

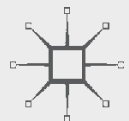
Security, Conflict and Cooperation
in the Contemporary World



US Foreign Policy and the Modernization of Iran

Kennedy, Johnson, Nixon and the Shah

BEN OFFILER



Security, Conflict and Cooperation in the Contemporary World

Edited by Effie G. H. Pedaliu, LSE-Ideas and John W. Young, University of Nottingham

The Palgrave Macmillan series, Security, Conflict and Cooperation in the Contemporary World aims to make a significant contribution to academic and policy debates on cooperation, conflict and security since 1900. It evolved from the series Global Conflict and Security edited by Professor Saki Ruth Dockrill. The current series welcomes proposals that offer innovative historical perspectives, based on archival evidence and promoting an empirical understanding of economic and political cooperation, conflict and security, peace-making, diplomacy, humanitarian intervention, nation-building, intelligence, terrorism, the influence of ideology and religion on international relations, as well as the work of international organisations and non-governmental organisations.

Series editors

Effie G. H. Pedaliu is Fellow at LSE IDEAS, UK. She is the author of *Britain, Italy and the Origins of the Cold War*, (Palgrave Macmillan, 2003) and many articles on the Cold War. She is a member of the peer review college of the Arts and Humanities Research Council.

John W. Young is Professor of International History at the University of Nottingham, UK, and Chair of the British International History Group. His recent publications include *Twentieth Century Diplomacy: A Case Study in British Practice, 1963-76* (2008) and, co-edited with Michael Hopkins and Saul Kelly of *The Washington Embassy: British Ambassadors to the United States, 1939-77* (Palgrave Macmillan, 2009).

Titles include:

Martín Abel González and Nigel J. Ashton
THE GENESIS OF THE FALKLANDS (MALVINAS) CONFLICT
Argentina, Britain and the Failed Negotiations of the 1960s

Christopher Baxter, Michael L. Dockrill and Keith Hamilton.
BRITAIN IN GLOBAL POLITICS VOLUME 1
From Gladstone to Churchill

Pablo Del Hierro Lecea
SPANISH-ITALIAN RELATIONS AND THE INFLUENCE OF THE MAJOR POWERS,
1943-1957

Aaron Donaghy
THE BRITISH GOVERNMENT AND THE FALKLAND ISLANDS 1974-79

Eirini Karamouzi
GREECE, THE EEC AND THE COLD WAR 1974-1979
The Second Enlargement

Rui Lopes
WEST GERMANY AND THE PORTUGUESE DICTATORSHIP
Between Cold War and Colonialism

Malcolm Murfett
SHAPING BRITISH FOREIGN AND DEFENCE POLICY IN THE TWENTIETH
CENTURY
A Tough Ask in Turbulent Times

Ben Offiler
US FOREIGN POLICY AND THE MODERNIZATION OF IRAN
Kennedy, Johnson, Nixon, and the Shah

Simon A. Waldman
ANGLO-AMERICAN DIPLOMACY AND THE PALESTINIAN REFUGEE PROBLEM,
1948-51

John W. Young, Effie G. H. Pedaliu and Michael D. Kandiah
BRITAIN IN GLOBAL POLITICS VOLUME 2
From Churchill to Blair

Security, Conflict and Cooperation in the Contemporary World

Series Standing Order ISBN 978-1-13727284-3 (Hardback)

(outside North America only)

You can receive future titles in this series as they are published by placing a standing order. Please contact your bookseller or, in case of difficulty, write to us at the address below with your name and address, the title of the series and the ISBN quoted above.

Customer Services Department, Macmillan Distribution Ltd, Houndmills,
Basingstoke, Hampshire RG21 6XS, England

US Foreign Policy and the Modernization of Iran

Kennedy, Johnson, Nixon, and the Shah

Ben Offler

University of Nottingham, UK

palgrave
macmillan



© Ben Offiler 2015

Softcover reprint of the hardcover 1st edition 2015 978-1-137-48220-4

All rights reserved. No reproduction, copy or transmission of this publication may be made without written permission.

No portion of this publication may be reproduced, copied or transmitted save with written permission or in accordance with the provisions of the Copyright, Designs and Patents Act 1988, or under the terms of any licence permitting limited copying issued by the Copyright Licensing Agency, Saffron House, 6-10 Kirby Street, London EC1N 8TS.

