 1980 to 1982, Iran concentrated on expelling Iraqi troops from its territory. In the second, which lasted

from 1982 to 1986, Iran massed huge numbers of badly-equipped troops (often volunteers led by the Revolutionary Guard) to invade Iraqi territory and disrupt its ties with other Gulf states. During this time, the Reagan Administration quietly favored Iraq, extending the Iraqis credits for agricultural purchases, as well as selling them increased numbers of trucks and helicopters.

It was during the second phase of the war that Iraq began its use of chemical weapons. While the Reagan Administration nominally condemned this, in practice it looked the other way. The U.S.'s essential acquiescence to Iraq's use of chemical weapons during the 1980s continues to be a major grievance of the Iranians, and contributes to their perception of us as the "Great Satan".

The third phase of the war took place from 1986 to 1988, when Iran was forced to reexamine the original justification for the war; namely, the export of the Islamic revolution to the heretical state of Iraq. Although the Revolutionary Guard wanted to fight on, and Ayatollah Khomeini initially backed them (as he had since 1980), a growing segment within the government came to believe that Iran could no longer afford to fight. There were tensions with Kuwait and an increased U.S. naval presence in the Persian Gulf. Iraq broke out of its defensive posture and retook the Faw peninsula, a major defeat for Iran. There were many fewer volunteers, so conscription had to be resorted to. Finally, Iraq increased its use of chemical weapons. After Iraq used chemical weapons on the Kurds in Halabja, the government began to fear that large-scale missile attacks on Iran's larger cities were next, and that remaining popular support for the war would collapse. In the meantime, the U.S. was sponsoring a resolution at the UN that would impose sanctions on whichever party refused to accept it. After Iraq accepted the resolution, Iran was put over a barrel.

Although the Revolutionary Guard wanted to fight on and asked for more resources, the prime minister informed Khomeini and the rest of the government that the country simply couldn't afford it, and Khomeini reluctantly agreed to a cease-fire. He died about a year later, and was succeeded as Supreme Leader by Ayatollah Ali Khamenei.

The Iran-Contra Scandal and the Missed Opportunities During the 1990s

During the 1980s and 1990s, there were few politically-realistic opportunities for less antagonistic U.S.-Iranian relations. One of them seemed to arise late in the Iran-Iraq war, when Iran was desperate for weapons and replacement parts for the U.S.-made weapons the Islamic regime had inherited from the Shah. Israel had sold them some of these parts, but the Iranians needed more. On the American side, some within the Reagan Administration hoped that by providing weapons and parts, the release of hostages in Lebanon could be obtained, and the hand of more moderate elements in the Iranian government could be strengthened. Ray Takeyh summarizes the players and their motives as follows:

The different parties involved in the deal had different motives. Israel was merely sustaining its existing policy of aiding Iran in its war against [Israel's] more immediate enemy, Iraq. Reagan was in a desperate search for release of the hostages and evidently acquiesced to an arrangement that contradicted his own administration's policy of

prohibiting arms to Iran. A few American officials, such as [Robert] McFarlane, seemed to hope that the arms deal would pave the way for a more normal relationship with Iran. However, yet another group of officials involved in the deal, such as . . . Oliver North, were enchanted not so much by the prospect of reconciling with Iran, but by aiding the Contra rebels waging war against the Marxist Nicaraguan government. It was not long before North and his boss, national security adviser John Poindexter, were diverting profits from the arms sales to the rebels in contravention of congressional mandates. Given such differing ambitions and the unsavory nature of so many of the actors involved, it was inevitable that the arms deal would end in scandal.^[34]

Takeyh also doubts that there were any “Iranian moderates” of the kind Bud McFarlane was looking for. There were pragmatists such as Speaker Rafsanjani who wanted to end Iran’s international isolation, but Takeyh observes that “it would be a misreading of the domestic situation to suggest that such pragmatic redefinition of interests constituted ascendance of a moderate faction willing and able to normalize relations with the United States.”^[35]

Whether there were any moderates or not, the fallout from the Iran-Contra scandal discouraged U.S. policymakers from undertaking any new initiatives toward Iran for a long time, and discredited the very idea that there were any Iranian moderates. In Takeyh’s view, that perception caused the Clinton Administration to forego the opportunity for a useful dialogue when the more moderate Muhammad Khatami became the Iranian president in 1997.

