

## No. 351

788.00/8-2153: Telegram

*The Ambassador in Iran (Henderson) to the Department of State*<sup>1</sup>

SECRET      NIACT

TEHRAN, August 21, 1953—2 p. m.

436. 1. Unfortunately impression becoming rather widespread that in some way or other this Embassy or at least US Government has contributed with funds and technical assistance to overthrow Mosadeq and establish Zahedi Government. Iranians unable believe any important political development can take place in country without foreigners being involved. Intensive propaganda in Tudeh newspapers prior to their disappearance and over Soviet Radio that US Embassy working for Shah and Zahedi against Mosadeq has helped create this impression. Public, therefore, in general, inclined interpret various incidents or remarks as evidence American intervention. For instance, fact member American Embassy staff happened to be living in same compound in which Zahedi understood to have taken refuge has been interpreted to mean that this American was harboring Zahedi even though Iranian landlord who also resides in this compound is also being given the credit for protecting Zahedi. Remarks by associates of Zahedi to effect Iran deeply indebted to Americans for success their efforts also being given deeper meaning than intended. Undoubtedly during struggle between forces Shah and Mosadeq considerable sums were expended by both sides. Iranians living up to their old traditions have tendency credit foreigners with financing side which they supposed to be favoring.

2. For moment at least more praise than criticism heard from those who believe US involved in shift of government. Nevertheless we doing utmost discreetly to remove this impression because (a) it not in US interest over long run to be given credit for internal political developments in Iran even if those developments might be to Iran's advantage; (b) Zahedi's Government will be somewhat handicapped if impression continues that it creature foreigners; (c) Zahedi's Government like all governments of Iran eventually will become unpopular and at that time US might be blamed for its existence. We do not believe, however, that it would serve any good purpose for Embassy to make formal denials.

3. We do not believe it would serve any useful purpose as far as Iran is concerned for Department to deny US intervention unless it receives inquiries of character which would render such denial de-

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<sup>1</sup>Repeated to London.

sirable. It might be useful, however, if spokesman for Department could find suitable occasion stress in factual way spontaneity of movement in Iran in favor of new Government, touching upon some factors which according to reports received from various sources responsible for what has happened. In making these suggestions I realize perhaps charges already made over Soviet Radio are of character which cannot be ignored. Denial these charges would of course give Department one such occasion. We sincerely hope means can be found either through US Government channels or through private American news dissemination channels for American and world publics to understand that victory of Shah was result will Iranian people. Such comments in this respect as are made by Department or private news agencies could be immediately useful here if disseminated by means USIA news bulletin and over VOA.

HENDERSON

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No. 352

S/P-NSC files, lot 61 D 167, "Iran, US Policy Regarding the Present Situation, NSC 117, 136, 136/1"

*Memorandum by the Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Byroade) to the Director of the Policy Planning Staff (Bowie)*<sup>1</sup>

[Extracts]

SECRET

WASHINGTON, August 21, 1953.

Subject: Iran

*Problem*

A. How will the Iranian situation be affected by the recent change of government?

B. What attitude should the United States take toward the Zahedi government?

*Discussion*

A revolution is in progress in Iran. It has deep-rooted origins in the wave of nationalism sweeping Asia. The old pattern of rule has been irrevocably shattered and any leader must shape his program on the basis of nationalist aspirations.

The replacement of Dr. Mosadeq by General Zahedi is not a reversal of this trend. It is still too early accurately to appraise the

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<sup>1</sup>Drafted by Stutesman and approved by Richards.