Any person who does any unauthorized act in relation to this publication may be liable to criminal prosecution and civil claims for damages.

The author has asserted his right to be identified as the author of this work in accordance with the Copyright, Designs and Patents Act 1988.

First published 2015 by
PALGRAVE MACMILLAN

Palgrave Macmillan in the UK is an imprint of Macmillan Publishers Limited, registered in England, company number 785998, of Houndmills, Basingstoke, Hampshire, RG21 6XS.

Palgrave Macmillan in the US is a division of St Martin's Press LLC, 175 Fifth Avenue, New York, NY 10010.

Palgrave is the global academic imprint of the above companies and has companies and representatives throughout the world.

Palgrave® and Macmillan® are registered trademarks in the United States, the United Kingdom, Europe and other countries.

ISBN 978-1-349-57990-7

ISBN 978-1-137-48221-1 (eBook)

DOI 10.1057/9781137482211

This book is printed on paper suitable for recycling and made from fully managed and sustained forest sources. Logging, pulping and manufacturing processes are expected to conform to the environmental regulations of the country of origin.

A catalogue record for this book is available from the British Library.

A catalog record for this book is available from the Library of Congress.

*To my wife, Sammy,
And my parents*

This page intentionally left blank

Contents

<i>Acknowledgements</i>	ix
Introduction	1
1 Modernization Theory and the United States Meets Iran	13
2 The Kennedy Administration, Internal Disputes, and Modernization	26
3 JFK, the “Message Problem,” Modernization, and Missed Opportunities	49
4 Lyndon Johnson, the Shah, and Iranian Opposition	69
5 “Papa Knows Best”: Resisting American Influence	93
6 British Withdrawal, the End of AID, and the Six Day War	115
7 Richard Nixon, the Shah, and Continuity	136
Conclusion	154
<i>Notes</i>	165
<i>Bibliography</i>	206
<i>Index</i>	223

This page intentionally left blank

Acknowledgements

Like most books, this one has been a long time in the making and as such has generated a number of debts along the way. I have had the pleasure of working with some outstanding historians over the years who have been wonderfully supportive, setting a high standard of scholarly rigour and professionalism that I continue to aspire to. Professor Matthew Jones and Dr Bevan Sewell's invaluable advice, challenging critiques, and endless patience have been integral to the shaping of my research. Dr Maria Ryan helped establish the project and has been a fantastic support. Professor John Young and Professor Steven Casey examined my research and provided both incisive critique and invaluable advice. I am extremely appreciative of the fact that they took the time to thoroughly examine the work and for making it such an enjoyable and rewarding experience. Special thanks go to Professor Scott Lucas, who has also given me much welcome advice and encouragement.

I am extremely grateful to the editorial team at Palgrave Macmillan, especially Angharad Bishop, Clare Mence, and Emily Russell, for making the production of this book such a pleasurable experience as well as for their expert advice and patience. Angharad in particular displayed remarkable patience and good humour when responding to my incessant queries. The Arts and Humanities Research Council has generously supported my research, including a three-year maintenance grant and funding for my research trip to the United States. I would like to thank the staff at the John F. Kennedy Presidential Library, Lyndon B. Johnson Presidential Library, the National Archives in College Park, MD, and the British Library at St Pancras and Colindale; their friendly assistance made the research that much easier. The Eccles Centre's Postgraduate Award also allowed me to conduct invaluable research at the British Library.

It goes without saying that I am not above taking advantage of the kindness of my friends; Hannah Durkin, Ian Evans, Ben Farrer, and John Horne were all good enough to read parts of this book, make useful suggestions, and offer constant support, for which I am extremely grateful.

My family has been unwavering in their encouragement and support; I will always be impressed by their ability to do this while feigning interest in the history of US foreign relations. Maria and Paul Finney provided much-needed weekend sustenance over the years, ensuring that

I never needed to learn how to cook a Sunday roast. My brothers Philip and Simon, and my favourite sister-in-law Trish, have all been extraordinarily supportive and unfailingly good-humoured about my preoccupation with my research over the last few years.

This book would not have been possible, both figuratively and literally, were it not for my parents, June and Michael Offiler, who shared with me from a young age a love of history and learning, a gift that I will always cherish. I hope that this book goes some way to showing my appreciation for all their love and support.