U.S.-Iranian Relations Since 2001, and the Odds of A Deal in Connection With Iran’s Nuclear Program

The 50 years of history I have tried to cover is all useful background for understanding the current impasse between Iran and the major world powers over the Iranian nuclear program. Despite the bellicose rhetoric coming from Iran’s current president, Mahmoud Ahmadinejad, there are good reasons for thinking that Iran will not pursue a nuclear weapon in the immediate future, and that even if it does eventually develop one, that weapon will be used as a deterrent, and not for attacking Israel or aiding terrorists.

As we have seen, the Iranian nuclear program began in the early 1970s under the Shah. It received little attention during the 1980s, because all of the Islamic Republic’s resources were devoted to the Iran-Iraq War, and because Khomeini and the other key clerics regarded the indiscriminate nature of nuclear weapons as inconsistent with Islamic teachings about war. It was not until the 1990s, when pragmatic reformers held the upper hand in Iran’s government, that renewed attention began to be paid to the nuclear program.

The U.S. government was aware of this, and sought to prevent Iran from gaining the necessary nuclear technology. In 1995, when Russia had replaced West Germany as Iran’s prime source for nuclear technology, the Clinton Administration succeeded in obtaining an agreement under which Russia essentially agreed not to provide Iran with additional reactors or with fuel-cycle assistance. By 2000, however, when Vladimir Putin was in office, the 1995 agreement had unraveled.^[36]

In the immediate aftermath of the September 11 attack, Iran was quite cooperative with the United States, which reduced concern about their nuclear program. When the Bush Administration decided to intervene in Afghanistan, the Iranian government allowed the U.S. to use its airspace, and to rescue downed U.S. pilots. Iran also made its port facilities available. In December 2001, at a conference held in Bonn, Iran was also instrumental in persuading the long-time leader of the Northern Alliance, Rabbani, to relinquish his claims to power in Afghanistan in favor of Hamid Kharzai, the U.S.'s preferred candidate.^[37] Cooperation between the two governments continued even after Bush's "Axis of Evil" speech in January 2002, and Iran even furnished some assistance to the United States when we invaded Iraq in 2003.^[38]

However, the perception that the Iranian nuclear program had stalled changed dramatically in 2002, when an opposition group revealed that Iran had extensive facilities for uranium enrichment at Natanz, about 200 miles south of Tehran. These facilities contained 160 centrifuges for enriching uranium, with another 1000 under construction. At the same time, it became apparent that Iran had also been developing a plutonium route to nuclear capability, with heavy water facilities in Esfahan and nearly completed plants in Arak. The sophisticated nature of these facilities suggested that Iran was reaching the point of self-reliance, where traditional non-proliferation measures would no longer be successful. This impression was reinforced in April 2006, when the new president, Mahmoud Ahmadinejad, announced that Iran had succeeded in assembling 164 centrifuges and actually enriching uranium.^[39]

Naturally, the Bush Administration was alarmed about these developments, but in 2007 the various U.S. intelligence agencies produced a National Intelligence Estimate stating that, in the agencies' collective judgment, Iran did not have an active nuclear weapons program. That judgment remains in effect.

As we have seen, the opinion of several high officials who served under the Shah was that his nuclear program in the 1970s was designed to enable the construction of a nuclear weapon, at least in the event his regional competitors went in that direction. In both his 2006 and 2009 books, Ray Takeyh makes a very similar judgment about the clerical regime that now governs Iran. Their experience in the Iran-Iraq war, when chemical weapons were used against them while the world turned a blind eye, makes the acquisition of a nuclear weapon a higher priority for them than it was for the Shah, but Takeyh is certain that the weapon is wanted only as a deterrent. Most importantly, he believes there is no intention to actually use the weapon against Israel:

