this to come out of Point IV funds. He said Iranian Government would be glad, despite limited budget, pay expenses these refugees.

12. Mosadeq seemed to be in much better frame of mind when I left him. Nevertheless, from his unusual reserve I inclined believe that he suspicious United States Government or at least United States officials either implicated in effort oust him or sympathetically aware of such effort in advance. His remarks to me were interspersed with number little jibes which, although semi-jocular in character, were, nevertheless, barbed. These jibes in general hinted that United States was conniving with British in effort remove him as Prime Minister. For instance, he remarked at one point national movement was determined remain in power in Iran and it would continue to hold on to last man, even though all its members would be run over by British and American tanks. When I raised my eyebrows at this remark, he laughed heartily.

 Hope special care be taken prevent leaks contents this message.

HENDERSON

No. 348

788.00/8-2053: Telegram

The Ambassador in Iran (Henderson) to the Department of State¹

CONFIDENTIAL NIACT TEHRAN, August 20, 1953—noon. 419. 1. Too early as yet to furnish precise detailed report of events last 36 hours. Nevertheless we shall attempt herein give preliminary outline assessing flow of events in light such knowledge at present available to us.

2. Evening August 18 break appeared to take place between Communist-controlled Tudeh and Mosadeq regime. Apparently Tudeh partisans began demonstrating on streets without having obtained usual appropriate clearance from Mosadeq and engaged in acts violence. Mosadeq ordered streets cleared and cessation of demonstrations. For first time in several months serious fighting took place between security forces and Tudeh.

3. Morning August 19 supporters Shah had arranged pro-Shah demonstration for purpose of showing sentiment continued exist in country for him. This demonstration began in small way in bazaar area but initial small flame found amazingly large amount combustible material and was soon roaring blaze which during course of

¹Transmitted in three sections; repeated to London, Rome, Dhahran, and Baghdad.

day swept through entire city. Security forces sent to put down demonstration refused to resort to violence against crowd some joining demonstrators and others remaining passive. As crowds increased in volume in various parts city they destroyed offices of those newspapers which during recent days had been most scurrilous in their attacks on Shah including most violently pro-government and pro-Communist organs. One of first strategic points seized was Office of Posts and Telegrams which was used in sending messages to stir up whole country. From center city huge crowds commandeered vehicles of all kinds and rushed northward engulfing Tehran Radio Station. Members of Embassy had good opportunity observing character these crowds at this time. They were primarily civilians interspersed with members Security Forces some of whom bore arms. Crowds however appeared to be led and directed by civilians rather than military. Participants not of hoodlum type customarily predominant in recent demonstrations in Tehran. They seemed to come from all classes of people including workers, clerks, shopkeepers, students, et cetera. Crowds seemed to be imbued with strange mixture resolution and gaiety. Holiday mood which seemed to prevail did not prevent execution of grim missions which on at least two occasions resulted in loss life. Defenders radio station failed to put it out commission. By early afternoon it was effective means of maintaining high morale of demonstrators and of transforming their enthusiasm.

4. In early part of day attacks made by demonstrators against House Prime Minister and against General Staff were repulsed with some loss life. Later in day, however, despite resistance defenders Prime Minister's house overrun and gutted. Apparently he had in meantime, escaped and gone into hiding. Shortly before night-fall General Staff offices fell into possession Zahedi Government² and General Batmanqilich assumed his duties as Chief of Staff. Almost simultaneously General Zahedi occupied desk in Prime Minister's office which had not been used by Mosadeq.

5. Considerable concern up to night-fall regarding what attitude commanders of military units in suburbs Tehran might take. Some fear lest under orders General Riahi Mosadeq's Chief of Staff they would descend on city during night and retake it on behalf Mosadeq. Also rumors afloat that Tudeh was preparing "show its hand" after public enthusiasm pro-Shah crowds had worn itself out and they had dispersed. When, however, Batmanqilich assumed duties Chief of Staff it would seem all army units in vicinity Tehran automatically began taking orders from him. It then became possible for orders to be issued clearing streets and proclamation 8 o'clock

²The Zahedi government came to power the previous day, Aug. 19.

curfew. Since 8 p.m. last evening strict law and order has prevailed. Plans to arrest prominent members Tudeh party early this morning seem to have failed as result of inefficiency of police. Tudeh reputed to be gathering for counterattack this morning. Security forces being assembled to thwart this counter move. Outcome this struggle extremely important for security city and future Iran.