Finally, I want to thank my wife, Sammy, for, well, pretty much everything. More than anyone else, Sammy has endured the all-consuming nature of the research and writing process right alongside me, discussing my ideas and making incisive suggestions. She has helped me to overcome so many obstacles and reminded me that there is a world outside Washington and Tehran in the 1960s (who knew?). I shall never be able to repay her support, but I hope that, as we begin a new chapter in our lives together, my absolute and unconditional love for her will be a start.

Introduction

On 11 April 1962, Mohammad Reza Pahlavi, the Shah of Iran, landed in Washington, DC, stepping off his plane to be greeted by the president of the United States, John F. Kennedy. Accompanied by his wife, Empress Farah Pahlavi, it was only the Shah's second official visit since a CIA-orchestrated *coup d'état* had restored him to the Peacock Throne in 1953. Forced by the inclement weather to welcome his royal guest inside an airport hangar, JFK joked, "This is one of our wonderful spring days, for which we are justly celebrated."¹ Turning to the business at hand, the president told the Shah, "On your shoulders hang heavy burdens and heavy responsibilities"; not least due to Iran's strategic location, "surrounded...by vital and powerful people," but also because of his desire "to make a better life for your people."²

As the official visit ended, Kennedy and the Shah declared that it had "strengthened the bonds of friendship between them in their quest for common objectives of peace and well-being."³ The joint statement released by both governments framed the issue of development and modernization as the focal point of the discussions. Both leaders agreed that Iran needed to focus "on the necessity of achieving a high level of internal economic development and social welfare in order to continue the internal stability necessary to resist external threats."⁴ The message complied with the rhetoric used by JFK in his inaugural address, which warned, "If a free society cannot help the many who are poor, it cannot save the few who are rich."⁵ It emphasized the basic assumption that sat at the heart of the modernization theories that have become synonymous with the Kennedy administration, namely that economic development leads to domestic stability, thereby helping to inoculate against communist subversion.⁶

Yet, the visit was not quite as harmonious as the public pronouncements suggest. Bad weather aside, from the outset there were signs that proceedings would not go as smoothly as planned. As the Shah's plane landed, it was met by a protest by the Iranian Students Association; although small in number – and kept out of sight of JFK and the Shah – their support for the ousted prime minister, Mohammad Mosaddeq, signalled burgeoning discontent regarding the Shah's regime and its relationship with the United States.⁷ In the years to come, these

anti-regime protestors would remain a thorn in the side of US–Iranian relations.

Moreover, the topics discussed by Kennedy and the Shah during the actual meetings themselves were not limited to questions of modernization and development. Indeed, in the run-up to the Shah's arrival, Kenneth Hansen, the assistant director of the Bureau of Budget, complained that the administration's preparations were neglecting issues of development and focusing instead on Iran's military needs.⁸ It was, according to Hansen, the question of reform and development that the US should concern itself with as outlined by the Iran Task Force set up by Kennedy in response to the country's post-election crisis the previous year.

Seeking to differentiate itself from its predecessor, the Kennedy administration placed a high premium on the expanded role that foreign aid and economic development had to play in bolstering friendly nations against the threat of Soviet encroachment.⁹ In his final meeting with the Shah, the president stressed that Washington was "pinning great hopes" on Iran's modernization.¹⁰ Kennedy declared that "nothing contributed so much to the Shah's prestige as Iran's economic programme," which the United States was "very interested in cooperating with...as far as our resources would permit."¹¹ The Shah concurred, noting that "he had been working for twenty years at the task of building a strong anti-Communist society through social reform and economic development."¹² However, the Shah's vision of modernity differed significantly from Washington's.

While he accepted the importance of social and economic development, he stated unequivocally that "to succeed on the economic side Iran needs time and security."¹³ Modernization, according to the Shah, would be achieved through Iran's military. Rather than economic development, it was "the existence of revamped armed forces which will give Iran the prestige it has needed."¹⁴ Warming to his theme, the Shah enthused that "with such an army Iran can resist Communist pressures and build the country into a showcase."¹⁵ This fundamental difference in emphasis was to become the defining feature of US–Iranian relations throughout the 1960s and early 1970s. Despite there being some agreement between Washington and Tehran on the desirability of pursuing economic development, the Shah prioritized military modernization to achieve Iran's – and the Pahlavi dynasty's – security above all else. Recognizing Iran's strategic value, the United States made maintaining close ties with the Shah its primary objective.