It is often assumed that the hostile relations between Iran and Israel, which possesses nuclear weapons but will not acknowledge that capability publicly, inexorably propel Tehran toward the nuclear option. Indeed, Iran's animus toward the Jewish state has led it to support terrorist organizations and Palestinian rejectionist forces plotting against Israel. However, both Iran and Israel have been careful to regulate their low-intensity conflict and have assiduously avoided direct military confrontation. Ayatollah Khamenei has characterized Iran's controlled rage by stressing that "the Palestine issue is not Iran's Jihad." The alarmist Iranian rhetoric regarding the immediacy of the Israeli threat is more an attempt to mobilize domestic and regional constituencies behind an anti-Israel policy than a genuine reflection of

concern. For the Islamic Republic, Israel may be an ideological affront and a civilizational challenge, but it is not an existential threat mandating the provision of nuclear weapons.^[40]

Takeyh is also certain there is no danger that the Iranians seek a nuclear weapon to aid terrorists. He points out that although the regime has long had chemical weapons, it has never shared them with any terrorist group.^[41] The reason for this, Takeyh argues, is that despite its rhetoric, the clerical regime is a cautious state, that its prime objective is to remain in power, and that the use of nuclear weapons would jeopardize this. For example, with respect to the argument that Iran seeks nuclear weapons to use against Israel, Takeyh says:

The laws of deterrence still hold, and the theocracy comprehends that such a move would ensure its own demise. Iran's rulers should not be caricatured as messianic politicians seeking to implement obscure scriptural dictates for ushering in the end of the world through conflict and disorder. As with most leaders, they are interested in staying in power and will recoil from conduct that jeopardizes their domain.^[42]

Other commentators are less sanguine about the durability of the regime and its intentions. In a recent article in the *New York Review of Books*, Steve Coll argues that any sensible policy has to take account of the fact that "strategic surprise in the Middle East is becoming a commonplace." Thus, "what sort of government Iran will have five years from now, and how that government will see its interests and the costs and benefits of nuclear defiance, can hardly be taken for granted."^[43] Coll argues this is particularly true in light of the so-called Green Movement of 2009, when the savage repression that Supreme Leader Khamenei and President Ahmadinejad unleashed after supporters of Mir Hussein Musavi alleged fraud in the presidential election called into question the stability of the regime, a regime that President Obama had just said he wanted to engage with unconditionally.^[44]

In light of this uncertainty, recent developments are surprisingly encouraging. In March of this year, the Institute for Science and International Security (ISIS) published a report, *Preventing Iran From Getting Nuclear Weapons*, which concluded that while "Iran is already capable of making weapon-grade uranium and a crude nuclear explosive device," nonetheless it is unlikely to "break out" in 2012 to complete a bomb, "in large part because it will remain deterred from doing so and limited in its options for quickly making enough weapon-grade uranium." Instead, ISIS concludes, Iran is engaged in "nuclear hedging," which means it is aggressively creating an option to manufacture a bomb, but with shorter and shorter timelines for breakout, so that outsiders cannot determine whether a decision to complete the project has been made. That sounds very much like the plan that was attributed to the Shah.^[45]

Coll notes that the ISIS report concludes a preemptive bombing campaign is not a realistic option:

The ISIS report also delivers a clear judgment about what preemptive bombing raids on Iran's nuclear facilities could achieve: not much. "Despite the current political dialogue in Israel and the United States about a growing urgency to strike Iran, short

of full-scale war or occupation, most military options are oversold as to their ability to end or even significantly delay Iran's nuclear program," the analysts write.^[46]

Coll concludes that in view of the constraints Iran currently faces in obtaining weapons-grade plutonium, the likelihood it has stockpiled a significant number of centrifuges, and the near-certainty that an ineffective bombing campaign would motivate Iran to launch its own Manhattan Project, "it is misleading and irresponsible to describe preemptive war today as a rational, justifiable option for either Israel or the United States."