6. At this moment no reliable news from provinces. Unconfirmed reports, however, would indicate most of Iran is at present under control of forces new government. According one report some resistance Isfahan. More information this respect will be included in subsequent factual telegrams.

7. Not only members Mosadeq regime but also pro-Shah supporters amazed at latter's comparatively speedy and easy initial victory which was achieved with high degree spontaneity. Among factors believed responsible for this are following:

a. Iranian people of all classes were disgusted at bad taste exhibited by anti-Shah elements supporting Mosadeq. For instance, they were outraged when gangs of hooligans bearing red flags and chanting Commie songs began tearing down statues of Shah and father, breaking into houses and shops for purpose destroying Shah's pictures, etc. They were repelled by vituperative language employed by Foreign Minister Fatemi and by Iranian newspaper editors in attacking Shah.

b. Iranian people of all classes in general also worried by what seemed to be at least temporary alliance between Mosadeq and Tudeh. They were alarmed at seeing thousands of Tudeh demonstrators whom they regard as agents Soviet Union marching openly arm-in-arm through streets denouncing Shah and Western countries particularly US. Tudeh clearly overplayed hand by causing Iranian people believe latter had to choose between Mosadeq and Soviet Union on one hand and Shah and Western world on other.

c. Iranian people had become thoroughly tired of stresses and strains of last two years. They yearned for period of quietness which would give them chance to improve their economic and social status. Many had lost hope of improving their conditions under Mosadeq.

d. Rupture which had taken place between Mosadeq regime and Tudeh on evening August 18 prevented effective cooperation on morning August 19 between these two anti-Shah forces in facing pro-Shah demonstrators. Tudeh was conspicuously absent all day. It possible that Tudeh leaders were sure that during course of day they would be called upon by Mosadeq regime come to its assistance. However, once demonstrations got underway Mosadeq regime not in position ask for such help.

e. Most armed forces and great numbers Iranian civilians inherently loyal to Shah whom they have been taught to believe is symbol of national unity as well as of stability of country. Army in particular extremely friendly US partly as result fear of strong northern neighbor and partly because of appreciation of US military aid during recent years. TCI aid also has made many friends for US among Iranian civilians. Many military persons and civilians had become convinced that Mosadeq's policies prevented close American-Iranian cooperation and that only under Shah's leadership could that cooperation be maintained.

8. As already pointed out crowds although intensely savage at times were generally in holiday mood. No hostility manifested towards foreigners with exception of minor demonstrations in front of Soviet Embassy and reported destruction Soviet Information Bureau. No shouts of "Yankee go home" no Americans stoned. Point Four Tehran Regional Office (not General Office) rear Mosadeq's house at which he had taken temporary refuge during demonstrations February 28 damaged by crowd under mistaken impression he might again be hiding here. So far as can be ascertained no Americans or other foreigners injured yesterday. Crowds insisted all autos turn on headlights as symbol support for Shah and that they display picture Shah. Naval attaché's car stopped by crowds which demanded he display Shah's picture. When he placed on windshield bank note containing Shah's picture crowds applauded and laughed.³

HENDERSON

³The Department, in telegram 606 to Rome, Aug. 20, informed the Embassy that it was authorized to provide the Shah with the substance of telegram 419 from Tehran. (788.00/8-2053) According to telegram 571 from Rome, Aug. 18, the Shah arrived in Rome from Baghdad in the early afternoon of Aug. 18. (788.11/8-1853)

No. 349

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum by the Acting Director of Central Intelligence (Cabell) to the President

SECRET

[WASHINGTON,] undated.

An unexpectedly strong upsurge of popular and military reaction to Prime Minister Mossadeq's Government has resulted, according to late dispatches from Teheran, in the virtual occupation of that city by forces proclaiming their loyalty to the Shah, and to his appointed Prime Minister Zahedi.

Mossadeq and his Chief of Staff Riahi were reported still ensconced in their respective headquarters but cut off from communications which are in control of the royalist forces. The city appeared to be generally under control of royalist forces although some Mossadeq supporters were reportedly still on the streets. The