Moreover, as the years passed, the Shah demonstrated a skill for persuasively presenting his own vision of modernity. Throughout the

1960s, Iran's strategic and geographic position combined with Tehran's capacity to make its own case for Iranian-driven development to render the role of modernization theory in US policy ineffectual and obsolete. The question, then, is why did the United States during this period focus on stability, putting all its eggs in the Shah's basket, rather than on development? Did some US officials favour a military sales relationship in order to keep the Shah happy because they saw him as the key to Iranian security? Or was the Shah able to manipulate Washington into turning away from modernization and accepting his version of modernity, which prioritized a strong military?

This book argues that the contest over modernization during the administrations of Kennedy, Johnson, and Nixon intersected each of these factors. Internal debates created tension between advocates of modernization and traditionalists who preferred to focus on pursuing a close relationship with the Shah in order to maintain Iran's stability, which in turn created an often incoherent approach to Iran. At the same time, the Shah proved himself adept at exploiting American fears of communist subversion and presenting himself – and thus his vision of modernity – as the only viable option for ensuring Iranian security. It is in this intersection of factors that we see how the contest over modernization in US–Iranian relations played out in the 1960s.

It was not, therefore, simply the case that modernization was the driving force of US policy at the beginning of the decade and then disappeared by the 1970s, although its influence did indeed decline. Rather, the example of Iran shows that US policymakers struggled, internally and in their engagement with the Shah, over the question of precisely what role modernization should have. It was this question that remained at the heart of US–Iranian relations throughout the 1960s, creating a remarkably high level of continuity in Washington's policy as successive administrations grappled with the issue of modernization. As the US responded to Iran's strategic importance by placing greater emphasis on stability, and as the Shah skilfully persuaded Washington to view him as the key to US objectives, American policymakers chose to accept the Shah's vision of modernization by backing him through an ever-expanding military sales relationship.

* * *

The historiography on modernization in US foreign relations has expanded rapidly in the years since Nick Cullather urged historians to treat modernization “as a subject instead of a methodology.”¹⁶ In his

excellent assessment of modernization theory's influence on the Kennedy administration, *Modernization as Ideology*, Michael Latham argues that US officials "conceived of it as a means to promote a liberal world in which the development of 'emerging' nations would protect the security of the United States."¹⁷ Modernization theory is considered to have reached its zenith during the Kennedy years when "it enjoyed such popularity that few dissented against its assumptions and predictions, even when clear evidence pointed in other directions."¹⁸ Furthermore, by the 1970s, modernization theory was no longer embraced in the way that it had been by Kennedy.¹⁹ The failure of American development projects in important Cold War battlegrounds, most notably in Vietnam, signaled the demise of modernization as a driving force of US foreign policy. However, this book will show that the influence of modernization theory over US policy towards Iran actually began to decline while Kennedy was still in office. Furthermore, it complicates the claim that modernization was an ideology for the Kennedy administration. While many US officials adhered to the basic tenets of modernization theory as an explanatory model, there was serious internal debate over its validity as a solution to foreign policy problems. Whether or not modernization was an ideology, its influence over US policy towards Iran was ultimately relatively marginal.²⁰

Brad Simpson's analysis of US policy and modernization theory in Indonesia offers a useful parallel with Washington's encounter with Iran in the 1960s.²¹ Simpson demonstrates how the Kennedy administration supported a regime built upon military and educated elites in order to pursue American national interests in the country through modernization. In Iran, however, the support given by the United States to the Shah's military regime was motivated more by the perceived need to ensure friendly relations with the Iranian monarch as the key figure in maintaining Iran's stability rather than a belief in the military as an effective conduit for development. The key difference lies in the fact that successive US governments saw the Shah as the means to stability in Iran; although some attempts were made at pushing the Shah, tentatively, towards reform and development, Washington's reliance on him for achieving its national security goals meant that Iran's modernization reflected the Shah's predilections more than it did the modernization theories of American academics.