While a preemptive bombing strike is unlikely to work, the ever-escalating sanctions of the past few years have proven very effective. A new set of sanctions agreed upon by the so-called "P5+1" – the U.S., Britain, Russia, China, France and Germany -- are scheduled to go into effect on June 28 and July 1, and several observers give them credit for bringing Iran to the bargaining table.^[47]

Negotiators for Iran and the P5+1 met in Istanbul on April 14. Although the Iranians demonstrated more flexibility than many observers had expected, the only hard agreement to come out of the meeting was an agreement to meet again in Baghdad on May 23 to discuss substantive proposals that hopefully "will lead to concrete steps toward a comprehensive negotiated solution which restores international confidence in the exclusively peaceful nature of the Iranian nuclear program."^[48]

However, two leading columnists with sources close to the talks have outlined what they think the deal will be. Both David Ignatius and Fareed Zakaria of the Washington Post have said that the basic deal would consist of an agreement by Iran to stop enriching uranium to the 20% level, which is considered one step short of enrichment to weapons grade. Iran would agree to export the stockpile of 20%-enriched uranium that it already has, and in exchange would receive a full supply of medical isotopes, the justification Iran has previously given for enriching to the 20% level. Zakaria adds that Iran should have to agree to grant the IAEA inspectors unfettered access to its sites until the IAEA is satisfied that any military program has been shut down. In return for this, the sanctions would be relaxed on a step-by-step basis.^[49]

Obviously, at this point no one knows whether the new round of negotiations will succeed, but they clearly seem preferable to military strikes that would drive oil prices to new heights, effectively close the Straits of Hormuz through which much of the world's oil supply passes, and make Iran more likely to take military action against Israel.

Over the longer term, the history we have been considering tonight suggests to me that Iran is unlikely to give up its quest for a nuclear weapon, both because of its deterrent value and the clear strategic advantages it would give Iran in the Persian Gulf. What I think we may see is a struggle something like the Cold War, in which it will take decades to resolve whether Iran or other powers in the Gulf acquire nuclear weapons.

^[1] Robert L. Beisner, *Dean Acheson: A Life in the Cold War* (New York: Oxford University Press, 2006), p. 536. Beisner's full-scale biography of Secretary Acheson is an excellent source on the diplomacy of the second Truman Administration. Hereinafter, it is referred to as "Beisner".

^[2] Beisner at 540-41.

^[3] *Ibid.* at 545-550.

^[4] *Id.* at 551-554.

^[5] *Id.* at 557-560.

^[6] *Id.* at 560-561.

^[7] *Id.* at 563-564.

^[8] Stephen E. Ambrose, *Eisenhower: The President* (New York: Simon & Shuster, Inc., 1984), p. 109. Hereinafter, this book is referred to as "Ambrose".

^[9] Beisner at 566.

^[10] Ambrose at 110-111.

^[11] Ambrose at 111-112.

^[12] *Id.* at 129.

^[13] Eisenhower never acknowledged during his lifetime his role in authorizing the 1953 coup. Although Dulles apparently kept him well-informed of the planning for Operation Ajax during cocktail hours they spent together, Eisenhower was careful never to attend any planning meeting, and he claimed only to have read after-the-fact reports about the coup. In reality, he read Kermit Roosevelt's reports, and secretly awarded Roosevelt the National Security Medal. (Ambrose at 129.)

^[14] Ray Takeyh, *Hidden Iran: Paradox and Power in the Islamic Republic* (New York: Henry Holt & Company, 2007), p 84. Hereinafter, this book is referred to as "Hidden Iran".

^[15] Malise Ruthven, "Divided Iran on the Eve," *The New York Review of Books*, July 2, 2009, p. 54.

^[16] Hidden Iran at 194-195.

^[17] *Id.* at 194.

^[18] *Id.* at 16. It was as a result of his leading role in opposing the capitulation laws that Khomeini was forced into exile, first in Iraq, and then later in France.

^[19] Zbigniew Brzezinski, *Power and Principle: Memoirs of the National Security Adviser 1977-1981* (New York: Farrar Strauss Giroux, 1983), pp. 355, 359-360. Hereinafter, this book is referred to as "Brzezinski".

^[20] *Id.* at 356-357.

^[21] Henry Kissinger, *Years of Upheaval* (Boston: Little, Brown & Company, 1982), pp. 669-670.

^[22] Hidden Iran at 136.

^[23] Brzezinski at 359.

^[24] *Id.* at 358-362.

^[25] *Id.* at 363-370.

^[26] *Id.* at 371-376.

^[27] Hidden Iran at 96-97.

^[28] Brzezinski at 475-476.

^[29] Hidden Iran at 97-98; citation omitted.

^[30] *Id.* at 24-25, 99-100.

^[31] *Id.* at 101.

^[32] *Id.* at 142.

^[33] The Iran-Iraq war is well-summarized in Chapter 4 of Ray Takeyh's other recent book on Iranian foreign policy, *Guardians of the Revolution: Iran and the World in the Age of the Ayatollahs* (New York: Oxford University Press, 2009), pp. 81-107. Hereinafter, this book will be referred to as "Guardians".

^[34] Hidden Iran at 107.

^[35] *Id.*

^[36] *Id.* at 137-138.

^[37] Guardians at 212-213.

^[38] *Id.* at 215-216.

^[39] Hidden Iran at 138-139.

^[40] *Id.* at 141; footnote omitted. For further development of the same argument, see pages 206-207.

^[41] *Id.* at 147.

^[42] Guardians at 257. To the same effect, see Hidden Iran at 147. Late in the Bush Administration, there was concern that Ahmadinejad would favor the use of a nuclear weapon against Israel, in part because of his belief in the return of the so-called "Hidden Imam". According to Shiite traditions, the final Imam disappeared in the year 874, and his return will spell the end of time. When Ahmadinejad was mayor of Tehran, he built a rail line to Jamkaran, a site south of Tehran where many believe the Hidden Imam is supposed to reappear. (Hidden Iran at 231-232.)

As a result of this, some scholars like Bernard Lewis concluded that Ahmadinejad was a millennialist, and that since he and others like him think the time for a "cosmic struggle" between the forces of good and evil is at hand, he will be inclined to use a nuclear weapon. Christopher de Bellaigue, "Defiant Iran," *The New York Review of Books*, November 2, 2006, p. 60. In a 2009 interview, Benjamin Netanyahu expressed the same concern. Malise Ruthven, "Divided Iran on the Eve," *The New York Review of Books*, July 2, 2009, p. 56. Bellaigue believes such alarm is without merit, and Ruthven and Takeyh apparently agree with him.

^[43] Steve Coll, "Will Iran Get That Bomb?" *The New York Review of Books*, May 24, 2012, p. 32.

^[44] *Id.* at 34. Takeyh also views the Green Movement as a turning point, asserting that the "veneer of legitimacy" the government obtained from its democratic procedures and elected institutions – even if they were not supreme – "evaporated" with the repression. Guardians at 271.

^[45] *Id.* at 32, quoting the March ISIS report. According to ISIS, Iran would need seven months in order to obtain enough weapons-grade uranium, and would have to break the monitoring seals that IAEA inspectors have placed on its enrichment sites to get this uranium. Giving such notice of a “final dash to the bomb,” as Coll characterizes it, would clearly invite a preemptive military strike, which might gain wide international support. *Id.* at 33.

^[46] *Id.* at 33.

^[47] James Risen, “Experts Believe Iran Conflict Is Less Likely,” *New York Times*, April 30, 2012, p. A-1; Fareed Zakaria, “The Shape of A Deal With Iran,” *Washington Post*, April 11, 2012.

^[48] Steven Erlanger, “At Nuclear Talks in Turkey, Iran and Six Nations Agree to Meet Again in Iraq,” *New York Times*, April 15, 2012, p. 13, quoting Catherine Ashton, the European Union’s foreign policy chief.

^[49] David Ignatius, “The Stage Is Set for A Deal with Iran,” *Washington Post*, April 17, 2012; Fareed Zakaria, “The Shape of A Deal With Iran,” *Washington Post*, April 11, 2012.