By examining US–Iranian relations in this era, we can see that the normal periodizations associated with the Cold War and modernization do not stand up to scrutiny. While this book acknowledges that modernization theory helped form the views of US officials about the

Third World, it argues that, in practice, US policy towards Iran was rarely driven by issues of modernization. A close study of Kennedy's relations with Iran demonstrates that as early as 1961, bureaucratic tensions were rife within Washington over the place of modernization theory in US policy towards Tehran. The National Security Council staff, especially Robert Komer and Harold Saunders, supported by others in Kennedy's inner circle, such as McGeorge Bundy, advocated pressuring the Shah to pursue a wide-ranging development programme. The Iran Task Force, set up by Kennedy early in his administration, suggested that economic development and social reform would help inoculate the Shah's regime against internal instability.

Yet, despite the New Frontier's enthusiasm for development, proponents of modernization encountered strong resistance from the Tehran embassy, which consistently argued that the United States should not push the Shah too hard on issues of development or risk jeopardizing Washington's relationship with him. Bureaucratic disputes over the efficacy of modernization contributed to an incoherent Iran strategy that privileged security issues, primarily through arms sales and a policy of flattering the Shah to keep him on side at the expense of effectively pursuing development. Even while US officials accepted the basic premise of modernization theory, policymakers throughout the 1960s and into the early 1970s prioritized security considerations and sidelined development issues.

Rather than considering the importance of development issues, US policymakers turned their attention to ensuring the Shah, whom they considered the key to Iranian stability, did not become dissatisfied with his relationship with the United States. Washington adopted a policy whereby US officials sought to placate the Shah on a number of serious questions in order to keep US–Iranian relations as amicable as possible. American appraisals of the Shah as being of a nervous and paranoid temperament led successive governments to try and resolve what they termed the “massage problem” through a combination of flattery, appeasement, and direct support.²² Because the Shah was considered central to US interests in Iran, even during the Kennedy administration, the need to resolve the “massage problem” repeatedly superseded questions of reform and development. Modernization's waning influence was further exacerbated by the policies of Lyndon Johnson and Richard Nixon, who both exhibited a remarkable level of continuity by building upon the precedents set by Kennedy.

Indeed, the assertion that “by the close of the 1960s, events at home as well as abroad raised serious questions about the modernization model”

is only true up to a point.²³ First, serious questions had been raised by important policymakers, most notably Ambassador Julius C. Holmes, throughout Kennedy's short time in office, supposedly the high-water mark of modernization. Second, some US officials maintained as late as August 1970 that focusing on Iran's economic development was essential to its stability. Modernization did not simply die at the end of the 1960s; it survived as a concept for understanding the world, and even into the Nixon administration, low- and mid-level officials continued to advocate the pursuit of economic development as the best means of achieving Washington's security goals in Iran.

However, just as Kennedy and then Johnson had done, Nixon prioritized achieving US security interests through arms sales and strengthening ties with the Shah ahead of the pursuit of modernization. The Nixon administration reflected Kennedy- and Johnson-era policies by subordinating the contest over modernization to these other priorities, illustrating that Nixon's presidency represented a continuation in US policy rather than a sharp deviation. While Nixon may have been more willing to ignore modernization than Kennedy or Johnson had been, both of whom were often reluctant to embrace the Shah through other means, his decision in May 1972 to expand the US–Iranian arms relationship by agreeing to sell Tehran any non-nuclear military equipment was ultimately an extension, albeit a dramatic one, of the logic that had driven his predecessors' policies.

The second strand of historiography that this book will help to recast is the question of US–Iranian relations. The ill-fated union between the United States and the last Shah of Iran has often been reduced to accounts of the coup in 1953 that restored Mohammad Reza Pahlavi to the throne and the turmoil of the Iranian Revolution that shocked the West and toppled America's closest ally in the Middle East.²⁴ The CIA-orchestrated *coup d'état* that ousted the democratically elected prime minister Mohammad Mossadeq set in motion the tightening of the US–Iranian relationship, which, at least in popular imagination, led directly to the outpouring of anti-Shah discontent that coalesced into the revolutionary fervour of 1978 and 1979. Such an overly simplistic narrative neglects the important period between these two momentous events, particularly the policies of Kennedy, Johnson, and Nixon.

The era in question requires detailed investigation not just to flesh out our understanding of Iran's trajectory from coup to revolution. As Victor Nemchenok has written, viewing the 1960s only as prelude to the Iranian Revolution at times "obscures more than it illuminates...because it fails to analyse US policy during that time period on its own terms."²⁵

Despite some renewed interest in US–Iranian relations, there remain surprisingly few monograph-length studies of the period between the coup and the revolution. Two of the best remain excellent introductions despite their age, but, having been written over 25 years ago, suffer slightly from their lack of access to important classified documents.²⁶

More recently, historians have begun to turn their attention to the Iran policies of Kennedy, Johnson, and Nixon. While these historians have shed light on the significance of bureaucratic disputes,²⁷ arms sales,²⁸ psychological factors,²⁹ and Washington’s emphasis on stability,³⁰ they have tended to treat their subjects in isolation, focusing on just one president at a time. By examining US policy towards Iran through the Kennedy, Johnson, and Nixon administrations, this book tracks the evolution of the US–Iranian relationship over the years between JFK’s inauguration in 1961 and Nixon’s visit to Tehran in May 1972. Taking a longer view of US–Iranian relations reveals the remarkably high level of continuity evident in American policy. The conventional narrative – of Kennedy as the modernizing reformist, Johnson as the Shah’s friend and supporter, and Nixon as transforming United States policy towards Iran – belies the fact that the policies of these presidents shared a number of key features.³¹

As has already been noted, each administration experienced internal disputes over the extent to which Washington should push Tehran towards reform and development. External factors also played a considerable role in determining US–Iranian relations. As Iran’s income from its vast oil reserves increased as the decade progressed, the Shah’s independence from American advice also grew. Kennedy, Johnson, and Nixon were each forced to face the prospect of an Iranian monarch growing in confidence, determined not only to pursue his own version of modernization but to stamp his own mark on Iranian history. For US officials, the decline in American influence over Tehran engendered a strong urgency to maintain close ties with the Shah to reassure him of Washington’s goodwill at the same time as making concessions on the question of arms sales.

Moreover, the common view that Richard Nixon’s fondness for the Shah ushered in a revolutionary policy towards Iran in May 1972 is a misleading one as it fails to note the continuity in the Iran policies of the Kennedy, Johnson, and Nixon administrations. The changes that occurred between 1961 and 1972 were evolutionary, not revolutionary. Throughout this period, US policy was based on the assumption that the Shah was the best – and for most policymakers, the only – option in Iran. Both Johnson and Nixon adopted and expanded Kennedy’s

policy of placating the Shah. LBJ, responding to Washington's increasing reliance on the Shah that had begun under Kennedy, extended large amounts of military credit to Tehran to fulfill the Shah's desires for a strong military. Nixon's decision to sell Iran any military equipment, excluding nuclear weaponry, was not so much revolutionary as it was an extension of Johnson's arms sales policy.

As Odd Arne Westad argues in his seminal book, *The Global Cold War*, the bipolar conflict was contested, not only in the European "centre," but in all corners of the world. According to Westad, "the most important aspects of the Cold War were neither military nor strategic, nor Europe-centered, but connected to political and social development in the Third World."³² The Third World was simultaneously a site of American, as well as Soviet, intervention and local resistance and revolution. As one of Washington's closest – and comparatively stable – allies in the turbulent Middle East, Iran offers a unique case study of how developing countries were able to negotiate the role and influence of US intervention. Matthew Connelly has shown in his work on the Algerian struggle for independence that throughout the Cold War local actors "could be authors of their own history."³³ Close analysis of US policy towards Iran in the 1960s reveals the impact of Iranian agency in shaping the nature of the relationship between Washington and Tehran. Increasingly, the Shah was independent from the influence of the United States and was, in fact, able to successfully assert his own agenda. Describing the Shah's vision of modernity, Richard Cottam has written that "grandeur was the foremost motive giving direction to his domestic and foreign policies. But it was a grandeur blended of nation, dynasty, and self that was ultimately intensely personal."³⁴ The Shah's determination to push his own model of modernization, which comprised expansive military purchases, grand showpiece development projects, and even limited engagement with the Soviet Union, demonstrated the significance of Iranian – not American – ideas about development in US–Iranian relations.³⁵

The rapid decline in modernization theory's influence over US policy meant that Washington, eager to maintain a close relationship with the Shah, accepted his version of development. Washington's reliance on Tehran for its security goals in the Persian Gulf, further amplified by Britain's decision to withdraw from the region towards the end of the decade, created a situation whereby the Shah was increasingly able to determine the tone of US–Iranian relations. As the 1960s progressed, the United States increasingly found itself adapting itself to the Shah's position on questions of modernization and arms sales.

* * *

In order to have the scope to analyse the evolution of US–Iranian relations between 1961 and 1972, the book is divided into seven chapters. While it adopts a chronological structure, it is also arranged along thematic lines, with each chapter examining a separate aspect or facet of US policy towards, and relations with, Iran.

The first chapter outlines the importance of Iran in Washington’s Cold War strategy and its relationship to the emerging views of modernization that emanated from American universities in the 1950s. Iran’s location on the border of the Soviet Union and its vast oil reserves ensured US officials considered it a vital component in their policies of containment. Questions of development had long been integral to Iran’s political and social history, with the United States playing a minor role until the Eisenhower administration greatly expanded American interest in the country.

The remaining six chapters analyse the policies of Presidents Kennedy, Johnson, and Nixon, forming the core of the book. Chapters 2 and 3 examine John F. Kennedy’s policies towards Iran at a time of great upheaval in the Iranian political scene. Concerned by the country’s instability, the Kennedy administration struggled to reconcile its stated aim of pursuing development in the Third World with its strategic need for a stable Iran. Chapter 2 looks at the internal disputes between the American embassy in Tehran and members of the National Security Council staff over the extent to which the US should pressure the Shah on issues of reform and development. The clash between NSC staff member Robert Komer and ambassador to Iran Julius C. Holmes reflected the conflict between pursuing modernization and emphasizing America’s security interests, which contributed to an incoherent approach towards Iran that ultimately favoured stability over development.

The third chapter details the consensus that evolved inside Washington on the need to maintain close ties with the Shah through the use of a so-called “massage policy.” Ongoing debates about the relative importance of modernization in US policy towards Iran were overshadowed by the administration’s embrace of the Shah through policies designed to flatter his ego and bind him closer to the United States. This chapter examines three case studies – the referendum on the Shah’s White Revolution, a border dispute between Afghanistan and Pakistan, and Tehran’s attempt to join the United Nations Security Council – to demonstrate that Kennedy, despite his personal antipathy regarding the Shah, prioritized closer ties with the Pahlavi regime, neglected development issues,

and missed opportunities for pursuing a modernization-centric course in Iran.

The following three chapters examine the declining influence of modernization in US policy towards Iran, Tehran's increasing independence from Washington, and the shift towards an acceptance of the Shah's vision of modernity during the Johnson administration. Chapter 4 looks at the juxtaposition of the phenomenon of politically active Iranian students living in America and the political fallout resulting from the negotiation of a Status of Forces Agreement (SOFA) in 1964 for American personnel in Iran. Far from being able to assert American control over Tehran, Johnson's inability to silence Iranian opposition voices within the United States forced Washington to placate the Shah on a number of issues, principally regarding the question of arms sales to Iran.

Chapters 5 and 6 analyse how international and regional developments affected US–Iranian relations during the Johnson administration. As Iran's oil income increased in the mid-1960s, so too did the Shah's independence from Washington. With modernization a diminishing force in influencing US policy towards Iran, American policymakers adapted to the Shah's version of development by emphasizing the extension of military credit to Iran as a means of maintaining a close relationship with the Shah. Chapter 5 examines the negative impact of the Vietnam War and the 1965 Indo-Pakistan War on US–Iranian relations. Iran was one of the few Third World countries to support LBJ's war in Vietnam, which gave Tehran leverage over Washington in arms sales negotiations. In contrast, the Indo-Pakistan War strained US–Iranian relations, as the Shah feared that if Iran was ever embroiled in a regional conflict the United States would cut military supplies to him as it had to Pakistan. However, the Shah adeptly exploited both conflicts to extract a \$200 million credit deal from the US in 1966 – the second in just two years.

Chapter 6 assesses the role that the Arab-Israeli war of June 1967 and Britain's decision to withdraw from the Persian Gulf had in propelling the Shah towards a more assertive foreign policy. Although modernization remained an important concept in guiding the thinking of US policymakers, these regional developments compounded the pattern that had evolved throughout the 1960s by ensuring issues of stability superseded questions of development. By maintaining a good relationship with Israel even in the aftermath of the Six-Day War and by positioning himself as the only viable prospect for a regional policeman, the Shah offered to step into the vacuum that Britain's withdrawal would

create. In light of these issues, the balance of the US–Iranian relationship swung firmly in favour of Iran; although the smaller partner, the Shah was increasingly independent from American influence, while Washington relied increasingly on Tehran to pursue its national security goals in the region. The closure of the US Agency for International Aid office in Tehran and the ending of economic assistance signalled the symbolic termination of modernization in US policy towards Iran even while its practical implementation had already been sidelined.

Finally, Chapter 7 looks beyond the Kennedy and Johnson years to the policy adjustments that occurred in the first three years of Richard Nixon’s tenure in the White House. It culminates in Nixon’s visit to Tehran in May 1972, when he lifted all restraints on arms sales to Iran and offered the Shah a “blank cheque” to allow him to purchase any non-nuclear military equipment from the United States. This chapter offers a corrective to the prevailing literature, which portrays the early Nixon era of US–Iranian relations as markedly different to that of his predecessors. It argues that the application of the Nixon Doctrine to Iran was not a “transformation” in US policy at all; in fact, it was merely the logical extension of the policies of Lyndon Johnson, which had, in turn, been built upon those of John F. Kennedy. Rather than an expression of Nixon’s fondness for the Shah, the May 1972 deal was recognition of the diminished influence the United States now had over Iran.

Although Nixon’s visit to Tehran effectively slammed the door shut on modernization’s influence over US policy, its influence had, in fact, been declining since the Kennedy years as policymakers increasingly favoured stability over development. Indeed, it encapsulated the reality that although modernization was no longer a driving force of US policy – if it had ever been – Washington had come to accept the Shah’s own ideas about Iranian development, which centred primarily upon producing an effective military to ensure Iran’s security.

Washington’s intimate relationship with the undemocratic and repressive regime of the Shah of Iran was a prime example of the kind of short-sighted Cold War foreign policy that the United States has long been criticized for.³⁶ By focusing on perennial Cold War concerns regarding Soviet expansionism and maintaining access to oil, successive US governments prioritized national security and Iranian stability over political development and neglected serious humanitarian issues. Such policies saw the Kennedy, Johnson, and Nixon administrations forge closer ties with Tehran, binding Washington’s fortunes to those of the Shah; this evolution of US–Iranian relations came to haunt US policymakers and

the American public when the Pahlavi dynasty was overthrown in an overtly anti-American revolution in 1979. The patterns that would come to dominate US–Iranian relations in the 1960s took shape in the period leading up to Kennedy’s assumption of the presidency, when debates about competing visions of modernity started to become more febrile, and, in the crucible of the Cold War, more strategically vital.

1

Modernization Theory and the United States Meets Iran

In the autumn of 1931, aged just 15 years, a precociously talented student named Walt Whitman Rostow enrolled at the venerable Yale University. The son of Russian Jewish immigrant intellectuals, Rostow was named after the revered American poet Walt Whitman. While he would go on to complete his PhD at Yale, as well as spend a year at Oxford University's Balliol College as a Rhodes Scholar, Rostow later claimed that it was during his undergraduate days that he decided to write a "non-communist manifesto" to compete with that of Karl Marx's socialist *Das Kapital*.¹ The young economist firmly rejected Marx's version of history and turned his attention to formulating an explanatory model of the economic development of society to counter the appeal of Leninist communism.

After writing a number of articles and a co-authored book with another eminent economist, Max Millikan, on the subject of economic and social development, Rostow finally published his *magnum opus* in 1960.² *The Stages of Economic Growth: A Non-Communist Manifesto* provided readers with a simple, easy-to-understand explanation of economic development that, in theory, would be applicable to all societies. Central to Rostow's thesis was his assertion that "[i]t is possible to identify all societies, in their economic dimensions, as lying within one of five categories: the traditional society, the preconditions for take-off, the take-off, the drive to maturity, and the age of high-mass consumption."³ It was Rostow's belief that the United States embodied the final stage, the age of high-mass consumption, itself a rebuttal to Lenin's pejorative description of imperialism as the highest stage of capitalism. Once a society's position on this linear and universalist scale was identified, its development could be accelerated through the use of economic aid and technical assistance.